— 2025

ANNUAL REPORT

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ESEF OBLIGATIONS (EUROPEAN SINGLE ELECTRONIC FORMAT)

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CORPORATE BODIES

The Board of Directors[1]

Chairman	Jiao Jian
Executive Vice Chairman	Marco Tronchetti Provera
Chief Executive Officer	Andrea Casaluci
Director	Chen Aihua
Director	Zhang Haitao
Director	Chen Qian
Independent Director	Alberto Bradanini
Independent Director	Michele Carpinelli
Independent Director	Domenico De Sole
Independent Director	Fan Xiaohua
Independent Director	Marisa Pappalardo
Independent Director	Grace Tang
Independent Director	Roberto Diacetti
Independent Director	Paola Boromei
Independent Director	Giovanni Lo Storto

Secretary of the Board	Alberto Bastanzio

Board of Statutory Auditors[2]

Chairman	Riccardo Foglia Taverna
Statutory Auditor	Maura Campra
Statutory Auditor	Francesca Meneghel
Statutory Auditor	Teresa Naddeo
Statutory Auditor	Riccardo Perotta
Alternate Auditor	Franca Brusco
Alternate Auditor	Roberta Pirola
Alternate Auditor	Enrico Holzmiller

[1] Appointment: July 31, 2023. Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2025.

[2] Appointment: May 28, 2024. Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2026.

Audit, Risk and Corporate Governance Committee

Chairman - Independent Director	Fan Xiaohua
Independent Director	Giovanni Lo Storto
Independent Director	Roberto Diacetti
Independent Director	Michele Carpinelli
Director	Chen Aihua

Committee for Related Party Transactions

Chairman - Independent Director	Marisa Pappalardo
Independent Director	Giovanni Lo Storto
Independent Director	Michele Carpinelli

Nominations and Successions Committee

Chairman	Marco Tronchetti Provera
Independent Director	Domenico De Sole
Director	Chen Aihua
Director	Zhang Haitao

Remuneration Committee

Chairman - Independent Director	Grace Tang
Independent Director	Michele Carpinelli
Independent Director	Paola Boromei
Independent Director	Alberto Bradanini
Director	Chen Aihua

Strategies Committee

Chairman	Marco Tronchetti Provera
Director	Jiao Jian
Director	Andrea Casaluci
Independent Director	Domenico De Sole
Independent Director	Alberto Bradanini
Independent Director	Roberto Diacetti
Director	Chen Qian
Director	Zhang Haitao

Sustainability Committee

Chairman	Marco Tronchetti Provera
Director	Jiao Jian
Director	Andrea Casaluci
Independent Director	Giovanni Lo Storto

Corporate General Manager[3]	Francesco Tanzi
Manager responsible for the preparation of the Corporate Financial Documents[4]	Fabio Bocchio
Independent Auditing Firm[5]	PricewaterhouseCoopers S.p.A.

The Supervisory Board (as provided for by the Organisational Model 231, adopted by the Company), is chaired by Prof. Carlo Secchi.

[3] Appointment: August 3, 2023.

[4] Position confirmed by the Board of Directors' Meeting on August 3, 2023.

[5] Appointment: August 1, 2017, effective from the date of the commencement of trading of Pirelli shares on the stock exchange (October 4, 2017). Expiry: Shareholders' Meeting convened for the approval of the Financial Statements at December 31, 2025.

DIRECTORS'

REPORT

ON OPERATIONS

AT DECEMBER 31, 2025

MACROECONOMIC AND MARKET SCENARIO

ECONOMIC OVERVIEW

During the course of 2025, the global economy grew by +2.9% compared to +2.8% in 2024, despite persisting trade tensions and political uncertainty, particularly following the volatility caused by US tariffs.

Global inflation rate fell to 3.2% in 2025, compared to 4.5% in 2024.

ECONOMIC GROWTH, YEAR-ON-YEAR PERCENTAGE CHANGE IN GDP

	1Q 2025	2Q 2025	3Q 2025	4Q 2025	2025	2024
EU	1.7	1.7	1.7	1.4	1.5	1.1
US	2.0	2.1	2.3	2.0	2.1	2.8
China	5.4	5.2	4.8	4.5	5.0	5.0
Brazil	4.0	2.6	1.8	2.0	2.6	3.0
World	2.9	2.9	2.9	2.8	2.9	2.8

Note: Percentage change compared to the same period of the previous year. Actual data for 4Q 2025 for the European Union, the US, China and Brazil; estimates for the World. Source: National statistics offices and S&P Global Market Intelligence, March 2026.

CONSUMER PRICES, CHANGE IN YEAR-ON-YEAR PERCENTAGES

	1Q 2025	2Q 2025	3Q 2025	4Q 2025	2025	2024
EU	2.7	2.3	2.5	2.4	2.5	2.6
US	2.7	2.4	2.9	2.7	2.7	2.9
China	-0.1	0.0	-0.2	0.6	0.0	0.2
Brazil	5.0	5.4	5.2	4.5	5.0	4.4
World	3.4	3.1	3.1	3.1	3.2	4.5

Source: National statistics offices and S&P Global Market Intelligence for World estimate, March 2026. The fourth quarter and annual figures for the USA are S&P estimates, as the statistical office did not publish the October figures due to the temporary shutdown of the US federal government in October and November.

The European economy recorded growth of +1.5% in 2025, accelerating from +1.1% in 2024. Economic activity was driven during the first part of 2025, by the anticipation of exports ahead of the introduction of US tariffs. In the second half-year, it was domestic demand, in particular spending on services and investments that maintained the pace of growth. Europe benefited from stable inflation (+2.5% in 2025) and falling interest rates, which supported domestic demand and offset the uncertainty of the trade environment. The European Central Bank cut interest rates by 100 basis points in the first half-year, leaving the deposit facility rate unchanged at 2.0% in the second half-year.

The US economy slowed to +2.1% in 2025, compared to +2.8% in 2024, as a result of weaker growth in domestic demand mainly due to private consumption and the temporary shutdown of federal government activities (government shutdown) - between early October and mid-November - which negatively impacted public spending in the fourth quarter. Against a backdrop of trade fluctuations resulting from the introduction of tariffs, the US economy was supported by increased investment in technology products, software, and research and development related to artificial intelligence.

Inflation in the United States stood at 2.7% in 2025, slightly down compared to 2.9% for the previous year. In light of signs of a weakening labour market, the Federal Reserve cut interest rates by 75 basis points in 2025, following rate cuts of 100 basis points in 2024, bringing the benchmark rate into a range of between 3.25% - 3.75% at the end of 2025.

In China, GDP growth stood at +5.0% in 2025, consistent with the growth recorded in the previous year. The greater contribution from exports, supported by a policy of market diversification, together with stimulus measures to support consumer spending and investment, offset the hike in US tariffs which penalised export volumes to the United States. Persistent weakness in domestic demand during 2025, linked to the crisis in the real estate sector, left consumer prices unchanged compared to the previous year.

The Brazilian economy grew by +2.6% in 2025 - having decelerated compared to a growth of more than +3% recorded in the previous three years - due to a slowdown in consumer spending and investments. The elevated rate of inflation in 2025 (+5.0% compared to +4.4% for the previous year) pushed the central bank to raise interest rates by 275 basis points during the first six months of the year, before maintaining them unchanged at 15% until the end of the year.

EXCHANGE RATES

The euro - US dollar exchange rate averaged 1.13 in 2025, an increase of +4% compared to 2024. During the year, the US dollar depreciated progressively against the euro, moving from an average exchange rate of 1.05 in the first quarter, to 1.16 in the fourth quarter (-8% for the US dollar compared to 1.07 in the fourth quarter of 2024).

This trend was driven by three main factors: economic uncertainty fuelled by US trade and fiscal policies, improved growth prospects in Europe, supported by Germany's new infrastructure and defence investment plan, and three interest rate cuts by the Federal Reserve between September and December in response to a weakening US labour market.

Key Exchange Rates

	1Q		2Q		3Q		4Q		Annual average	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
US$ per euro	1.05	1.09	1.13	1.08	1.17	1.10	1.16	1.07	1.13	1.08
Chinese renminbi per US$	7.18	7.10	7.19	7.11	7.13	7.11	7.08	7.16	7.14	7.12
Brazilian real per US$	5.85	4.95	5.67	5.22	5.45	5.54	5.39	5.84	5.59	5.39

Note: Average exchange rates for the period. Source: National central banks.

The introduction of new US tariffs on imports of goods from China led to a slight weakening of the renminbi, compared to the same period in 2024. The average exchange rate for the renminbi stood at 7.14 against the US dollar for 2025, compared with an average of 7.12 for 2024. During the year, the renminbi recovered ground from its 2025 lows, thanks to the agreement reached between the US and China to reduce tariff tensions, together with the fall in interest rates in the United States. In the fourth quarter, the average exchange rate for the renminbi was 7.08 against the US dollar (an appreciation of +1% compared to the same quarter in 2024). Against the euro, the renminbi recorded an average exchange rate of 8.07 in 2025, a depreciation of -4.5% compared to 2024. This gap widened during the second half-year of 2025, due to the appreciation of the euro against the US dollar, bringing the average exchange rate to 8.23 in the fourth quarter (a depreciation of -7% compared to the same quarter of 2024).

During the course of 2025, the Brazilian real recorded an average exchange rate of 5.59 against the US dollar, with a depreciation of -3.5% compared to 2024 and of -7.5% against the euro. During the year - thanks to the wide interest rate differential between Brazil and the United States - the real gradually recovered ground against the US dollar, moving from an average exchange rate of 5.85 in the first quarter to 5.39 in the fourth quarter (an appreciation of +8% against the US dollar and a depreciation of -1% against the euro, compared to the fourth quarter of 2024).

RAW MATERIALS PRICES

During 2025, prices for the main raw materials were affected by geopolitical tensions, the uncertainties linked to growing US protectionism and fears of a slowdown in global demand.

Raw Materials Prices

	1Q			2Q			3Q			4Q			Annual average		
	2025	**2024**	% chg	**2025**	**2024**	% chg	**2025**	**2024**	% chg	**2025**	**2024**	% chg	**2025**	**2024**	% chg
Brent (US$ / barrel)	74.9	81.8	-8%	66.6	85.0	-22%	68.1	78.4	-13%	63.1	74.0	-15%	68.2	79.8	-15%
European natural gas (€ / MWh)	47	28	70%	36	32	12%	33	36	-7%	30	43	-30%	36	35	5%
Butadiene (€ / tonne)	1,022	812	26%	973	978	-1%	852	1,027	-17%	760	1,018	-25%	902	959	-6%
Natural rubber TSR20 (US$ / tonne)	1,973	1,574	25%	1,679	1,684	0%	1,703	1,757	-3%	1,729	1,959	-12%	1,771	1,744	2%

Note: Data are averages for the period. Source: Reuters, ICIS.

In a market context characterised by ample supply, the price of crude oil showed a downward trend throughout the entire year, interrupted by sharp spikes as a result of geopolitical tensions. Crude prices averaged US$ 68.2 per barrel in 2025, a -15% decline compared to US$ 79.8 per barrel recorded in 2024. This decline reflected the high production levels of non-OPEC countries and the decision by OPEC+ to gradually ease (starting in April 2025) its voluntary crude oil production cuts. The downward trend was temporarily interrupted by a spike in volatility in June caused by the Israel-Iran conflict, which pushed prices above US$ 75 per barrel. In the fourth quarter of 2025, however, Brent crude continued the decline, settling at an average price of US$ 63.1 per barrel (US$ 74.0 for the fourth quarter of 2024).

Natural gas prices in Europe in 2025 averaged euro 36 per MWh, an increase of +5% compared to euro 35 per MWh in 2024. Prices, which were buoyed in the first quarter by strong winter demand and by the non-renewal of the gas transit agreement between Ukraine and Russia, subsequently recorded a progressive weakening during the following quarters. During the fourth quarter, prices

averaged euro 30 per MWh, a -30% decline compared to euro 43 per MWh for the fourth quarter of 2024.

The price of butadiene, the main raw material for synthetic rubber production, averaged euro 902 per tonne in 2025, a decrease of -6% compared to 2024. During the year, the price fell gradually due to uncertainty over demand in the automotive sector, the lower cost of butadiene production and the introduction of a new production capacity in China, which exerted downward price pressure in APAC, Europe and the United States. In the fourth quarter, the price of butadiene stood at euro 760 per tonne, a -25% price drop compared to the same period in 2024.

The average price of natural rubber stood at US$ 1,771 per tonne in 2025, a +2% increase compared to the 2024 average of US$ 1,744. Following the price increase recorded between the end of 2024 and the beginning of 2025, the market showed a weakening in the second quarter of 2025, due to uncertainty over the resilience of global demand in the automotive sector, which was penalised by the introduction of US tariffs in April, as well as by the decline in butadiene and oil prices. Prices stabilised during the third quarter and closed the fourth quarter with an average of US$ 1,729 per tonne, a -12% decrease compared to prices recorded during the same quarter in 2024.

TRENDS IN CAR TYRE MARKETS

During 2025, the car tyre market recorded a global level growth in volumes of +0.7%, compared to 2024.

Volume trends in the Original Equipment channel were more sustained than for the Replacement channel:

- +2.0% for the Original Equipment channel, thanks to volume growth in Asia, which offset the decline in demand in Europe and North America;
- +0.3% for the Replacement channel, which was impacted by weak demand in the Car ≤17" segment during the second half of the year, which weighed on the overall performance for 2025.

Demand for Car ≥18" remained strong and recorded a growth of +5.5%, compared to 2024 (+5.7% for Replacement, +5.2% for Original Equipment).

Market demand for Car ≤17" fell during 2025, declining by -0.7%, compared to 2024 (+0.3% for Original Equipment, -1.0% for Replacement).

Trends in Car Tyre Markets

% change year-on-year	1Q 2025	2Q 2025	3Q 2025	4Q 2025	2025
Total Car Tyre Market					
Total	**1.5**	**0.9**	**-0.3**	**1.0**	**0.7**
Original Equipment	0.4	2.1	2.9	2.5	2.0
Replacement	1.9	0.4	-1.3	0.4	0.3
Market ≥ 18"					
Total	**5.3**	**4.9**	**3.6**	**8.4**	**5.5**
Original Equipment	1.8	7.2	5.2	6.3	5.2
Replacement	7.5	3.4	2.5	9.7	5.7
Market ≤ 17"					
Total	**0.3**	**-0.4**	**-1.4**	**-1.3**	**-0.7**
Original Equipment	-0.3	-0.6	1.7	0.6	0.3
Replacement	0.5	-0.3	-2.2	-1.9	-1.0

Source: Pirelli estimates.

SIGNIFICANT EVENTS OF 2025

On **February 7, 2025**, Pirelli announced that it had been confirmed - for the seventh consecutive year - among the global leaders in the fight against climate change, securing a place on the 2024 Climate A list of the CDP, the international non-profit organisation that has collected and analysed the environmental information of more than 24,800 companies. An *"A"* rating in the Climate section, is the highest score attainable and was awarded to Pirelli based on its decarbonisation strategy, the effectiveness of the efforts implemented to reduce emissions and climate risks, the development of a low carbon emissions economy, as well as on the completeness and transparency of the information provided, and the adoption of best practices associated with environmental impacts.

On **February 11, 2025**, Pirelli announced that it had been ranked among the *"Top 1%"* of companies in the 2025 Sustainability Yearbook - the only global tyre manufacturer - and had obtained the highest possible recognition, following the sustainability assessment carried out by S&P Global on approximately 7,700 companies. This result followed the score achieved by Pirelli in S&P Global's Corporate Sustainability Assessment for 2024, where the Company obtained the top score (84 points) in both the Auto Components and Automotive sectors, with its confirmed inclusion in the Dow Jones Sustainability World and Europe Indices.

In **April 2025**, the US administration announced the introduction of tariffs for the Auto & Parts sector, beginning on May 3, 2025, and reciprocal tariffs on various countries, the latter being temporarily suspended.

On **April 28, 2025**, the Board of Directors of Pirelli & C. S.p.A, approved the Financial Statements at December 31, 2024 by a majority vote with 9 out of 15 Directors voting in favour. Chairman Jiao Jian and Directors Chen Aihua, Zhang Haitao, Chen Qian and Fan Xiaohua voted against, while Grace Tang abstained.

The Financial Report, included, on the proposal of Chief Executive Andrea Casaluci, includes a disclosure stating that, following the issuance of the DPCM Golden Power, MPI Italy (and consequently, Sinochem) no longer exercise control over Pirelli pursuant to IFRS 10. At the same time, Pirelli, pursuant to the aforementioned accounting standard, results as not being subject to the control by any entity.

The verification of the existence of control by the Sinochem Group through Marco Polo International Italy (MPI Italy) had been raised by the Board of Statutory Auditors, and by management, following the issuance of the DPCM Golden Power, and the matter was examined in depth with the assistance of audit firms and leading law firms. The decision was also taken in compliance with the CONSOB ruling, which had referred the matter back to the Board of Directors, for an evaluation be carried out pursuant to the International Accounting Standard IFRS 10. The Directors who voted against the Financial Report or abstained from voting, justified their dissent solely on the grounds of the declaration of the termination of Sinochem's control over Pirelli pursuant to IFRS 10, as they did not agree with the related reasoning, also in consideration of the fact that the Shareholders' Agreement between Camfin and the CNRC/MPI Italy remained in force and that therefore, in their opinion, the

CNRC/MPI Italy retained its control over Pirelli pursuant to Article 93 of the Consolidated Law on Finance (TUF).

Management reiterated that the decision regarding the absence of control by the shareholder Sinochem represented an initial, but not definitive, step in the necessary process of aligning the Company's corporate governance with regulatory requirements in the United States, which is a key market for High Value tyres and in the development and deployment of Cyber Tyre technology. Management therefore reaffirmed that it will continue its dialogue with the main Shareholders, in order to align Pirelli's corporate governance with US regulations, particularly those concerning connected vehicles, in the interest of the Company and all its stakeholders.

The 2024 financial year had ended with a consolidated net income of euro 501.1 million, which had grown by +1%, compared to euro 495.9 million for the 2023 financial year, and with revenues having increased by +1.9% to euro 6,773.3 million. The financial year also saw a further improvement in sustainability performance.

The Board of Directors also approved the results of the Parent Company, Pirelli & C. S.p.A., who in 2024 recorded a net income of euro 302.0 million, an increase of +24.3% compared to euro 242.9 million for the 2023 financial year.

Also on **April 28, 2025**, following the publication of Pirelli's press release, Marco Polo International Italy S.r.l. issued a statement containing the following:

"The press release issued by Pirelli's Board of Directors on April 28, 2025 states that Pirelli no longer has a controlling entity pursuant to IFRS 10.

The company Marco Polo International Italy S.r.l. ("MPI") expresses its deep disappointment and strong opposition regarding the assessment of control as expressed by Pirelli.

According to Pirelli's press release, this conclusion is allegedly due to the DPCM Golden Power of June 16, 2023. However, this is an assessment that cannot be concurred with, also in consideration of the fact that the DPCM in question does not include any provision that deprives MPI of control over Pirelli, on the contrary, it presupposes it.

Moreover, MPI continues to hold a significant percentage for the exercise of a dominant influence in the Ordinary Shareholders' Meeting pursuant to Article 2359 paragraph 1, no. 2, of the Italian Civil Code, and therefore to have control over Pirelli & C. S.p.A., despite not exercising, in the implementation of the said Decree, management and coordination activities pursuant to Article 2497 et seq. of the Italian Civil Code, as provided for by the DPCM. Furthermore, a listed company such as Pirelli, should have guaranteed an adequate and complete disclosure also regarding control by MPI, pursuant to Article 93 of the Consolidated Law on Finance (TUF), it being understood that MPI possesses valid grounds to support the continued existence of its control, also pursuant to IFRS 10.

As a responsible Pirelli shareholder, we have always strictly complied with Italian and foreign laws, and we will continue to do so in the spirit of cooperation with all competent authorities, ensuring the natural protection of MPI's interests and always safeguarding Pirelli's development and growth".

Following the above statement by Marco Polo International Italy, Pirelli responded as follows **on the same date**:

"With reference to Marco Polo International Italy's statement, Pirelli rejects its contents and confirms the correctness of the analyses conducted by management and approved by the Board of Directors.

The Company reiterates that, also as a result of the CONSOB ruling, the Board of Directors was called upon to carry out an assessment of the continuation of control pursuant to IFRS 10, as a result of the adoption of the DPCM of June 16, 2023, and to provide evidence thereof in the financial Reports. This assessment and its relative conclusions are detailed in the Directors' Report on Operations accompanying the Financial Statements, which will be made available by April 30.

It should also be noted that the Board of Directors voted in favour of the proposal put forward by management, who in 2024 had achieved the best results in the tyre sector. The DPCM Golden Power has established a framework of overall measures which operate collectively to safeguard the autonomy of Pirelli & C. S.p.A. and its management. This management was not appointed by the shareholder Sinochem, and whose autonomy and continuity serves to protect Pirelli's industrial culture".

On **May 14, 2025**, the Pirelli & C. S.p.A. Board of Directors approved the results at March 31, 2025 by a majority vote, with 9 out of 15 directors voting in favour. Chairman Jiao Jian and the Directors Chen Aihua, Zhang Haitao, Chen Qian, Fan Xiaohua and Grace Tang voted against. The Directors who voted against the quarterly financial Report, justified their dissent solely on the grounds of the declaration - referred to in the section *"Significant Events Subsequent to the End of the Quarter"* of the quarterly financial Report itself - of the termination of Sinochem's control over Pirelli pursuant to IFRS 10, as they did not agree with the related reasoning, also in consideration of the fact that the Shareholders' Agreement between Camfin and the CNRC/MPI Italy remained in force and that therefore, in their opinion, the CNRC/MPI Italy retained its control over Pirelli pursuant to Article 93 of the Consolidated Law on Finance (TUF). **On the same date**, the management announced the end of negotiations with the Company's main shareholders, aimed at resolving the issues related to market development in the United States, which at present, had not reached a positive outcome. The proposals made by Pirelli to Sinochem were in fact rejected. At the same time - during the negotiations - the Directors representing Sinochem, informed Pirelli's Board of Directors, that they had submitted a proposal to the offices of the Golden Power. This proposal was not shared with Pirelli. Despite the difficult economic and geopolitical environment, the first quarter results confirmed Pirelli's excellent performance from a financial results perspective. The positive reception of the Cyber Tyre hardware and software system by Italian, British, American, and Chinese customers demonstrated that Pirelli's strategy and technological development were progressing in the right direction. The launch of the fifth generation of the Pirelli P Zero product was also a testament to the Company's technological leadership. In China, the Company has become a leader in the high-end Electric segment. On the strength of these achievements, management remained confident that with the support of its long-standing shareholders and the market, Pirelli's interests would be fully safeguarded with due regard for all stakeholders. Pirelli therefore remained open to exploring solutions that would enable it to achieve full compliance with the regulations, including those of the United States market, and it would continue to take all actions within its power to protect the

Company's development in a strategic market such as that of the United States. It should be noted that the press release was also approved by a majority, with 9 out of 15 Directors voting in favour. Chairman Jiao Jian and the Directors Chen Aihua, Zhang Haitao and Chen Qian voted against. Directors Fan Xiaohua and Grace Tang abstained.

On **May 15, 2025**, following the publication of Pirelli's press release, Marco Polo International Italy S.r.l. issued a statement containing the following:

"With reference to the press release issued on May 14, 2025 by Pirelli's Board of Directors, which referred to our rejection of the proposals put forward by Pirelli without, however, providing any explanation for our refusal, we consider it necessary to offer certain clarifications. The potential transaction proposed by Pirelli and the related discussions are subject to confidentiality obligations. Nevertheless, Pirelli chose to publicly comment on the matter. Marco Polo International Italy S.r.l. ("MPI") could only state that, as already communicated by Pirelli, the proposal has been rejected by us, because it is potentially detrimental to Pirelli and, on the whole, grossly unfair and unbalanced towards all of Pirelli's shareholders (including MPI) with the exception of Camfin. We have also taken note of the subsequent unilateral statement issued by Camfin. We firmly reject the unfounded allegations contained therein and express our concern regarding the real objectives pursued by Camfin and the potential conflicts of interest involving individuals holding dual key roles in both Pirelli and Camfin. We reiterate our strong support for Pirelli's sustainable and long-term development and confirm our willingness to cooperate with shareholders, Pirelli's management and the competent authorities, in order to consistently support the Company's growth and development."

Following the above statement by Marco Polo International Italy, Pirelli responded as follows **on the same date**:

"With regard to the further statement issued today by Marco Polo International Italy, Pirelli's management would like to clarify that the proposals submitted to Sinochem with a view to overcoming regulatory issues in the United States, were exclusively and evidently - contrary to what was asserted- in the interest of the Company and with respect for the interests of all shareholders. The alleged support for Pirelli referred to by Marco Polo did not materialise in any alternative proposal submitted to management, but in a proposal sent exclusively to the Golden Power offices, which Marco Polo decided not to share, despite Pirelli's request to Marco Polo. The excellent results achieved by Pirelli in recent years, thanks to the strategies implemented by its management, have enabled it to create value for the benefit of all shareholders, including Sinochem itself. Pirelli remains open to exploring solutions that would enable full compliance with the regulations, including those of the United States market and will continue to take all actions within its power to safeguard the Company's development in a strategic market such as that of the United States."

On **June 12, 2025**, the Pirelli Shareholders' Meeting - which was attended by approximately 86.27% of the share capital entitled to vote - approved the Financial Statements for the 2024 financial year, which closed with a net income for the Parent Company of euro 302 million and a consolidated net income of euro 501.1 million, with approximately 57.07% of the share capital voting in favour, and 42.90% of the share capital voting against, which corresponded to 37.015% of the share capital held by MPI Italy, a shareholder controlled by Sinochem.

The Shareholders' Meeting also unanimously approved the distribution of a dividend of euro 0.25 per ordinary share, amounting to a total dividend pay-out of euro 250 million gross of withholding taxes. The dividend was placed in payment on June 25, 2025.

The Shareholders' Meeting also approved the remuneration policy for 2025, with approximately 80.09% of the share capital present. Lastly, the Meeting expressed a favourable opinion on the Report on remunerations paid in the 2024 financial year, with approximately 78.67% of the share capital present. The Shareholders' Meeting also approved the adoption of the 2025-2027 three-year monetary incentive plan (LTI Plan), for the management sector of the Pirelli Group, with approximately 79.97% of the share capital present.

On **the same date**, following the publication of Pirelli's press release, Marco Polo International Italy S.r.l. issued a statement containing the following:

"With regard to the vote cast today at the Pirelli Shareholders' Meeting, held behind closed doors pursuant to Article 135-undecies of the Consolidated Law on Finance (TUF), MPI wishes to reiterate that its vote against the approval of the 2024 Financial Statements, was solely due to the disclosure regarding control. MPI has no objections regarding the data contained in the 2024 Financial Statements".

On **June 18, 2025**, the closing was completed for the long-term strategic partnership signed on April 23, 2025 between Pirelli and Circular Tire Services Europe Holding AB ("CTS"), an independent operator specialising in retail and services in the tyre industry, active in Northern Europe, which enables Pirelli to strengthen its commercial presence and its High Value strategy in the region. The transaction involved CTS acquiring Däckia AB (comprising a network of 60 directly owned points of sale and 42 affiliated outlets operating across Sweden), from Pirelli for a consideration of approximately SEK 260 million (approximately euro 23 million). At the same time as the signing of this agreement, an agreement came into effect between Pirelli and Däckia AB for the supply of tyres until 2030, which will guarantee the distribution of Pirelli products and confirm its role as main supplier. The alliance enables Pirelli to rely on an even more structured distribution system with an expected increase in market coverage, and on the retail expertise that distinguishes CTS in the region.

On **June 23, 2025**, with reference to the non-interest-bearing senior unsecured guaranteed equity-linked bond loan, maturing on December 22, 2025, Pirelli announced that - following the resolution of the Shareholders' Meeting of June 12, 2025 to distribute a dividend of euro 0.25 per ordinary share - the conversion price of the bonds had changed from euro 5.9522 to euro 5.8493 in accordance with **the terms and conditions of the bond issue** itself, effective as of June 23, 2025.

On **July 27, 2025**, the United States and the European Union signed an agreement, which was subsequently ratified, for the renegotiation of the tariffs announced in **April**, (for further information reference should be made to the relative event described previously).

On **July 31, 2025**, the Board of Directors of Pirelli & C. S.p.A, approved the results at June 30, 2025 by a majority vote with 9 out of 15 Directors voting in favour. Chairman Jiao Jian and the Directors

Chen Aihua, Zhang Haitao, Chen Qian and Fan Xiaohua voted against, while Grace Tang abstained. The Directors who voted against the Half-Year Financial Report justified their dissent solely on the grounds of the declaration - referred to in the section on *"Significant Events of the Half-Year"* in the Report itself - of the termination of Sinochem's control over Pirelli, which was consistent with the actions taken at the time of approval of the 2024 Financial Statements.

On **September 11, 2025**, Pirelli and Aston Martin announced that they had signed a collaboration agreement, to integrate Pirelli's exclusive Cyber™ Tyre technology into the future models of the British luxury sports car brand. The Cyber™ Tyre is the world's first system that is capable of collecting data and information from sensors directly positioned directly inside the tyres, then processing them using Pirelli's proprietary software and algorithms, and communicating in real time with the vehicle's electronics, generating new functionalities that are integrated into the driving and control systems. Thanks to the collaboration with Bosch Engineering, the Cyber™ Tyre will be fully integrated into the electronic architecture that governs the vehicle's dynamics in future Aston Martin models.

On **September 25, 2025**, the United States and the European Union ratified the agreement which had originally been signed on **July 27, 2025**, with retroactive effect from **August 1**, for the renegotiation of the tariffs announced in **April**, (for further information reference should be made to the relative event described previously). At the date of approval of the Interim Financial Report at September 30, 2025, Pirelli is therefore subject to the following tariffs: 15% on imports of Car tyres from the European Union from August 1 (replacing the pre-existing tariffs and the additional tariffs of 25% applied from May 3 to July 31); an additional 10% applied to pre-existing tariffs on imports of Car tyres from the UK; an additional 25% applied to pre-existing tariffs on imports of Car tyres from Brazil from May 3; no tariffs on imports from Mexico as Pirelli is a *"USMCA compliant"* manufacturer; and universal and reciprocal tariffs on imports of motorcycle and cycling tyres from all countries of varying percentages, depending on the source.

On **September 29, 2025**, Pirelli announced that on September 28, 2025, Marco Polo International Italy S.r.l. ("MPI"), acting also on behalf of the China National Tyre and Rubber Corporation, Ltd. ("CNRC"), had sent Pirelli a copy of the Decree dated September 26, 2025, that had been communicated to the CNRC, by which the Presidency of the Council of Ministers had decided to close the administrative proceedings initiated on October 31, 2024, to ascertain any potential breach by the CNRC of the prescriptions set out in the Decree of the Presidency of the Council of Ministers of June 16, 2023 (the "Decree") through which special powers were exercised by imposing specific prescriptions, pursuant to Article 2 of Decree Law No. 21 of March 15, 2012 (the "DPCM Golden Power"). Specifically, the administrative proceedings concerned the facts and conduct occurring in the period between the date of issuance of the Decree (June 16, 2023) and the date of initiation of the sanctioning proceedings (October 31, 2024), and concluded with the case being dismissed, as the Presidency of the Council of Ministers determined that the alleged liability of the CNRC, regarding the requirement to ensure the absence of organisational-functional links between Pirelli on the one hand, and the CNRC on the other, was not substantiated by the evidence gathered, as the conduct of the non-independent Directors appointed by the CNRC during the period under review, did not result in acts or decisions capable of prejudicing Pirelli's management autonomy.

On the same date, the Presidency of the Council of Ministers, issued the following statement: *"The Government notified the China National Tire and Rubber Corporation (CNRC) on September 26, 2025, of the Decree closing the administrative proceedings relating to the facts and the conduct that occurred in the period between the date of issuance of the Decree (June 16, 2023) and the date of the commencement of the sanctioning proceedings (October 31, 2024), as it did not consider that the facts and conduct had caused any prejudice to Pirelli's managerial autonomy. The Government is maintaining a constant and constructive dialogue with the Company and its shareholders, aimed at adapting its instruments, within an appropriate time frame, to the new regulatory requirements of its relevant markets, and at ensuring its full competitiveness in all areas in which it operates".*

On **November 6, 2025**, the Pirelli & C. S.p.A. Board of Directors approved the results at September 30, 2025 by a majority vote, with 9 out of the 14 Directors present voting in favour. The Directors Chen Aihua, Zhang Haitao, Chen Qian and Fan Xiaohua voted against, while Grace Tang abstained. The Directors who voted against the Interim Financial Report, based their dissent solely on the grounds of the declaration - referred to in the *"Significant Events"* section in the Report itself - of the termination of Sinochem's control over Pirelli, which was consistent with the actions taken at the time of approval of the 2024 Financial Statements.

On **November 7, 2025**, Pirelli announced that it had received notice of the non-renewal of the agreement containing the Shareholder's arrangements relating to Pirelli, originally signed on February 28, 2023 between Camfin S.p.A., Marco Tronchetti Provera & C. S.p.A., Nuova FourB S.r.l. ("NFB"), Brembo N.V. (formerly Brembo S.p.A.) ("Brembo") and Next Investment ("NI" and, together with NFB and Brembo, the "Party B"). Following the notification by Party B of its intention not to renew the Shareholder Agreement, the agreement will terminate and cease to be effective as of February 28, 2026.

On **December 18, 2025**, Pirelli announced that, in relation to the convertible bond loan, the *"EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025"* maturing on December 22, 2025, conversion rights into Company shares had been exercised for a nominal value of euro 496.5 million, equal to 99.3% of the total value of euro 500 million.

To service the conversion, which took place at euro 5.8493 per share (including the share premium), the Company issued 84,881,933 new shares, as previously approved by the Company's Shareholders' Meeting held on March 24, 2021. As a result of the conversion, the share capital increased from euro 1,904,374,935.66 to euro 2,065,650,608.36 and the number of shares comprising the share capital of Pirelli & C. S.p.A increased from 1,000,000,000 to 1,084,881,933 shares.

Following the change in the number of shares in the Company, and with reference to shareholders holding significant stakes pursuant to Article 120 of the Italian Consolidated Law on Finance (TUF), based on the information currently available, the Sinochem Group (through Marco Polo International Italy) holds a total of approximately 34.1% of Pirelli's share capital, representing a dilution of 2.9 percentage points compared to the previous the previous figure of approximately of 37%, MTP S.p.A., (through Camfin, Camfin Alternative Assets and Longmarch Holding) holds approximately 25.3% of the share capital, with a dilution of 2.1 percentage points compared to the previous the

previous figure of approximately 27.4%, while Pirelli's post-conversion free float stands at approximately 40.6% of the share capital, an increase of approximately 5 percentage points.

The remaining unconverted bonds, totalling a nominal value of euro 3.5 million, were redeemed on December 22, 2025.

During the course of 2025, the Pirelli Cyber™ Tyre technology - the world's first hardware and software system capable of collecting data from sensors within the tyres and processing it through proprietary algorithms, while communicating in real time with the vehicle's electronics - received four international awards. In the United States it was recognised as the most innovative technology in the tyre sector at the AutoTech Breakthrough Awards; in France, at the eighth edition of the Automobile Awards, it was awarded first prize in the Safety category; from the independent AutoBest jury, representing 32 European countries, it received the *"SafetyBest Award",* and lastly, the United States market analysis company Frost & Sullivan named Pirelli *"Company of the Year"* in recognition of the innovative scope of Cyber™ Tyre, a technology that *"demonstrates how digital systems are capable of redefining even traditional automotive components."*

GROUP PERFORMANCE AND RESULTS

In this document, in addition to the financial measures provided for by the International Financial Reporting Standards (IFRS), alternative performance indicators derived from the IFRS were used, to allow for a better assessment of the Group's operating and financial performance.

Reference should be made to the section *"Alternative Performance Indicators"* for a more analytical description of these indicators.

* * *

Pirelli closed 2025 with results showing growth compared to the previous financial year and consistent with the targets communicated to the financial market, despite a complex external environment which was marked by geopolitical and trade tensions and by significant exchange rate volatility. This performance confirms the solidity of the business model and the effective implementation of strategic initiatives.

On the **Commercial** front:

- the leadership positioning in **High Value** was further reinforced. During the course of 2025, Pirelli recorded volume growth of +7% for Car ≥18", outperforming the market (+6%). This gain in market share concerned both the Replacement channel, (+7% for Pirelli, +6% for the market), supported by results which demonstrated growth in all the geographical regions, and the Original Equipment channel (+7% for Pirelli, +5% for the market), thanks to the strengthened partnerships with the leading car manufacturers in North America and APAC;

- the continued reduction in exposure to **Standard** (-11% for Pirelli Car ≤17" volumes, -1% for the market), consistent with the Group's strategy of greater selectivity, particularly in South America, where Pirelli has revised its commercial policy to focus on the more profitable products and channels.

For Pirelli, this overall performance translated into stable Car volumes year-on-year, against a global market that grew slightly (+1%).

On the **Innovation** front:

- approximately 323 new homologations were obtained with the leading Prestige and Premium automakers. Overall, the portfolio of all homologations held by Pirelli in the Premium and Prestige segments is approximately three times that of the average of its competitors, and is concentrated mainly in **≥19" rim diameters** and **Specialties**;

- the product range in the various business segments was expanded. For Car, the offering was strengthened with the launch of **nine products** (the fifth global edition of the P Zero, the industry's benchmark UHP tyre, developed with the support of artificial intelligence and virtualisation techniques; the new generation of the Cinturato - a summer tyre dedicated to the European market; the Cinturato Winter 3 and Scorpion All Season SF3 for Europe; the ICE Friction and Scorpion XTM All Terrain for North America; the Cinturato P6 and Cinturato P9 All Season for the APAC market; and the Carrier for South America), **two for Motorcycles** (the Diablo Powercruiser and the Scorpion MX32 Mid Soft, which are available in all regions), and **four for Cycling** (the Cinturato EVO and P Zero Race for the road segment; the Scorpion XC M and Scorpion XC RC for the mountain bike segment);

- during the course of 2025, the client portfolio for the Cyber Tyre technology was expanded - and will be integrated by Aston Martin, amongst others, into its future models starting from 2027 - while other agreements, also with Premium car manufacturers, are being finalised. The technological innovation of the Cyber Tyre - which, thanks to the strategic partnership with Bosch GmbH, saw the development of new software-based solutions and new driving functionalities related to the sensors installed in the tyres and Pirelli's proprietary software - was recognised several times during the year at international level, including with the following awards:

    - the **Vehicle-to-Everything (V2X) Innovation of the Year** award by AutoTech. This recognition strengthens the positioning of the Cyber Tyre within the new mobility sector. It is a key technology for Software-Defined Vehicles, capable of providing the vehicle with advanced information on the state of the tyre and road conditions, thereby improving safety, performance and efficiency;

    - the **Company of the Year award** - awarded to Pirelli by Frost & Sullivan for the innovative impact of the Cyber Tyre, which demonstrates how digital systems can redefine even traditional components of the automotive industry;

    - the **Safety Best Award** from AutoBest, for the pioneering development of an innovation (the Cyber™ Tyre) of extraordinary relevance for automotive safety;

    - and lastly, First place in the **Safety** category at the **Automobile Awards**, in recognition of its advanced capability to signal risks, thereby making driving safer and more intelligent.

For the **Operations Programme**:

- gross efficiencies of euro 158 million were achieved, exceeding the target of euro 150 million. These results were supported in particular, by progress in the following programmes:

    - for product cost, through the adoption of *"eco-safety design"* and technological innovations for tyre design (e.g., virtualisation);

    - in manufacturing, where Pirelli continued its transformation process in support of industrial productivity through the connection of machinery and the acceleration of I-IoT

programmes, the progressive introduction of AI, and an ever increasing emphasis on automation and electrification.

During the course of 2025, **Pirelli further improved its sustainability**[6] **performance** across the value chain.

The **Decarbonisation Plan** continued in line with the roadmap envisaged for achieving the **Net Zero by 2040 target, the most challenging among tyre manufacturers on a global level**, which has been **validated by SBTi** in accordance with the Paris Agreement to keep global warming **below 1.5°C.**

In 2025, the Group's absolute Scope 1+2[7] **CO_2 emissions decreased by -14.5% compared with 2024 and by -63.3% compared with 2018** (in line with the SBTi near-term target of **-80% by 2030 compared with 2018**). **Absolute CO_2 emissions from the supply chain** - namely **Scope 3**[7] **- in 2025 decreased by -27.5% compared with 2018** (in line with the near-term target validated by SBTi of **-30% by 2030 compared with 2018**). Furthermore, at global level, in 2025 **100%** of the electrical energy purchased from the grid was **certified as renewable** (compared with 96% in 2024), thus **achieving** the 2025 **target.**

The roadmap for **Product side sustainability** continued[6]. To support the reduction of emissions in the use-phase (namely the energy efficiency of customers' vehicles), **39.5% of tyres** (compared to 34.5% in 2024) placed on the market **at Group level** in 2025, **were compliant with the highest classes (A or B)** in European labelling, in terms of in terms of **rolling resistance and wet braking safety, and exceeded the target of 35% by 2025.**

The following also continued, under rapid progression:

- **the supply of consumer products with a high percentage of materials of natural and recycled origin, already introduced to the market** (and therefore no longer in the prototypical or demonstration phase). In 2025, supplies of the Pirelli P-ZERO 22" Summer NCS to Jaguar Land Rover (JLR) began - **a tyre made with over 70% natural origin** and recycled[8], **materials**, including **ISCC+**[9] certified *"bio-based & circular"* materials which have

[6] *It should be noted that the performance and targets relative to Pirelli's products refer to consumer tyres and therefore, where relevant, should be compared exclusively with targets relative to consumer tyres and not to other categories of tyres or consolidations of production segments.*

[7] *Scope 1: Direct greenhouse gas emissions from the direct combustion of fossil fuels by the organisation within its confines.*
Scope 2: Indirect greenhouse gas emissions from the use of electricity, heat and steam imported and consumed by the organisation within its confines.
Scope 3: Indirect emissions related to the upstream and downstream activities of the Company's operations, calculated according to the GHG Protocol and compliant with SBTi requirements.

[8] *IP code 35837 285/45R22 XL LR NCS 114 Y P-ZERO Summer NCS - Thanks to a combination of physical segregation and the mass balance approach, the bio-based and recycled content is at least 31.7% and 38.3%, respectively. Bio-based materials include natural rubber and textile and bio-chemical reinforcements, while the recycled materials include silica obtained from rice husks, reclaimed rubber, recycled steel, and - via mass balance - synthetic rubber, carbon black, and silica.*

[9] *ISCC: International Sustainability & Carbon Certification*

been verified by a third party in accordance with the **ISO 14021** standard, as well as FSC™ (Forest Stewardship Council™)[10] certified natural rubber. In 2025, the percentage of materials of natural and recycled origin grew to **26.9%** of total production (+3.2 percentage points compared with 2024);

- **the improvement in the wear rate of new products compared to preceding products**, which in 2025 was confirmed **to be above 24.2%.**

The **sourcing of FSC™ certified natural rubber** is increasing in line with targets and, as planned, will account for 100% of consumption at Pirelli factories in Europe by 2026. The **FSC™** certification, carried out by a third-party, attests to the compliance with strict socio-environmental legal standards across the entire supply chain, thereby materially substantiating and strengthening the Company's self-declared compliance with the requirements set out by the EUDR - the European Union Deforestation Regulation.

In the area of **Biodiversity, the 2025 target of 100%** of Pirelli's industrial sites and test tracks having a Biodiversity Action Plan in place **was achieved**. The Plans are based on the **TNFD LEAP framework (Locate, Evaluate, Assess, Prepare)** which focuses on the mitigation and removal of impacts, taking into account the five main factors of biodiversity loss and ecosystem degradation identified **by IPBES**[11]. In 2025, the integration of biodiversity impacts into the **Life Cycle Assessment (LCA)** also continued across 100% of the new product lines.

The **reduction in the specific water withdrawal** has been significant. At **Group level, -5.9%** was recorded **in 2025 compared to 2024**, and **-54.3% in comparison to 2015** (the base year for the Group's target), while in the **high-water stress areas**, **-4.1%** was recorded **compared to 2024**, and **-43.1% in comparison to 2015** (the base year for the target for high water stress areas).

In 2025, Pirelli also confirmed its commitment to **engaging and developing its people,** whose passion and expertise underpin the Group's results. The **engagement rate was 83%** (Global Sustainable Engagement Index), exceeding the target of maintaining this rate at **≥80%** at all times. The attention paid to protecting **Health and Safety**, also led to a further reduction in the **injury frequency rate, which fell by -14%** compared with 2024, to **stand at 1.21**.

The strength of Pirelli's sustainable performance in 2025 was also recognised by the **main sustainable finance indices**, confirming its substantial sector leadership at a global level. Following the annual review of the **Dow Jones Sustainability** Indices by S&P Global, the Company achieved the **Top Score in the Auto Components and Automotive sectors at global level.** Pirelli was also confirmed as a Leader in combating climate change, being included in the **CDP *"Climate A List"***, as well as registering the **Top Score in the Tyre industry** and **Negligible Risk** in the **Sustainalytics**

[10] *FSC™ is an international, independent, non-profit, non-governmental organisation established in 1993 to promote responsible forest management. Licence number: FSC™ N003618. Natural rubber accounts for approximately 25% of the tyre's total weight (IP code 35837, P Zero (LR) PNCS, size 285/45 R22).*

[11] *Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)*

assessment, the **Top Score in Auto Components** and **Prime Status** in the **ISS ESG** assessment, as well as the **Platinum** rating from **Ecovadis.**

Pirelli's results for the 2025 were characterised by:

- **Net sales** amounting to euro **6,776.2** million, which were essentially stable compared with 2024 (euro 6,773.3 million), and consistent with the upper end of the guidance range communicated to the market (approximately euro 6.7 to 6.8 billion). Organic growth (+4.2%), which was supported by a slight increase in volumes (+0.4%) and the positive price/mix trend (+3.8%), offset the negative impact of the exchange rate effect (-3.8%) and the change in the scope of consolidation (a -0.4% impact on revenues) following the sale of Däckia AB;

- **EBIT adjusted** which stood at euro **1,081.4** million, an improvement compared with the result for 2024 (euro 1,060.5 million), thanks to a strong commercial performance and to structural efficiencies, which more than offset the significant negative impact of external factors, quantifiable at approximately euro 320 million and included exchange rate depreciation, the increased costs of production factors and the US tariffs in force since May 3. Profitability stood at 16.0%, in line with the guidance (~16.0%) and improved compared to the 15.7% recorded for 2024;

- **net income/(loss)** which amounted to an income of euro **530.7** million, a growth of +5.9% compared to 2024 (euro 501.1 million), thanks to operational growth, a higher contribution from equity investments and lower financial expenses;

- **Net Financial Position** which at December 31, 2025 showed a debt of euro 1,102.0 million, represented a significant improvement compared to the guidance of euro 1.6 billion, thanks to cash generation before dividends of euro 1,073.8 million (including euro 496.5 million related to the conversion of the bond);

- a **liquidity margin** equal to euro **3,105.8** million, which covers debt maturities up to beyond the third quarter of 2029.

The **Group's Consolidated Financial Statements** can be summarised as follows:

(in millions of euro)	**2025**	**2024**
Net sales	**6,776.2**	**6,773.3**
EBITDA adjusted (°)	**1,548.3**	**1,519.5**
% of net sales	22.8%	22.4%
EBITDA	**1,464.8**	**1,475.7**
% of net sales	21.6%	21.8%
EBIT adjusted	**1,081.4**	**1,060.5**
% of net sales	16.0%	15.7%
Adjustments: - amortisation of intangible assets included in PPA	(106.7)	(113.7)
- one-off, non-recurring and restructuring expenses	(83.5)	(43.8)
EBIT	**891.2**	**903.0**
% of net sales	13.2%	13.3%
Net income/(loss) from equity investments	52.7	31.4
Financial income/(expenses)	(183.7)	(286.6)
Net income before taxes	**760.2**	**647.8**
Taxes	(229.5)	(146.7)
Tax rate %	30.2%	22.6%
Net income	**530.7**	**501.1**
Net income attributable to owners of the Parent Company	497.5	468.0
Earnings per share (in euro per basic share)	0.50	0.47
Net income adjusted	622.0	613.5

(°) The adjustments refer to one-off, non-recurring and restructuring expenses to the amount of euro 83.5 million (euro 43.8 million for 2024).

(in millions of euro)		12/31/2025	12/31/2024
Fixed assets		**8,593.1**	**8,771.6**
	Inventories	1,455.5	1,467.7
	Trade receivables	628.5	622.9
	Trade payables	(2,082.4)	(2,081.6)
Operating net working capital		**1.6**	**9.0**
% of net sales		0.0%	0.1%
	Other receivables/other payables	(71.5)	42.2
Net working capital		**(69.9)**	**51.2**
% of net sales		(1.0%)	0.8%
Net invested capital		**8,523.2**	**8,822.8**
Equity		**6,456.7**	**5,912.3**
Provisions		964.5	984.7
Net financial (liquidity)/debt position		**1,102.0**	**1,925.8**
Equity attributable to Owners of the Parent Company		6,277.8	5,756.1
Investments in intangible and owned tangible assets (CapEx)		419.7	414.9
Increases in right of use		112.9	118.8
Research and development expenses		312.7	289.5
% of net sales		4.6%	4.3%
Research and development expenses - High Value		299.5	272.8
% of High Value sales		5.6%	5.3%
Employees (headcount at end of period)		29,915	31,219
Tyre production sites (number)		18	18

For a better understanding of the Group's performance, the following **quarterly performance figures** are provided below:

(in millions of euro)	1 Q		2 Q		3 Q		4 Q		Total year	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Net sales	**1,758.6**	1,695.5	**1,740.0**	1,752.0	**1,696.6**	1,737.0	**1,581.0**	1,588.8	**6,776.2**	6,773.3
yoy	3.7%		-0.7%		-2.3%		-0.5%		0.0%	
*organic yoy **	4.7%		4.0%		2.4%		6.1%		4.2%	
EBITDA adjusted	**399.0**	376.3	**393.9**	392.0	**392.3**	388.7	**363.1**	362.5	**1,548.3**	1,519.5
% of net sales	22.7%	22.2%	22.6%	22.4%	23.1%	22.4%	23.0%	22.8%	22.8%	22.4%
EBITDA	**387.5**	368.6	**383.6**	384.1	**370.3**	381.5	**323.4**	341.5	**1,464.8**	1,475.7
% of net sales	22.0%	21.7%	22.0%	21.9%	21.8%	22.0%	20.5%	21.5%	21.6%	21.8%
EBIT adjusted	**279.8**	262.6	**278.5**	276.5	**277.2**	276.8	**245.9**	244.6	**1,081.4**	1,060.5
% of net sales	15.9%	15.5%	16.0%	15.8%	16.3%	15.9%	15.6%	15.4%	16.0%	15.7%
Adjustments: - amortisation of intangible assets included in PPA	(28.4)	(28.4)	(28.5)	(28.5)	(26.4)	(28.4)	(23.4)	(28.4)	(106.7)	(113.7)
- one-off, non-recurring and restructuring expenses	(11.5)	(7.7)	(10.3)	(7.9)	(22.0)	(7.2)	(39.7)	(21.0)	(83.5)	(43.8)
EBIT	**239.9**	226.5	**239.7**	240.1	**228.8**	241.2	**182.8**	195.2	**891.2**	903.0
% of net sales	13.6%	13.4%	13.8%	13.7%	13.5%	13.9%	11.6%	12.3%	13.2%	13.3%
Net income/(loss) from equity investments	5.8	6.0	10.2	9.9	6.8	6.6	29.9	8.9	52.7	31.4
Financial income/(expenses)	(59.5)	(110.1)	(63.2)	(66.0)	(36.2)	(49.4)	(24.8)	(61.1)	(183.7)	(286.6)
Net income/(loss) before taxes	**186.2**	122.4	**186.7**	184.0	**199.4**	198.4	**187.9**	143.0	**760.2**	647.8
Taxes	(59.0)	(22.0)	(49.9)	(53.1)	(62.8)	(58.6)	(57.8)	(13.0)	(229.5)	(146.7)
Tax rate %	31.7%	18.0%	26.7%	28.9%	31.5%	29.5%	30.8%	9.1%	30.2%	22.6%
Net income/(loss)	**127.2**	100.4	**136.8**	130.9	**136.6**	139.8	**130.1**	130.0	**530.7**	501.1

*before exchange rate effect, hyperinflation in Argentina and Turkey and changes in Scope of Consolidation.

Net sales which amounted to euro 6,776.2 million, were stable compared to 2024 (euro 6,776.3 million), having increased by +4.2% excluding the combined impact of the exchange rate effect and the adoption of hyperinflation accounting (totalling -3.8%), as well as the change in the scope of

consolidation (a -0.4% impact on revenues), following the sale of Däckia AB which was completed in the second quarter of 2025.

High Value sales accounted for 79% of total Group revenues (76% for 2024).

The following table shows the **changes in net sales performance** compared to the same period of the previous year:

	2025				
	1Q	**2Q**	**3Q**	**4Q**	**Total year**
Volume	0.8%	0.1%	-1.5%	2.4%	0.4%
Price/mix	3.9%	3.9%	3.9%	3.7%	3.8%
Change on a like-for-like basis	**4.7%**	**4.0%**	**2.4%**	**6.1%**	**4.2%**
Exchange rate effect /Hyperinflation accounting in Argentina and Turkey	-1.0%	-4.7%	-4.3%	-5.3%	-3.8%
Change in Scope of Consolidation - Däckia AB	-	-	-0.4%	-1.3%	-0.4%
Total change	**3.7%**	**-0.7%**	**-2.3%**	**-0.5%**	**0.0%**

The **volume** performance (+0.4%), reflected, as previously outlined, the opposing dynamics between High Value and Standard. In particular, for Car ≥18'', Pirelli outperformed the market, gaining market share in both channels (Original Equipment and Replacement), while for Car ≤17'' the strategy of reducing exposure to the less profitable products and channels continued.

The **price/mix** growth (+3.8%) was driven by the continuous improvement of the product mix and by the positive regional mix, while the channel mix reflected the increased growth recorded for Original Equipment, compared to the Replacement channel.

The impact of the **exchange rate effect** and hyperinflation was negative (-3.8%), reflecting the weakness of the US dollar and the volatility of the currencies of emerging countries against the euro.

During the **fourth quarter of 2025**, revenues amounted to euro 1,581.0 million, with an organic growth of +6.1% excluding the impact of the exchange rate effect and hyperinflation (-5.3%) and the deconsolidation of Däckia AB (-1.3%). Including these effects, the change equalled -0.5% compared to euro 1,588.8 million for the fourth quarter of 2024. In detail, Pirelli recorded:

- volumes which grew by +2.4%. For the Car business in particular, volumes increased by +2%, driven by market share gains in the ≥18" segment (+11% for Pirelli, +8% for the market), both in the Replacement channel (+11% for Pirelli, +10% for the market) and, even more significantly, in the Original Equipment channel (+11% for Pirelli, +6% for the market). For Car ≤17'' (-13% for Pirelli, -1% for the market), the process of reducing exposure to the less profitable products and distribution channels continued, particularly in South America;

- the price/mix improved by +3.7%, which compared to +3.9% for the previous quarters, was impacted by the aforementioned channel mix dynamics;

- a negative impact from the exchange rate effect (-5.3%), which had worsened compared to previous quarters, due to the weakening of the US dollar and of emerging market currencies

against the euro, and due to an unfavourable basis of comparison (a +4.3% impact from the exchange rate effect in the fourth quarter of 2024).

The performance for **net sales according to geographical region** was as follows:

	2025		**2024**
(in millions of euro)		*%*	*%*
Europe	2,623.7	38.7%	39.0%
North America	1,783.2	26.3%	25.2%
APAC	1,197.4	17.7%	17.0%
South America	686.2	10.1%	11.8%
Russia and MEAI	485.7	7.2%	7.0%
Total	**6,776.2**	**100.0%**	**100.0%**

EBITDA adjusted amounted to euro 1,548.3 million (+1.9% compared to euro 1,519.5 million for 2024), with a margin of 22.8% (22.4% for 2024), which reflected the dynamics described in the following paragraph in terms of the EBIT adjusted.

EBIT adjusted for 2025 amounted euro 1,081.4 million (euro 1,060.5 million for 2024), with an EBIT margin adjusted of 16.0%, an improvement compared to 15.7% for 2024, thanks to the contribution of internal levers, which more than offset the negative impact of external factors, (the volatility in exchange rates, the increase in the cost of raw materials and inflation, as well as the impact of US tariffs), quantifiable at approximately euro 320 million.

More specifically, the growth in the **EBIT adjusted** reflected:

- the growth in volumes (euro +11.1 million);
- the **positive** contribution from the **price/mix** (euro +172.7 million), which more than offset the increase in the cost of **raw materials** (euro -55.9 million), and the **negative impact of the exchange rate effect** (euro -85.3 million);
- **the positive effect of efficiencies** (euro +158.0 million) which more than offset the **inflation in the cost of production factors** (euro -120.5 million);
- and lastly, the negative impact of higher **depreciation and amortisation** (euro -26.1 million), and the increase in **other costs** (euro -33.1 million, which included the impact of tariffs and the mitigation measures that were activated on costs).

From May 3, additional tariffs of 25% came into effect, on top of the pre-existing tariffs on imports of Car tyres from Brazil and Europe into the US. On June 30, the additional tariff for imports from the UK was changed to 10%. From August 1, tariffs on imports from the European Union were replaced by a 15% tariff. In addition, universal tariffs are in force that impact the imports of motorcycle and cycling tyres, at varying percentages depending on the producing country of origin.

The total gross impact of the tariffs for the 2025 financial year amounted to euro 55 million, partially offset by the mitigation measures that were activated.

EBIT adjusted for the fourth quarter amounted to euro 245.9 million (+0.5% compared to euro 244.6 million for the fourth quarter of 2024), with the margin improving to 15.6% (15.4% for the fourth quarter of 2024), thanks to the contribution of internal levers.

The **price/mix** (euro +32.0 million), offset the impact of the **exchange rate effect** (euro -32.1 million). Volumes made a positive contribution (euro +15.5 million), **raw material** costs were stable (euro +0.6 million). The positive effect of **efficiencies** (euro +40.7 million) more than offset **inflation in the cost of production factors** (euro -27.8 million). **Depreciation and amortisation** (euro -4.8 million) and **other costs** (euro -22.8 million), which included the impact of tariffs and cost mitigation measures, had a negative impact.

(in millions of euro)	1 Q	2 Q	3 Q	4 Q	Total year
2024 EBIT adjusted	**262.6**	**276.5**	**276.8**	**244.6**	**1,060.5**
- Internal levers:					
Volumes	5.7	0.5	(10.6)	15.5	11.1
Price/mix	42.3	51.6	46.8	32.0	172.7
Amortisation and depreciation	(8.3)	(6.3)	(6.7)	(4.8)	(26.1)
Efficiencies	25.0	44.7	47.6	40.7	158.0
Other costs	(5.2)	1.2	(6.3)	(22.8)	(33.1)
- External levers:					
Cost of production factors (commodities)	(22.2)	(29.1)	(5.2)	0.6	(55.9)
Cost of production factors (labour/energy/other)	(24.5)	(37.6)	(30.6)	(27.8)	(120.5)
Total exchange rate effect *	4.4	(23.0)	(34.6)	(32.1)	(85.3)
Total change	**17.2**	**2.0**	**0.4**	**1.3**	**20.9**
2025 EBIT adjusted	**279.8**	**278.5**	**277.2**	**245.9**	**1,081.4**

** Transactional and traslational.*

EBIT for 2025 amounted to euro 891.2 million, and had declined slightly compared to euro 903.0 million for 2024. It included the amortisation of intangible assets identified during the PPA to the amount of euro 106.7 million, and one-off, non-recurring and restructuring expenses to the amount of euro 83.5 million (euro 43.8 million in 2024), which related mainly to the continuation of measures to rationalise structures in Europe and South America. in Europe and South America.

Net income/(loss) from equity investments amounted to an income of euro 52.7 million, (positive to the amount of euro 31.4 million in 2024), and mainly refers to dividends distributed by Fin. Priv. S.r.l. to the amount of euro 31.7 million and the pro-rata result of the investment in the joint venture, the Xushen Tyre (Shanghai) Co., Ltd., which was positive to the amount of euro 17.7 million (positive to the amount of euro 25.1 million in 2024).

Net financial expenses at December 31, 2025 amounted to euro 183.7 million, showing a marked improvement compared to euro 286.6 million in 2024. These figures include the impact of currency depreciation and hyperinflation, with no impact on cash generation, which went from euro -53.0 million in 2024 to euro +10.0 million in 2025. For the remainder, the reduction, as compared to the previous year, was mainly attributable to lower financial expenses paid on borrowings from banks

and other financial institutions, made possible on the one hand by the generation of operating cash flow, which reduced debt, and on the other hand by the reduction in interest rates in the Eurozone.

At December 31, 2025, the **cost of debt**, calculated as the average cost of debt for the last twelve months, stood at 4.40%, and had decreased compared to 5.06% at December 31, 2024. This decrease was mainly due to the aforementioned fall in interest rates in the Eurozone, which benefited the portion of floating-rate debt, to a reduction in margins on credit facilities following the upgrade in the credit rating awarded by the Fitch agency in July 2024, and lastly due to a lower incidence of financial debt in countries with high interest rates.

Taxes for 2025 amounted to euro 229.5 million, with a tax rate which stood at 30.2%. The figure for 2024 which had amounted to euro 146.7 million, had included the benefits from Italian tax incentives which are no longer available as of 2025.

Net income/(loss) amounted to an income of euro 530.7 million, compared to an income of euro 501.1 million in 2024.

Net income/(loss) adjusted amounted to an income of euro 622.0 million, (euro 613.5 million for 2024). The following table shows the calculations:

(in millions of euro)

	2025	2024
Net income/(loss)	**530.7**	**501.1**
Amortisation of intangible assets included in PPA	106.7	113.7
One-off, non-recurring and restructuring expenses	83.5	43.8
Non-recurring income	(45.6)	-
Taxes	(53.3)	(45.1)
Net income/(loss) adjusted	**622.0**	**613.5**

Net income/(loss) attributable to the owners of the Parent Company amounted to an income of euro 497.5 million, compared to an income of euro 468.0 million for 2024.

Equity went from euro 5,912.3 million at December 31, 2024 to euro 6,456.7 million at December 31, 2025, and included the increase due to the conversion of the convertible bond loan.

Equity attributable to the owners of the Parent Company at December 31, 2025 equalled euro 6,277.8 million, compared to euro 5,756.1 million at December 31, 2024.

This change is shown in the table below:

(in millions of euro)	Group	Non-controlling interests	Total
Equity at 12/31/2024	**5,756.1**	**156.2**	**5,912.3**
Translation differences	(268.6)	(3.1)	(271.7)
Net income/(loss)	497.5	33.2	530.7
Fair value adjustment of financial assets / derivative instruments	(18.1)	-	(18.1)
Actuarial gains/(losses) on employee benefits	(3.9)	-	(3.9)
Dividends approved	(250.4)	(8.7)	(259.1)
Bond conversion	496.5	-	496.5
Effect of hyperinflation in Turkey	13.1	-	13.1
Effect of hyperinflation in Argentina	53.1	-	53.1
(Gains) / losses reclassified to Income Statement	3.0	-	3.0
Other	(0.5)	1.3	0.8
Total changes	**521.7**	**22.7**	**544.4**
Equity at 12/31/2025	**6,277.8**	**178.9**	**6,456.7**

The table below shows the **reconciliation between the Equity of the Parent Company** and the Consolidated Equity attributable to the Owners of the Parent Company:

(in millions of euro)	Share Capital	Treasury reserves	Net income/ (loss)	Total
Equity of Pirelli & C. S.p.A. at 12/31/2025	**2,065.7**	**3,214.1**	**285.2**	**5,565.0**
Net income/(loss) of consolidated companies (before consolidation adjustments)	-	-	480.7	480.7
Share capital and reserves of consolidated companies (before consolidation adjustments)	-	4,857.9	-	4,857.9
Consolidation adjustments:				
- carrying amount of equity investments in consolidated companies	-	(4,623.8)	-	(4,623.8)
- intragroup dividends	-	276.2	(276.2)	0.0
- other	-	(9.8)	7.8	(2.0)
Consolidated Group Equity attributable to Owners of the Parent Company at 12/31/2025	**2,065.7**	**3,714.6**	**497.5**	**6,277.8**

The **net financial position** showed a debt of euro 1,102.0 million, compared to a debt of euro 1,925.8 million at December 31, 2024. It was composed as follows:

(in millions of euro)	**12/31/2025**	**12/31/2024**
Current borrowings from banks and other financial institutions	210.6	760.9
- of which lease liabilities	*102.2*	*105.2*
Current derivative financial instruments (liabilities)	2.6	3.5
Non-current borrowings from banks and other financial institutions	2,747.2	3,068.6
- of which lease liabilities	*356.1*	*380.5*
Non-current derivative financial instruments (liabilities)	-	-
Total gross debt	**2,960.4**	**3,833.0**
Cash and cash equivalents	(1,525.9)	(1,502.7)
Other financial assets at fair value through Income Statement	(79.9)	(166.0)
Current financial receivables **	(128.8)	(113.3)
Current derivative financial instruments (assets)	(4.1)	(16.6)
Net financial debt *	**1,221.7**	**2,034.4**
Non-current derivative financial instruments (assets)	-	(4.3)
Non-current financial receivables **	(119.7)	(104.3)
Total net financial (liquidity) / debt position	**1,102.0**	**1,925.8**

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

** The item "*Financial receivables*" is reported net of the relative provisions for impairment which amounted to euro 8.3 million at December 31, 2025 (euro 8.4 million at December 31, 2024).

The **structure of gross debt** which amounted to euro 2,960.4 million, was as follows:

(in millions of euro)	**12/31/2025**	**Maturity date**					
		within 1 year	**between 1 and 2**	**between 2 and 3**	**between 3 and 4**	**between 4 and 5**	**more than 5 years**
Club Deal EUR 1.6bn ESG 2022 5y	599.3	-	599.3	-	-	-	-
Club Deal EUR 600m ESG 2024 4.5y	598.5	-	-	598.5	-	-	-
Bond SLB EUR 600m 4.25% due 01/28	597.3	-	-	597.3	-	-	-
Bond SLB EUR 600m 3.875% due 07/29	595.2	-	-	-	595.2	-	-
Bank debt held by subsidiaries	10.5	10.4	0.1	-	-	-	-
Other financial debt	101.3	100.5	0.8	-	-	-	-
Lease liabilities	458.3	102.2	88.5	69.6	49.1	24.3	124.6
Total gross debt	**2,960.4**	**213.1**	**688.7**	**1,265.4**	**644.3**	**24.3**	**124.6**
		7.2%	*23.3%*	*42.7%*	*21.8%*	*0.8%*	*4.2%*

At December 31, 2025, the Group had a liquidity margin of euro 3,105.8 million consisting of euro 1,500.0 million in unutilised, committed credit facilities, euro 1,525.9 million in cash and cash equivalents, and euro 79.9 million in financial assets at fair value through the Income Statement. The liquidity margin guarantees coverage for maturities for borrowings from banks and other financial institutions, up to beyond the third quarter of 2029.

Net cash flow for the year, in terms of change in the net financial position, can be summarised as follows:

(in millions of euro)	1 Q		2 Q		3Q		4Q		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
EBIT adjusted	279.8	262.6	278.5	276.5	277.2	276.8	245.9	244.6	1,081.4	1,060.5
Amortisation and depreciation (excluding PPA amortisation)	119.2	113.7	115.4	115.5	115.1	111.9	117.2	117.9	466.9	459.0
Investments in intangible and owned tangible assets (CapEx)	(60.0)	(53.4)	(68.0)	(90.2)	(95.5)	(92.1)	(196.2)	(179.2)	(419.7)	(414.9)
Increases in right of use	(28.3)	(15.3)	(43.3)	(26.1)	(25.5)	(47.8)	(15.8)	(29.6)	(112.9)	(118.8)
Change in working capital and other	(865.7)	(845.8)	55.4	(16.9)	(11.1)	63.3	829.9	802.4	8.5	3.0
Operating net cash flow	**(555.0)**	**(538.2)**	**338.0**	**258.8**	**260.2**	**312.1**	**981.0**	**956.1**	**1,024.2**	**988.8**
Financial income / (expenses) paid	(49.1)	(63.2)	(67.6)	(45.7)	(37.8)	(70.9)	(45.8)	(69.6)	(200.3)	(249.4)
Taxes paid	(31.6)	(24.7)	(35.0)	(44.8)	(45.3)	(48.0)	(42.3)	(41.0)	(154.2)	(158.5)
Cash-out for one-off, non-recurring and restructuring expenses	(12.6)	(20.4)	(9.9)	(9.5)	(19.3)	(6.9)	(10.9)	(10.6)	(52.7)	(47.4)
Dividends paid to minority shareholders	-	(1.3)	(0.4)	(5.2)	(6.2)	-	(2.5)	0.1	(9.1)	(6.4)
Differences from foreign currency translation and other	(29.8)	(2.6)	(75.0)	0.1	(8.0)	(24.0)	22.9	66.8	(89.9)	40.3
Net cash flow before dividends, extraordinary transactions and investments	**(678.1)**	**(650.4)**	**150.1**	**153.7**	**143.6**	**162.3**	**902.4**	**901.8**	**518.0**	**567.4**
Hevea-Tec acquisition	-	(23.0)	-	0.5	-	0.8	-	0.8	-	(20.9)
Fin.Priv. S.r.l. extraordinary dividend and capital reinbursement	-	-	-	-	-	-	45.1	-	45.1	-
Capital subscription Middle East and North Africa Tyre Company	(12.8)	-	-	-	-	-	(7.7)	(12.0)	(20.5)	(12.0)
Daeckia disposal	-	-	43.4	-	(0.2)	-	0.1	-	43.3	-
Other extraordinary transactions	(5.8)	-	(0.5)	-	(2.2)	(0.7)	(0.1)	0.1	(8.6)	(0.6)
Net cash flow before dividends paid by the Parent Company and impact of convertible bond	**(696.7)**	**(673.4)**	**193.0**	**154.2**	**141.2**	**162.4**	**939.8**	**890.7**	**577.3**	**533.9**
Bond convertion	-	-	-	-	-	-	496.5	-	496.5	-
Net cash flow before dividends paid by the Parent Company	**(696.7)**	**(673.4)**	**193.0**	**154.2**	**141.2**	**162.4**	**1,436.3**	**890.7**	**1,073.8**	**533.9**
Dividends paid by the Parent Company	-	-	(249.2)	(197.1)	(0.4)	(0.6)	(0.4)	(0.3)	(250.0)	(198.0)
Net cash flow	**(696.7)**	**(673.4)**	**(56.2)**	**(42.9)**	**140.8**	**161.8**	**1,435.9**	**890.4**	**823.8**	**335.9**

Net cash flow before dividends for 2025 was positive to the amount of euro 1,073.8 million and included the positive effect of euro 496.5 million deriving from the conversion of 99.3% of the *"EUR 500 million senior unsecured guaranteed equity-linked bond due 2025"*, which matured on December 22, 2025. Excluding this effect, net cash flow before dividends amounted to euro 577.3 million (positive to the amount of euro 533.9 million in 2024).

In addition to the improvement in operating performance, the following extraordinary transactions should be noted:

- euro +43.3 million related to the sale of Däckia AB to CTS, whose transaction was completed on June 18, 2025;
- euro -29.1 million related to other extraordinary transactions, amongst which the main transaction was the capital contribution paid into the Middle East and North Africa Tyre Company, a joint venture with the Public Investment Fund (PIF) of Saudi Arabia;
- euro +45.1 million related to the dividend, and to the repayment of the share capital and of the capital reserve of Fin. Priv. S.r.l. following the liquidation of that company.

The outcome of these transactions helped offset cash outflows in the United States related to the introduction of new import tariffs during the course of 2025 (approximately euro 55 million).

Operating net cash flow was positive to the amount of euro 1,024.2 million, (positive to the amount of euro 988.8 million in 2024), and reflected:

- the improved operating performance compared to the previous year, (the EBITDA adjusted amounted to euro 1,548.3 million in 2025, compared to euro 1,519.5 million in 2024);

- investments in property, plant and equipment and intangible assets to the amount of euro 419.7 million in 2025, (euro 414.9 million in 2024), aimed mainly at High Value activities, at technology upgrades and at the automation of factories;

- *"increases in the right of use"* to the amount of euro 112.9 million in 2025, (euro 118.8 million in 2024). Among the main project highlights was the inauguration of the new warehouse in Campinas in Brazil, as well as other projects aimed at improving warehouse efficiency in Romania;

- cash generation linked to *"working capital and other"* of euro 8.5 million (euro +3.0 million in 2024). Inventory management was confirmed positive, and accounted for 21.5% of annual revenues (21.7% in 2024). Trade receivables and trade payables at December 2025, were consistent with those at December 2024 in terms of their incidence on turnover.

For the fourth quarter of 2025, net cash flow before dividends was positive to the amount of euro 1,436.3 million and included the aforementioned effect of the conversion of the *"EUR 500 million Senior Unsecured Guaranteed Equity-linked Bond due 2025"*, which matured on December 22, 2025. Excluding this effect, net cash flow before dividends in the fourth quarter amounted to euro 939.8 million (euro +890.7 million in the fourth quarter of 2024).

RESEARCH AND DEVELOPMENT

Research and Development plays a central role at Pirelli. This activity, which involves approximately 2,200 people, (equal to approximately 7.4% of the total workforce of the Group), spread between its Milan headquarters and its twelve technology centres located all over the world, is based on an *"Open Innovation"* model, which involves external partners - suppliers, universities and the vehicle manufacturers themselves - in order to anticipate technological innovations in the sector and meet the needs of the end consumer. Central to Pirelli's innovation strategy is the Eco-Safety Design approach, which focuses on maximising both environmental performance and people's safety, and embraces the entire life cycle of the product with a view to a circular economy. A part of this is the collaboration between Pirelli and the Milan Polytechnic, which continued during the course of 2025, and which involved the integrated use of the university's dynamic simulator with the static simulator at Pirelli's R&D centre in Milan, for the virtual development of tyres, which is fundamental to Pirelli's Eco-Safety strategy. In addition, Pirelli and the University of Milano-Bicocca continued their partnership in Corimav for Research into Eco-Friendly Materials and Processes. Pirelli and Luna Rossa have announced a new partnership ahead of the 38th edition of the America's Cup. Pirelli will collaborate with the team on virtualisation, artificial intelligence and innovative materials. **Expenses for Research and Development in 2025 totalled euro 312.7 million (4.6% of net sales), of which euro 299.5 million was aimed at High Value activities (5.6% of High Value revenues).** The development of CYBER™ technology also continued, which to date constitutes an essential technology in the Group's innovation strategy, representing a new technological paradigm that is fully integrated and pervasive throughout Pirelli's entire business model, and which, through the adoption of cutting-edge technologies, aims to maintain the technological leadership in the tyre sector. Nowadays, thanks to CYBER™ technology, Pirelli enjoys a unique competitive advantage.

In this regard, it should be recalled that the Council of Ministers as a consequence of the "Golden Power Procedure" - which was initiated on March 6, 2023 in relation to the renewal of the Shareholders' Agreement concerning the governance of Pirelli, signed on May 16, 2022 by the China National Tire & Rubber Corporation Ltd., Marco Polo International Italy S.r.l., Camfin S.p.A. and Marco Tronchetti Provera & C. S.p.A., and was concluded with the adoption of the provision by which the powers were exercised pursuant to Legislative Decree No. 21/2012, communicated to Pirelli on June 16, 2023 (the "**Provision**") - has determined, amongst other things, that the CYBER™ technology that can be implanted in tyres constitutes an asset of strategic importance pursuant to and for the purposes of the aforementioned Legislative Decree, for the protection of which Pirelli has equipped itsef with a series of safeguards, including the Strategic Industrial Security Clearance ("**NOSIS**") and an autonomous organisational unit for security ("the **Security Organisation**"). These assessments regarding Pirelli's technology have been confirmed by the Council of Ministers, most recently following the outcome of the "Golden Power Procedures" which were initiated following the notifications submitted by the shareholders Camfin S.p.A., and Marco Tronchetti Provera & C. S.p.A. on January 30, 2026, and the China National Tire & Rubber Corporation Ltd. on February 3, 2026, in relation to the non-renewal of the aforementioned Shareholders' Agreement, which was subsequently consolidated into a single procedure and concluded with the adoption of the provision by which the special powers were exercised pursuant to Legislative Decree No. 21/2012, communicated to Pirelli on April 10, 2026 (the "**2026 Provision**"). In particular, in the 2026 Provision,

Pirelli was considered to be a Company which holds assets and interests of strategic importance, pursuant to Article 2 of Legislative Decree No. 21 of March 15, 2012, and Articles 6 and 9 of Decree No. 179 of the Decree of the President of the Council of Ministers of December 18, 2020.

The 2026 Provision, 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 2026 Provision 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.

The CYBER™ hardware and software system is capable of collecting data and transmitting it to the vehicle, which, in addition to using it to optimise its performance, makes it available, via the 5G network and in a geo-localised form, to cloud computing systems for the creation, through artificial intelligence algorithms, of complex digital models that can be used, amongst other things, in cutting-edge use cases such as smart roads and digital twins. Taking the Provision into account, the competent body of the Company appointed for this task, in the application of the Provision itself, namely the Director with exclusive responsibility for the Security Organisation, in compliance with the obligations imposed upon it, has carried out the necessary in-depth investigations to precisely identify the relevant sectors related to CYBER™ technology, in order to ensure the correct implementation of the requirements set out in the same said Provision.

Following the outcome of these in-depth investigations, it emerged that the relevant technologies connected to the CYBER™ hardware and software system, include the corporate functions, located in Italy, of the Digital division related to the Data Science activities, including the Digital Solutions Centre in Bari, as well as the activities and functions of Digital Systems Research and Development, Industrial IoT and Innovation, and digital products. In addition, the activities and functions of Research and Development based in Milan, which are related to Modelling, Product Pre-development and Experimentation, are strictly linked and connected to CYBER™ technology.

For further details regarding the aforementioned Golden Power Procedures, the prescriptions of the Provision and of the 2026 Provision, and the role of the Security Organisation, reference should be made to the Report on the Corporate Governance and Ownership Structure contained in the 2025 Annual Report.

In the future, the automotive and mobility sectors will be characterised by vehicles that are increasingly connected to one another and to the infrastructure. Consequently, the vehicles themselves will become increasingly digital thanks to Software Defined Vehicle technology – which will allow vehicles to have all their control components managed by aggregated and interconnected operating systems (domains) – and the advent of Autonomous Driving.

CYBER™ technology is innovative and wide-ranging, suitable for development across two distinct strategic areas: on the one hand, that of advanced systems for controlling vehicle dynamics designed for vehicle manufacturers; on the other, that of solutions for infrastructure monitoring.

The distinctive features of the CYBER™ technology system, with regard to vehicle dynamics, stem from its ability to integrate and actively interact with the electronic control systems developed by automobile manufacturers.

In October, in the US, the Pirelli Cyber Tyre™ was recognised as the most innovative technology in the tyre industry, winning the Vehicle-to-Everything (V2X) Innovation of the Year title at the 2025 AutoTech Breakthrough Awards, an international award promoted by the Tech Breakthrough intelligence platform, that rewards the most innovative entities and services in the automotive technology sector. The Cyber Tyre is the world's first intelligent system capable of collecting data directly from the tyre, processing it through Pirelli's proprietary software and algorithms, and communicating it in real-time to the vehicle's electronics, enabling improvements in driving dynamics, safety, and integration with the digital infrastructure.

The Pirelli Cyber™ Tyre subsequently received three other prestigious international awards in 2025. The first was in France, at the eighth edition of the Automobile Awards, in the *"Safety"* category, as a technology that anticipates risks and makes driving safer and more intelligent. The second was from Autobest, an independent automotive jury representing 32 European countries, *"for the pioneering development of Cyber™ Tyre technology, an innovation of exceptional relevance for automotive safety".* The third was from the US market analysis firm Frost & Sullivan, which named Pirelli *"Company of the Year"* for the innovative scope of the Cyber™ Tyre, a technology that according to the award citation, *"highlights how digital systems are capable of redefining even traditional automotive components".*

Pirelli, a pioneer in the development and production of sensor-equipped tyres through CYBER™ technology, has already brought this technology to market, where it has been adopted by a number of ultra-high-end models and is currently in the development phase for various Premium and Prestige platforms, with a resulting significant expansion of the custromer base, with the aim of enabling the use of data from sensor-equipped tyres to optimise the safety performance of the vehicles themselves.

At the same time, the most significant project for accelerating the development of the CYBER™ technology, with a view to implementing it on an ever-larger scale, is the development agreement signed with Bosch for the integration of CYBER™ data directly into the vehicle control system. Bosch, as is well known, is the world leader in the field of vehicle control systems. Thanks to the signing of this development agreement, tyres fitted with cyber tyre sensors and Pirelli software libraries are integrated with the electronics that govern the vehicle's dynamics. As a result, CYBER™ technology will no longer require integration into vehicles through individual, dedicated projects with each Original Equipment Manufacturer (car maker). Instead, it will be *"embedded"* directly within the vehicle control units supplied by Bosch, thereby making the complete system available to all car maker clients. The objective is to create new software-based solutions and driving functionalities thanks to sensors installed in the tyres, also known as *"in-tyre"* sensors.

For motorists, this means greater safety, comfort, and sustainability, in addition to improved driving dynamics. Bosch and Pirelli share a vision of a long-term path to jointly explore the use of data streams coming from the tyres and the algorithms and the Pirelli software libraries as inputs for the control systems for vehicle dynamics.

As part of the collaboration agreement, Bosch will provide the hardware and software expertise that it has developed over time as a global provider of technology and services. Bosch is also a leader in the technologies of automotive systems that control vehicle dynamics, of sensors, and of MEMS (Micro-Electro-Mechanical Systems) sensor technologies, and develops and produces sensors for tyre pressure that use the BLE (*"Bluetooth Low Energy"*) standard. By combining this expertise with Pirelli's integrated systems technologies - which range from hardware to software, to algorithms and modelling - it is possible to collect, process, and transmit tyre data in real-time to provide parameters to the vehicle's electronic control systems via BLE technology, in such a way as to reduce energy consumption. Pirelli and Bosch now aim to exploit Bosch's MEMS technology for advanced in-tyre applications.

In 2025, Pirelli signed a collaboration agreement with Prestige car manufacturers for the integration of Pirelli's exclusive Cyber Tyre technology into certain luxury sports car models. Thanks to the collaboration with Bosch, the Cyber Tyre will be fully integrated into the electronic architecture that controls the dynamics of these vehicles.

Furthermore, the data collection system based on CYBER™ technology goes beyond in-car features and is capable of interacting with infrastructure/smart cities. To date, it is already possible to collect and process relevant geo-localised information regarding the condition of the road infrastructure. This enables motorway operators to: (a) increase the frequency and granularity of infrastructure status monitoring; (b) plan maintenance effectively and efficiently; and (c) inform consumers of potential risk conditions on motorways, while also providing their geolocalisation.

In addition to the technologies described above, Pirelli has launched further development programmes aimed at integrating complementary technological solutions into CYBER™ technology, in order to expand the value and potential of the applications offered in the two market sectors mentioned above.

In particular, with regard to the infrastructure monitoring sector, Pirelli has already demonstrated how the integration of video data collected and processed by imaging systems with the data acquired and processed by the CYBER™ technology enables, the development of new advanced solutions through the integration of sensor fusion processes.

For example, in June, Pirelli signed an agreement with a local authority of national significance to activate a monitoring system of the road network within a regional territory with the purpose of creating a map of the *"health status"* of the roads, in order to improve road safety and the effectiveness of maintenance interventions. This is the world's first road monitoring system capable of combining data collected from the tyres, processed by the Pirelli Cyber™ Tyre hardware and software system, with that obtained from visual sources.

Also with regards to research and development activities, it should be noted that in 2022, Pirelli had launched the Digital Solutions Centre (DSC) in Bari, a software factory entirely focused on digital innovation. The Bari DSC is an example of collaboration between the public and private sectors, with a fundamental contribution from the academic world through the University of Bari and the Polytechnic University of Bari. In fact, innovative projects have been launched with both institutions to optimise factory production processes through smart manufacturing systems, and to support digitalisation and artificial intelligence across the various stages of tyre design.

Thanks to Vehicle-to-Everything (V2X) connectivity, the Cyber™ Tyre also communicates with infrastructures and other vehicles, in support of applications for smart roads, smart cities and the future developments in autonomous driving by providing information on road conditions, hazards, and signage. Cyber™ Tyre technology represents a decisive step towards the mobility of the future. It confirms Pirelli's commitment to innovation and offers concrete benefits to motorists, manufacturers and infrastructure by transforming tyres into truly intelligent and connected components.

In addition to the project described above, Pirelli already has several other initiatives underway for the monitoring of motorway infrastructures, with the support of the Ministry of Infrastructure and Transport, with a project aimed at the extension and progressive nationwide application of CYBER™ technology for the purpose of supporting the monitoring of infrastructure conditions and the improvement of road safety levels, as well as other initiatives currently being finalised.

The ability to capture important information from vehicles on the market regarding the actual ways in which tyres are used, and to process this information through artificial intelligence algorithms in order to then integrate it into virtual development, is a crucial competitive product factor. The development of CYBER™ technology and that of tyre technologies is interactive (integrated) and iterative (continuous), because only by integrating the cross-disciplinary competences of Tyre Dynamics, Tyre Modelling, Data Analytics and Cyber can both CYBER functionalities and tyre performance evolve. In fact, the Digital Twin of the tyre itself and, consequently, the tyre design know-how, is constantly refined and improved thanks to the feedback from CYBERTM technology, which provides a unique and irreplaceable opportunity to analyse data on its behaviour in real-life conditions and no longer just under *"laboratory"* conditions.

In essence, the widespread knowledge of tyre behaviour across a multitude of real-world usage conditions, allows for the refinement and training of virtual simulation models used in the first phase of new product design. This makes them increasingly capable of simulating the performance they will deliver in real-world conditions.

Similarly, given that Cyber Tyre technologies are, in fact, *"model-based",* they can only evolve if the Digital Twin of the tyre evolves, but, more importantly, if they are constantly updated and aligned with the latest technological developments in tyre technology.

In particular, artificial intelligence and machine learning are used to work in synergy with the models developed for processing the data obtained from the sensors and the tyre modelling, for the purpose of appropriately refining the results obtained. An example of this is the *"Tyre Wear"* algorithm used

to determine the state of wear of the tyres, which is currently in use on a fleet of chauffeur-driven hire vehicles. Furthermore, the data collected from the sensors installed in the tyres of a specific fleet or individual users are used in the virtual design of new products. Nowadays, the development of all the new product lines, effectively passes through an initial virtual phase, followed by reduced physical testing.

INNOVATION IN PRODUCTS AND MATERIALS

During the course of 2025, collaborations with the leading manufacturers of Prestige and Premium vehicles continued, resulting in over 323 new technical homologations, which were mainly concentrated in ≥19" rim diameters.

The Pirelli P Zero, available in specific variants for the entire 911 range has, as of 2025, also been equipping the New Porsche 911 GT3 with two tyres in versions developed ad hoc to meet different requirements: the P Zero R and the P Zero Trofeo RS. The latter is the result of experience gained with the fitment for the Porsche 911 GT3 RS, which has been recognised by the international press as the best road-legal semi-slick for track use. The Pirelli P Zero has also as of 2025 been equipping the first 911 with a hybrid powertrain, the new Porsche 911 GTS. As of 2025, Pirelli has also been equipping classic and youngtimer Porsche 911 models, from the first in 1964 to the Porsche 911 (type 997), making Pirelli the go-to supplier for Porsche collectors, thanks also to the products in the *Collezione* range for numerous other classic Porsche models.

As of 2025, Pirelli has also been equipping the new McLaren W1 supercar with three bespoke fitments containing over 50% natural and recycled materials, as verified by the third-party certification body Bureau Veritas. These comprise the P Zero R, the P Zero Trofeo RS and the P Zero Winter 2, which were developed by Pirelli in collaboration with McLaren in specific versions for the British manufacturer's new model, for which Pirelli is the sole supplier.

In July, Pirelli launched the first tyre destined for the global market that contained over 70% natural and recycled materials, including FSC™ (Forest Stewardship Council™) certified natural rubber. This attests to the responsible management of the natural rubber supply chain, from the producer to the factory, and, by 2026, this certification will be extended to all the natural rubber used by Pirelli's European factories. Developed in a specific version for JLR (Jaguar Land Rover), this new tyre is a Pirelli P Zero and will initially be available on select 22" rims in the Range Rover range as part of JLR's objective to develop tyres with a reduced environmental impact for its luxury models. The tyre will be distinguished by the FSC™ marking and by the logo identifying Pirelli tyres containing at least 50% natural and recycled materials, as verified by the third-party body Bureau Veritas. The development of the new P Zero has presented a significant challenge to Pirelli's R&D department in

terms of combining Ultra High Performance (UHP) with a high content of natural and recycled materials. These include:

- recycled steel, which is partially derived from the melting of scrap iron rather than the processing of virgin raw materials, whilst maintaining the mechanical properties of the virgin material;
- silica from rice husks, derived from rice processing waste and used in the tread compounds to ensure high performance in the wet;
- circular carbon black, obtained from pyrolysis oil derived from the recycling of end-of-life tyres;
- bio-circular polymers, produced with monomers derived from used cooking oils or pyrolysis oil, which replace fossil-based polymers;
- bio-resins, which are plant-based plasticisers used to optimise the balance between dry and wet performance.

In 2024, JLR became the first automotive company ever to choose to equip its models with Pirelli products containing exclusively FSC™ certified natural rubber.

In February, Pirelli launched the new Cinturato, a summer tyre dedicated to Premium vehicles, from saloons to CUVs, and specialised in both Original Equipment and Replacement. Thanks to Pirelli's research and innovation work and the extensive use of virtual design, the new generation stands as the current market benchmark for safety and efficiency, in line with Pirelli's *"eco-safety"* strategy. In the Cinturato, its safety is confirmed by its excellent braking performance. On dry surfaces, external tests have ranked it in first place among its main competitors, and on wet surfaces, it is evidenced by the Class A rating on the European label across the entire launch range. Its efficiency, meanwhile, is linked to its mileage, which has increased by 20% compared to the previous product, and to its low rolling resistance in favour of lower fuel consumption. The balance between braking grip, mileage, and rolling resistance was primarily achieved thanks to the tread composition, which exploits the synergy between a unique star-shaped polymer and a special mixture of resins. Further benefits come from the new generation of silica known as *"SmartNet Silica"*, which, with its particular shape (regular, elongated elements positioned longitudinally to the direction of travel), is capable of reconciling two other typically conflicting performance characteristics. It offers greater grip and stability when cornering, while helping to reduce rolling resistance on straights. As confirmation of the characteristics announced at its launch, in March just a few weeks after the new product's debut, the new Pirelli Cinturato tyre secured first place in the comparative test conducted by Tyre Reviews on premium summer tyres.

In March, Pirelli introduced the fifth generation of the P Zero, which at its debut in 1985 inaugurated the Ultra-High Performance (UHP) tyre market, evolving over the years and successfully anticipating the needs of the Premium and Prestige world in every new version. Handling and reduced braking distances are the main characteristics, achieved thanks to virtual development techniques and

artificial intelligence, reaching the highest level of understanding of the dynamics related to tyre operation. The development strategy has therefore focused on the tyre's structure and tread pattern, which were optimised through to the updating of the grooves and the contact patch, which increases grip when cornering. The more balanced contact pressure brings benefits to braking and the wear rate, allowing for consistent performance throughout the entire life cycle of the tyre. The new P Zero also stands out at first glance, thanks to the renewed graphics with contrasting markings on the sidewall. In April, as a confirmation of the characteristics announced at the launch - specifically regarding sporting performance and safety - the new Pirelli P Zero secured first place in the comparative test conducted by Tyre Reviews on UHP (Ultra High Performance) tyres. In August, the new Pirelli P Zero proved to be the best in the comparative test by the British magazine Auto Express.

In September, Pirelli received the ADI International *Compasso d'Oro Award*, established in 1954, it is one of the most prestigious and authoritative international recognitions in the field of industrial design. Thanks to its innovative and technological character, the Pirelli P Zero E is the first tyre to obtain this title, specifically in the Design for Mobility category. It is the first tyre in the world designed with a previously unreached percentage of natural and recycled materials, especially within the high-performance world for which it is intended. A perfect synthesis of industrial design, sustainable innovation, and technology, it represented a revolutionary turning point for the industry.

In June, Pirelli presented the Scorpion All Season SF3, the all-season tyre designed for SUVs. It extends the technical characteristics of the award-winning Cinturato All Season SF3 to the specific needs of *"high-riding"* vehicles, standing out for safety in diverse climatic conditions and achieving an excellent result in the Dekra cumulative braking tests. Specifically, the entire launch range is distinguished by a *"Class A"* rating on the European label for wet grip, and its snow performance is recognised by the 3PMSF marking, which distinguishes tyres that have passed the tests required by the regulations for severe winter conditions. To support the driving dynamics and weight of SUVs, specific adaptations and technological solutions have been introduced. The particular tread pattern has an adaptive structure. It consists of 3D sipes that change their shape as the tread wears, increasing the surface area capable of capturing snow, despite the reduction in groove depth caused by rubber consumption. The adaptive behaviour of the design is also reflected in the mobility of the sipes, which transform the profile from a siped winter one to one more similar to a summer profile. This is also made possible thanks to innovation in materials. The improved grip in the winter season is linked to a new mix of polymers with specific microstructures, new resins of natural origin, and liquid polymers that improve performance on snow without compromising wet performance. To identify the most suitable compound, the Virtual Compounder was used. This is a tool based on artificial intelligence which is used to assist specialists in choosing the best mix of materials from thousands of possible combinations. Furthermore, the use of 3D modelling was fundamental, allowing the compound and tread pattern to be designed in parallel.

In 2025, the Pirelli Cinturato All Season SF3 was ranked first outright in the super comparative test by the German magazine Auto Bild, which involved 30 all season tyres, and - for the second year running - it also ranked first in the comparison conducted by Tyre Reviews as *"the best all-season tyres for 2025/26".* Additionally, it was named *"Best All-Season Manufacturer of the Year"* by the German automobile club, the Automobilclub von Deutschland (AvD), and was recently ranked at the

top in the test by the German body ADAC (Allgemeiner Deutscher Automobil-Club, the largest automobile club in Europe).

In October, Pirelli launched the Cinturato Winter 3, a high-performance winter tyre designed for saloons and crossovers, capable of offering safety and control in winter conditions. Starting with performance on snow, this was tested by the independent bodies Dekra and TÜV, which also verified its excellent qualities in the wet. In fact, the new product ranked first on snow for braking, traction, and handling, receiving the TÜV Premium Quality Mark. In the wet, it positions itself at the top for aquaplaning resistance and manoeuvrability, with an A-B classification on the European label for wet grip across the entire range. Acoustic comfort is also guaranteed with low rolling noise emissions, as confirmed by the European label, whilst the tread design ensures long-lasting performance and higher mileage compared to the previous generation. The Cinturato Winter 3 was the first product to utilise the most recent indoor structure, which was recently inaugurated at the Pirelli Sottozero Centre, a centre of excellence in Swedish Lapland, where the R&D department tests tyres on different surfaces, from snow to ice, all year round, and which allows for the replication of winter temperatures, conditions, and surfaces even during summer. In order to ensure maximum effectiveness on specific vehicles, through a combination of physical and virtual tests, the tyre was tested on over 10 of the most representative car models on the market.

For motorcycles, at EICMA 2025, Metzeler presented three new models. The Sportec 01 and the sportier Sportec 01 RS were created to continue the tradition of success, and have been designed to raise the bar for super sport performance even further. Both models exploit the patented Dynatread technology, first adopted with the Metzeler Roadtec 02. This results in an adaptive tread pattern that improves grip and stability at high speeds and which has been further enhanced to be deployed in the super sports sector. The third new Metzeler model is the Karoo 4 Street, an on/off knobbly tyre designed for high end adventure and maxi-enduro motorcycles. It is intended for 70% road and 30% off road use, thereby offering excellent road performance whilst maintaining good off-road capabilities. Compared to its predecessor, the Karoo Street, the new tyre features improved road handling thanks to the new profiles, more uniform wear and improved acoustic comfort with the multi-pitch knob design, as well as better off-road traction on soft terrains.

Lastly, for Cycling, in 2025 Pirelli presented the CINTURATO EVO TLR, a new bicycle tyre and successor to the CINTURATO Velo. Building upon the recognised characteristics of the CINTURATO Velo - specifically reliability and puncture protection - the CINTURATO EVO TLR confirms and improves its performance in terms of grip, comfort, and durability, with the goal of excelling in all weather and road conditions. Thanks to its characteristics and the sizes available in the range, it gives life to a new segment: the enduro road tyre. This type of casing, highly appreciated by motorcyclists for several years, has now arrived for the cycling world, offering extremely broad versatility of use. It is the first tyre in the Pirelli range to utilise FSC™ certified natural rubber whilst simultaneously containing more than 50% bio-based and recycled materials, as verified by the independent third-party certification body Bureau Veritas, in accordance with the ISO 14021 standard. This double attestation from third-party bodies is an absolute first on the market confirming Pirelli's commitment to reducing its environmental impact through the use of innovative materials and in providing the market with reliable and verified declarations.

Together with the Alpecin-Deceuninck men's team, one of the most prestigious and successful teams in the entire World Tour circuit, Pirelli is a partner - until 2029 - of the Fenix-Deceuninck women's team. The multi-disciplinary nature and experience of athletes such as Puck Pieterse and the new Performance Mentor Annemiek van Vleuten, will provide crucial technical feedback for the development of cycling tyres.

In 2025, Pirelli also renewed its range of CINTURATO™ tyres dedicated to gravel bikes to meet the diverse performance needs, riding styles, and demands of the many enthusiasts of this discipline. The new catalogue now features two distinct lines: the High Performance (HP-Line) and the Performance (P-Line). The former introduces the two H and M models, which have been completely renewed and improved. Produced in the proprietary Milano-Bollate plant, they have been developed with advanced technologies aimed at high performance. The latter offers a wide choice of gravel tyres with proven technical specifications, designed to offer an optimal balance between performance and versatility.

Pirelli has launched the SCORPION XC RC and the SCORPION XC M, the first 100% Made in Italy mountain bike tyres featuring FSC™ certified natural rubber. Dedicated to Cross Country competitions, from Short Track to Olympic and Marathon events, the new tyres boast a distinct racing pedigree. Designed with the most demanding races in mind, they are also suitable for broader, less competitive uses more oriented towards pure *"cross-country riding"* and were developed in collaboration with athletes from partner teams. The SCORPION XC RC, already a World Cup winner, is now 7% smoother and features a new profile. The SCORPION XC M, which has been completely redesigned, improves rolling resistance by 9% and weighs 12% less than its predecessor. The SCORPION XC RH then completes Pirelli's top-of-the-range Cross Country line-up alongside the RC and M models. Dedicated to modern and spectacular Cross-Country competitions where maximum speed is as fundamental as control of the bike, the new RH (Racing Hardpack) is ideal for those races where rolling efficiency is the first priority. It is designed for primarily compact terrains, without excessively sacrificing cornering grip on mixed surfaces.

COMMITMENT TO MOTORSPORTS

In the history of Pirelli, Motorsport has always played a role of first order importance, starting with the feat achieved in 1907 by Prince Scipione Borghese, who, in an Itala equipped with Pirelli tyres, won the then Paris-Peking raid. Nowadays, Pirelli participates in over 350 competitions every year. Thanks to its commitment to sustainability within Motorsport, Pirelli was the first and remains the only tyre manufacturer in the world to have achieved the three-star rating from the Environmental Accreditation Programme promoted by the FIA.

Since 2011, Pirelli has been the Global Tyre Partner of the FIA Formula 1 World Championship™, a partnership that will continue until at least 2027 (with the possibility of an extension for a further season). This partnership places sustainability at its core. From 2024, all tyres utilised in the FIA Formula 1 World Championship events have been FSC® (Forest Stewardship Council®) certified. This certifies that all the natural rubber used in the tyre complies with all the environmental and social

sustainability criteria defined by this leading global multi-stakeholder non-governmental organisation for sustainable forest management. Pirelli is the first company to produce a complete range of FSC™ (Forest Stewardship Council™) certified tyres and which are intended for automotive racing. In 2025, Pirelli, which has been present in Formula 1 for 75 years, reached the milestone of 500 Grands Prix competitions. Throughout the 2025 season, Pirelli Formula 1 tyres covered a total distance of 341,099 km. This figure bears witness to one of the most demanding seasons in the history of the championship, after the fixture list was increased for the first time last year to twenty-four races, in conditions which ranged from the extreme heat of the Arabian desert to the bitter cold of Nevada. As of the 2026 season, the tyres will be slightly narrower, whilst maintaining the same 18" rim diameter, in order to adapt to the new generation of single-seaters, introduced with the renewal of the technical regulations.

Pirelli Motorsport is also the supplier for the FIA Formula 2, FIA Formula 3, and Formula Regional European Championship by Alpine, as well as the GT World Challenge and numerous other national series. Specifically, there are over 70 championships for Gran Turismo cars contested across Europe, North America, South America, Asia, and Oceania. For the 2025 season, Pirelli introduced a new generation of dry tyres designed to equip GT2, GT3, and GT4 cars in all the Gran Turismo championships in which Pirelli is present. These are the P Zero DHG tyres, which feature numerous innovations compared to the previous 2022 generation, not only in terms of performance. In fact, the natural rubber component contained in this new family of tyres is FSC® certified, in continuity with what has already been in place since last year for the Pirelli range developed for Formula 1®. The primary innovations of the new P Zero equipping the premier GT class concern the materials, which ensure a broader working range, faster warm-up times, and greater consistency in vehicle balance over long distances. In 2025, Pirelli added another series of prestigious competitions, with an innovative format, to the already extensive portfolio of GT and F4 championships it supports as sole supplier worldwide. These are the Gedlich Racing Winter Series, which take place during the winter months on the most challenging circuits in Spain and Portugal. They are designed to offer drivers and teams involved in the GT and F4 series, the opportunity to continue racing even during the winter break of the main championships, taking advantage of the favourable climatic conditions in Southern Europe.

Pirelli has also been involved in rallying since the inaugural season of the World Championship in 1973. In 2025, after winning the drivers' title for two consecutive years, Pirelli won the Tyre Manufacturers' classification of the FIA ERC European Championship.

Once again, this year, Pirelli participated, in some cases as the sole supplier and in others in open competition between tyre manufacturers, in over 100 of the most important international and national motorcycle competitions, both on-track and off-road.

Pirelli will be the sole Official Tyre Supplier for all classes of the FIM Superbike World Championship up to and including the 2026 season. This technical partnership, which began in 2004, boasts the record for the longest-running single-tyre supplier in the history of international motor sport, and has been continually supported by intense research and development work.

Pirelli is the exclusive supplier of the Moto2™ and Moto3™ World Championships. The Pirelli development programme sees to it that, during each season, development solutions are introduced alongside the existing range. In 2025, the intermediate class saw two new rear tyres: the supersoft SCX and a new soft tyre from the SC0 range. Since these tyres are normally available for sale on the market, the beneficiaries are not only the riders in the world and national championships, but also all the amateurs and enthusiasts who choose them for their competitions and track days.

The commitment to off-road competitions has also been confirmed, primarily in the FIM Motocross World Championship, in which Pirelli boasts a record of 83 world titles. For 2025, Pirelli presented the new SCORPION MX32 MID SOFT, the latest generation of the most successful Pirelli tyre in the Motocross World Championship. It is characterised by improved behaviour during braking and corner entry, as well as better traction during starts and when exiting corners compared to its predecessor. The MX32 MID SOFT is the solution developed by Pirelli, which focuses on tread design, compounds, structures, and aesthetic appearance, to tackle mid-soft terrain, that is, ranging from soft soil to more compact surfaces.

For further information on the sustainability aspects of products - including for Motorsports - and on new materials, reference should be made to the section of the Annual Report entitled *"Consolidated Sustainability Reporting"*, pursuant to Legislative Decree No. 125 of September 6, 2024.

PARENT COMPANY HIGHLIGHTS

The table below shows a summary of the main **Income Statement and Statement of Financial Position figures**:

(in millions of euro)	**12/31/2025**	**12/31/2024**
Operating income/(loss)	30.6	5.0
Financial income/(expenses)	(46.9)	(43.8)
Net income/(loss) from equity investments	301.5	319.9
Taxes	-	20.9
Net income/(loss)	**285.2**	**302.0**
Financial assets	4,656.1	4,682.6
Equity	5,565.0	5,053.5
Net Financial Position	741.5	1,272.2

Net income/(loss) attributable to the owners of the Parent Company amounted to an income of euro 30.6 million, compared to an income of euro 5 million in 2024. This improvement in the result was mainly attributable to the increase in royalties accrued through companies of the Group for the use of the trademark, and to the adjustment of the Provisions for Liabilities and Charges, which was made possible following the finalisation of settlement agreements during the financial year.

Net financial expenses amounted to euro 46.9 million, compared to euro 43.8 million in 2024. The increase reflects the reduction in financial income from the credit facilities granted to the companies of the Group.

Net income from equity investments amounted to euro 301.5 million compared to euro 319.9 million for the previous financial year. The decrease was essentially attributable to lower dividends distributed by the subsidiary Pirelli Tyre S.p.A. (euro 262.6 million in 2025 compared to euro 325 million in 2024), which was partially offset by higher dividends received from other companies (euro 33.4 million in 2025 compared to euro 3.8 million in 2024) and by lower impairments on equity investments (euro 7 million in 2025, compared to euro 23 million in 2024).

Taxes for 2025 were nil, compared to the positive amount of euro 20.9 million in 2024. The change was mainly attributable to the depletion (full use) of the ACE (Allowance for Corporate Equity) tax incentive.

The following is a summary of the values of the main **financial assets**:

(in millions of euro)	**12/31/2025**	**12/31/2024**
Investments in subsidiaries		
- Pirelli Tyre S.p.A.	4,528.2	4,528.2
- Pirelli Ltda.	5.9	5.9
- Pirelli UK Ltd.	-	-
- Pirelli Group Reinsurance Company S.A.	6.3	6.3
- Pirelli Servizi Amministrazione e Tesoreria S.p.A.	3.2	3.2
- Pirelli International Treasury S.p.A.	75.0	75.0
- Other companies	3.3	3.3
Total equity investments in subsidiaries	**4,621.9**	**4,621.9**
Investments in associates and other financial assets at fair value through Other Comprehensive Income		
- Fin. Priv. S.r.l.	-	29.2
- RCS MediaGroup S.p.A.	24.3	21.9
- Istituto Europeo di Oncologia S.r.l.	8.9	8.6
- Other	1.0	1.0
Total investments in associates and other financial assets at fair value through Other Comprehensive Income	**34.2**	**60.7**
Total financial assets	**4,656.1**	**4,682.6**

The negative change in financial assets was mainly attributable to the liquidation of Fin. Priv. S.r.l., which took place in October 2025.

Equity went from euro 5,053.5 million at December 31, 2024 to euro 5,565 million at December 31, 2025, as detailed below:

(in millions of euro)	
Equity at 12/31/2024	**5,053.5**
Net income/(loss) for the financial year	285.2
Convertible bond conversion	496.3
Dividends approved	(250.0)
Other components of Comprehensive Income	(20.0)
Equity at 12/31/2025	**5,565.0**

The following table shows the **composition of equity**:

(in millions of euro)	**12/31/2025**	**12/31/2024**
Share capital	2,065.7	1,904.4
Legal reserve	380.9	380.9
Share premium reserve	965.6	630.4
Concentration reserve	12.5	12.5
Merger reserve	1,022.9	1,022.9
Other reserves	92.5	133.7
Other O.C.I. reserves	8.3	27.3
Retained earnings reserve	731.4	639.4
Net income/(loss) for the financial year	285.2	302.0
Total Equity	**5,565.0**	**5,053.5**

RISK FACTORS AND UNCERTAINTY

The uncertainty of the macroeconomic environment, the instability of the financial markets, the complexity of management processes and ongoing regulatory changes, require the capacity to protect and maximise the tangible and intangible sources of value that characterise the Company's business model. Pirelli adopts a proactive risk governance model, that through the systematic identification, analysis and assessment of risk areas, provides the Board of Directors and management with the necessary tools to anticipate and manage the effects of such risks. The Pirelli Risk Model systematically assesses four categories of risks:

- **External Risks**

Risks whose occurrence is outside the sphere of influence of the Company. This category includes risk areas related to macroeconomic trends, to the evolution of demand, to competitor strategies, to technological innovation, to the introduction of new regulations and to country specific risks (economic, security related, political and environmental risks).

- **Strategic Risks**

Risks that are characteristic of the relevant business, the proper management of which is a source of competitive advantage, or conversely, a cause of failure to achieve economic and financial objectives. This category includes areas of risk linked to markets, to innovation in products and processes, to human resources, to production processes, to financial risks and the risks associated with mergers and acquisitions.

- **Operational Risks**

Risks generated by the corporate organisation and its processes, whose assumption does not provide any competitive advantage. These types of risks include amongst others, risks related to Information Technology, Business Interruption, Legal & Compliance, Health, Safety & Environment and Security.

- **Emerging Risks**

Cutting across the aforementioned categories are emerging risks, that is those elements of volatility whose manifestation is expected mainly in the medium to long-term period, and for which the speed and potential of ramifications for the Group are not yet fully known.

For further details on risk governance, assessment techniques and mitigation measures, reference should be made to Pirelli's corporate website.

EXTERNAL RISKS

RISK RELATED TO THE MACROECONOMIC OUTLOOK

Global growth in 2025 proved more resilient than expected, despite the persistence of trade tensions and geopolitical uncertainty. This positive trend benefited from moderate inflation and progressively less restrictive monetary policies, particularly in mature economies. The United States and China were the main drivers of global growth. In the United States, expansion was sustained above all by the resilience of the labour market and the solidity of domestic consumer spending. In China, the gradual recovery was driven by exports, despite the weakness of internal demand and the impact of United States tariffs.

With reference to 2026, potential trade and geopolitical tensions, as well as possible corrections in the financial markets, could negatively affect the global economy.

Significant elements of uncertainty also persist, which could lead to a marked deterioration of the currently forecast macroeconomic outlook. In particular, in addition to the ongoing war between Russia and Ukraine and the tensions in the Middle East, a possible worsening of global trade relations could have lasting repercussions on international logistical flows, with knock-on effects on consumer goods prices and the manufacturing sector. The Group is closely monitoring developments in these areas in order to promptly adopt the necessary measures to mitigate any potential impacts on its operations.

GEOPOLITICAL RISKS

A high degree of uncertainty persists regarding the implications of the altered geopolitical context on international trade and on the supply chains (including bio-based and recycled materials), with potential repercussions on the balance of the markets that are key to the Group's operations. The escalation of trade tensions in the North American region, together with the joint review mechanism of the USMCA agreement scheduled for June 2026, could lead to amendments to the agreement, to increased uncertainty over cross-border logistics flows and, more generally, to the introduction of additional customs duties or tariffs.

Furthermore, Pirelli operates in countries such as Argentina and Russia, where the general political-economic context, the tax regime, business conditions, and the circulation of monetary flows could prove unstable. These elements could influence the Group's ability to benefit fully from the monetary flows generated at a local level.

Pirelli primarily adopts a *"local for local"* strategy with the aim of overcoming potential protectionist measures, such as customs barriers or other measures including technical prerequisites, product certification, and administrative costs linked to import procedures. Lastly, the Group closely monitors the developments that could impact its value chain, and adopts strategies for the diversification of supply sources and the management of logistical flows.

REGULATORY RISKS IN COUNTRIES IN WHICH PIRELLI OPERATES

The Group is exposed to the risk of changes in the relevant regulatory framework, which could result in restrictions on its activities, with possible repercussions on its image, reputation and its strategic positioning. Specifically, the Group is subject, in the various jurisdictions in which it operates, to the legal provisions and technical standards, both national and international, which are applicable to the products it manufactures and/or markets. The adoption, implementation or entry into force of restrictive or unfavourable regulatory measures, or the imposition of compliance obligations or additional requirements connected to the performance of business activities, could result in changes in the operational conditions, which may require increased investments, higher production costs, or delay the development of operations.

In this regard, it is of particular note that the entry into force or the implementation of new regulations in the markets in which Pirelli operates could negatively impact the ability to access these markets and could also affect operations in these countries. Similarly, given the current context, it cannot be ruled out that the tightening or change of regulations already in force or of those that may be implemented in the future, could in turn also have a negative impact on business activities and on the economic, asset and financial situation, as well as on the prospects for technological, industrial and employment growth.

Pirelli continuously monitors these risk factors and their developments in order to implement measures to mitigate the potential impacts arising from such developments.

RISKS ASSOCIATED WITH THE AUTOMOTIVE SECTOR

The automotive sector, which is closely tied to just-in-time strategies, is particularly exposed to geopolitical dynamics. Any disruptions or slowdowns in the supply of strategic equipment, whose production is geographically concentrated, could have significant consequences on production volumes and, indirectly, on the demand for tyres by Original Equipment customers. The Group continuously monitors these risk factors, together with the current distortions in global logistics routes linked to the Middle East crisis, in order to promptly implement measures aimed at mitigating the potential impacts on demand.

PANDEMIC RISK

Pirelli markets its products globally in over 160 countries and operates industrial sites located in various regions of the world. Any new epidemiological emergencies caused by highly critical pathogenic agents that might spread regionally and/or globally, could lead to a disruption in the normal market dynamics and, more generally, in business operating conditions. In terms of operational risks, Pirelli monitors, among other factors, potential risk events relative to both the resilience of the supply chain and the widespread use of new technological tools associated with remote working.

RISKS ASSOCIATED WITH THE EVOLUTION OF LONG-TERM DEMAND

Mobility has undergone an unprecedented transformation in recent years, driven by technological changes (the electrification of propulsion, autonomous driving and digital connection), cultural shifts (the increase in the average age for obtaining a driving licence, the lesser importance attributed to owning a car, etc.) and regulatory developments, which are often aimed at limiting the circulation of the more polluting vehicles in metropolitan areas and in their immediate vicinities.

Daily commuting has recorded a decline in many regions, whilst there has been an increase in non-systematic travel, particularly that linked to free time and to recreational activities. In the medium term, there seems to have emerged a tendency to live increasingly far from the workplace, with consequent longer journeys, even if they are concentrated on fewer days per month than before. This appears to have negatively impacted the use of public transport, while all means of individual travel (cars, motorbikes, mopeds, bicycles, e-scooters), are experiencing a considerable increase of use in the majority of cities. The development of public transport, as desired by the policies of the major metropolitan cities, will depend very much on the resources available and on the capacity to effectively adapt to the new mobility requirements of people.

In the medium to long term, a reduction in the use of private cars appears likely in urban areas, but this will be offset by its increased use in suburban areas and for medium and long distances. The growing automation of driving could also make cars more competitive than flights and trains for certain types of journeys.

In light of these often opposing trends, it is not simple to predict the potential impacts on the tyre sector. Pirelli constantly monitors these developments, both by analysing studies and data available at global and local levels and by participating in international platforms dedicated to transport and mobility (such as the Corporate Partnership Board promoted by the International Transport Forum (ITF), and taking part in webinars and dedicated conferences on specific themes in this field.

RISKS RELATED TO PRICE TRENDS AND THE AVAILABILITY OF RAW MATERIALS

Natural rubber, synthetic rubber and raw materials, from both petroleum and sustainable sources, will continue to be a source of uncertainty within the Group's cost structure, given the high volatility recorded in past years and their impact on the cost of the finished product. For the main raw materials purchased by the Group, potential price scenarios are constantly simulated based on historical volatility and/or the best information available on the market (e.g., forward prices). Based on the different scenarios, the necessary sales price increases and/or various internal cost efficiency recovery measures (use of alternative raw materials, reduction of product weight, process quality improvement and the reduction of waste levels), are identified in order to guarantee the expected profitability levels.

RISKS LINKED TO THE COMPETITIVE POSITIONING OF THE GROUP AND TO THE COMPETITIVE DYNAMICS OF THE SECTOR

The market in which the Group operates is characterised by the presence of numerous operators, some of which possess significant financial and industrial resources and own brands that enjoy strong international or local recognition. To date, Pirelli is the only player in the tyre industry entirely focused on the Consumer user market on a global scale, with its single brand positioned in the segment of interest to the manufacturers and users of Prestige and Premium vehicles. Intensification in the level of competition in the sector in which the Group operates could, in the medium to long term, impact its economic, asset, and financial situation. The high barriers to entry - both technological and productive - provide a structural mitigation against the potential intensification of competition in the Group's target segment. In addition to this, the uniqueness of Pirelli's strategy, which is built on - among other factors - an extensive homologation *"parc"* focused on the Prestige and Premium segments and an ever-increasing capacity focused on High Value.

STRATEGIC RISKS

EXCHANGE RATE RISK

The diverse geographical distribution of Pirelli's manufacturing and commercial activities entails exposure to exchange rate risk, both transactional and translational. Transactional exchange rate risk is generated by transactions of a commercial and financial nature carried out by individual companies in currencies other than the functional currency, due to fluctuations in exchange rates between the time when the commercial/financial relationship is initiated and the time when the transaction is settled (collection/payment).

The Group's policy is to minimise - where the financial market allows it in an efficient manner - the impacts of transactional exchange rate risk linked to volatility. For this reason, the Group's procedures provide that the Operating Units are responsible for collecting all the information relevant

to positions exposed to transactional exchange rate risk, which are hedged through forward contracts, where possible, with the Group's Treasury. In these cases the Group's Treasury is responsible for hedging the resulting net position for each currency and, in accordance with the established guidelines and predetermined restrictions, it in turn closes out all risk positions by negotiating hedging derivative contracts on the market, typically forward contracts. Of note is that, as part of the annual and three-year planning process, the Group formulates exchange rate forecasts based on the best information available on the market. Any fluctuation in an exchange rate between the time of planning and the time when a commercial or financial transaction occurs, determines a transactional exchange rate risk on future transactions. The Group assesses, on a case-by-case basis, the opportunity to carry out hedging transactions on future transactions, for which it typically uses both forward buy or sell transactions and optional risk-reversal type instruments, (for example, zero cost collars). Pirelli holds controlling interests in companies that prepare their financial statements in currencies other than the euro, which is the currency used to prepare the consolidated Financial Statements. This exposes the Group to translational exchange rate risk, due to the conversion into euro of the assets and liabilities of subsidiaries operating in currencies other than the euro. The main exposures to translational exchange rate risk are continuously monitored, and at present it has been deemed appropriate to not adopt specific hedging policies for these exposures.

LIQUIDITY RISK

In order to monitor the management of the risk of insufficient financial resources available to meet its own financial and commercial obligations within the established terms and deadlines, the Group implements both annual and three-year financial plans as well as treasury plans, with the aim of ensuring a comprehensive and accurate detection and measurement of incoming and outgoing cash flows. The differences between the planned and actual final data are subjected to constant analysis. The Group has implemented a centralised system for the management of collection and payment flows in compliance with the various local currency and tax regulations. The negotiation and management of banking relationships is carried out centrally, in order to ensure coverage for short and medium-term financial needs at the lowest possible cost. The procurement of medium to long-term resources on the capital market is also optimised through centralised management. The prudent management of the aforementioned risk requires the maintenance of an adequate level of cash or cash equivalents and/or easily liquidated short-term securities, and the availability of funds obtainable through an adequate amount of committed credit facilities and/or the recourse to the capital market. In addition to the committed credit facilities (*Revolving Credit Facilities*) totalling euro 1.5 billion, which December 31, 2025 resulted as being entirely unutilised, the Pirelli Group accesses the capital market to diversify both financial products and maturities in order to seize the best opportunities available.

INTEREST RATE RISK

Interest rate risk is represented by exposure to the variability in the fair value or in the future cash flows of financial assets or liabilities, due to changes in the market interest rates. The Group assesses, based on market conditions, whether to enter into derivative contracts, typically interest rate swaps and cross currency interest rate swaps.

PRICE RISK ASSOCIATED WITH FINANCIAL ASSETS

The Group's exposure to price risk is limited to the volatility of financial assets such as equity securities and bonds, both listed and unlisted, which represented 0.6% of the Group's total assets, and were subdivided as follows;

- financial assets represented by listed equity securities and securities indirectly associated with listed equity securities, to the amount of euro 24.3 million. Any changes in the fair value of these securities is recognised under Other Comprehensive Income;

- financial assets represented by Argentine dollar-linked bond instruments, with the objective of mitigating the effects of the depreciation of the local currency, to the amount of euro 56.9 million. Any changes in the fair value of these securities, is recognised in the Income Statement.

Derivatives are not typically placed on these assets to hedge their volatility.

CREDIT RISK

Credit risk represents the Group's exposure to potential losses resulting from the non-fulfilment of the commercial and financial obligations undertaken by counterparties. As regards these commercial counterparties, in order to limit this risk, Pirelli has put in place procedures to assess the potential and financial creditworthiness of its customers, to monitor expected cash flows and to take any recovery action. The aim of these procedures is to define customer credit limits, whereby in the event that those limits are exceeded, the rule to withhold further supplies is activated. In some cases, customers are asked to provide guarantees, mainly bank guarantees issued by parties of the highest credit or personal standing. Less frequently, mortgage guarantees may be requested. Another tool utilised for the management of commercial credit risk is the taking out of insurance policies. For over 10 years, a master agreement has been in place, renewed until December 31, 2025, with a leading insurance company holding an AA credit rating according to Standard & Poor's valuations. This agreement provides worldwide coverage of credit risk relating primarily to sales through the Replacement channel (the coverage ratio at December 31, 2025 was approximately 70%). However, as regards the financial counterparties for the management of its temporary cash surpluses, or for the negotiation of derivative instruments, the Group deals only with entities of the highest credit

standing. Pirelli constantly monitors its net credit exposure to the banking system, and does not show any significant concentrations of credit risk.

RISKS ASSOCIATED WITH HUMAN RESOURCES

The Group is exposed to the risk of loss of human resources in key positions or in possession of critical know how. To mitigate this risk, the Group implements remuneration policies that are periodically updated, also based on changes in the general macroeconomic environment as well as on salary benchmarks. There are also long-term incentive plans and specific non-compete agreements (designed also as retention measures) tailored, among other things, to the risk profiles of business-related activities. Furthermore, specific *"management"* policies are in place, which provide for career plans, internal and external training programmes and upskilling/reskilling initiatives aimed at developing, motivating and retaining talent.

OPERATIONAL RISKS

RISKS RELATED TO ENVIRONMENTAL ISSUES

The activities and products of the Pirelli Group are subject to numerous environmental laws linked to the specificities of the different countries in which the Group operates. These regulations have in common a tendency to evolve and provide for increasingly restrictive requirements, also due to the growing attention of the international community to the issue of environmental sustainability. Pirelli expects the gradual introduction of increasingly stringent regulations on the various environmental aspects (atmospheric emissions, waste generation, soil impacts, water use, etc.), that may impact on companies. The activities of the Pirelli Group are also located in varied environmental contexts that are constantly evolving in terms of surrounding environmental conditions (drought-prone areas, flood-prone areas, areas subject to climatic alterations, etc.). Further changes in operating conditions cannot be ruled out, even in the short term.

Consequently, the Group anticipates that it will have to continue making investments and/or incurring costs that could be significant, both in relation to regulatory developments and to climate changes which could further alter production conditions in the short, medium, and long term.

EMPLOYEE HEALTH AND SAFETY RISKS

The Pirelli Group, in the exercise of its activities, incurs charges and costs for the actions necessary to ensure full compliance with the obligations provided for both by health and safety regulations in the workplace and by the highest international industry standards.

In confirmation of the above and in compliance with the provisions of the specific HSE Policy, Pirelli produces compounds and tyres without the use of substances or products that cause high concern due to their potential effects on human health (the so-called *"Substances of Very High Concern")* and/or on the environment (the well-known POPs - Persistent Organic Pollutants).

Furthermore, with a view to protecting the health of workers and the environment, Pirelli has for many years carried out preventive assessments on new raw materials and process aids before these materials can be used extensively by the Group's operating units.

Similarly to what occurs for the environment, increasingly stringent regulations and policies are also being developed in the field of health and safety in the workplace - both at national and international levels - which inevitably impact on the operational management of activities at the Group's sites, on technical investments, and on responsibility allocation models. In this context, Pirelli expects that it will continue to make investments and/or incur costs to ensure the highest levels of protection for the health and safety of workers and compliance with all applicable regulations in the countries where it operates.

DEFECTIVE PRODUCT RISK

Like all manufacturers of goods for sale to the public, Pirelli may be subject to liability claims related to the alleged defects in products sold, or be required to initiate product recall campaigns. Although such events are covered from an insurance perspective, their occurrence could negatively impact the reputation of the Pirelli Brand, if not prevented or appropriately managed. For this reason, tyres marketed by Pirelli undergo rigorous quality analyses before being released to the market. The entire production process is governed by specific quality assurance procedures with safety and performance targets that are continuously updated and upgraded.

LITIGATION RISKS

In carrying out its activities, Pirelli may become involved in legal, fiscal, commercial, labour law disputes. The Group takes the necessary measures to prevent and mitigate any potential consequences that may arise from any such proceedings.

PERSONAL DATA PROCESSING RISKS

In the normal course of business, personal data on employees, customers (B2C and B2B) and suppliers are supplied. The treatment of personal data collected by the Group companies is subject to the laws and regulations applicable in the countries in which these companies operate or are present. The Group constantly monitors the international regulatory context and implements the necessary measures to achieve full compliance with the applicable data protection regulations,

(whilst maintaining the legislative framework introduced by Regulation (EU) 2016/679, the so called *"General Data Protection Regulation"* or *"GDPR"* as its reference), thereby mitigating the risk of proceedings before regulatory authorities and/or privacy-related litigation. In light of the above, it cannot therefore be excluded that any changes to applicable legislation, the entry into force of new regulations, the launch of new products or services on the market and, more generally, any new initiative involving the processing of personal data (or substantial changes to existing personal data processing) may entail the need to incur specific expenses or lead the Group to review its modus operandi within the scope of its compliance activities relating to this area.

CYBER AND INFORMATION SECURITY RISKS

The continuous intensification of cyber security risk, which could be further increased due to the adoption of artificial intelligence technologies for the preparation of attacks, and the complexity of the international environment in which the Group operates, exposes it to cyber-attack risk scenarios (e.g., ransomware, malware, attacks on internet-facing systems), that could lead to the interruption of business activities for more or less prolonged periods of time, or to events involving the loss of confidentiality of data critical to the Group (e.g., Data Exfiltration, Insider Threat, Social Engineering). In accordance with the Strategic Roadmap for Information Security, which is based on international standards, initiatives aimed at increasing the Group's cyber security posture in relation to the identified risks have been periodically updated. Monitoring these risks through an information security management system that is integrated with the Company's operational risk management process, including the monitoring of cyber security risks within the supply chain, is essential for their proper management. From a technological standpoint, having visibility and the active monitoring of security events within the manufacturing plant environment is a necessary prerogative for the protection of the Group's infrastructure, such as the continuous upgrading of technology and operating systems, in order to reduce their vulnerabilities and the risks of failures and incidents that could impact business activities. The execution of cyber security awareness initiatives through testing, customised training, educational programmes and communication to update users on key cyber security risks, develops the human factor, which provides an additional level of protection in addition to processes and technologies.

BUSINESS INTERRUPTION RISKS

The territorial fragmentation of operating activities and their interconnection expose the Group to risk scenarios that could lead to the interruption of its business activities for more or less prolonged periods of time, with the consequent impact on the operational capabilities and results of the Group itself. Risk scenarios related to natural or accidental events (fires, floods, earthquakes, etc.), to malicious acts (vandalism, sabotage, etc.), to malfunctions in the auxiliary production plants or to interruptions in the supply of utilities, can in fact cause significant property damage and the reduction and/or interruption of production, particularly if the event affects high volume or specialised product (high-end range) production sites. Pirelli monitors their vulnerability to catastrophic natural events

(particularly floods, hurricanes and earthquakes) and assesses any potential damage (based on the probability of occurrence) for all the Group's production sites. The analyses confirm an adequate management of business interruption risks, thanks to a comprehensive set of security measures, systems for the prevention of harmful events and for the mitigation of the potential impacts on the business, also in light of the current business continuity plans, as well as the insurance policies in place to cover property damages and business interruptions that could potentially impact the Group's production plants, (the Group's insurance coverage might, however, not be sufficient to compensate for all potential losses and liabilities in the event of catastrophic events). The Pirelli supply chain is also regularly assessed for potential business interruption risks.

RISKS RELATIVE TO THE FINANCIAL REPORTING PROCESS

Pirelli has also implemented a specific and articulated risk management and internal control system, supported by a dedicated software application, for the preparation of the half-yearly and annual consolidated Financial Statements, in order to safeguard the Company's assets, its compliance with laws and regulations, the efficiency and effectiveness of corporate operations, as well as the reliability, accuracy and timeliness of its financial reporting. The process of preparing financial documentation, in particular, is carried out through the appropriate administrative and accounting procedures, developed in accordance with the criteria established by the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organisations of the Tradeway Commission. The administrative/accounting procedures for the preparation of the Financial Statements and all other financial communications are prepared under the responsibility of the Manager responsible for the preparation of the Corporate Financial Documents, who verifies their adequacy and effective application on a half-yearly basis. In order to allow for the attestation by the Manager responsible for the preparation of the Corporate Financial Documents, a mapping of the companies and the relevant processes that contribute to and generate economic, asset, and financial information, was carried out. The quantitative criteria consists of the identification of those Group companies which, in relation to the selected processes, represent an aggregate value which exceeds a defined materiality threshold. The qualitative criteria consists of the examination of those processes and companies which, according to the assessment of the Manager responsible for the preparation of Corporate Financial Documents, may present potential areas of risk even though they do not fall within the quantitative parameters described above. For each selected process, the control risks/objectives associated with the preparation of the Financial Statements and related disclosures, as well as with the efficiency of the internal control system in general, were identified. For each control objective, specific verification measures were planned and specific responsibilities were assigned. A system of supervision over the controls performed by way of a "chain" attestation mechanism, extending all the way to the Chief Executive Officers of each company within the scope of control. Any critical issues that emerge within the evaluation process are subject to a plan of actions whose implementation is then verified within the subsequent half-year. In addition, the Chief Executive Officer and the Chief Financial Officer the subsidiaries, are required to provide a half-yearly declaration, on the reliability and accuracy of the data submitted for the purposes of preparing the Group's Consolidated Financial Statements. In the lead up to the dates of the Board of Directors'

Meetings which approve the consolidated data at June 30 and December 31, the results of the audit procedures are discussed with the Manager responsible for the preparation of the Corporate Financial Documents. Lastly, the Internal Audit Department carries out periodic audits aimed at verifying the adequacy of the design and operability of the controls carried out on sample companies and processes, which are selected based on materiality criteria. Furthermore, with the entry into force during the course of 2024, of the Corporate Sustainability Reporting Directive (CSRD) and the resulting changes to the process of drafting the Group's Sustainability Report, Pirelli has extended and strengthened the internal control system for Sustainability Reporting, (compared to what had already been implemented in previous years with regard to the Non-Financial Statement, prepared pursuant to Legislative Decree No. 254/2016). In particular, the new control framework is now more closely aligned with the requirements for Financial Reporting. For further details, reference should be made to the section dedicated to the control system, contained in the Sustainability Report itself.

RISKS RELATIVE TO SOCIAL AND ENVIRONMENTAL RESPONSIBILITY AND BUSINESS ETHICS

Risk management at Pirelli is enterprise-wide and includes the identification, analysis and monitoring of environmental, social, economic/financial and business ethics risks that are directly or indirectly attributable to the Company, through Pirelli affiliates or in relationships with them, such as those connected to the sustainability of the supply chain. Before investing in a specific market or initiating new business relations (e.g., M&A, joint ventures), Pirelli conducts ad hoc assessments, including through due diligence, on potential political, financial, environmental and social risks, with a particular focus on the compliance with human and labour rights. In countries where the Group is already present, a systematic monitoring of the internal and external scenario is carried out to mitigate the risks associated with the environments in which it operates and the value chain. This approach makes it possible to prevent any negative impacts, and to undertake to remedy them where necessary. Alongside the continuous monitoring of the application of internal prescriptions regarding financial, social, environmental sustainability and business ethics at Group sites, which occurs through the periodic audits performed by the Internal Audit Department, Pirelli has adopted an ESG (Environmental and Social Governance) risk mitigation strategy for its own supply chain. Within the *"Consolidated Sustainability Reporting - pursuant to Legislative Decree No. 125 of 6 September 2024"*, the material risks identified by the Group in relation to ESG issues are described in detail. For the complete list of risks, please refer to the *"RISKS AND OPPORTUNITIES TABLE"* in the introductory chapter *"Double Materiality Analysis and Management of Impacts, Risks and Opportunities".* In the sections relating to the ESRS macro-issues (environmental, social, and governance), the policies adopted, the targets defined and the actions associated with the identified risks are also illustrated in depth. For these risks, the Group has put in place a series of mitigation measures aimed at reducing both their impacts and their probability of occurrence.

EMERGING RISKS

Since joining the Task Force on Climate-related Financial Disclosures (TCFD) in September 2018, Pirelli has fully applied all the recommendations of the task force and has ensured the transparent reporting of risks and opportunities associated with climate change. To this end, Pirelli monitors these elements of uncertainty along its value chain through sensitivity analyses and risk assessments, to assess and quantify the financial impacts (risks and opportunities) related to climate change and water stress, and to put in place appropriate prevention and mitigation measures to protect its business. One instrument to support these analyses is the Group's Climate Change and Related Water Risk Assessment, which is updated periodically to integrate these analyses with medium to long-term forecasts, relative to the IPPC[12] (Intergovernmental Panel on Climate Change) climate scenarios, (RCP 1.9, RCP 2.6, RCP 4.5, and RCP 8.5)[13] and the IEA[14] (International Energy Agency) energy transition scenarios (NZE-2050, APS and STEPS)[15].

In consistency with the standard, this information is published within the Consolidated Sustainability Reporting, to which reference should be made, and is reported through Pirelli's public responses to the CDP questionnaire.

RISKS RELATED TO INCREASING COSTS RELATIVE TO CLIMATE CHANGING GAS EMISSIONS

Consistent with the findings of the Group's latest Climate Change and related Water Risk Assessment, the introduction and/or tightening of the current CO_2 emission pricing schemes in the countries where the Group operates, could entail the risk of increased production costs for the Company's operations.

This phenomenon could materialise not only at a European level, where the Emissions Trading System (ETS) mechanism has already been active for years, with impacts that are already evident in the Group's factories in the EU, but also in other economies that already have carbon taxation policies in place or are in the policy evaluation phase (China, Brazil, Mexico and the UK, amongst others).

For the purposes of monitoring the potential impacts, different CO_2 price trends were hypothesised, on the basis of the forecasts published by the IEA for the STEPS, APS, NZE-2050 scenarios, taking into account the carbon emission intensity pathways of the production sites consistent with the

[12] Intergovernmental Panel on Climate Change.

[13] The group of scenarios which represent a projected end-of-century global temperature increase of between +1.5°C (RCP2.6) and >4°C (RCP8.5).

[14] International Energy Agency

[15] Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS), and Net Zero Emissions by 2050 (NZE-2050).

Group's objectives, and by hypothesising three different scenarios based on the climate scenarios and time frames under consideration:

- NZE-2050: the application of the ETS (the Emissions Trading System) to countries which already have a framework in place (e.g., the EU, Mexico, China and Brazil) in the medium term (2030), and with the extension of the ETS framework to all Group countries in the long term (2050);

- APS: the application of the ETS only to European manufacturing plants without installed capacity thresholds in the medium term (2030), and the application of the ETS to countries which already have a framework in place (e.g., the EU, Mexico, China and Brazil), in the long term (2050);

- STEPS: the application of the ETS only to manufacturing plants where it is already currently applied without free allowances in both the medium (2030) and long term (2050).

The impact of the risk was assessed in financial terms for the 2025-2050 time period, by calculating the potential additional costs for the Group, based on the options described above, in the event of the introduction and/or tightening of the carbon pricing system currently in place.

No material impact emerged from the assessment for the short term (by 2026) and medium term (2030). However, elements of uncertainty remain as to the significance of the impacts over the long term (2050), in the event of the NZE-2050 scenario occurring. In addition, in view of the potential impacts on production related aspects, Pirelli constantly monitors potential developments in the carbon pricing policies of the main countries in which it operates, so as to proactively intercept any deviations from the announced targets, and to be able to implement mitigation measures.

RISKS RELATED TO CHANGES IN THE ENERGY REQUIREMENTS OF PRODUCTION PLANTS

The global rise in temperatures due to climate change results in, among other things, shifts in energy demand at the Group's production plants. This phenomenon could lead to an increase in the energy consumption used for cooling the plants and the production processes, with a consequent increase in costs. As part of the most recent Climate Change and related Water Risk Assessment, Pirelli conducted a study to quantify changes in the net energy demand, availing itself with specialised tools for mapping the exposure to chronic physical hazards (e.g., heatwaves) by taking into consideration the potential variations in consumption under different RCP scenarios based on the plants' current energy requirements. Although it emerged that some production sites will require a greater supply of energy, the impact of risk did not result as being material in either the short term or in the medium to long term (2025-2050).

RISKS RELATED TO POTENTIAL VOLATILITY AND UNAVAILABILITY OF NATURAL RUBBER

In context of climate change, drier seasons, significant changes in temperature and extreme rainfall events could threaten natural rubber production in the South-East Asian plantations. Furthermore, climatic and environmental changes could influence the spread of pests and diseases that affect rubber, putting harvests at risk. This scenario could impact the production of the raw material in the region, leading to a possible reduction in the long term.

Through the Climate Change and related Water Risk Assessment, the Group assesses the effects of climate change in order to predict and mitigate the consequences for the supply chain, adopting strategies to diversify procurement sources. Pirelli scrupulously monitors the impact of the risk associated with price volatility and natural rubber availability in South-East Asia, and also pays close attention to potential changes in the geographical distribution of production at global level.

PHYSICAL RISKS DUE TO CLIMATE CHANGE IMPACTING PRODUCTION PLANTS AND SUPPLY CHAINS

Current climate change involves, among other things, an increase both in terms of the frequency as well as the severity of catastrophic natural events (such as floods, droughts, wildfires, hailstorms and tornadoes), which could impact both Pirelli's production sites and those of its suppliers.

The Group's Climate Change and related Water Risk Assessment takes into account the main climate risk assessment models (IPCC) using specialised tools for mapping the exposure to physical hazards, in addition to the risk mitigation and adaptation measures already in place at various production sites, and then estimates the potential damage to assets and the number of business interruption days for the Group's plants and for strategic suppliers, resulting from the main risks (floods, droughts, wildfires and storms, among others). Where possible, risks have been projected up until 2050, based on the different degrees of global temperature increases as defined by the IPCC climate scenarios (RCP 1.9, RCP 2.6, RCP 4.5 and RCP 8.5).

The analysis of physical risks was carried out both in terms of potential damage to assets (Property Damage) and in terms of potential business interruption days, by calibrating the climate models to historical events, and thereby correlating the intensity of the events with consequent production downtime. In terms of potential critical issues for the Group, no significant impacts are foreseen in in the short to medium term (2025-2030), while elements of uncertainty remain on the horizon towards 2050.

The Pirelli Group constantly monitors these risk elements both in terms of production plants and the supply chain, in order to proactively pursue mitigation strategies both in terms of CapEx, as well as

scouting and compounding for the supply chain, aimed at reducing the risk of damage to its strategic assets and the risk of business interruption.

RISKS ASSOCIATED WITH THE EVOLUTION OF MOBILITY MODELS

In view of the developments in climate patterns, market preferences and urban policies in the medium to long term, one element of uncertainty exists with regard to trends in mobility demands.

In fact, an upward trend can be observed in the market shares gained by shared, electric and autonomous vehicles.

This risk is dependent upon the unpredictability of any sudden accelerations or decelerations that these trends bring to the development of the relative demand in the geographical regions/markets in which Pirelli operates, with a consequent impact on the speed of adaptation of tyre manufacturing technologies, or, alternatively on the risk of converting production processes and/or services in a manner that is not in line with market demand.

In this context, Pirelli has already integrated into its own product range, products and technologies dedicated to these trends. In order to ensure a growing market presence, avoid a decline in sales and maintain its leadership in the relevant High Value segment, the Company:

- closely monitors demand trends in order to anticipate any changes in the market environment;
- tracks technological trends in order to promptly offer the appropriate product range which is in alignment with market requirements;
- benefits from an early insight into the development of demand and of technologies, thanks to its continuous collaboration with Original Equipment Manufacturers;
- combines speed and production flexibility in order to promptly respond to specific new requirements.

Furthermore, considering that the new types of vehicles and mobility will also be characterised by ever-increasing levels of autonomy, road safety, even in in the event of unforeseen events (e.g., punctures) and energy efficiency, the Company:

- applies extended mobility technologies, self-supporting tyres (e.g., run flat, run forward), self-sealing tyres (seal inside), which increase safety levels in the event of punctures;
- has developed cyber technology to enable the transmission of data from the tyre to external infrastructures and to the vehicle. This technology contributes to increased road safety, as well as to improved fuel efficiency and reducing vehicle emissions;

- sets energy efficiency targets for products placed on the market (i.e., the percentage of sales of products with A/B labelling for rolling resistance according to the parameters of the European labelling system).

OUTLOOK FOR 2026

The following are the outlook and targets announced to the market on February 25.

MARKET OUTLOOK FOR 2026

For 2026, Pirelli expects a trend in the **global demand for Car tyres** of between **~-1% and ~+1%,** with a more resilient High Value, and with *"mid-single digit"* growth, compared with the contraction at *"low single-digit"* levels, expected for Standard.

The growth of High Value will be supported by the Replacement channel, particularly in Europe, in APAC and in North America. Demand for High Value Original Equipment is expected to grow at *"low-single-digit"* levels and is anticipated to recover in the second half of the year, in line with the trend for automobile production.

On the basis of the 2025 results, Pirelli expects solid organic growth, a further improvement in profitability, and strong cash generation, despite the external environment remaining challenging (exchange rates, tariffs and inflation in the cost of production factors). In terms of volumes, in particular, Pirelli expects to outperform the market in High Value and to continue to reduce its exposure to Standard.

TARGET 2026

(in billions of euro)	**2025**	**2026E**
Revenues	6.78	~6.7 ÷ ~6.9
EBIT margin adjusted	16%	~16% a slight improvement vs. 2025
Investments (CapEx) *% of revenues*	0.42 *6.2%*	~0.45 *~6.5%*
Net cash flow before dividends	0.58	~0.5
Net Financial Position *Leverage - NFP/EBITDA adj.*	-1.1 *0.71x*	~-1.2 *~0.75x*

The evolution of the Middle East crisis remains uncertain in terms of its duration and potential impact. The tensions in the area are translating into **great pressure on the energy markets and raw materials**, with significant price increases of **oil and gas.** This scenario, if prolonged, will translate into an increase in inflation with potential impacts of the performance of the economy and demand.

Pirelli's exposure to the area is limited, equal to about 1% of group revenues, and immediately implemented a series of actions aimed at guaranteeing the safety of its people in loco, reinforcing its cooperation with local partners and optimizing logistics flows.

Further, to limit the effects of the Middle East crisis at the Group level, Pirelli has already activated a mitigation plan which entails:

- price increases;
- containment of additional costs compared with the existing efficiency plan;
- a review of logistics flows and temporary increases of back-up inventories of critical raw materials to ensure continuity of production;
- attentive management of working capital.

Taking these actions into account and given the volatility of input costs and raw materials, which may be expected to progressively normalize in the second half, **Pirelli confirms the 2026 targets**

announced to the market on 25 February 2026, with Adjusted Ebit expected at the lower end of guidance.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE YEAR

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 new facilities - parameterised to the decarbonisation targets of the Group previously announced to the market, relating to Scopes 1, 2 and 3 – have replaced the bank credit facilities of the same amount maturing in 2027, enabling 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 signed agreement provides for a term loan of euro 600 million and revolving credit facilities of euro 1.5 billion. 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 **February 5, 2026**, the Pirelli Board of Directors approved by a majority, with 9 votes in favour and 5 against, the assessments of the Chief Executive Officer, Andrea Casaluci. According to these assessments, Cyber Tyre activities must continue to be exercised and developed in a fully integrated manner, including at a functional and organisational level, with all other activities of the Pirelli Group. These must be managed in full consistency with and in respect of the strategic and industrial approach illustrated by the Chief Executive Officer, which expressly excludes any project or initiative that could lead to forms of compartmentalisation, separation or segregation, even if only partial and of any nature. The votes against the management's considerations were cast by Chen Aihua, Zhang Haitao, Chen Qian, Fan Xiaohua and Grace Tang.

During the Board of Directors meeting, Pirelli's management pointed out that the possible fragmentation of Pirelli and the segregation of the Cyber Tyre business would have no chance of being carried out because:

- it would irreversibly undermine the integrated business model, where technology and innovation, product development, production and commercialisation exist in a constant exchange of information and data;
- it would transfer the relevant patents to the *"Pirelli Cyber Tyre"* entity, the free use of which would therefore be inhibited for Pirelli, depriving it of strategic know-how, in complete contradiction with the principles underlying the Company's Articles of Association;
- it would lead to technological slowdown and impoverishment, which would compromise Pirelli's competitive and commercial advantage and its leadership in terms of innovation;
- it would result in reduced synergies and higher costs due to the need to duplicate operational structures;
- it would cause significant value destruction and, consequently, weaker financial solidity;

- it would also not allow for the limitations imposed by US regulations to be overcome.

Pirelli also announced that:

- on January 30, 2026, the shareholders Camfin and MTP & C. S.p.A. submitted to the Presidency of the Council of Ministers, the notification required under Legislative Decree No. 21/2012 (Golden Power Decree), in relation to the decision which was announced on January 23, 2026, to not renew the Shareholders' Agreement concerning Pirelli, which had been signed with the Sinochem Group and which will expire on May 18. The notification was made in accordance with the provisions of the D.P.C.M. (Decree of the President of the Council of Ministers) of June 16, 2023, pursuant to which *"any change in the corporate governance of Pirelli & C. S.p.A., including the non-renewal or non-signing of the Shareholders' Agreement, must be notified pursuant to the Legislative Decree of March 15, 2012, No. 21".* The Shareholders' Agreement, which came into force on May 19, 2023, had been signed on May 16, 2022 between Camfin and MTP & C. S.p.A. and the China National Tire & Rubber Corporation Ltd., the China National Chemical Corporation Limited, CNRC International Limited, Fourteen Sundew S.à r.l. and Marco Polo International Italy S.r.l.;

- the shareholder CNRC, on February 3, 2026, submitted to the Presidency of the Council of Ministers the notification required pursuant to Legislative Decree No. 21/2012 (Golden Power Decree), in which it communicated, in addition to the non-renewal of the Shareholders' Agreement concerning Pirelli, a proposal for the potential corporate segregation of the Cyber Tyre business and changes to the mechanism for appointing the members of the Pirelli Board of Directors. Both proposals are subject to conditions set by the CNRC including a prior assessment to verify whether the Cyber Tyre business qualifies as a *"critical technology"* pursuant to the D.P.C.M. No. 179/2020 and the relevance, for the purposes of applying the Golden Power regulations, of Pirelli's activities in context of US regulations and the US market.

On **February 18, 2026**, Pirelli was confirmed among the companies included in the *"Top 1%"* of the 2026 Sustainability Yearbook of S&P Global, and was the only tyre manufacturer globally to receive this recognition. This inclusion in the *"Top 1%"* of the 2026 Sustainability Yearbook represents the highest level of assessment provided by S&P Global, and is based on the analysis of the ESG (Environmental, Social and Governance) performance of more than 9,200 companies worldwide. The result reflects the score obtained by Pirelli in the 2025 Corporate Sustainability Assessment by S&P Global, where the Company recorded 86 points, the highest in both the Auto Components and Automotive sectors.

On **March 27, 2026**, Pirelli exercised the option which enabled Pirelli Tyre S.p.A. to increase its stake in the joint venture, the Xushen Tyre (Shanghai) Co., Ltd. to 70%. The final price of the option will be determined by the end of the first half-year of 2026.

This transaction will allow for the continuation of providing the necessary flexibility in High Value production, taking into account the evolution of the Chinese market, the expected developments in electric vehicles and the increasing market share for homologations.

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 **April 16, 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. For further information, please refer to the section "Outlook 2026".

ALTERNATIVE PERFORMANCE INDICATORS

This document, in addition to the financial measures provided for by the International Financial Reporting Standards (IFRS), presents some measures derived from the latter, but not provided for by the IFRS (Non-GAAP Measures), in compliance with the ESMA Guidelines on Alternative Performance Indicators (ESMA/2015/1415 Guidelines) published on October 5, 2015. These measures are presented in order to allow for a better assessment of the Group's operating performance, and should not be considered as alternatives to those provided for by the IFRS.

Specifically, the Non-GAAP Measures used were as follows:

- **EBITDA**: equal to the EBIT but excludes the depreciation and amortisation of property, plant and equipment and intangible assets. The EBITDA is used to measure the ability to generate results from operations, excluding the impacts deriving from investments;

- **EBITDA adjusted**: an alternative measure to the EBITDA which excludes non-recurring, restructuring and one-off expenses;

- **EBITDA margin**: calculated by dividing the EBITDA by revenues from sales and services. This measure is used to evaluate operating efficiency, excluding the impacts deriving from investments;

- **EBITDA margin adjusted**: calculated by dividing the EBITDA adjusted by revenues from sales and services. This measure is used to evaluate operating efficiency, excluding the impacts deriving from investments and the operating costs attributable to non-recurring, restructuring and one-off expenses.

- **EBIT**: an intermediate measure which is derived from the net income/(loss), but which excludes taxes, financial income and financial expenses and the net income/(loss) from equity investments. The EBIT is used to measure the ability to generate results from operations, including the impacts deriving from investments;

- **EBIT adjusted**: an alternative measure to the EBIT which excludes the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations and the operating costs attributable to non-recurring, restructuring and one-off expenses;

- **EBIT margin**: calculated by dividing the EBIT by revenues from sales and services. This measure is used to evaluate operating efficiency;

- **EBIT margin adjusted**: calculated by dividing the EBIT adjusted by revenues from sales and services. This measure is used to evaluate operating efficiency, excluding the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations and the operating costs attributable to non-recurring, restructuring and one-off expenses;

- **Net income/(loss) adjusted**: calculated by excluding the following items from the net income/(loss):
    - the amortisation of intangible assets relative to assets recognised as a consequence of Business Combinations and the operating costs attributable to non-recurring, restructuring and one-off expenses;
    - non-recurring expenses/income recognised under financial income and expenses;
    - non-recurring expenses/income recognised under taxes, as well as the tax impact relative to the adjustments referred to in the previous points;
- **Fixed assets**: this measure is constituted by the sum of the Financial Statement items, *"Property, plant and equipment", "Intangible assets", "Investments in associates and joint ventures", "Other financial assets at fair value through other Comprehensive Income" and "Other non-current financial assets at fair value through the Income Statement".* Fixed assets represent the non-current assets included in the net invested capital;
- **Net operating working capital**: this measure is constituted by the sum of *"Inventory", "Trade receivables"* and *"Trade payables";*
- **Net working capital**: this measure is constituted by the net operating working capital and by other receivables and payables, including tax receivables and payables, and by the derivative financial instruments not included in the net financial position. This measure represents the short-term assets and liabilities included in the net invested capital, and is used to measure short-term financial stability;
- **Net invested capital**: this measure is constituted by the sum of (i) fixed assets, and (ii) net working capital. Net invested capital is used to represent the investment of financial resources;
- **Provisions**: this measure is constituted by the sum of *"Provisions for liabilities and charges (current and non-current)", "Provisions for employee benefit obligations (current and non-current)", "Other non-current assets", "Deferred tax liabilities"* and *"Deferred tax assets";*
- **Net financial debt**: calculated pursuant to the CONSOB Notice dated July 28, 2006 and in compliance with the ESMA Guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable as of May 5, 2021. Net financial debt represents borrowings from banks and other financial institutions net of cash and cash equivalents, of other current financial assets at fair value through the Income Statement, of current financial receivables (included in the Financial Statements under *"Other receivables"*), and of the derivative instruments used for hedging items included in the net financial position and recognised in the Financial Statements under *"Derivative financial instruments"* as current assets, current liabilities and non-current liabilities;
- **Net Financial Position**: this measure represents the net financial debt less the non-current financial receivables (included in the Financial Statements under *"Other receivables"*) and the

non-current derivative instruments used for hedging items included in the net financial position and recognised in the Financial Statements under *"Derivative financial instruments"* as non-current assets. The net financial position is an alternative measure to net financial debt but which includes non-current financial assets;

- **Liquidity margin**: this measure is constituted by the sum of the Financial Statement items, *"Cash and cash equivalents", "Other financial assets at fair value through the Income Statement"* and the committed but unutilised credit facilities;

- **Operating net cash flow**: calculated as the change in the net financial position attributable to operations management;

- **Net cash flow before dividends, extraordinary transactions and investments**: is calculated by adding the change in the net financial position due to financial and tax management, to the operating net cash flow;

- **Net cash flow before dividends paid by the Parent company and the impact of the Bond Loan**: calculated by adding the change in the net financial position due to extraordinary transactions and the management of investments, to the net cash flow before dividends, extraordinary transactions and investments;

- **Net cash flow before dividends paid by the Parent company**: calculated by adding the change in net financial position due to the conversion of the bond loan to the net cash flow before dividends paid by the Parent Company and the impact of the bond loan;

- **Net cash flow**: calculated by subtracting the dividends paid by the Parent company from the net cash flow before dividends paid by the Parent company;

- **Investments in intangible and owned tangible assets (CapEx)**: calculated as the sum of investments (increases) in intangible assets and investments (increases) in property, plant and equipment excluding any increases relative to the right of use;

- **Increases in the right of use**: calculated as the increases in the right of use related to lease contracts**.**

OTHER INFORMATION

ROLE OF THE BOARD OF DIRECTORS

For more information on the role of the Board of Directors, reference should be made to the Report on Corporate Governance and Ownership Structure contained in the 2025 Annual Report group of documents, as well as to the additional information published on the Pirelli website (www.pirelli.com), in the Governance section.

INFORMATION ON THE SHARE CAPITAL AND OWNERSHIP STRUCTURE

The issued and fully paid-up share capital at the date of approval of this present Financial Report amounted to euro 2,065,650,608.36, represented by 1,084,881,933 registered ordinary shares with no nominal value. Each share entitles the holder to one vote. No other classes of shares exist.

During the course of the 2025 financial year, the share capital increased from euro 1,904,374,935.66 to euro 2,065,650.608.36 as a result of the conversion into shares of the convertible bond issue, the *"EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025"* with a maturity date of December 22, 2025. In fact, during December 2025, the conversion rights, into shares, of the Company were exercised for a nominal value of euro 496.5 million, equal to 99.3% of the total value of euro 500 million. To service the conversion, which took place at euro 5.8493 per share (including the share premium), a value already disclosed to the market on June 23, 2025, the Company proceeded - in execution of the Shareholders' Meeting resolutions passed on March 24, 2021 - to issue a total of 84,881,933 new shares, all with regular entitlement.

Updated extracts of the existing agreements between some of the Shareholders, including the indirect Shareholders of the Company, which contain the provisions of the Shareholders' Agreements regarding, amongst other things, the corporate governance of Pirelli, are available on the Company's website. For further details on the Company's corporate governance and ownership structure, reference should be made to the Report on Corporate Governance and Ownership Structure included in the 2025 Annual Report group of documents, as well as to the additional information available on the Pirelli website (www.pirelli.com), in the Governance and Investor Relations sections.

WAIVER OF THE PUBLICATION OF INFORMATION DOCUMENTS

The Board of Directors, taking into account the simplifications of the regulatory requirements introduced by CONSOB pursuant to CONSOB Regulation No. 11971 of May 14, 1999, as subsequently amended and supplemented, has resolved to exercise the option to waive, pursuant to Article 70, paragraph 8, and Article 71, paragraph 1-bis of the aforesaid Regulations, the obligations to publish the information documents prescribed in in the event of significant transactions

such as mergers, demergers, capital increases through the contribution of assets in kind, acquisitions, and disposals.

RELATED PARTY TRANSACTIONS

Pirelli, in compliance with CONSOB Regulation 17221 of March 12, 2010, as subsequently amended and supplemented ("**CONSOB RPT Regulation**"), concerning Related Party Transactions, has adopted a specific procedure for Related Party Transactions, which was most recently updated on May 9, 2024 during the periodic reviews of the existing procedures ("**RPT Procedure**").

The RPT Procedure is available on the Company's website (www.pirelli.com). For further details, reference should also be made to the section on the Directors' Interests and Related Party Transactions, included in the Report on Corporate Governance and Ownership Structure, included in the 2025 Annual Report.

Related Party Transactions do not qualify as either atypical or unusual, but are instead part of the ordinary course of business for the companies of the Group, and are carried out in the interest of the individual companies. These transactions are concluded in accordance with conditions that are standard or equivalent to those of the market. Furthermore, they are carried out in compliance with the RPT Procedure.

Pursuant to Article 5, paragraph 8 of CONSOB RPT Regulation it should be noted that during the course of the 2025 financial year, that no transaction of greater significance, as defined by Article 3, paragraph 1, letter b) of the aforesaid Regulation, was submitted to the Pirelli Board of Directors for approval.

The information on Related Party Transactions as required pursuant to CONSOB Notice No. DEM/6064293 of July 28, 2006 is presented in the Financial Statements, and in the Note entitled *"Related Party Transactions"* contained in the 2025 Annual Report group of documents. Related Party Transactions do not qualify as either atypical or unusual, but are instead part of the ordinary course of business for the companies of the Group, and are carried out in the interest of the individual companies. Such transactions, when not settled under standard conditions or are dictated by specific regulatory conditions, are in any case regulated by conditions consistent with those of the market. Furthermore, they are carried out in compliance with the RPT Procedure.

Furthermore, there were no Related Party Transactions - or changes or developments to the transactions described in the preceding Financial Report - that had a significant impact on the Group's financial position or results for the 2025 financial year.

ATYPICAL AND/OR UNUSUAL OPERATIONS

Pursuant to CONSOB Notice No. DEM/6064293 of July 28, 2006, it should be noted that during the 2025 financial year, the Company did not carry out any atypical and/or unusual transactions, as defined in the aforementioned Notice.

COMPLIANCE WITH PERSONAL DATA PROTECTION REGULATIONS

It is to be noted, that the Company regularly carries out all the activities necessary to satisfy the requirements provided for by personal data protection regulations, and in particular by EU Regulation 2016/679 and Legislative Decree No. 196/2003 (as amended by Legislative Decree No. 101/2018). These activities are subject to a periodical annual review with the support of the relevant departments. The Data Protection Officer ("DPO"), appointed in the person of lawyer Alberto Bastanzio, whose contact details were duly communicated to the Italian Personal Data Protection Authority on July 25, 2018, can be contacted not only at the Company's registered office, but also at the following e-mail address: *dpo_pirelli@pirelli.com*. The activities carried out by the DPO during the relevant financial year are described in detail in the *"Annual Report of the DPO*", which is available at the Company's headquarters, to which reference should be made for further details.

CONSOLIDATED SUSTAINABILITY STATEMENT – PURSUANT TO LEGISLATIVE DECREE OF SEPTEMBER 6, 2024, NO. 125

GENERAL INFORMATION

METHODOLOGICAL NOTE

REPORTING PRINCIPLES

This “Consolidated Sustainability Statement”, prepared in accordance with the provisions of Legislative Decree no. 125 of 6 September 2024, which transposed Directive (EU) no. 2022/2464 – Corporate Sustainability Reporting Directive (CSRD), provides the information needed to understand the Pirelli Group’s impact on sustainability issues, as well as how these factors influence the Group’s performance, its results and its financial position.

References to the SASB Auto Parts Sustainability Accounting Standard have also been retained in the Consolidated Sustainability Statement.

The 2025 Consolidated Sustainability Statement is subject to a limited review by the auditing firm PricewaterhouseCoopers S.p.A., which is also responsible for the statutory audit of the financial statements, and provides its conclusions regarding compliance with:

− the provisions of Legislative Decree no. 125/2024 that govern the reporting criteria;

− the compliance with the disclosure obligations set out in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

The review activity was carried out in accordance with the Standard on Sustainability Assurance Engagement - SSAE (Italy) issued with State Accountant General decision dated 30 January 2025, which stipulates that it should be used in conjunction with International Standard on Assurance Engagements (ISAE) 3000 (Revised).

For further information, please refer to the Auditors’ Report at the end of the Annual Report.

CORPORATE REPORTING SCOPE

The Consolidated Sustainability Statement, published annually, covers the time period from 1 January 2025 to 31 December 2025 and covers the same scope of consolidation as the Group’s consolidated financial statements as expressed in the Notes to the Consolidated Financial Statements at 31 December 2025 included in Note 2 - Basis of Presentation - Scope of Consolidation of this Annual Report. More specifically, note that in 2025, the following changes occurred to the consolidation scope with reference to the subsidiaries:

- 13 January 2025 acquisition of the company Telco S.r.l.;
- 29 May 2025 liquidation of the company CTC 2008 Ltd.;

- 18 June 2025 sale of the company of Däckia Aktiebolag;
- 8 August 2025 liquidation of the company NewCo Micromobility S.r.l.

There are no companies within this scope that are subject to the regulatory obligation to prepare an individual Sustainability Statement for the financial year 2025.

SCOPE OF ACTIVITIES SUBJECT TO REPORTING

This report is prepared on a consolidated basis and its scope coincides with that of the Group's consolidated financial statements. It includes information relating to the upstream and downstream value chain, supplementing the data relating to the Group's own operations. In particular, the relevance of impacts, risks and opportunities along the value chain is considered, as well as the policies and objectives adopted, the actions implemented and any metrics that also cover actors in the value chain.

TIME HORIZON

The definitions of short-, medium- and long-term time horizons adopted by the Company for defining the Plans and for the Risk Assessment, are the same as those used for the preparation of this report defined by the European Sustainability Reporting Standard 1 (ESRS 1) and therefore:

- Short period: one year from the reference period of this report (annual budget);
- medium term: up to five years from the end of the short-term reference period defined in the previous point (medium-term planning);
- long term: over five years (beyond the strategic plan).

USE OF ESTIMATES

The use of estimates or proxies in this document has been limited as much as possible, including with respect to data concerning the value chain. Whenever such estimates or proxies are used, they are duly indicated and accompanied by contextual information.

In the 'Environmental Information' section, it should be noted that the information subject to estimates mainly concerns:

- scope 3 emissions where, in the absence of primary data, secondary emission factors are used, including those relating to emissions associated with the use phase of the tyre, calculated according to the Product Category Rule (PCR) methodology.

- the calculation of a part of the emissions offset through carbon credits (for further details, please refer to the paragraph “Greenhouse gas emission management and climate transition plan”, “METRICS related to Scope 1, 2, 3 GHG emissions and total GHG emissions” and “METRICS related to GHG removals and GHG emission mitigation projects financed with carbon credits”).

- the amount of Tire Wear Loss (the calculation methodology of which is illustrated in the paragraph “Measurement and the amount of absolute particulate matter emissions in the environment”).

- the amount relating to a portion of water withdrawals (for further details, please refer to the paragraph “METRICS related to water resource”).

- the share of end-of-life tyres (ELT) sent for recovery/recycling, calculated from literature data on the average recovery and recycling rates of ELTs in the markets in which Pirelli tyres are sold (for details see chapter “E5 Resource use and Circular Economy”, paragraph “Management of end-of-life tyres”).

Finally, it should be noted that for some offices with shared utilities, as specific data is not available, the values for energy consumption, water withdrawal and discharge were estimated by taking the number of employees present on the site as a proxy indicator.

COMPARATIVE DATA

This Consolidated Sustainability Statement of the Pirelli Group constitutes the second reporting year in accordance with the ESRS standards; for this reason, comparative information is presented with respect to the 2024 reporting year.

CHANGES IN THE PREPARATION AND PRESENTATION OF SUSTAINABILITY INFORMATION

Please note that, compared with what was published in the 2024 Annual Report, Pirelli revised the value of certain metrics following methodological refinements or scope adjustments relating to the 2024 reporting year; full details are appropriately provided in the relevant sections of this document.

INCORPORATION BY REFERENCE

This Consolidated Sustainability Statement for the year 2025 does not include incorporation by reference to other documents.

STRUCTURE OF THE DOCUMENT

This Consolidated Sustainability Statement is structured in four macro-sections, as illustrated in Appendix F of the ESRS 1:

- General Information;
- Environmental Information, which also includes the information required by Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation);
- Social Information;
- Governance Information.

The “General Information” section illustrates how Pirelli prepares its Consolidated Sustainability Statement, and describes:

- the elements of the Group’s strategy that relate to or influence sustainability issues, the business model and the value chain,
- the ways in which the interests and views of the company’s stakeholders are taken into account in the strategy and business model,
- the double materiality analysis update process to identify the impacts, risks, and opportunities relevant to the Group, including how these shape its strategy and business model,
- the governance structure established with regard to sustainability issues.

The Environmental Information, Social Information and Governance Information sections are divided into:

- information related to the management of impacts, risks, and opportunities, with reference to sustainability issues identified as material following the double materiality analysis (policies, targets and actions);
- metrics required by the relevant standard;
- additional information specific to the Pirelli Group, in particular as required by the Dow Jones Sustainability Index (DJSI).

At the end of the Consolidated Sustainability Statement, before the Independent Auditors’ Report, the following summary tables are also provided:

- the list of disclosure requirements under the cross-cutting and topical standards deriving from other EU legislation (ESRS 2, Appendix B);

- the SASB Content Index, showing the complete list of indicators reported according to the SASB Auto Parts Sustainability Accounting Standard, indicating the relevant page in this Consolidated Sustainability Report.

Pirelli adopts the structure and recommendations of various international frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD), now incorporated into the IFRS framework, and the Task Force on Nature-related Financial Disclosures (TNFD). For further details, please refer to the cross-reference tables published on the Pirelli Group's website (corporate.pirelli.com/corporate/en-ww/sustainability/sustainability).

STRATEGY, BUSINESS MODEL AND VALUE CHAIN

STRATEGY

Founded in 1872, Pirelli is one of the world's leading tyre manufacturers, with 18 production plants in 12 countries, including two joint venture plants in Subang (ID) and Shenzhou (CN), and has a commercial presence in over 160 countries. As at 31 December 2025, the Group has 29,680 employees (in 2024 30,999), of whom 13,214 (in 2024 13,665) are based in Europe, 2,049 (in 2024 2,039) in Russia & Middle East, Africa, India (MEAI), 3,757 (in 2024 3,812) in Asia/Pacific (APAC), 4,030 (in 2024 3,961) in North America and 6,630 (in 2024 7,522) in South America.

The Group specialises exclusively in the Consumer market, which includes tyres for Cars, Motorcycles and bicycles, with a distinctive positioning in the High Value segment (79% of 2025 turnover), namely products designed to achieve the highest levels in terms of performance, safety, quietness and road grip, characterised by a high technological content.

Pirelli produces tyres both in the Original Equipment sector, 24% of 2025 revenues (vs 23% of 2024 revenues) for new cars and motorcycle production, as well as for the Replacement Channel, 76% of 2025 revenues, (vs 77% of 2024 revenues).

Through established partnerships with leading automotive manufacturers, Pirelli offers a broad range of High Value tyres which, as at 31 December 2025, total approximately 4,000 type approvals obtained overall, including 323 secured during the year, with approximately 90% ≥19'' and over 55% ELECT/EV. Pirelli has a vast commercial presence, with a network of approximately 22,000 loyal retail points of sale in about 50 countries, and a high exposure to the three main High Value markets: Europe, North America and APAC, which as at 31 December 2025 accounted overall for 83% of Pirelli's revenues (vs 81% at year-end 2024).

Pirelli has a distinguished industrial tradition of over 150 years, which has always combined innovation, product quality and brand strength. It is even recognised outside the world of cars and motorcycles, and considered internationally as an icon of Italian technology, style and excellence, and is synonymous with safety and reliability.

Over the years, Pirelli has mainly focused on the development, manufacture and marketing of tyres with higher added value, with special technical characteristics associated with high performance, advanced technology and safety, and characterised by an averagely deeper tread. Acknowledged by consumers for its high-value products, Pirelli's range includes innovative tyres for cars, motorbikes and bicycles, as well as a growing portfolio of tyres that meet the needs of specific applications or consumer customisation. Among these is the Pirelli Cyber™ Tyre system, the first hardware and software system in the world capable of collecting data and information from sensors embedded in tyres, processing them using Pirelli's proprietary software and algorithms and, by communicating in real time with the vehicle's electronics, enabling new functionalities integrated with driving and control systems, with the aim of improving the driving experience and increasing the level of safety.

All this is made possible by a strong commitment to Research and Development, which operates through a fully "Open Innovation" model involving external partners, suppliers, universities and vehicle manufacturers, in order to anticipate technological innovations in the sector and respond to the needs of the end consumer.

Pirelli's technological excellence also stems from the innovations and expertise derived from sports competitions, an area in which the Company has been active for over 115 years. Pirelli is currently present in over 350 car and motorcycle championships and, since 2011, has been the exclusive supplier to the Formula One World Championship©, of which it will be Global Tyre Partner at least until the end of the 2027 season. Starting from 2024, all tyres used in the FIA Formula One World Championship™ contain FSC™-certified natural rubber, demonstrating Pirelli's commitment to the responsible management of the natural rubber supply chain, including in motorsport.

The Pirelli Group is not directly involved in the fossil fuel sector, the manufacture of chemical products, controversial weapons or the cultivation and production of tobacco, nor does it offer goods or services that are prohibited in any given market.

Guided by its vision, "We believe in moving everyone forward through technological and social progress", and with an eye on environmental and social issues, Pirelli, the first company in the tyre sector to set itself the target of Net Zero by 2040 (approved by SBTi), has adopted a sustainability model since 2004 that is inspired by the 10 principles of the United Nations Global Compact (UNGC) and the ISO 26000 Guidelines.

As already disclosed to the market, on 25 February 2026, the Board of Directors of Pirelli & C. approved the 2026 Budget.

Pirelli integrates sustainability within its business and development model, as demonstrated by its Industrial Plan and with particular reference to the related sustainability targets, which take into account the Company's material impacts and their interconnection with sustainable development challenges arising from global scenarios in the medium and long term. These include technological and innovation challenges connected with sustainable mobility, decarbonisation, the evolution of consumer and employee expectations, the resilience required of global supply chains, competition in innovative materials and for talent in the labour market, as well as key regulations that will impact

the plan's time horizon, both with reference to products (e.g. EURO 7) and to management processes (e.g. EUDR). The approach taken by the Pirelli strategy is to transform these challenges into opportunities for growth, resilience and competitiveness, through measurable objectives that impact the entire value chain.

The objectives of the sustainability plan impact multiple stakeholders, from the Environment to Customers, from Suppliers to Collaborators, to the communities where the company operates, and are divided into five main pillars: Climate, Product, Nature, People, Supply Chain.

Climate: acceleration towards Net Zero

By 2040, Net Zero emissions across the entire value chain (Scopes 1+2+3)[16] are expected to be achieved, with targets aligned with the Paris Agreement to limit global warming to 1.5°C, approved by the Science Based Targets initiative (SBTi) in 2024. The decarbonisation pathway provides for a reduction of at least 90% in absolute greenhouse gas (GHG) emissions relating to Scopes 1, 2 and 3 by 2040 compared with the 2018 base year. In particular, Pirelli provides for:

- Scope 1 and 2: 60% reduction in absolute CO_2 emissions by 2025, a target achieved during the year, and 80% by 2030 compared with 2018;

- Scope 3[17]: 27% reduction in absolute CO_2 emissions by 2025, a target achieved during the year, and 30% by 2030 compared with 2018.

An intermediate target has also been set, which aims to reduce absolute greenhouse gas emissions by 62% for Scope 1 and 2, and by 28% for Scope 3 by 2027 compared to 2018.

Furthermore, by 2030, Pirelli commits to achieving Carbon Neutrality for Scopes 1 and 2, after achieving the planned 80% reduction in emissions compared with 2018. Residual emissions will be neutralised through appropriate carbon offsetting instruments, using the best solutions and technologies available on the market at that time. The achievement of Carbon Neutrality is also supported by the use of 100% certified renewable electricity purchased from the grid for all factories in 2025, a target achieved by the Group in the reporting year, by the continuous implementation of energy efficiency projects and by the progressive electrification of tyre curing presses in the Group's factories.

[16] Scope 1: direct greenhouse gas emissions from the direct combustion of fossil fuels by the organisation within its boundaries; Scope 2: indirect greenhouse gas emissions from the use of electricity, heat and steam imported and consumed by the organisation within its boundaries; Scope 3: indirect emissions related to the upstream and downstream activities of the company's operations, calculated according to the GHG Protocol (which includes all categories of the value chain excluding the "use phase" charged to Car Manufacturer Customers) and in line with SBTi criteria.

[17] Scope 3 emissions of categories 1, 3 and 4 according to the GHG Protocol, respectively generated by the purchase of raw materials, activities linked to fuel and energy use, and the transport and distribution of raw materials and finished products.

The actions supporting the decarbonisation process for Scope 1, 2, and 3 are thoroughly described in the "Environmental Information" section, paragraph "Management of greenhouse gas emissions and climate transition plan", to which reference is made.

Product: performance, innovative materials and circularity

Within the framework of Eco-Safety Design, which involves designing products to maximise environmental performance and safety, Pirelli confirmed during 2025, and will further strengthen in the coming years, its continued focus on the following product characteristics:

- greater wear resistance;
- lower rolling resistance;
- increased use of innovative materials of natural and recycled origin;
- improved wet performance;
- optimal braking distances throughout the entire life of the product and the ability to continue driving in the event of a puncture for tyres equipped with the new Runforward technology, alongside Runflat and Sel Sealing™ technologies.

For more details on Pirelli's Eco-Safety strategy, please refer to the "Environmental Information" section, "Management of greenhouse gas emissions and climate transition plan" paragraph and to "E5 Resource use and Circular Economy" chapter for topics related to product environmental performance, and the "Social Information" section, under the paragraph "Product safety, performance and innovation".

In terms of raw materials, Pirelli plans to steadily increase the amount of materials of non-fossil origin in its products, in support of the decarbonisation targets relating to Scope 3 emissions associated with raw materials. Specifically:

- for its flagship product[18], in 2025 Pirelli began supplying the P Zero™ for Jaguar Land Rover with over 70% of materials of natural (bio-based) and recycled origin[19]. By 2030, the Company plans to launch a product exceeding 80%, with the long-term vision of reaching 100% non-fossil-based materials.

[18] Pirelli product available on the market with the highest content of materials of natural or recycled origin in the reporting year

[19] IP 35837 – Thanks to a combination of physical segregation and mass balance, the bio-based and recycled content is at least 31.7% and 38.3%, respectively. Bio-based materials include natural rubber, textile reinforcements and bio-chemicals, while recycled materials include silica obtained from rice husks, regenerated rubber, recycled steel and, through the mass balance approach, synthetic rubber, carbon black and silica.

- with regard to the total raw materials used, in 2025 Pirelli substantially increased the use of materials of natural (bio-based[20]) and recycled origin[21], reaching 26.9% (in 2024 23.7%), in line with the 2025 target of 27%. This result is instrumental to achieving the 2030 target of 40% and supports the continuous decarbonisation of the Group's Scope 3 emissions.

Pirelli's Eco-Safety strategy also contributes to strengthening Pirelli's competitive advantage, making it attractive to investors as the development of new, high-tech solutions capable of anticipating emerging customer needs offers new opportunities for business growth, while at the same time reducing the Company's risk profile.

Further details on the specific Group targets are provided in the "Environmental Information" section, chapter "E5 Resource use and Circular economy" of this Report.

Nature: redefining the interactions between business and natural capital

In 2025, Pirelli successfully completed the definition of biodiversity plans for 100% of its factories and test tracks, in line with the LEAP (Locate, Evaluate, Assess and Prepare) approach and with the five drivers identified by IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services).

In 2021, in line with its commitment to protecting the forests that provide the natural rubber, Pirelli became the first company in the world to equip a standard car with FSC™-certified tyres, and starting from the 2024 season, it has introduced the same certification on all tyres produced and used in F1®. By the end of 2026, the goal is to use 100% FSC™-certified natural rubber in European production.

In support of the protection of natural resources, Pirelli continues its water efficiency and water quality preservation efforts, in line with the objectives of the Industrial Plan.

Further details on the specific targets and the performance achieved are provided in the section "Environmental Information", chapter "E4 Biodiversity and Ecosystems" of this Report.

People: the heart of growth

The culture of occupational health and safety is a pillar of Pirelli's strategy. The commitment to achieving zero workplace accidents remains constant. The accident frequency rate in 2025 stood at 1.21, recording a 14% reduction compared with 1.41 in 2024 (data calculated per million hours worked).

[20] Bio-based material: Material fully or partially of biogenic origin. (source: ISO 16620 – 2 2019)

[21] Recycled material: material that has been reprocessed from recovered material through a manufacturing process and transformed into a final product or component for incorporation into a product. (source: ISO 14021 – paragraph 7.8.1.1).

At the heart of the Company's plan, specific targets are also defined in terms of training, welfare, equal opportunities and employee engagement.

The specific targets are provided in the "Social Information" section, chapter "E1 Own workforce" of this report.

Supply Chain

Pirelli's suppliers play a key role within the Company's value chain and their focus on sustainability is essential to support mutual and long-term growth.

Pirelli's Supply Chain Management model is certified by an independent third party as being fully aligned with the requirements of the international ISO 20400 "Sustainable Procurement Guidance". Since 2018, the Company has been subject to periodic in-depth third-party audits; the most recent renewal of the certification, issued by SGS Italia S.p.A., was released in the first months of 2026. This renewal confirms the full alignment of Pirelli's model with the requirements of ISO 20400 and highlights, among other aspects, the Group's high level of maturity in managing sustainable procurement topics, the full integration of ESG factors into the procurement process and across the entire lifecycle of the supplier relationship, as well as the strong synergy among the various functions involved in Sustainable Procurement.

Pirelli is committed to mitigating economic, social and environmental risks along its supply chain and, at the same time, is proactive in engaging suppliers in a sustainable transition pathway. Specifically, Pirelli has set targets in terms of risk assessment related to the materiality of its suppliers' ESG risks, as well as supplier engagement plans which involve training and capacity-building programmes, while supporting the cascading of its objectives to its most strategic partners.

Further details on the specific targets are provided in the "Environmental Information", "Social Information", "Governance Information" sections of this report.

Finance and Sustainability

Since 2021, Pirelli has integrated its financial strategy with its sustainability strategy, with the introduction of the sector's first Sustainability-Linked Financing framework in 2022 and the sector's first benchmark-size Sustainability-Linked Bond in 2023. By the end of 2025, Pirelli had promptly achieved 100% of HQ Funding in Sustainability-Linked format, a target that had been disclosed to the market in April 2024.

It should be noted that all targets related to environmental aspects are defined on a voluntary basis but are also designed to anticipate potential future legislative obligations.

BUSINESS MODEL AND VALUE CHAIN

The wide range of products offered by Pirelli is designed, produced, controlled and marketed following an integrated supply chain organisational model that extends from product development to marketing.

The first phase of Pirelli's operating model consists of product development in close collaboration with the car manufacturers of Prestige and Premium Cars. The distinctive feature of the High Value segment is the high degree of technological content that vehicle manufacturers require from tyre manufacturers through product specifications. Great attention is also paid to the needs of customers in the Replacement channel, with a range of products developed based on the needs of end consumers in the various markets.

Pirelli pays great attention to technological innovation and carries out continuous research and development in relation to materials, products and production processes. In the financial year 2025, research and development costs amounted to 312.7 million euros, mainly allocated to High Value and equal to 4.6% of group revenues (5.9% of High Value revenues).

The Group has a sales system that can reach the main markets thanks to a qualified sales network that operates in over 160 Countries. The customers of the Group in the Original Equipment sector are vehicle manufacturers. In the Replacement sector, the main customers of the Group are retailers, specialised distributors and car dealers.

Pirelli's value chain includes the procurement of goods and services (including in and out logistics), research & development, management models and processes, production processes, product positioning on the market, and its use and end-of-life phase. The value chain did not register any significant change during 2025, same as for business relations.

Pirelli's supply chain is global and includes suppliers of goods and services all over the world. With a view to risk reduction, Pirelli favours a local-for-local supply approach.

Geographically speaking, there is slightly more influence in OECD areas than in non-OECD areas, both in terms of the value of purchases and the number of suppliers. The value of purchases, as well as the number of suppliers, is concentrated in OECD countries, and in particular in Europe, while with regard to non-OECD countries, Latin America is the main supply country.

As reconfirmed over the years, the most relevant and significant purchase category is raw materials. On the other hand, Suppliers of consumables and services account for the majority of the total number of suppliers in absolute terms, although the total value of purchases is lower than purchases of raw materials which, conversely, show a substantial concentration on a few operators.

Lastly, analysing the percentage composition in value of the mix of raw materials purchased by Pirelli in the three-year period 2023-2025, it can be noticed that there are no particular fluctuations over the years and that natural and synthetic rubber stably make up more than 1/3 of the raw materials purchased.

The natural rubber supply chain - from upstream to downstream - includes producers/growers, traders, processing plants, distribution companies and manufacturing facilities. Pirelli is at the end of the chain, as a tyre manufacturer. Pirelli intends to play an active role in the aforementioned context, contributing to the efforts that are globally dedicated to the sustainable management of natural rubber.

The economic, social and environmental sustainability of the natural rubber supply chain is among the priorities of Pirelli, with the full awareness that the origins of its rubber supply chain impact in forestry terms. With global demand for natural rubber expected to increase, sustainable management of the related supply chain is essential to preserve forests, biodiversity and to enable sustainable development for local communities and economies.

With reference to the downstream value chain, the sales channels include:

- Original Equipment, addressed directly to the world’s leading car and truck makers;
- Replacement, for the replacement of tyres on vehicles already in circulation.

Within Replacement, there are two broad types of Pirelli customers: Specialised Resellers and Distributors.

Specialised Dealers are tyre specialists operating on the market in the role of independent businesses and constitute a fundamental point of contact between the Group and the end consumer. Particular attention is devoted to specialised dealers in terms of shared development to enhance the products offering integrated with a high-quality level of service, in compliance with Pirelli values and consumer expectations. In 2025, Pirelli can count on more than 22,000 loyal resellers globally, with a particular concentration in Europe, Asia-Pacific and South America (over 75% of the total points of sale). The degree of affiliation varies according to the market and the very presence of Pirelli, ranging from a softer loyalty (Fidelity Club), which has as main objective for Pirelli territorial coverage and for the dealer sales support, to franchise programmes, in which through the exclusive nature of the partnership there is strong focus on business development point of sale overall, up to the maximum degree of affiliation, represented by the presence of points of sale owned by Pirelli (213 points of sale worldwide).

Distributors are partners who are fundamental to guaranteeing continuity in the supply of tyres to other specialised and non-specialised resellers. They do so by offering local delivery and distribution services throughout the entire territory. With this in mind, Pirelli is activating several programmes of close cooperation with the most important market distributors worldwide.

Stakeholder engagement

The role of Pirelli in an economic and social context is tied to its capacity to create value through a multi-stakeholder approach, i.e. by sustainable and lasting growth that can reconcile the interests and expectations of those with whom the Company interacts and especially:

- the collaborators, who are the driving force of the Group and constitute its wealth of knowledge;
- customers, since the Pirelli way of doing business is based on customer satisfaction;
- shareholders, investors and the financial community;
- suppliers, with whom to share responsible and competitive growth;
- competitors, because improved customer service depend, among other things, on fair competition;
- the environment, whose sustainability is a vital condition for the economy and society;
- institutions, government and non-government bodies;
- local communities, starting with those in the various countries in which the Group operates on a stable basis and extending to those connected with the supply chain, while being aware of its responsibilities as a Corporate Global Citizen.

The existing interactions between stakeholders and their feedback are analysed in detail in order to effectively manage relationships with them and with a view to creating lasting and shared value.

Dialogue, interaction and involvement are calibrated to meet the specific needs for consultation with the various types of stakeholders and include meetings, interviews, surveys, joint analyses, roadshows and focus groups. Furthermore, the existing interactions between stakeholders are analysed in detail in order to effectively manage relationships with them with a view to creating lasting and shared value.

The feedback received from stakeholders contributed to the corporate evaluation of the priorities for action, influencing the materiality of sustainability topics and the development strategy outlined in the Industrial Plan.

In fact, the interests and views of the main stakeholders were included in the Double Materiality analysis process, as detailed in the related paragraph, and within which the identification of impacts was fuelled by the due diligence activities implemented by the Group to identify, prevent and mitigate the negative impacts on the environment and people connected to its activities and to the value chain, as well as the results that emerged from the stakeholder engagement activities carried out over the last two years.

The Company's dialogue with stakeholders, together with the continuous monitoring of studies, analyses and research on the evolution of their expectations at global level, of regulatory developments and of related best governance practices, is taken into account in defining the Group's sustainable development strategies and, consequently, in defining plans and the related targets, with the aim of meeting stakeholders' expectations in a fair and balanced manner in the short, medium and long term. In particular, the update of the Industrial Plan was guided, among other macroeconomic factors and market trends, by the analysis of stakeholders' expectations in the context of evolving global scenarios, as gathered through dialogue at various levels and by international companies and ESG analysis. For further information, please refer to the sections where the targets are discussed, in the various parts of this Report.

The interests and perspectives of stakeholders, as incorporated into the actions and targets of the Plan, are brought to the attention of the governance, management, and control bodies and approved by the Board of Directors, after being shared by the Strategies Committee and the Sustainability Committee for matters within their remit. These interests and perspectives are also represented in the analysis of Double Significance submitted to the Audit, Risk and Corporate Governance Committee and the Board of Directors.

The latter bodies receive an annual update on the results of the Double Materiality analysis and the final list of Impacts, Risks, and Opportunities. The Board of Statutory Auditors attends the meetings of the Audit, Risk and Corporate Governance Committee and the Board of Directors at which the double materiality analysis is reviewed and approved.

With particular reference to the methods of engagement between Pirelli and local communities, the Group participates in numerous associations active in environmental and social sustainability (including, among others, the UN Global Compact and the WBCSD), as a member, partner or supporter, as well as in various initiatives carried out with institutions and trade associations.

In the area of institutional relations, Pirelli acts above all via active monitoring and in-depth analysis of the institutional and legislative context, as well as identifying the applicable Stakeholders. At an international level, Pirelli interacts with the main interlocutors present in the countries in which it operates with its own production sites. When necessary, the Group promotes initiatives directed towards mutual understanding and with the purpose of promoting representation of its values and interests through a strategy based on a clear perception of the industrial objectives and the development of the business.

These activities are carried out at different stages, including strategic planning, goal setting, and action management, and may include formal consultations, face-to-face meetings, and collaborative actions, with the frequency depending on the specificity of the topic and the urgency of the issues addressed.

The goal of the Institutional and Regulatory Affairs Department is to create corporate value through the management of structured relationships with reference stakeholders in all the countries in which Pirelli is present. The activity of Institutional Affairs also includes an in-depth analysis of the global political and economic dynamics, linked to the development of the main topics of corporate interest,

and benefits from collaborations with selected think tanks of international prestige. Among these are the collaborations with the Institute for International Policy Studies, the Institute for International Affairs, the Trilateral Commission and the Aspen Institute.

Pirelli's institutional relations are underpinned by criteria of maximum transparency, legitimisation and responsibility, both with regard to information disseminated in public offices, and to relationships managed with institutional interlocutors in line with the Code of Ethics, the Institutional Relations - Corporate Lobbying Policy and the Group Anti-Corruption Compliance Programme (documents published on the Pirelli website) as well as in line with the principles of the International Corporate Governance Network (ICGN) and in compliance with the laws and regulations in force in the countries where Pirelli operates.

The conduct of Institutional Relations activities, in particular, is guided by the principles of legitimacy, fairness and transparency, as detailed in the Institutional Relations – Corporate Lobbying Policy available on Pirelli's corporate website.

The Institutional and Regulatory Affairs Department, led by the Senior Vice President of Institutional and Regulatory Affairs, is globally responsible for overseeing advocacy and corporate lobbying activities, ensuring that they are carried out in compliance with the principles set out in the above-mentioned Policies and in line with the International Corporate Governance Network principles, as well as in accordance with the laws and regulations in force in the countries in which Pirelli operates.

With particular reference to institutional relations within the European Union, Pirelli is registered in the European Transparency Register, which provides information on interest representatives who contribute to decision-making processes in the EU.

The main associations and memberships of the Pirelli Group are set out below:

UN GLOBAL COMPACT: Pirelli has been an active member of the Global Compact since 2004 and endorses the "Blueprint for Corporate Sustainability Leadership", which offers leadership guidelines envisaged in the Global Compact to inspire advanced and innovative sustainability performance in terms of management capacity for the creation of sustainable value.

Since December 2019, Pirelli has also sat on the Board of the Global Compact Network Italia and, since 2025, Pirelli has held the position of Chair of the Board of Directors of UNGCN Italia.

Of particular note in 2023, was the Chief Executive Officer's signing of the Manifesto 'Companies for People and Society'. By signing the Manifesto, Pirelli pledged to strengthen the role of the Social Dimension in its business strategies to generate long-term value also in the supply chain and in the communities where it operates. The Manifesto was presented during "La Dimensione Sociale: l'impegno delle imprese per People e Prosperity", the eighth edition of the Business & SDGs High-Level Meeting, the annual event promoted by UN Global Compact Network Italy and dedicated to the Presidents and CEOs of the Italian companies adhering to the initiative.

This is the context of Pirelli's participation in the 'Sustainable Finance' action platform. The commitment over the years has taken the form of several publications, followed by the first 2018

"SDGs Bonds & Corporate Finance - A Roadmap to Mainstream Investments", and the launch of the "CFO Taskforce for the SDGs", in 2019, which Pirelli joined as a Founding Member. The taskforce is a collaborative platform that brings together leaders from different sectors and aims to develop innovative strategies for mobilising finance towards sustainable development. In 2022, the "CFOs Coalition for the SDGs" was also launched, representing the operational evolution and scaling up of the "CFO Taskforce for the SDGs", in which Pirelli participates, with the objective of further accelerating progress in aligning corporate investments with the SDGs

Among the initiatives of the UN Global Compact Network in recent years, Pirelli has participated in:

- the Target Gender Equality, a 9-month international course during which the participating companies investigate the importance of promoting gender equality, not only for society as a whole but also to enrich companies;

- the UN Global Compact Business and Human Rights Accelerator course, as sponsor, a 6-month program for companies of all sizes and segments, which provides participants with training and tools to effectively manage due diligence processes and allow companies to "know and demonstrate" their risks and commitment.

- the Round Table on Sustainable Procurement, a path designed to build a space for thematic insights, exchange of experiences and peer learning on the topic of sustainable supply chain management. Management of environmental, ethical-social, governance and economic-financial impacts of supply chains and integration of sustainability strategies and objectives, were the topics the companies discussed.

Other significant associations in which Pirelli participates or to which it contributes include the World Business Council for Sustainable Development (WBCSD), the European Agency for Safety and Health at Work (EU-OSHA) and CSR Europe.

WBCSD – World Business Council For Sustainable Development: Pirelli for years has been a member of the WBCSD (World Business Council for Sustainable Development). This is a Geneva-based association of multinational companies with a global presence, voluntarily committed to link economic growth to sustainable development. In particular, Pirelli endorses two projects: Tire Industry Project and Nature Action.

The Tire Industry Project (TIP), founded in 2005 and representing approximately 65% of global tyre production capacity, focuses on the impacts of tyres on health and the environment. In 2021, the "Sustainability Driven – Accelerating Impact with the Tire Sector SDG Roadmap" was published, led to a revision of the TIP's mission to address ESG issues. In 2024, TIP continued to develop methodologies for the characterisation of Tyre-Road Wear Particles (TRWP) and organised the "Tire Emissions Research Conference" in Munich in 2024 and in Boston in 2025.

In addition, since 2024 Pirelli has joined the Nature Action project, which promotes actions to halt biodiversity loss by 2030. This project supports companies in setting scientifically validated targets to achieve a positive impact on nature and promotes nature-based solutions (NbS).

Pirelli has also contributed to the development of the Nature Action Portal, a platform designed to help companies integrate nature-related considerations into their operations. This portal promotes alignment on comparable metrics and encourages immediate corporate action, even in the absence of a harmonised global measurement protocol, while at the same time contributing to the future development of the Nature Measurement Protocol promoted by the WBCSD and the Nature Positive Initiative. Through this contribution, Pirelli has strengthened its positioning within the collective pathway towards nature-positive outcomes, supporting the development of shared tools for the benefit of the entire business community. The portal is available here: www.wbcsd.org/nature-action-portal/.

EU-OSHA – EUROPEAN AGENCY FOR SAFETY AND HEALTH AT WORK: in 2025, for the sixteenth consecutive year, Pirelli continued to be an official partner of the European Occupational Safety and Health Agency (EU-OSHA), which addresses a different problem every two years. In particular, in 2023 Pirelli adhered to the 2023-2025 campaign *"Safe and Healthy work in the digital age" which* is dedicated to raising awareness of the impact of new digital technologies on the workplace and the related occupational health and safety challenges and opportunities.

CSR EUROPE: since 2010 Pirelli has been a member of the Board of CSR Europe, the leading European network of companies for sustainability and corporate responsibility. CSR Europe supports companies and industries in their transformation and collaboration towards practical solutions and sustainable growth. The goal is systemic change both to achieve the SDGs and to build with European leaders and stakeholders a global strategy for a sustainable Europe 2030. In 2025, Pirelli also sits on the Board of Directors of CSR Europe. In 2025, Pirelli actively participated in: the European CSO Network, which supports companies in exploring new ways to position sustainability as a driver of innovation and value creation, engaging with policy-makers in order to identify opportunities to better integrate the business community into sustainability, and developing frameworks that reward sustainable behaviour; and the "European Sustainable Industry Summit 2025 – Building Sustainable and Competitive Markets"

FOCUS: Institutional Commitments to the Community and Collaboration with Industry Associations to Combat Climate Change

As a member of various industry associations, the Pirelli Group is committed to contributing to the development of policies, regulations and standards for the industry. It actively participates in institutional and public discussions on key challenges facing the sector, including climate change and decarbonisation.

In particular, the Institutional and Regulatory Affairs function focuses on raising the awareness of institutional stakeholders, public opinion and international organisations with regard to:

- the importance of key issues linked to the Pirelli Group's product strategy, such as sustainability, in all its facets along the entire value chain, for example the reduction of emissions, as well as digitalisation and safety.

- The Pirelli Group's corporate positioning on sustainability, climate change, renewable energy, circular economy, transport systems, safety and product innovation.

In 2025, to promote public debate and policy-making on the most relevant sustainability issues, such as climate change and decarbonisation, Pirelli organised and actively participated in institutional webinars, conferences, working groups, roundtables and sectoral initiatives.

The fight against climate change at national and global level also includes Pirelli's active role as a member of various industry and multi-stakeholder associations, organisations, business networks and thinktanks, as part of the company's commitment to decarbonising the Pirelli Group value chain, in accordance with the objectives of the Paris Agreement.

Among the main industry associations with which Pirelli engaged during 2025, the following stand out:

- ***Tyres Europe***[22], of which Pirelli assumed the Presidency in 2025 and which it supported in the development of sustainable mobility topics, as defined by the Green Deal, subsequently evolved into the Clean Industrial Deal (CID), in particular with regard to the reduction of CO_2 emissions through the increase in tyre rolling resistance efficiency. Other activities related to the work carried out by Pirelli within Tyres Europe include the Company's participation in the Digital Mobility Group (DMG) in the context of the development of the Digital Product Passport (DPP)[23] and the ongoing study of topics such as Tire and Road Wear Particles (TRWP).

- ***US Tire Manufacturers Association*** **(USTMA)**, the association of tyre manufacturers with manufacturing facilities located in the United States, which in 2025 focused on end-of-life[24] tyre management strategies and in which Pirelli participates on the Board of Directors and in committees and working groups, sharing the Association's vision for a sustainable future for tyres in the context of the objective of the Paris Agreement to reduce CO_2emissions;

- ***Motor & Equipment Manufacturers Association*** **(MEMA)**, the association representing all suppliers of automobiles and commercial vehicles in the United States of America. MEMA members conceive, design and manufacture original equipment systems and technologies which, taken together, account for two thirds of the value of a new vehicle. Member companies also supply the global market with the technologies that keep millions of vehicles on the road, driving sustainability and supporting transportation. During 2025, the Association focused on policies regulating vehicle safety, CO_2 emissions and electrification policies, international trade flows, tax policies, supply chain resilience, workforce topics and training.

[22] Tyres Europe, previously known as ETRMA – European Tyre and Rubber Manufacturers' Association, adopted its new identity on 28 October 2025.

[23] The Digital Product Passport (DPP) forms an integral part of the Ecodesign for Sustainable Products Regulation (ESPR) (Regulation (EU) 2024/1781).

[24] USTMA does not have a Political Action Committee (PAC) and does not fund political candidates.

MEMA has a privately funded Political Action Committee (PAC), with no contribution from Pirelli.

- ***Automotive Industry Action Group* (AIAG)**, a US association with no lobbying activities, of which Pirelli is a member and with which it is active in the Corporate Responsibility Steering Committee.

- ***Assolombarda***, for which Pirelli sits on both the Presidential Council and the Advisory Board, contributing substantially to defining new strategies for the decarbonisation of the main national industrial players.

In the United States, during 2025, Pirelli Tire LLC, together with Ballard Partners as lobbyist, regularly carried out lobbying compliance obligations pursuant to the Lobbying Disclosure Act of 1995, indicating trade and tariffs as the lobbying topics.

In 2025, the Pirelli Group's costs related to membership in trade associations which, among the various activities carried out, also include advocacy initiatives, amount to approximately €1,683 thousand globally.

Below the expenditure for trade associations, which are part of the lobbying activities and also interact with policy makers.

MEMBERSHIP, COLLABORATIONS AND OTHER EXPENSES (in thousands of Eur) [25] [26]	**2024**	**2025**
Trade associations[27]	1,677	1,683
Lobbying, representation of interests[28]	27	383
Political parties (campaigns/candidates)	0	0
Total	1,704	2,066

As also stated in the Group Code of Ethics, publicly available on the Company's website, Pirelli does not make contributions to political parties; therefore, no contributions were made in this area (zero, as in 2024). The most important association costs were paid to USMTMA for 324 thousand euros and to Assolombarda for 278 thousand euros, and to Unione Industriale for 203 thousand euros.

[25] Membership in trade associations includes, on a voluntary basis, companies operating in the same sector or region to strengthen advocacy activities and to promote or defend key interests with institutions and key players; for this reason, several trade associations participate in public affairs activities such as lobbying, in accordance with legislation and the local context.

[26] Operating expenses to third parties exclusively engaged in lobbying.

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[28] Operating expenses to third parties exclusively engaged in lobbying.

TRADE ASSOCIATIONS **(in thousands of Eur)** [29]	**2024**	**2025**
USTMA - U.S. Tire Manufacturers Association	336	324
Assolombarda	313	278
Unione Industriale	300	203
Tyres Europe	139	155
ADK - Arbeitgeberverband der Deutschen Kautschukindutrie	15	121
Other[30]	245	602
Total trade associations	1,677	1,683

At the level of Associations in the United States, namely United States Tire Manufacturers Association (USTMA) and MEMA, the Vehicle Suppliers Association, the share dedicated exclusively to lobbying activities in 2025 amounts to approximately 44 thousand dollars and approximately 3 thousand dollars, respectively. For the other Trade Associations mentioned it is not possible to indicate the share they dedicated exclusively to lobbying activities as Pirelli pays an all-inclusive membership fee.

For more details about the specific methods of engaging with collaborators, suppliers, customers and local communities, please refer to the sections dedicated to the main categories of stakeholders in the following chapters, in particular collaborators (own workforce) suppliers (workers in the value chain), local communities (affected communities) and customers (consumers and end users).

DOUBLE MATERIALITY ANALYSIS AND MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

In order to provide its stakeholders with an adequate representation of the Group's activities and the sustainability issues most relevant to the business, according to the dual "inside-out" and "outside-in" approach, Pirelli conducted the update of its Double Materiality analysis, in accordance with the EFRAG guidelines on the double materiality analysis process, the ESRS standards, in particular ESRS 1, and the EFRAG IG 1: Materiality Assessment Implementation Guidance.

The impact materiality, corresponding to the "inside-out" perspective, concerns the significant impacts of Pirelli connected to the company's operations and the value chain, negative or positive, actual or potential, on people or the environment, in the short, medium or long term.

Conversely, the "outside-in" perspective corresponds to the financial materiality, i.e. it takes into account how external factors, expressed as risks and opportunities, have, or can be reasonably expected to have, a significant influence on the development of the company, on its financial position,

[29] Includes the membership fee for the Motor and Equipment Manufacturers Association (MEMA)

[30] Includes the membership fee for the Motor and Equipment Manufacturers Association (MEMA)

on its economic result, cash flows, access to financing or the cost of capital in the short, medium or long term.

Pirelli's Double Materiality analysis and the related list of material Impacts, Risks, and Opportunities (IROs), resulting from the opinions of internal and external stakeholders, was analysed by the Strategic Sustainability Committee (management committee), then submitted to the Audit, Risks and Corporate Governance Committee and approved by the Board of Directors.

The Board of Statutory Auditors attended the meetings of the Audit, Risks and Corporate Governance Committee and the Board of Directors, where the double materiality analysis was approved. The Pirelli Group's double materiality analysis is updated annually.

In methodological terms, the analysis included the following main steps:

1) Analysis and understanding of the internal and external context

The analysis was carried out with the objective of developing an overall view of Pirelli's activities, its business relationships and the context in which they are conducted, and of understanding the main stakeholders involved. The results of this analysis provide the primary inputs for the identification of Impacts, Risks and Opportunities (IROs) to be assessed.

In the first phase, the context in which the Group operates was analysed through an examination of the Company's strategy and activities, its values, products and services, business relationships, the most relevant sustainability indices and initiatives for the reference sector, such as the Sustainability Accounting Standards Board (SASB), S&P Global Dow Jones Sustainability Indices and the World Economic Forum, as well as the regulatory and legal landscape, including sector-specific regulations. This activity, preparatory to obtaining the information necessary to identify differences compared with the previous context analysis and reporting, also made it possible to confirm the mapping of the upstream and downstream value chain, whose key actors are: suppliers of raw materials and services, distributors and specialised retailers, original equipment customers and end customers. In addition, the mapping carried out also took into account the phases of the product life cycle, confirming the relevant actors most involved in each phase identified for the 2024 financial year.

A further element forming part of the context analysis was the benchmark analysis, conducted by considering the Pirelli Group's peers and competitors and the main customers that have published a sustainability report compliant with the ESRS. The results of this activity constitute an additional input for updating the double materiality assessment, providing insights and/or different perspectives used in the identification and assessment of impacts, risks and opportunities.

2) Identification of potentially material impacts, risks and opportunities

The second step, aimed at identifying potentially material impacts, risks and opportunities (IRO) for Pirelli, involved the integration of different sources and multiple company departments, competent and expert with respect to the Company's activities and business. This also allowed the interests and effects of the company's activities on stakeholders to be taken into account.

Starting from the results of the context analysis, the Double Materiality analysis carried out in the previous financial year and the strategic plan, the process of identifying the IROs considered the characteristics of the business, the types of products, the markets and the geographical areas in which it operates, as well as focusing on the analysis of the regulatory landscape, and on the indications and suggestions provided by ESG indexes and standards and associations relevant to the sector. This process was integrated with an analysis of the different phases of the Pirelli product life cycle. In particular, each phase of the life cycle was analysed taking into consideration the respective geographies, resources used (raw materials, human resources), services and activities that characterise them, as well as their respective positioning in the value chain, the actors involved and their interests.

For the identification of impacts, the sustainability topics, sub-topics, and sub-sub-topics indicated by the ESRS (ESRS 1, AR 16) were taken into consideration. This made it possible to draw up a preliminary list of impacts associated with each topic, sub-topic and sub-sub-topic, taking into account the results of the Double Materiality analysis carried out in the previous financial year and those emerging from the context analysis.

In identifying both current and potential impact, the company considered gross impact (i.e. before mitigation actions) so as to distinguish between gross impact and impact management (i.e. policies, actions and targets).

To identify risks and opportunities, an analysis was carried out of the results of the Annual Operational Risk Assessment, the Climate Change and related Water Stress Risk Assessment and the Opportunity Assessment, conducted by the Enterprise Risk Management (ERM) Department. In particular, among the risks and opportunities resulting from these assessments, those associated with the specific sustainability topics were identified.

3) Impact, risk and opportunity assessment

In the third step, the IROs identified were submitted for assessment to determine their relevance to Pirelli.

For the update of impact materiality for 2025, and in particular for the assessment of impacts, the involvement of external stakeholders and the distribution of questionnaires during the evaluation phase were not provided for, considering that this had already been conducted in 2024 and had involved a significant number of parties, representative of all the main stakeholders and that, on the basis of the context analyses carried out, the benchmark analyses and the interviews conducted with

internal stakeholders, no significant changes emerged that would have required the exercise to be repeated. However, the involvement of a university professor was provided for to validate the results obtained, and in particular in order to collect any observations and suggestions for integration.

The update was carried out through a structured process that involved the competent Company departments. These were interviewed using a top-down approach for each topic, sub-topic and sub-sub-topic, in order to assess the need to make changes to the materiality assessments carried out in 2024, taking into account the assessments gathered from stakeholders in the previous financial year. In this process, all impacts, both positive and negative, were analysed in relation to the three time horizons of short term (within one year), medium term (from 2 to 5 years) and long term (beyond 5 years)[31].

It should be noted that the evolution of impacts is monitored by the Company not only through the annual update of the Double Materiality Analysis, but also through the periodic monitoring of performance indicators, the main targets and the safeguards in place for the management of relevant sustainability issues, and all these elements were taken into consideration.

The risks were evaluated using the Pirelli Enterprise Risk Management (ERM) model, which is applied at three key moments in the decision-making process aimed at achieving strategic objectives: strategic planning (medium-/long-term); operational planning (annual and periodic); new investment projects. It should also be noted that the Enterprise Risk Management model goes beyond the scope of these three steps, through continuous monitoring and management of operational risks and assessment of potential reputational and ESG risks that could affect the company's strategic assets (tangible and intangible).

The model requires that, at least once a year and with the involvement and support of all company departments, an ERM assessment is carried out to identify the main risk areas. The assessment scales range from 1 to 4 and are used to evaluate the impact, in economic-financial terms (EBIT, Contribution Margin, Net Sales, Net Cash Flow), and the likelihood of the event occurring. Risks are therefore "prioritised" based on exposure for the Group regardless of the risk category (e.g. Sustainability, Compliace or other). Following the assessment, continuous monitoring is carried out by the ERM Department, assisted by the Risk Owners, to monitor the progress of the mitigation plans and any emerging risks that may arise after the annual assessment cycle. The overall risk register resulting from the assessment was then analysed to understand which risks come directly from the impacts, from the external context and which are generated by the presence of dependencies on human or natural resources; this was useful to verify the completeness of the list of identified risks and to propose hypotheses for future additions.

The assessment of sustainability opportunities followed the same methodology as that applied to risks, involving the relevant Departments.

To determine a materiality threshold for impacts, Pirelli also took as a starting point the thresholds already in use within the Enterprise Risk Management framework for the risk and opportunity

[31] For further details on the definition of time horizons, please refer to the paragraph "*Time frames*"

assessment process. The thresholds were identified by adopting a conservative and precautionary approach, i.e. applying a more inclusive threshold for impacts and a higher threshold for opportunities.

Material IROs are IROs whose magnitude and likelihood scores exceed the following thresholds:

- Impacts: Magnitude ≥ 3 or Magnitude ≥ 2.5 and Likelihood ≥ 2.5
- Risks and Opportunities: Magnitude = 4, or Magnitude = 3 and Likelihood ≥ 3, or Magnitude = 2 and Likelihood = 4

4) Definition of material impacts, risks and opportunities

The result of the assessment process was analysed with the support of the competent corporate departments and Senior Management, in order to verify the completeness and consistency of the material IROs.

Moreover, for the 2025 update process, the outcome was submitted for validation to a university professor with expertise in sustainability issues in order to collect observations and feedback on the process followed and its results, through a dedicated interview.

The completion of the assessment process made it possible to identify the Pirelli Group’s material sustainability topics, prioritised according to the significance criterion and illustrated in the table below.

Impact table[32]

ESRS			Impact	Time horizon	Own Operations/ Value Chain	Effects on the environment and people and involvement with respect to impacts
Topic	**Sub topic**	**Sub sub-topic**				
Climate Change	**#** Climate change mitigation	-	**- A** | CO_2 emissions from Pirelli sites (scopes 1 + 2)	Short, Medium	Own Operations	Contribution to climate change due to greenhouse gas emissions from the combustion of hydrocarbons within production sites during tyre manufacturing and from the supply chain.
			- A | CO_2 emissions from Pirelli's Suppliers (Scope 3), for quotas related to goods and services supplied to Pirelli	Short, Medium, Long	Upstream and Downstream Value Chain	
			+ A | CO_2 emissions by Pirelli's customers (Scope 3) for quotas related to tyres purchased by Pirelli	Short, Medium, Long	Upstream and Downstream Value Chain	Contribution to climate change through atmospheric emissions from fossil energy consumption during tyre manufacturing and by the supply chain
	Energy	-	**- A** | Use of energy from fossil sources by Pirelli sites (Scope 1 + 2)	Short	Own Operations	Contribution to climate change through atmospheric emissions from fossil energy consumption during tyre manufacturing and by the supply chain
			- A | Use of energy from fossil sources by Pirelli suppliers (Scope 3)	Short, Medium, Long	Upstream and Downstream Value Chain	
Pollution	Pollution of air	-	**- P** | Release of pollutants into the air by Pirelli suppliers	Short, Medium	Upstream Value Chain	Potential impact on climate change and air quality degradation resulting from the activities of Pirelli suppliers
	# Microplastics	-	**- A** | Release of tread material during tyre consumption in the use phase	Short, Medium, Long	Downstream Value Chain	Potential pollution of water, air, soil, and ecosystems due to the release of tread material during tyre consumption in the use phase.
Water and marine resources	Water	Water consumption Water withdrawals Water discharges	**- A** | Water consumption at Pirelli sites, including in water-stress areas	Medium	Own Operations	Contribution to the depletion of natural resources
			- P | Water consumption by Pirelli suppliers, including in water-stress areas	Short, Medium, Long	Upstream Value Chain	
Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	Land use change Direct exploitation	**- P** | Ecosystem degradation / land exploitation by raw material suppliers	Short	Own Operations	Contribution to biodiversity loss and potential damage to ecosystems resulting from supplier activities

[32] In the "Impact" column, the letter **A** indicates an actual impact, while the letter **P** stands for potential impact

ESRS			Impact	Time horizon	Own Operations/ Value Chain	Effects on the environment and people and involvement with respect to impacts
Topic	**Sub topic**	**Sub sub-topic**				
Circular economy	**#** Resources inflows, including resource use	-	**+ A** | Use of recycled or recyclable materials by Pirelli, with a potential positive impact on resources conservation	Short, Medium, Long	Own Operations	Contribution to the conservation of natural resources
	Resource outflows related to products and services	-	**+ P** | Potential contribution of Pirelli to resource conservation, such as through product durability, recyclability, etc.	Short, Medium, Long	Own Operations	Reduced exploitation of natural resources through the design of tyres with increasingly higher content of natural or recycled raw materials
			- P | In the downstream value chain, waste generation, namely end-of-life tyres	Short, Medium, Long	Downstream Value Chain	Potential contribution to human health and environmental impacts caused by poor management of end-oflife tyres (ELTs), such as unregulated dumping, fire risks from tyre piles, and illegal reuse of ELTs without safety standards

ESRS			Impact	Time horizon	Own Operations/ Value Chain	Effects on the environment and people and involvement with respect to impacts
Topic	**Sub topic**	**Sub sub-topic**				
Own workforce Own workforce	Working conditions	Health & Safety	**- P** | Pirelli Group's employees are exposed to health and safety risks, which could lead to occupational injuries and illnesses of varying severity.	Short, Medium, Long	Own Operations	Contribution to the well-being, satisfaction, and improvement of working conditions for the company's workforce
		Work-life balance	**+ A** | Working schemes (flexibility, remote-working, work permit, etc.) aimed at promoting work-life balance	Short, Medium, Long	Own Operations	
		Working time	**+ A** | Efficient organization of working activities for Pirelli employees, including observance of working hours limits as defined by contracts, regulations, standards and characteristics of the sector of reference	Short, Medium, Long	Own Operations	
		Secure employment	**+ A** | Permanent employment contracts and employment stability for Pirelli own workforce	Short, Medium, Long	Own Operations	
		Adequate wages	**+ A** | Alignment of Pirelli own workforce wages with contracts, regulations, standards and the characteristics of the sector of reference	Short, Medium, Long	Own Operations	
		Social dialogue Freedom of association, […] Collective bargaining, including percentage of workers covered by collective agreements	**+ A** | Presence of collective agreements and engagement opportunities for the Pirelli own workforce	Short, Medium, Long	Own Operations	
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value Diversity	**+ A** | Equal opportunities in the workplace, respect for diversity and inclusion in terms of gender and minorities and equal pay for work of equal value among genders (Pirelli own workforce)	Short, Medium, Long	Own Operations	Psycho-physical wellbeing of employees, influence on people's culture with positive impact both within the company and in the community outside the company due to the values conveyed
			+ A | Pursuit of Gender balance in Pirelli (own workforce)	Short, Medium, Long	Own Operations	
		Training and skills development	**+ A** | Training and skills development of Pirelli own workforce throughout all working-life	Short, Medium, Long	Own Operations	Growth prospects, improving employee skills and maintaining a high-quality workforce with benefits for both the company and the economic and social context in which it operates

ESRS			Impact	Time horizon	Own Operations/ Value Chain	Effects on the environment and people and involvement with respect to impacts
Topic	**Sub topic**	**Sub sub-topic**				
Workers in the value chain	Working conditions Equal treatment and opportunities for all	Secure employment Working time Adequate wages Social dialogue Freedom of association, including the existence of works councils Collective bargaining Work-life balance Gender equality and equal pay for work of equal value The employment and inclusion of persons with disabilities Measures against violence and harassment in the workplace Diversity	**+ A** | Respect of contractual rules, freedom of association, collective bargaining, job stability, and equal treatment for workers on the Pirelli upstream and downstream value chain, to ensure adequate working conditions and equal treatment	Short, Medium, Long	Upstream Value Chain	Contribution to the well-being, satisfaction, and improvement of working conditions for the workforce throughout Pirelli's supply chain
		Health & Safety	**- A** | Workers along Pirelli's upstream and downstream value chain are exposed to health and safety risks, which could lead to occupational injuries and illnesses of varying severity	Short, Medium, Long	Upstream Value Chain	Possible health and safety risks for workers across the supply chain
		Training and skills development	**+ A** | Training and skills development of the workers along upstream and downstream value chain throughout all working-life	Short, Medium, Long	Upstream Value Chain	Improvement of employee skills and maintenance of a highquality workforce along the supply chain
	Other work-related rights	Child labour Forced labour	**- P** | Violation of workforce human rights along Pirelli upstream and downstream value chain through, for example, the the use of child or forced labour	Short, Medium, Long	Upstream Value Chain	Potential violation of human dignity and compromise of workers' fundamental rights along the supply chain
Affected communities	Communities' economic, social and cultural rights	Land-related impacts	**+ A** | Social cohesion, individual and community development, and the general well-being of people within the community in which Pirelli operates, through the development of dedicated initiatives	Short, Medium, Long	Downstream Value Chain	Contribution to the well-being and improvement of the quality of life of local communities

ESRS			Impact	Time horizon	Own Operations/ Value Chain	Effects on the environment and people and involvement with respect to impacts
Topic	**Sub topic**	**Sub sub-topic**				
Consumers and end users	Information related impacts on consumers and/or end-users	Freedom of expression	**+ A** | Presence of channels by Pirelli dedicated to listening to its customer needs	Short, Medium, Long	Downstream Value Chain	Contribution to customer satisfaction and the ability to make informed choices
		Access to (quality) information	**+ A** | Availability of adequate and qualitative information on Pirelli products for the benefit of its customers	Short, Medium, Long	Downstream Value Chain	
	# Personal safety of consumers and/or end users	Health & Safety Security of a person	**- A** | Accidents involving the customers caused by product defects or characteristics	Short, Medium, Long	Downstream Value Chain	Contribution to road safety by reducing possible car accidents thanks to tyres that meet the highest quality and safety standards
Business conduct	Corporate culture	-	**+ A** | Sharing of Pirelli corporate rules and principles with Group's internal and external stakeholders	Short, Medium, Long	Own Operations	
	Management of relations with suppliers including payment practices	-	**+ A** | Development and empowerment of the local supply chain	Medium, Long	Upstream Value Chain	
	# Corruption and bribery	Prevention and detection including training Incidents	**- P** | Corruption and misconduct by the company in its own business conduct	Short, Medium, Long	Own Operations	

The topics marked with the symbol **#** are topics that have been identified as relevant based on the double perspective of Impact and Financial Materiality and have therefore been deemed by the Group to be of greater importance. In particular, the topics of Climate Change, Pollution, Circular Economy, Consumer Safety and Corruption are considered the most relevant for the Group, given that these are the topics for which material impacts, risks and opportunities have been jointly identified. To this end, Pirelli has taken steps to implement appropriate controls and activities to manage impacts, mitigate risks and seize opportunities with a view to sustainable development.

Risks and opportunities table[33]

ESRS			Risk/opportunity	Time horizon	Own Operations/ Value Chain
Topic	**Sub topic**	**Sub sub-topic**			
Climate Change	Climate change adaptation	-	R: Increase in costs or unavailability of bio-based materials, leading to price volatility, supply chain disruptions, and interruptions to business operations	Long	Own Operations
			R: Damage to assets caused by the occurrence of extreme weather events	Long	Own Operations
			O: Increase in market share related to the rapid growth of the electric market	Medium	Own Operations
	Climate change mitigation	-	O: Reduction in energy consumption and related costs resulting from the implementation of projects aimed at improving energy efficiency	Medium	Own Operations
			O: Increased market share related to the ability to respond quickly to requests for low-emission products before competitors	Long	Own Operations
Pollution	Microplastics	-	R: Increase in costs along the value chain due to the introduction of new regulations related to material/product pollution	Long	Upstream and Downstream Value Chain
Circular economy	Resources inflows, including resource use	-	R: Increase in the cost of “carbon-intensive” goods (e.g. steel, aluminium) following introduction of the Carbon Border Adjustment Mechanism (CBAM)	Short, Medium, Long	Own Operations
			O: Competitive advantage from early adoption of circular economy solutions and technologies such as management of resource scarcity and product end-of-life	Long	Own Operations Downstream Value Chain
			O: Cost reduction as a result of AI “predictive maintenance” measures that minimise errors and failures on machinery, resulting in reduced material waste	Long	Own Operations
Consumers and end users	Personal safety of consumers and/or end users	Health & Safety Security of a person	O: Increased market share due to increasingly safe products, for example thanks to intelligent and connected tyres that transmit useful information for safe mobility in real time	Medium, Long	Own Operations Downstream Value Chain
Business conduct	Corruption and bribery	Prevention and detection including training Incidents	R: Non-compliance with company criminal regulations (e.g. 231/2001)	Short, Medium, Long	Own Operations
			R: Non-compliance with anti-corruption rules and regulations	Short, Medium, Long	Own Operations

The findings of the analysis, together with stakeholder assessments and expectations, are considered in updating Group objectives and strategies.

For each relevant issue, Pirelli implements a series of actions, in order to adequately manage impacts and/or risks and pursue opportunities, in addition to its policies and existing targets. The business model, strategy and decision-making processes take into account risks and opportunities, leading to the adoption of the mitigation and adaptation measures described in this Report. They

[33] In the “Risk/Opportunity” column, the letter **R** stands for risk, while the letter **O** stands for opportunity

also affect the value chain, determining the evolution of relationships with suppliers and partners, and promoting sustainable practices throughout the production cycle.

Compared to the outcomes of the Double Materiality Assessment conducted for the 2024 Annual Report, and in accordance with the process described in the previous sections, it is noted that two risks are no longer assessed as material ("Tightening of carbon tax in countries where Pirelli operates" and "Risk of delays by the supply chain in achieving the CO_2 targets disclosed to the market, with consequent impacts on sustainable finance and investor-related claims").

Conversely, three risks ("Increase in costs and/or unavailability of bio-based materials, leading to price volatility, supply chain disruptions and business interruption", "Damage to assets resulting from the occurrence of extreme weather events", and "Increase in costs along the value chain due to the introduction of new regulations related to material and product pollution") and one opportunity ("Reduction in energy consumption and related costs through the implementation of initiatives aimed at improving energy efficiency") have been identified as material, whereas they were not considered material in the previous reporting period.

With specific reference to environmental issues, the process of identifying the IROs included a particular focus on the product life cycle and on the activities carried out by the actors in the upstream and downstream value chain, as illustrated in step 2 "Identification of potentially material impacts, risks and opportunities" described above.

Further information on the identification of the material impacts, risks and opportunities relating to environmental topics is provided in the relevant chapters of the section "Environmental Information".

Interaction between the material IROs and Pirelli's strategy and business model

The interaction between the IROs, which are material for Pirelli, and the Group's business strategy is bidirectional. On the one hand, they influence strategic planning and the definition of short-, medium- and long-term objectives, and on the other hand, they derive from the conduct of the characteristic activities of the business and the implementation of the Industrial Plan.

More specifically, the results of the double materiality analysis, together with the expectations of stakeholders identified during other engagement activities, as described in the chapter "Stakeholder engagement", are taken into consideration, among other factors, in strategic planning, as illustrated in the chapter "Strategy" with reference to the update of the Industrial Plan in 2024. Furthermore, in response to each relevant issue, Pirelli implements a series of actions, in order to adequately manage impacts and/or risks and pursue opportunities, in accordance with its policies and with a view to achieving the Plan's targets.

This process directly contributes to the resilience of Pirelli's strategy and business model, as the active management of impact and risks allows the company to adapt and respond to emerging environmental and social challenges in a proactive manner, taking advantage of the opportunities related to such dynamics.

The material negative impacts that emerged from the analysis mainly concern the environmental sphere. Most of these impacts are caused by the Group's ordinary activities, such as CO_2 emissions or water consumption, or are related to the specific nature of the business, such as the release of microplastics from the use of tyres produced by Pirelli or the deterioration of ecosystems resulting from the sourcing of natural rubber. These impacts are addressed by the company strategy, described in the chapter "Strategy", aimed at producing tyres that are increasingly efficient and have less impact on the environment.

The impacts relating to the social sphere – which are mainly positive – are primarily attributable to the implementation of the strategy and the pursuit of the targets of the Industrial Plan, which are detailed in the sections that follow in the chapters dedicated to the discussion of the targets. This highlights the ability of the Company's strategy and business model to adapt to new challenges in terms of social responsibility throughout the entire value chain.

As regards the life cycle of the operational risks included in the analysis, the significant issues in terms of exposure for the Group are monitored on a six-monthly basis in order to assess the progress of the recovery plans.

With reference to the risks and opportunities identified within the scope of the Double Materiality analysis, it should be noted that the relative impact on the economic-financial data mainly concerns the effects of climate change-related risks and opportunities, and the opportunities related to the increase in market share thanks to safer products. In particular, these issues are considered in assessing the recoverability of goodwill and the Pirelli brand as at 31 December 2025: considering that the Group expects in the medium term, net benefits on operating cash flows, the latter were not considered in carrying out the impairment test while the potential negative effects for the failure to achieve the targets of the plan and the related physical and transition risks were considered, with reference to the period of the plan, in the new cash flows forecast by management for 2026 while, with reference to the medium-long term, the impact was assessed through *stress tests* to assess the sustainability of the recoverable value of goodwill and the Pirelli Brand.

It should also be noted that as at 31 December 2025, there were no risks of probable cash outflows emerged with respect to these risks, such as to require a specific provision in the balance sheet.

For further information, see Notes 11 'Intangible Assets' and 45 'Other Information – Information on Climate Change' to the Consolidated Financial Statements.

For further details about the relationship between the material IROs and Pirelli's strategy and business model, please refer to the specific sections, and in particular to the section "Environmental Information", with reference to the dimensions of climate change and biodiversity, and the section "Social Information", with reference to the company's own workforce, workers in the value chain, affected communities, and consumers and end users.

DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE COMPANY'S SUSTAINABILITY STATEMENT

After having clarified, in section IRO-1 Double Materiality Analysis and Management of Impact, Risks and Opportunities, how Pirelli determines the information to be disclosed with regard to the IROs it has assessed as material, the disclosure requirements the Group has fulfilled in preparing its sustainability statement, including the information deriving from other EU legislation listed in Appendix B of Annex II of the CSRD, are set out below.[34] [35] [36] [37] [38] [39]

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS 2 – General information			
ESRS 2 BP-1 General basis for preparation of sustainability statement		Par. [BP-1] Methodological note	
ESRS 2 BP-2 Disclosures in relation to specific circumstances		Par. [BP-2] Methodological note	
ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies		Par. Sustainability Governance – [GOV-1] Governance Structure	
ESRS 2 GOV-1 Gender diversity on the board, paragraph 21 d)	SFDR Annex I, table 1, indicator No. 13 Commission Delegated Regulation (EU) 2020/1816, annex II	Par. Sustainability Governance – [GOV-1] Governance Structure	
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 e)	Commission Delegated Regulation (EU) 2020/1816, annex II	Par. Sustainability Governance – [GOV-1] Governance Structure	
ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies		Par. Sustainability Governance – [GOV-2] Governance Structure	
ESRS GOV-3 Integration of sustainability-related performance in incentive schemes		Par. Sustainability Governance - [GOV-3] Integration of sustainability-related performance in incentive schemes	
ESRS 2 GOV-4 Statement on due diligence		Par. Sustainability Governance - [GOV-4] Statement on due diligence	
RS 2 GOV-4 Statement on due diligence, paragraph 30	Annex I, table 3, indicator No. 10	Par. Sustainability Governance - [GOV-4] Statement on Due Diligence	
ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting		Par. Sustainability Governance - [GOV-5] Internal Control System on Sustainability Reporting	

[34] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services sector (SFDR) (OJ L 317, 9.12.2019, pg. 1).

[35] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, pg. 1).

[36] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, pg. 1).

[37] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulation (EC) no. 401/2009 and Regulation (EU) 2018/1999 ("European Climate Law") (OJ L 243 of 9.7.2021, page 1).

[38] Marine resources not relevant, the information given relates only to **water.**

[39] Topic found to be relevant only with reference to the upstream value chain

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS 2 SBM-1 Strategy, business model and value chain		Par. Strategy, business model and value chain - [SBM-1] Strategy Par. Strategy, business model and value chain - [SBM-1] Business model and value chain	
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	SFDR Annex I, table 1, indicator No. 4 Article 449 bis of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1 - Qualitative information on environmental risk and Table 2 - Qualitative information on social risk Commission Delegated Regulation (EU) 2020/1816, annex II		Not material as the Group is not involved in activities related to those indicated.
ESRS SBM-1 – Involvement in activities related to chemical production paragraph 40 (d) ii	SFDR Annex I, table 2, indicator No. 9 Commission Delegated Regulation (EU) 2020/1816, annex II		Not material as the Group is not involved in activities related to those indicated.
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	SFDR Annex I, table 1, indicator No. 14 Article 12, paragraph 1 of Delegated Regulation (EU) 2020/181832 and Annex II to Delegated Regulation (EU) 2020/1816		Not material as the Group is not involved in activities related to those indicated.
ESRS SBM-1 – Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	SFDR Article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818 and annex II of Delegated Regulation (EU) 2020/1816		Not material as the Group is not involved in activities related to those indicated.
ESRS 2 SBM-2 Interests and views of stakeholders		Par. [SBM-2] Stakeholder engagement	
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. [SBM-3] Interaction between the material IROs and Pirelli's strategy and business model	Phase-in: For FY 2025, the company has omitted the information required under ESRS 2 SBM-3 (expected financial effects), as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.
ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities		Par. [IRO-1] Double materiality analysis and management of impacts, risks and opportunities	
ESRS 2 IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement		Par. [IRO-2] Disclosure requirements in ESRS covered by the company's sustainability statement	
MDR-P - Policies adopted to manage material sustainability matters		Par. [MDR-P] Main policies for the management of IRO materials	
ESRS E1 – Climate Change			
ESRS 2 GOV-3 E1 Integration of sustainability-related performance in incentive schemes		Par. Sustainability Governance [GOV-3] Integration of sustainability performance into incentive schemes	
ESRS E1-1 Transition plan for climate change mitigation		Par. [E1-1] Transition plan for climate change mitigation	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	Article 2 paragraph 1 of Regulation (EU) 2021/1119	Par. [E1-1] Transition plan for climate change mitigation	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 g)	Article 449 bis of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 1: Bank portfolio - Indicators of potential transition risk related to climate change: Credit quality of exposure by sector, emissions and residual maturity Article 12, paragraph 1, letters d) to g) and paragraph 2 of Delegated Regulation (EU) 2020/1818		Not relevant as the Group is not among the companies excluded from the benchmarks aligned with the Paris Agreement.
ESRS 2 SBM-3 E-1 Material impacts, risks and opportunities and their interaction with strategy and business mode		Par. [E1 IRO-1], Identification of IROs related to climate change	
ESRS E1-2 Policies related to climate change mitigation and adaptation		Par. Greenhouse gas emissions management and climate transition plan – [E1-2] Policies for the management of greenhouse gas emissions Par. Energy management – [E1-2] Policies for energy management	
ESRS E1-3 Actions and resources in relation to climate change policies		Par. Greenhouse gas emissions management and climate transition plan – [E1-4] Actions for the management of greenhouse gas emissions Par. Energy management – [E1-3] Actions related to energy management	
ESRS E1-4 Targets related to climate change mitigation and adaptation		Par. Greenhouse gas emissions management and climate transition plan – [E1-4] Targets for the management of greenhouse gas emissions Par. Energy management – [E1-4] Targets for energy management	
ESRS E1-4 GHG emission reduction targets, paragraph 34	SFDR Annex I, table 2, indicator No. 4 Article 449 bis of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 3: Bank portfolio - Indicators of potential transition risk related to climate change: alignment metrics Article 6 of delegated regulation (EU) 2020/1818	Par. Greenhouse gas emissions management and climate transition plan – [E1-4] Targets for the management of greenhouse gas emissions	
ESRS E1-5 Energy consumption and mix		Par. Energy management – [E1-5] Metrics related to energy consumption and energy mix	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (high climate impact sectors only), paragraph 38	SFDR Annex I, table 1, indicator No. 5 and annex I, table 2, indicator No. 5	Par. Energy management – [E1-5] Metrics related to energy consumption and energy mix	
ESRS E1-5 Energy consumption and mix, paragraph 37	SFDR Annex I, table 1, indicator No. 5	Par. Energy management – [E1-5] Metrics related to energy consumption and energy mix	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	SFDR Annex I, table 1, indicator No. 6	Par. Energy management – [E1-5] Metrics related to energy consumption and energy mix	
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions		Par. Greenhouse gas emissions management and climate transition plan – [E1-6] Metrics related to Scope 1, 2, and 3 GHG emissions and total GHG emissions	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions, paragraph 44	SFDR Annex I, table 1, indicators No. 1 and 2	Par. Greenhouse gas emissions management and climate transition plan – [E1-6] Metrics related to Scope 1, 2, and 3 GHG emissions and total GHG emissions	
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	SFDR Annex I, table 1, indicator No. 3 Article 449 bis of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 3: Bank portfolio - Indicators of potential transition risk related to climate change: alignment metrics Article 8, paragraph 1 of Delegated Regulation (EU) 2020/1818	Par. Greenhouse gas emissions management and climate transition plan – [E1-6] Metrics related to Scope 1, 2, and 3 GHG emissions and total GHG emissions	
ESRS E1-7 GHG removals and GHG mitigation projects financed through carbon credits		Par. Greenhouse gas emissions management and climate transition plan – [E1-7] Metrics related to GHG removals and emission mitigation projects financed through carbon credits	
ESRS E1-7 GHG removals and carbon credits, paragraph 56	Article 2 paragraph 1 of Regulation (EU) 2021/1119	Par. Greenhouse gas emissions management and climate transition plan – [E1-7] Metrics related to GHG removals and emission mitigation projects financed through carbon credits	
ESRS E1-8 Internal carbon pricing		Par. Greenhouse gas emissions management and climate transition plan – [E1-8] Metrics related to internal carbon pricing	
ESRS E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities			Phase-in: For FY 2025, the company has omitted the information required under ESRS E1-9, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.
ESRS E1-9 Exposure of the benchmark portfolio to physical climate-related risks, paragraph 66	Annex II of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816		Phase-in: For FY 2025, the company has omitted the information required under ESRS E1-9, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 c)	Article 449 bis of Regulation (EU) No 575/2013; points 46 and 47 of the Commission Implementing Regulation (EU) 2022/2453; model 5: Bank portfolio- Indicators of potential physical risk related to climate change: exposures subject to physical risk		Phase-in: For FY 2025, the company has omitted the information required under ESRS E1-9, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 c)	Article 449 bis of Regulation (EU) No 575/2013; point 34 of the Commission Implementing Regulation (EU) 2022/2453 of the Commission; Model 2: Bank portfolio - Indicators of potential climate change-related transition risk: loans secured by real estate - Energy efficiency of secured guarantees		Phase-in: For FY 2025, the company has omitted the information required under ESRS E1-9, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS E1-9 Degree of exposure of the portfolio climate-relate to opportunities, paragraph 69	Annex II of Delegated Regulation (EU) 2020/1818		Phase-in: For FY 2025, the company has omitted the information required under ESRS E1-9, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.
ESRS E2 - Pollution			
ESRS 2 IRO-1 E2 Description of the processes to identify and assess relevant pollution-related impacts, risks and opportunities		Par. [IRO-1] Double materiality analysis and management of impacts, risks and opportunities	
ESRS E2-1 Policies related to pollution		Par. Air pollution along the supply chain – [E2-1] Policies for managing pollution throughout the supply chain	
ESRS E2-2 Actions and resources related to pollution		Par. Air pollution along the supply chain – [E2-2] Actions for managing pollution throughout the supply chain	
ESRS E2-3 Targets related to pollution		Par. Air pollution along the supply chain – [E2-3] Targets for managing pollution throughout the supply chain	
ESRS E2-4 Amount of each pollutant listed in Annex II of E-PRTR (European Pollutant Release and Transfer Register) emitted in air, water and land, paragraph 28	SFDR Annex I, table 1, indicator no 8; Annex I, table 2, indicator no 2; Annex 1, table 2, indicator no 1; Annex I, table 2, indicator no 3		Not material
ESRS E2-5 Substances of concern and substances of very high concern			Not material
ESRS E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities			Not material
ESRS E3 - Water and marine resources			
ESRS 2 IRO-1 E3 Description of the processes to identify and assess relevant water and marine resources related impacts, risks and opportunities		Par. [IRO-1] Double materiality analysis and management of impacts, risks and opportunities	
ESRS E3-1 Policies related to water and marine resources		Par. Water resource management – [E3-1] Policies for water resource management	
ESRS E3-1 Water and marine resources, paragraph 9	SFDR Annex I, table 2, indicator No. 7	Par. Water resource management – [E3-1] Policies for water resource management	
SRS E3-1 Dedicated policy, paragraph 13	SFDR Annex I, table 2, indicator No. 8	Par. Water resource management – [E3-1] Policies for water resource management	
ESRS E3-1 Sustainability of the oceans and seas, paragraph 14	SFDR Annex I, table 2, indicator No. 12		Not material
ESRS E3-2 Actions and resources related to water and marine resources		Par. Water resource management – [E3-2] Actions for water resource management	
ESRS E3-3 Targets related to water and marine resources		Par. Water resource management – [E3-3] Targets for water resource management	
ESRS E3-4 Water consumption		Par. Water resource management – [E3-4] Metrics related to water resources	
ESRS E3-4 Total recycled and reused water, paragraph 28 c)	SFDR Annex I, table 2, indicator No. 6.2		

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29	SFDR Annex I, table 2, indicator No. 6.1		
ESRS E3-5 Anticipated financial effects from impact, risks and opportunities related to water and marine resources			Not material
ESRS E4 – Biodiversity and ecosystems			
ESRS E4-1 Transition plan and focus on biodiversity and ecosystems in the business strategy and model		Par. Biodiversity and ecosystems - [E4-1] Biodiversity strategy	
ESRS 2 SBM-3 E4 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. Biodiversity and ecosystems - [E4 ESRS2 SBM-3] Biodiversity strategy	
ESRS 2 IRO-1 E4 Description of the processes to identify and assess relevant biodiversity and ecosystemrelated impacts, risks and opportunities		Par. [IRO-1] The identification of biodiversity-related IROs	
ESRS 2 IRO-1 E4 paragraph 16, letter a), point i)	SFDR Annex I, table 1, indicator No. 7	Par. [IRO-1] The identification of biodiversity-related IROs	
ESRS 2 IRO-1 E4 paragraph 16, letter b)	SFDR Annex I, table 1, indicator No. 10	Par. [IRO-1] The identification of biodiversity-related IROs	
ESRS 2 IRO-1 E4 paragraph 16, letter c)	SFDR Annex I, table 1, indicator No. 14	Par. [IRO-1] The identification of biodiversity-related IROs	
ESRS E4-2 Policies related to biodiversity and ecosystems		Par. Biodiversity and ecosystems - [E4-2] Polices for biodiversity management	
ESRS E4-2 Sustainable agricultural/ land-use practices or policies, paragraph 24 b)	SFDR Annex I, table 1, indicator No. 11		Not material
ESRS E4-2 Sustainable sea/ocean use practices or policies, paragraph 24 c)	SFDR Annex I, table 1, indicator No. 12		Not material
ESRS E4-2 Policies to address deforestation, paragraph 24 d)	SFDR Annex I, table 1, indicator No. 15	Par. Biodiversity and ecosystems - [E4-2] Polices for biodiversity management	
ESRS E4-3 Actions and resources related to biodiversity and ecosystems		Par. Biodiversity and ecosystems - [E4-3] Actions for biodiversity management	
ESRS E4-4 Targets related to biodiversity and ecosystems		Par. Biodiversity and ecosystems - [E4-4] Targets for biodiversity management	
ESRS E4-5 Impact metrics related to changes in biodiversity and ecosystems			Not material
ESRS E4-6 Anticipated financial effects of relevant biodiversity and ecosystem-related risks and opportunities			Not material
ESRS E5 – Circular Economy			
ESRS 2 IRO-1 E5 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities		Par. [IRO-1] Double materiality analysis and management of impacts, risks and opportunities	
ESRS E5-1 Policies related to resource use and circular economy		Par. Resource use and circular economy - [E5-1] Policies for sustainable resource management and the circular economy	
ESRS E5-2 Actions and resources related to resource use and the circular economy		Par. Resource use and circular economy - [E5-2] Actions for sustainable resource management and the circular economy	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS E5-3 Objectives related to resource use and the circular economy		Par. Resource use and circular economy - [E5-3] Targets for sustainable resource management and the circular economy	
ESRS E5-4 Resource inflows		Par. Resource use and circular economy - [E5-4] Metrics related to resource inflows	
ESRS E5-5 Resource outflows		Par. Resource use and circular economy - [E5-5] Metrics related to resource outflows	
ESRS E5-5 Non-recycled waste, paragraph 37 d)	SFDR Annex I, table 2, indicator No. 13		Not material
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	SFDR Annex I, table 2, indicator No. 9		Not material
ESRS E5-6 Anticipated financial effects from resource use and circular economy-related risks and opportunities			Phase-in: For FY 2025, the company has omitted the information required under ESRS E5-6, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy)			
EU regulation (2020/852): Purpose and regulatory context		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) – EU regulation 2020/852: Purpose and regulatory context	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) – Eligible economic activities of the Pirelli Group	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) - Aligned economic activities of the Pirelli Group	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) – Social minimum safeguards	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) – Capital Expenditure Indicator	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) - share of turnover deriving from products or services associated with economic activities aligned with the taxonomy – information for the year 2025, presented in accordance with the template set out in annex v of delegated regulation (EU) 2023/2486	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) - share of capital expenditure resulting from products or services associated with economic activities aligned with the taxonomy – information for the year 2025, presented in accordance with the template set out in annex v of delegated regulation (EU) 2023/2486	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) - share of operating expenditure arising from products or services associated with economic activities aligned with the taxonomy – disclosure for the year 2025, presented in accordance with the template set out in annex v of delegated regulation (EU) 2023/2486	
		Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) – Gas and nuclear activities	
ESRS S1 - Own workforce			
ESRS 2 SBM-2 S1 Interests and views of stakeholders		Par. General information [SBM-2 & SBM-3] Stakeholder engagement Interaction between the material IROs and Pirelli's strategy and business model	
ESRS 2 SBM-3 S1 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. General information [SBM-2 & SBM-3] Interaction between the material IROs and Pirelli's strategy and business model	
ESRS 2 SBM-3 S1 Risk of forced labour, paragraph 14 f)	SFDR Annex I, table 3, indicator No. 13		Not material
ESRS 2 SBM-3 S1 Risk of child labour, paragraph 14 g)	SFDR Annex I, table 3, indicator No. 12		Not material

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS S1-1 Policies related to own workforce		Par. Respect for human rights [S1-1] Policies related to respect for human rights Par. Working condition of own workforce [S1-1] Policies for the protection of working conditions of own workforce Par. Diversity, equity and inclusion of own workforce [S1-1] Policies for Diversity, Equity and Inclusion of own workforce Par. Skills development in own workforce – performance management and training [S1-1] for Training and development of skills in own workforce Par. Welfare and initiatives for own workforce [S1-1] policies related to welfare of own workforce Par. Occupational health and safety in own workforce [S1-1] Policies for own workforce health and safety management	
ESRS S1-1 Human rights policy commitments, paragraph 20	SFDR Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11	Par. Respect for human rights [S1-1] Policies related to respect for human rights	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Commission Delegated Regulation (EU) 2020/1818, annex II	Par. Respect for human rights [S1-1] Policies related to respect for human rights	
ESRS S1-1 Procedures and measures to prevent human trafficking, paragraph 22	SFDR Annex I, table 3, indicator No. 11	Par. Respect for human rights [S1-1] Policies related to respect for human rights	
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	SFDR Annex I, table 3, indicator No. 1	Par. Occupational health and safety in own workforce [S1-1] Policies for own workforce health and safety management	
ESRS S1-2 Processes for engaging with own workers and workers' representatives about impacts		Par. [S1-2] Processes for engaging the company's workers	
ESRS S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns		Par. [S1-3] Channels for employees to raise concerns	
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 c)	SFDR Annex I, table 3, indicator No. 5	Par. [S1-3] Channels for employees to raise concerns	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		Par. Working condition of own workforce [S1-4] Actions for the protection of working conditions of own workforce Par. Diversity, equity and inclusion of own workforce [S1-4] Actions for Diversity, Equity and Inclusion of own workforce Par. Skills development in own workforce – performance management and training [S1-4] Actions for Training and development of skills in own workforce Par. Welfare and initiatives for own workforce [S1-4] Actions in welfare in own workforce Par. Occupational health and safety in own workforce [S1-4] Actions in health and safety in own workforce	
ESRS S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Par. Working condition of own workforce [S1-5] Targets relative to working conditions of own workforce Par. Diversity, equity and inclusion of own workforce [S1-5] Targets relative to Diversity, Equity and Inclusion of own workforce Par. Skills development in own workforce – performance management and training [S1-5] Targets for Training and development of skills in own workforce Par. Welfare and initiatives for own workforce [S1-5] Targets in welfare in own workforce Par. Occupational health and safety in own workforce [S1-5] Targets in health and safety in own workforce	
ESRS S1-6 Characteristics of the undertaking's employees		Par. [S1-6] Pirelli employees around the world	
SRS S1-7 Characteristics of nonemployee workers in the undertaking's own workforce			
ESRS S1-8 Collective bargaining coverage and social dialogue		Par. Working condition of own workforce [S1-8] Metrics related to Collective bargaining in Own workforce and adequate wages	Phase-in (for non-EEA countries): For FY 2025, the company has omitted the information required under ESRS S1-8, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.
ESRS S1-9 Diversity metrics		Par. Diversity, equity and inclusion of own workforce [S1-9] Metrics related to Diversity, Equity and Inclusion of own workforce	
ESRS S1-10 Adequate wages		Par. Working condition of own workforce [S1-8] Metrics related to Collective bargaining in Own workforce and adequate wages	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS S1-11 Social protection		Par. Welfare and initiatives for own workforce [S1-11] Metrics related to social protection and work-life balance for own workforce	
ESRS S1-12 Persons with disabilities			Not material
ESRS S1-13 Training and skills development metrics		Par. Skills development in own workforce – performance management and training [S1-13] Metrics related to Training in own workforce Par. Skills development in own workforce – performance management and training [S1-13] Metrics related to Performance Management in Own Workforce	
ESRS S1-14 Health and safety metrics		Par Occupational health and safety in own workforce [S1-14] Metrics related to health and safety in own workforce	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 b) and c)	SFDR Annex I, table 3, indicator No. 2 Commission Delegated Regulation (EU) 2020/1818, annex II	Par Occupational health and safety in own workforce [S1-14] Metrics related to health and safety in own workforce	
ESRS S1-14 Number of days lost due to injury, accident, fatality or illness, paragraph 88 e)	SFDR Annex I, table 3, indicator No. 3		Phase-in: For FY 2025, the company has omitted the information required under ESRS S1-14, as permitted by Appendix C (ESRS 1) of Delegated Regulation (EU) 2023/2772.
ESRS S1-15 Work-life balance metrics		Par. Welfare and initiatives for own workforce [S1-15] Metrics related to social protection and work-life balance for own workforce	
ESRS S1-16 Remuneration metrics (pay gap and total remuneration)		Par. Diversity, equity and inclusion of own workforce [S1-16] Metrics related to Diversity, Equity and Inclusion of own workforce	
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 a)	SFDR Annex I, table 1, indicator No. 12 Commission Delegated Regulation (EU) 2020/1818, annex II	Par. Diversity, equity and inclusion of own workforce [S1-16] Metrics related to Diversity, Equity and Inclusion of own workforce	
SRS S1-16 Excessive CEO pay ratio, paragraph 97 b)	SFDR Annex I, table 3, indicator No. 8	Par. Diversity, equity and inclusion of own workforce [S1-16] Metrics related to Diversity, Equity and Inclusion of own workforce	
ESRS S1-17 Incidents, complaints and severe human rights impacts		Par. Respect for human rights [S1-17] Metrics related to Human rights in own workforce	
ESRS S1-17 Incidents of discrimination, paragraph 103 a)	SFDR Annex I, table 3, indicator No. 7	Par. Respect for human rights [S1-17] Metrics related to Human rights in own workforce	
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 a)	SFDR Annex I, table 1, indicator no. 10 and annex I, table 3, indicator no. 14 Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818	Par. Respect for human rights [S1-17] Metrics related to Human rights in own workforce	
ESRS S2 - Workers in the value chain			
ESRS 2 SBM-2 S2 Interests and views of stakeholders		Par. [SBM-2] Interests and opinions of workers in the value chain	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS 2 SBM-3 S2 Material impacts, risks and opportunities and their interaction with strategy and business mode		Par. [SBM-3] Material impacts, risks and opportunities related to workers in the value chain and their interaction with the strategy and the business model	
ESRS 2 SBM-3 S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 b)	SFDR Annex I, table 3, indicators No. 12 and 13	Par. Working conditions and respect for human rights along the supply chain [S2-1] Policies for the management of working conditions and respect for human rights along the Value Chain Par. Training along the value chain [S2-1] Policies for the management of training along the value chain	
ESRS S2-1 – Policies related to value chain workers		Par. Working conditions and respect for human rights along the supply chain [S2-1] Policies for the management of working conditions and respect for human rights along the Value Chain	
ESRS S2-1 Human rights policy commitments, paragraph 17	SFDR Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11	Par. Working conditions and respect for human rights along the supply chain [S2-1] Policies for the management of working conditions and respect for human rights along the Value Chain	
ESRS S2-1 Policies related to value chain workers, paragraph 18	SFDR Annex I, table 3, indicators No. 11 and 4	Par. Working conditions and respect for human rights along the supply chain [S2-1] Policies for the management of working conditions and respect for human rights along the Value Chain	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guideline paragraph 19	SFDR Annex I, table 1, indicator No. 10 Annex II of Delegated Regulation (EU) 2020/1816 and article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818	Par. Working conditions and respect for human rights along the supply chain [S2-1] Policies for the management of working conditions and respect for human rights along the Value Chain	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Commission Delegated Regulation (EU) 2020/1818, annex II	Par. Working conditions and respect for human rights along the supply chain [S2-1] Policies for the management of working conditions and respect for human rights along the Value Chain	
ESRS S2-2 – Processes for engaging with value chain workers about impacts		Par. [S2-2] Processes to involve workers in the value chain and to remedy negative impacts, including channels for workers in the value chain to raise concerns	
ESRS S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns		Par. [S2-3] Processes to involve workers in the value chain and to remedy negative impacts, including channels for workers in the value chain to raise concerns	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	SFDR Annex I, table 3, indicator No. 14	Par. Working conditions and respect for human rights along the supply chain [S2-4] Actions for the management of working conditions and respect for human rights along the Value Chain Par. Training along the value chain [S2-4] Actions for the management of training along the value chain	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Par. Working conditions and respect for human rights along the supply chain [S2-5] Targets for the management of working conditions and respect for human rights along the Value Chain Par. Training along the value chain [S2-5] Targets related to training along the value chain	
ESRS S3 – Affected communities			
ESRS 2 SBM-2 Interests and views of stakeholders		Par. S3 Affected communities	
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. S3 Affected communities	
ESRS S3-1 Policies related to affected communities		Par. [S3-1] Policies for managing relations with the external community	
ESRS S3-1 Human rights policy commitments, paragraph 16	SFDR Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11		Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	SFDR Annex I, table 1, indicator No. 10 Annex II of Delegated Regulation (EU) 2020/1816 and article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818		Not material
S3-2 Processes for engaging with affected communities about impacts		Par. [S3-2] Processes for engaging affected communities	
S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns		Par. [S3-3] Processes to remediate negative impacts generated on the external community and channels for affected communities to raise concerns	
S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions		Par. [S3-4] Actions dedicated to the development of the external community	
ESRS S3-4 Human rights issues and incidents, paragraph 36	SFDR Annex I, table 3, indicator No. 14		Not material
S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (affected communities)		Par. [S3-5] Targets relating to the development of the external community	
ESRS S4 - Consumers and end users			
ESRS 2 SBM-2 S4 Interests and views of stakeholders		Par. [SBM-2] Interests and views of stakeholders	
ESRS 2 SBM-3 S4 Material impacts, risks and opportunities and their interaction with strategy and business model		Par. [SBM-3] Interaction between the material IROs and Pirelli's strategy and business model	
ESRS S4-1 Policies related to consumers and end-users		Par. Transparency and customer information [S4-1] – Policies for transparency and customer information Par. Product safety, performance and innovation [S4-1] - Policies for product safety, performance and innovation	

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	SFDR Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11	Par. Transparency and customer information [S4-1] – Policies for transparency and customer information Par. Product safety, performance and innovation [S4-1] - Policies for product safety, performance and innovation	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	SFDR Annex I, table 1, indicator No. 10 Annex II of Delegated Regulation (EU) 2020/1816 and article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818		Not material
ESRS S4-2 Processes for engaging with consumers and end-users about impacts		Par. [S4-2] - Processes to engage customers and consumers	
ESRS S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		Par. [S4-3] - Channels allowing consumers to express concerns	
ESRS S4-4 Taking action on material impacts on consumers and endusers, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		Par. Transparency and customer information [S4-4] - Actions in Transparency and customer information Par. Product safety, performance and innovation [S4-4] - Actions in Product safety, performance and innovation	
ESRS S4-4 Human rights issues and incidents, paragraph 35	SFDR Annex I, table 3, indicator No. 14		Not material
ESRS S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (consumers and end users)		Par. Transparency and customer information [S4-5] - Targets in Transparency and customer information Par. Product safety, performance and innovation [S4-5] - Targets in Product safety, performance and innovation	
ESRS G1 – Business conduct			
ESRS 2 GOV-1 G1 The role of the administrative, supervisory and management bodies2		Par. Sustainability Governance – [GOV-1] Sustainability Governance Structure	
ESRS 2 IRO-1 G1 Description of the processes to identify and assess material impacts, risks and opportunities		Par. [IRO-1] Double materiality analysis and management of impacts, risks and opportunities	
ESRS G1-1 Corporate culture and Business conduct policies and corporate culture		Par. [G1-1] Pirelli's corporate culture and its management model Par. [G1-1] Pirelli's corporate culture and its management model - Values and the Code of Ethics Par. [G1-1] Pirelli's corporate culture and its management model - The Whistleblowing Policy	
ESRS G1-1 United Nations Convention against corruption, paragraph 10 b)	SFDR Annex I, table 3, indicator No. 15	Par. [G1-1] Anti-corruption	
ESRS G1-1 Protection of Whistleblowers, paragraph 10 d)	SFDR Annex I, table 3, indicator No. 6		Not material

Duty of disclosure and/or corresponding information	Obligations from other EU legislation	Disclosure	Non-material / phase-in
ESRS G1-2 Management of relations with suppliers		Par. [G1-2] Management of relations with suppliers - Supply chain sustainable management system Par. [G1-2] Management of relations with suppliers - Sustainability elements in the purchasing process: Labour, Human Rights, Environment, and Business Ethics Par. [G1-2] Management of relations with suppliers - Focus: ESG Assessments, ESG Audits and Corrective Actions Par. [G1-2] Management of relations with suppliers - Policies for sustainable supply chain management Par. [G1-2] Management of relations with suppliers - Targets in Supply chain sustainable management Par. [G1-2] Management of relations with suppliers - Actions related to Supply chain sustainable management	
ESRS G1-3 Prevention and detection of corruption and bribery		Par. [G1-3] Anti-corruption Par. [G1-3] Anti-corruption - Anti-corruption policies, Par. [G1-3] Anti-corruption – Targets in Anti-corruption Par. [G1-3] Anti-corruption - Actions in Anti-corruption	
ESRS G1-4 Incidents of corruption or bribery		Par. [G1-4] Metrics related to confirmed cases of active or passive corruption	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 a)	Annex I, table 3, indicator No. 17 Annex II of Delegated Regulation (EU) 2020/1816	Par. [G1-4] Metrics related to confirmed cases of active or passive corruption	
ESRS G1-4 Standards anti-corruption of and anti-bribery, paragraph 24 b)	Annex I, table 3, indicator No. 16	Par. [G1-4] Metrics related to confirmed cases of active or passive corruption	
ESRS G1-5 Political influence and lobbying activities			Not material
ESRS G1-6 Payment practices		Par. [G1-2] Management of relations with suppliers Par. [G1-6] Metrics related to payment practices	

SUSTAINABILITY GOVERNANCE

THE HISTORICAL ROOTS OF THE CULTURE OF SUSTAINABILITY IN PIRELLI'S GOVERNANCE

"Our industry is by its very nature progressive". It was 1880 when Giovanni Battista Pirelli described the company founded in 1872 in these terms, summarising in a few essential words the meaning and the horizon of a project that had only recently taken shape. "Progressive", that is, committed to interpreting, delivering and advancing progress. Industrial, technological and productive, but also economic and social.

A company with more than 150 years of history, in which social responsibility has always been a key element, even when the term sustainability did not yet exist.

Over time, the Company has developed a governance model that ensures constant oversight of environmental and social impacts, technological opportunities and emerging risks, integrating sustainability performance into short- and long-term incentive systems, thereby strengthening a corporate culture oriented towards long-term value creation, in compliance with the principles of social and environmental responsibility.

Pirelli has distinguished itself as a pioneer in sustainable management within the sector well before the advent of regulation, including at European level, thanks to the adoption of international standards and a scientific approach to sustainable innovation:

- in the 1990s, Pirelli introduced the first ISO 14001 environmental management systems in its factories.
- In 2000, Pirelli published its first environmental report.
- In 2004, Pirelli established the Sustainability Managerial Committee, composed of Top Management, with the objective of fairly balancing the expectations of stakeholders, even when these do not converge, in order to ensure stability in growth strategies and create shared value.
- In 2021, Pirelli introduced stringent FSC™ standards into the tyre sector, bringing to market the world's first FSC™-certified tyre.
- In 2024, Pirelli set a Net Zero target for 2040, validated by the Science Based Targets initiative (SBTi), the most ambitious in the sector.

A path that has always followed the guiding principle of **sustainability as an industrial and cultural lever**, a cornerstone of product portfolio development and global strategic choices.

The strength of Pirelli's sustainable performance in 2025 was once again recognised by the leading sustainable finance indices, confirming its substantial global sector leadership. Following the annual review of the Dow Jones Sustainability Indices by S&P Global, the Company achieved the Top Score

globally in the Auto Components and Automotive sectors. Pirelli was also confirmed as a Leader in the fight against climate change, ranking in the CDP “Climate A List”, and achieved the Top Score in the Tyre industry and a *Negligible Risk* rating in the Sustainalytics assessment, the Top Score in Auto Components and Prime Status in the ISS ESG assessment, as well as a Platinum rating from EcoVadis.

SUSTAINABILITY GOVERNANCE STRUCTURE

Pirelli’s governance structure, hinged on the very best international practices, as ruled by Art. 3.4 of the Bylaws, is structured according to the traditional model of administration and control. The Board of Directors in office as of the date of this report was appointed by Pirelli Shareholders’ Meeting held on 31 July 2023. Its term of office will end with the approval of the financial statements as at 31 December 2025. As of the date of this report, the Board of Directors is composed of 15 Directors, namely: Jiao Jian (Chairman), Marco Tronchetti Provera (Executive Vice Chairman), Andrea Casaluci (Chief Executive Officer), Chen Aihua, Zhang Haitao, Chen Qian, Alberto Bradanini, Michele Carpinelli, Domenico De Sole, Fan Xiaohua, Marisa Pappalardo, Grace Tang, Giovanni Lo Storto, Roberto Diacetti and Paola Boromei.

In 2025, as in 2024, 60% of the members of the Board of Directors are independent. Within the Board of Directors, 2 members hold executive positions, while non-executive members number 13. Furthermore, 60% of the members of the Board of Directors are male, while females account for the remaining 40%, with a gender diversity ratio of 66.67%. If the composition of the administrative and control bodies as a whole is considered, therefore also including the Board of Statutory Auditors, 55% of the members are male, while females account for the remaining 45%.

Taking into account the recommendations and principles contained in the Corporate Governance Code, to which Pirelli adheres, the Board of Directors, at its meeting on 3 August 2023, confirmed the establishment of the following Board Committees:

- Strategies Committee;
- Related-Party Transactions Committee;
- Appointments and Successions Committee;
- Remuneration Committee;
- Audit, Risks and Corporate Governance Committee; and the establishment of the
- Sustainability Committee.

In particular, the Sustainability Committee – composed of Directors Marco Tronchetti Provera (Chairman of the Committee), Jiao Jian, Andrea Casaluci and Giovanni Lo Storto – performs a support role for the Board of Directors in analysing sustainability issues related to business

operations, corporate social responsibility and the analysis of issues relevant to the creation of long-term value.

The Audit, Risks and Corporate Governance Committee – composed of Directors Fan Xiaohua (Chairman of the Committee), Chen Aihua, Roberto Diacetti, Giovanni Lo Storto and Michele Carpinelli – incorporates the functions of the "control and risks committee" referred to in the Corporate Governance Code, and performs a support role for the Board of Directors in assessments and decisions relating to the internal control and risk management system, as well as those concerning the approval of periodic financial and sustainability reports. With reference to sustainability reports, the Audit, Risks and Corporate Governance Committee assesses the suitability of non-financial information to correctly represent the business model, the Company's strategies, the impact of its activities and the performance results achieved, examining its content relevant to the internal control and risk management system.

When choosing the Committee members, the Board of Directors considered as a priority the skills and experience acquired by each director in the subjects under discussion, distributing the appointments in order to avoid an excessive concentration of appointments being held by a limited number of people and to encourage the exchange of multiple viewpoints and perspectives.

The Board of Statutory Auditors in office as of the date of this report was appointed by the Pirelli Shareholders' Meeting held on 28 May 2024. Its term of office will end with the approval of the financial statements as at 31 December 2026. The Board of Statutory Auditors is composed of: Riccardo Foglia Taverna (Chairman of the Board of Statutory Auditors), Maura Campra, Francesca Meneghel, Teresa Naddeo and Riccardo Perotta as Standing Auditors, and Franca Brusco, Roberta Pirola and Enrico Holzmiller as Alternate Auditors. The Board of Statutory Auditors carries out supervisory activities in accordance with the terms of the regulations in force at the time.

In accordance with art. 11 of the Bylaws, the Board of Directors manages and supervises the overall business activity, pursuing its sustainable development, and to this end is assigned powers of administration, except those that the law or Bylaws demand be assigned to the Shareholders' Meeting and without prejudice to the prerogatives granted to the Executive Vice Chairman and Chief Executive Officer, also taking into account the provisions of the Decree of the President of the Council of Ministers dated 16 June 2023. The role of the board committees is to offer support to the Board in relation to matters deemed worthy of further investigation, in order to ensure that there is an effective and informed exchange of opinions about them.

With reference to sustainability governance, the Board of Directors:

- approves the sustainability plan integrated with the Company's strategic plans, the implementation of which is subject to periodic monitoring;
- approves the Double Materiality analysis, that includes the material IROs;
- includes ESG indicators in its remuneration policy, consistent with the objectives included in the Company's strategic plans for measuring the management performance in its annual and medium/long-term remuneration plans;

- has identified the Chief Executive Officer as the Director in charge of sustainability matters with the task of overseeing sustainability issues related to the company's activities and its dynamics of interaction with all stakeholders and implementing the guidelines defined by the Board of Directors;

- has set up the Sustainability Committee, a board committee with the duty of supporting the Board of Directors in the analysis of sustainability issues related to the exercise of business activities, corporate social responsibility and the analysis of issues relevant to the generation of long-term value.

The following chart illustrates the overall experience per sector of the members of the Board of Directors:

Furthermore, the Board of Directors, supported by the Sustainability Committee, approves, upon the proposal of the Chief Executive Officer and in coordination with the Executive Vice Chairman, the strategies and objectives for sustainable management integrated in the Strategic Plans of the Company with reference to all areas of management, including, inter alia, those relating to human rights, health and safety, climate change and decarbonisation, reduction of environmental impacts of products and processes, supply chain sustainability, cyber security, diversity and inclusion, and ESG risks and opportunities, mapping of impacts on the economy, society, environment and human rights.

The competences of the administrative, management, and supervisory bodies on sustainability issues and the impacts, risks, and opportunities (IROs) relevant to the Company is fostered through induction activities, to which they have access, as well as through the systematic examination of these issues during the meetings of the Board Committees, with the support of the Company's relevant management and third parties, invited for training and/or in-depth exploration of specific topics. During 2025, management – and in particular the Corporate General Manager, the Head of

Corporate Affairs & Governance, the Head of Compliance and Rules, the Manager Responsible for the Preparation of the Corporate Financial Documents, the Head of Financial Statements and Administration, the Head of Consolidated Financial Statements & Accounting Governance, the Head of Sustainability and New Mobility, the Head of ESG Rating and Reporting, the Head of Internal Audit, the EVP Sustainability, New Mobility and Motorsport, the Head of Finance, M&A and Risk Management, the Risk Manager, the Head of Information Security, the Chief Digital Officer and the Head of Corporate Security – regularly attended the meetings of the Audit, Risks and Corporate Governance Committee, contributing to periodic and updated reporting to the Committee on corporate governance, internal audit, compliance, anti-corruption, the sustainability statement, the reporting process and compliance of the consolidated sustainability statement with Legislative Decree no. 125/2024, the Double Materiality Analysis, the control framework for the preparation of the consolidated sustainability statement, the operating procedure for the preparation of the consolidated sustainability statement, the audit plan for the consolidated sustainability statement, risk analysis, information security and ongoing projects aimed at ensuring compliance with the provisions of Legislative Decree no. 138/2024.

During 2025, management – and in particular the Head of Corporate Affairs & Governance, the EVP & Chief Human Resources Officer, the Head of Compensation & Benefits and the Head of International Mobility & HR Administration – took part assiduously in the meetings of the Remuneration Committee, contributing to a periodic and updated information of this Committee regarding the variable components of the remuneration of Directors holding specific offices, the General Manager and Key Managers, and the related objectives, which include those relating to sustainability.

In support of ensuring that the members of the Board of Directors and the Board of Statutory Auditors are equipped with the necessary sustainability expertise, including with reference to the impacts, risks and opportunities (IROs) of importance to Pirelli in the environmental, social and governance areas, an induction session was held on 17 March 2025, delivered by the Company's competent managers with the support of an external expert consultant.

In addition to the above, during 2025 the members of the Audit, Risks and Corporate Governance Committee acknowledged positively the update of the operating procedure aimed at defining the ESG data collection model, as well as the roles and responsibilities of the relevant Company departments in the process of preparing the consolidated sustainability statement pursuant to Legislative Decree no. 125/2024, approved by the Board of Directors on 26 February 2025.

With regard to the risk management process, the Board of Directors – with the support of the Audit, Risks and Corporate Governance Committee – periodically and constantly assesses the risks associated with the business in order to create long-term value for the benefit of shareholders.

Pirelli performs risk assessment and due diligence activities to identify its current and potential impacts on economy, society, the environment, and human rights along the value chain, with a view to identifying, preventing, mitigating and managing these impacts responsibly. The results of risk assessments on Human Rights, Climate Change, as well as the materiality mapping of Impacts and

the related mitigation and responsible management strategies are submitted to the Audit, Risk, and Corporate Governance Committee.

The Audit, Risks and Corporate Governance Committee, on 23 February 2026, following the analysis of the objectives, the methodology adopted for conducting the double materiality analysis, and the related outcomes, expressed a positive assessment of the update of the double materiality analysis concerning the 2025 consolidated sustainability statement, particularly regarding the IROs (Impacts, Risks, and Opportunities) identified as relevant at the conclusion of the double materiality analysis and presented in the tables in the previous chapter titled “Double materiality analysis and management of impacts, risks and opportunities”. Subsequently, the Board of Directors, in its meeting held on 25 February 2026, considering the evaluations and opinion expressed by the Audit, Risks and Corporate Governance Committee, approved the update of the double materiality analysis.

Pirelli has also set up a supervisory body (the “Supervisory Body”), with the aim of creating a system of rules to prevent the occurrence of illegal behaviour considered potentially relevant for the purposes of application of the organisation and management model envisaged by Decree no. 231 of 8 June 2001, as subsequently amended from time to time (the “Model 231”).

The Supervisory Body in office was appointed by the Board of Directors on 3 August 2023, in continuity with the previous body. Currently, the Supervisory Body consists of 3 members, specifically: Carlo Secchi (Chairman), Maura Campra (Standing Auditor, appointed by the Board of Directors on 1 August 2024 to replace Antonella Carù, who ceased to be a Standing Auditor following the completion of her term of office) and Alberto Bastanzio (by virtue of the office held as Executive Vice President of Corporate Affairs, Audit, Compliance, Corporate Security and Company Secretary). The Supervisory Body satisfies the autonomy, independence, professionalism and continuity of action requirements specified by law for that body. The Supervisory Body will remain in office until expiry of the mandate of the Board of Directors and, therefore, until Shareholders’ Meeting approval of Pirelli’s annual financial statements at 31 December 2025.

The strategic evolution of Group Sustainability is entrusted to the Strategic Sustainability Committee (management committee), a body appointed in 2004, chaired by the Executive Vice Chairman and that includes the Chief Executive Officer and the Company’s top management representing all the organisational and functional responsibilities. The Committee holds ordinary meetings at least twice a year and has strategic competence on sustainability issues, including human rights, health and safety, climate change and decarbonisation, reduction of environmental impacts from products and processes, supply chain sustainability, cybersecurity, diversity and inclusion, and ESG risks and opportunities.

The Strategic Sustainability Committee (management committee) is supported by an Operational Sustainability Committee (management committee), chaired by the Chief Executive Officer and including the Company’s top management, with responsibility for the operational management of the Group’s sustainability issues, including, among others, human rights, health and safety, climate change and decarbonisation, reduction of environmental impacts of products and processes, supply chain sustainability, cyber security, diversity and inclusion, ESG risks and opportunities.

The organisational structure is thus made up of a Sustainability and New Mobility Department reporting directly to the Chief Executive Officer of the company, which has oversight of the management at a Group level and proposes plans for sustainable development to the Sustainability Strategic Committee (management committee). The Department avails itself of the support of: i) a Sustainability Working Group, made up of sustainability representatives within the various central company departments, in order to guarantee constant monitoring and coordination of strategic programmes with an impact on the areas of competence of the specific departments; ii) the Country Sustainability and Diversity Managers for the monitoring of activities covering all the Group's affiliates. The role of the Country Sustainability Manager is currently held by Country CEOs, who rely on their direct reports for the operational management of sustainability plans at the country level.

INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

The principles that the Group follows in order to determine and monitor the application of the Remuneration Guidelines for Directors holding specific offices, General Managers, Key managers, are described in the Remuneration Policy (published in the Governance section of the Pirelli website, in the "Remuneration" subsection, and as an integral part of the Annual Report).

The remuneration policy adopted aims to fairly and appropriately reward individual contributions to Pirelli's success, recognising performance and the quality of professional contributions. The incentive plans included in the Policy are approved by the Board of Directors upon proposal of the Remuneration Committee, subject to the opinion expressed, within its remit, by the Board of Statutory Auditors.

The purpose is twofold: on the one hand to attract, retain and motivate employees, while on the other to reward and promote conduct that is consistent with the corporate culture and values. Compensation policies and processes for Group management (intended as the overall Executives) are managed by the Human Resources and Organisation department, while for non-executive personnel they are handled on an individual Country basis, albeit with centralised supervision.

In defining the Remuneration Policy, both at the level of Short-Term Incentives (STI) and Long-Term Incentives (LTI), the Group's sustainability objectives aimed at managing the impacts on the economy, the environment and people are considered, with a weighting of 15% of the STI bonus and 25% of the LTI bonus.

The Annual Incentive Plan (STI) is linked to the achievement of both economic-financial and functional annual objectives, in addition to three sustainability objectives:

- "Eco-Safety Volumes" placed on the market (the volume of Eco & Safety Performance tyres out of the total tyre sales volume of the Group; Eco-Safety Performance products are the car tyres that Pirelli produces globally and that fall into the rolling resistance and wet grip classes

A, B, as measured according to the labelling parameters established by European standards), with a weight of 5% of the total;

- "Accident Frequency Index" (the index measures the incidence of accidents at work in relation to the hours worked in the year) with a weight of 5%; and

- "Diversity, Equity, and Inclusion: percentage of women in managerial positions" (the index measures the number of women in managerial roles as a proportion of the total managerial positions within the company) with a weighting of 5% of the total.

The table below shows the payout percentages for the Executive Vice Chairman and the Chief Executive Officer, as well as the portion deriving from ESG objectives and, in particular, details of the Climate component.

STI	***Performance***	***Payout***	***Di cui ESG***
VPE	***Target***	**125% della RAL**	**19%(climate 6%)**
	Massimo	**250% della RAL**	**38%(climate 13%)**
CEO	***Target***	**110% della RAL**	**17%(climate 6%)**
	Massimo	**220% della RAL**	**33%(climate 11%)**

Almost all of the Executives are also entitled to a long-term incentive plan (LTI); of the total incentivised population, 44% are within two levels of the Chief Executive Officer, while the remaining population (55%) (52% in 2024) is positioned from level three downwards.

The LTI Plan is based on a rolling mechanism, which does not have an ON/OFF access condition and has the following objectives:

- Net Cash Flow of the Group (before dividends) with a weighting of 35%:

- Total Shareholder Return (TSR) relative to a panel of competitors (TIER 1) with a weighting of 40%;

- CO_2 emissions reduction with a weighting of 15%.

- Positioning in the Dow Jones Sustainability Index World with a weighting of 10%;

The table below shows the payout percentages for the Executive Vice Chairman and the Chief Executive Officer as well as the portion deriving from ESG objectives and, in particular, details of the Climate component.

LTI	*Performance*	*Payout*	*Di cui ESG*
VPE	***Target***	**70% della RAL**	**18%(climate 11%)**
	Massimo	**200% della RAL**	**50%(climate 30%)**
CEO	***Target***	**65% della RAL**	**16%(climate 10%)**
	Massimo	**180% della RAL**	**45%(climate 27%)**

STATEMENT ON DUE DILIGENCE

Pirelli has established and manages due diligence processes and systems in the areas of social, environmental, and business conduct, aligned with the most advanced industry standards. The social due diligence system is in compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, ensuring continuous alignment between business practices and key international frameworks.

Through these processes, Pirelli is able to identify, assess, and manage the actual and potential negative impacts arising from its operations and value chain, both upstream and downstream, also considering the role of its products, services, and business relationships. The integration of due diligence into governance and corporate strategy ensures that Pirelli's activities are in line with national and international regulations, while promoting the adoption of responsible business practices.

Below is an overview of the information contained in the Consolidated Sustainability Statement related to the due diligence processes in the social and environmental areas, with reference to the ongoing activities.

Key elements of the due diligence procedure	**Sustainability Statement Paragraphs**
Integration of Due Diligence into the Governance, Strategy and Business Model	- ESRS 2 General Information – Sustainability governance – Sustainability governance structure - Information on governance – G1 Business conduct – Sustainability elements in the purchasing process: Labour, Human Rights, Environment, and Business Ethics
Stakeholder engagement	- Social information – S1 Own workforce – Process for engaging the company's workers - Social information – S2 Workers in the value chain – Process to involve workers in the value chain and to remedy negative impacts, including channels for workers in the value chain to raise concerns - Social information – S3 Affected communities – Process for engaging affected communities
Identify and assess negative impacts on people and the environment	- Social information – S1 Own workforce – Respect for human rights - Social information – S2 Workers in the value chain – Working conditions and respect for human rights along the supply chain, working conditions and respect for human rights along the supply chain - Social information – S3 Affected communities – Procesess to remdiate negative impacts generated on the external community and channels for affected communities to rise concerns - Environmental information – E2 Pollution – Pollution management - Environmental information – E3 Water and marine resources – Water resource management – Policies for water management
Intervention to address negative impacts on people and the environment	- Social information – S1 Own workforce – Respect for human rights - Social information – S2 Workers in the value chain – Actions for the management of working conditions and respect for human rights along the Value Chain - Information on governance – G1 Business conduct – Actions in Anti-corruption - Information on governance – G1 Business conduct – Actions related to Supply chain sustainable management
Monitoring the effectiveness of these efforts	- Environmental information – E2 Pollution – Pollution management - Social information – S1 Own workforce – Metrics related to Human rights in own workforce - Social information – S2 Workers in the value chain – Actions for the management of working conditions and respect for human rights along the Value Chain

INTERNAL CONTROL SYSTEM ON SUSTAINABILITY REPORTING

In order to guarantee the completeness and reliability of the information reported in this Sustainability Statement, during 2024 the Group updated the Internal Control System on Sustainability Reporting (hereinafter referred to as "SCIIS") already in place for the purposes of the Non-Financial Disclosure (pursuant to Legislative Decree 254/2016), taking the leading practices in the field of internal control systems as a reference, including the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO).

The Pirelli control system consists of:

- An Operating Procedure that defines the roles and responsibilities of the various departments involved in the process of drafting and controlling the Sustainability Statement;
- A framework of first-level controls, aimed at guaranteeing greater assurance regarding the correct reporting of non-financial information (as detailed below);
- Second-level controls, aimed at verifying the correct and effective implementation of the above-mentioned first level controls – through independent random testing;
- Certification by the Group department managers (and, insofar as within their remit, by the CEOs of the subsidiaries) of the information included in the Sustainability Statement.

Furthermore, in order to comply with the new regulations introduced by the Corporate Sustainability Reporting Directive and implemented within Legislative Decree 125/2024 and, in particular, to ensure ever greater integration between Sustainability Reporting and Financial Reporting, Pirelli has included the certification of sustainability information among the responsibilities of the Manager Responsible to certify the sustainability reporting, who is already in charge of the financial reporting processes.

In particular, the implementation of SCIIS has provided for:

- Identification of risks (based on mapping the processes of generation, collection and consolidation of information relevant to the Group);
- the definition of controls to cover all identified risks, at local and HQ level;
- the definition of a testing strategy (which considers: relevance of the data, probability of error and contribution of local entities to the consolidated Group total), aimed at defining the scope of second-level control activities on the effective implementation of the SCIIS.

The main risks identified with respect to the drafting of the Sustainability Statement are: *[GOV-5 36c]*

- the risk of inaccuracy and/or incompleteness of the data, monitored through the definition of controls aimed at verifying:
    - the validity of the primary source of the data,
    - the calculations and/or estimates made in the processing of the data,
    - the presence of adequate approval/review flows by management,
    - the presence of adequate supporting documentation,

  all referring to the phases of generation, retrieval, processing, consolidation and reporting;
- the risk of non-compliance with ESRS requirements, monitored through specific certifications by the management of the departments responsible for the data; the Group has also prepared a reporting manual as a reference for management in analysing data compliance with the requirements of the standards.

Any critical issue detected within the SCIIS is analysed and its impact (current or potential) on the data included in the Sustainability Statement is evaluated, adopting the appropriate corrective actions, which consist of:

- Definition of an action plan to analyse the causes of the critical issues detected and implement the appropriate corrective actions, involving the departments responsible for the processes;
- Evaluation of the opportunity to modify the defined control framework (for example, possible modification to the design of existing controls and/or definition of additional compensatory controls);
- Updating of the risk assessment and therefore of the testing strategy for the following year.

The Board of Directors, with the support of the Audit, Risks and Corporate Governance Committee:

- defines the guidelines for the internal control and risk management system, in line with the Group's strategies;
- assesses the adequacy of the internal control and risk management system;
- examines the periodic reports prepared by the Manager Responsible to certify the sustainability reporting on the effectiveness of the internal control system and in particular on the critical issues that emerged from the second-level control activities and/or the circulation activity (independent verification of the data reported and the related information sources).

The Board of Statutory Auditors attends the meetings of the Audit, Risks and Corporate Governance Committee and the Board of Directors.

MAIN POLICIES FOR THE MANAGEMENT OF MATERIAL IROS

At the end of 2025, the Group consolidated the body of the Main Sustainable Management Policies in the following documents:

- Pirelli's Code of Ethics
- The "Group Code of Conduct"
- the "Global Human Rights" Policy
- the "Health, Safety and Environment" Policy
- the "Social Responsibility for Health, Safety and Rights at Work, Environment" Policy
- the "Diversity, Equity & Inclusion" Policy
- the "Product Stewardship" Policy
- the "Quality" Policy
- the "Supplier Code of Conduct"
- the "Green Sourcing" Policy
- the "Sustainable Natural Rubber Management Policy"
- the "Anti-Corruption" Programme
- the "Whistleblowing" Policy

The Policies and updates to existing Policies are approved by the Executive Vice-Chairman or the Chief Executive Officer or by the Board of Directors of Pirelli & C. S.p.A. (supported by the committee competent for the relevant matter established within the Board of Directors).

The Code of Ethics and Policies apply to all Pirelli operations, including commercial relations with third parties. All business partners (joint ventures, suppliers, etc.) are also required to respect the principles contained in the Code.

In accordance with the approval process for company regulations established by Pirelli, the contents of the Code of Ethics and Policies were shared with all company departments involved in their implementation and validated by top management before approval and issuance.

The implementation of the Code of Ethics and Policies is the responsibility of Pirelli's top management, which operates with the support of the competent company departments and in coordination with the various other departments involved in different capacities.

The Code of Ethics and the Policies are made available to employees in the corresponding section of the company Intranet and, whenever a new Policy or an update to the current ones is published, it is promptly communicated to employees via email. Depending on the circumstances and the type of Policies in question, initiatives to strengthen communication and awareness may be undertaken, such as publishing news on the company intranet and posting on the noticeboards of the Group's offices. These initiatives are aimed at supporting the implementation of the Policies, considering the materiality of the impacts based on the roles of the specific departments, with a view to maximum effectiveness. Moreover, the Group has implemented processes aimed at providing new employees, upon their hiring, with a copy of the most relevant Policies in force (via email or hard copy), for their acknowledgement and acceptance.

In the event of a violation of the established principles of company Policies, or related Procedures, by its employees (by way of example and not limited to the context of: health and safety, anti-corruption, antitrust, information security, etc.), Pirelli applies the sanctions provided for by the company disciplinary system in compliance with collective labour agreements, company procedures and applicable regulations in the countries where Pirelli operates.

All the documents listed are also published and made available to all interested stakeholders on the Pirelli website in the languages of the main countries where Pirelli operates.

The plans and performances in the areas covered by all the Policies referred to here are discussed and approved by the Sustainability Strategic Committee (management committee) and are included in the Sustainability Plans as well as the results presented, discussed and approved by the Board of Directors. Furthermore, Pirelli reports the plans and results in these areas in this Group Annual Report, subject to approval by the Board of Directors.

More details about the policies mentioned are contained in the sections Environmental Information, Social Information and Governance Information.

ENVIRONMENTAL INFORMATION

E1 CLIMATE CHANGE

THE IDENTIFICATION OF CLIMATE-RELATED IROS

Pirelli takes a structured, fully integrated Enterprise Risk Management approach to identifying and evaluating the impacts, risks and opportunities (IROs) associated with climate change across its entire value chain.

In order to identify these impacts, the Group conducted an in-depth analysis of its operational activities and value chain, examining the characteristics of the business and the Group's Industrial Plan. This process made it possible to identify the main sources of CO_2 emissions and define the activities necessary for their mitigation.

The analysis focused on an integrated assessment of direct emissions (Scope 1), indirect emissions from energy consumption (Scope 2) and emissions along the value chain (Scope 3), ensuring a complete overview of the environmental impacts associated with the Group's operations and products.

Pirelli periodically updates the Group's Climate Change and related Water Stress Risk Assessment analysis to identify, assess, mitigate and monitor the climate risks and opportunities that may affect the objectives and operations of the Group and its value chain (both upstream and downstream).

This process is aligned with international frameworks, such as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the European Taxonomy Regulation, and includes a catalogue of risks that takes into account:

- Acute and chronic physical risks: for example, extreme weather events or long-term climate changes that can affect production sites and supply chain operations.
- Transition risks: including technological, reputational, policy/regulatory (e.g. tightening of carbon taxes) and market risks.

Given the different nature of the risks assessed, the metrics are adjusted to three different time horizons in which the risk event could occur and/or have an impact on the Group. For each risk event evaluated, three different assessments are therefore provided for the equivalent scenarios considered: short term (by 2026), medium term (2030), long term (2050).

The Group's exposure to acute physical risks (resulting from extreme weather events such as more frequent and/or intense extreme weather events – e.g. cyclones, storms, floods, droughts) and to chronic physical risks (progressive changes in climate or environmental variables – e.g. increase in average temperatures, changes in rainfall patterns, rising sea levels, degradation of ecosystems, loss of biodiversity, water stress and scarcity of resources), is assessed globally by collecting specific data on exposure to these events over time for each site and quantifying the potential economic

impacts for the Group with quantitative analyses, where applicable. In particular, the analysis of physical risks was carried out both in terms of potential damage to assets (Property Damage) and in terms of potential business Interruption days, by calibrating the climate models to historical events, and thereby correlating the intensity of the events with consequent production downtime.

With regard to the Group's exposure to climate transition risks (arising from the evolution of the regulatory, technological and market context in which Pirelli operates) at a global level, variables that may impact the Group's activities in terms of revenues and operating costs (such as, for example, the tightening of current CO_2 emission pricing schemes in the countries where Pirelli operates) are collected and analysed. This methodology allows the company to monitor the evolution of transition risks with respect to scenarios that consider different levels of ambition and speed in implementing climate policies.

Due to the potential impacts on aspects of production, Pirelli constantly monitors potential developments in the carbon pricing policies of the main countries in which it operates, so as to proactively intercept any deviations from the announced targets, and to be able to implement mitigation measures.

The potential impacts of the aforementioned physical and transition risks and opportunities have been considered in the formulation of internal short-medium term estimates. These estimates have been evaluated in the context of the recoverability of the group's main assets and considered in the assessment of any potential liabilities to be recorded in the financial statements. For risks and opportunities identified as significant, a risk mitigation or adaptation plan is developed, or internal discussions are initiated to maximise the potential benefits of the opportunity. For more information on the impacts on the consolidated financial statements as of 31 December 2025, please refer to explanatory note 45 "information related to climate change".

Through the Double Materiality analysis process, a physical risk was highlighted, linked to potential "damage to assets from extreme weather events", as well as a transition risk, associated with "increased costs or unavailability of bio-based materials, resulting in price volatility, supply chain disruptions, and business interruptions". At the same time, several opportunities were identified, including "gaining market share by quickly responding to demand for low-emission products ahead of competitors", "capturing growth in the electricity market" and "reducing energy consumption and related costs through efficiency improvements".

For further details on the results of the scenario analyses conducted as part of the Climate Change and related Water Stress Risk Assessment, and on how the climate risk assessment aligns with the Group's strategy, please refer to the "Climate Change Risk Assessment and Strategy Resilience" section.

MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN

Following the Double Materiality analysis, the following material impacts, risks and opportunities related to the management of CO_2 emissions along Pirelli's entire value chain were identified.

Impacts:

- *CO_2 emissions from Pirelli sites (Scope 1 + 2).*
- *CO_2 emissions from Pirelli's suppliers (Scope 3) for quotas related to goods and services supplied to Pirelli.*
- *CO_2 emissions from Pirelli customers (Scope 3) for quotas related to tyres purchased from Pirelli.*

Risks:

- *Increased costs/unavailability of biobased materials that lead to price volatility, interruptions in the supply chain and interruption of business*
- *Damages to the related assets upon occurrence of extreme weather events*

Opportunities:

- *Reduction in energy consumption and related costs thanks to the implementation of projects aimed at greater energy efficiency.*
- *Increased market share correlated with the rapid growth of the electric market.*
- *Increased market share related to the ability to respond quickly to requests for low-emission products before competitors*

Pirelli has long prioritised transparency in climate change reporting. Since joining the Task Force on Climate-Related Financial Disclosures (TCFD) in September 2018, the company has fully implemented all 11 of the task force's recommendations, ensuring clear communication of climate-related risks and opportunities. In line with the TCFD standard – which is now integrated into the IFRS[40] framework – this information is published in the Annual Report and disclosed through the CDP programme. In 2025, Pirelli reaffirmed its leadership in climate action, earning a place on the prestigious "A List."

[40] International Financial Reporting Standards

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

The Pirelli Group has adopted a specific Transition Plan for climate change mitigation in order to support the strategic evolution of the business model with respect to the objectives of the Paris Agreement. The Transition Plan is included in Pirelli's Business Plan, thus becoming integrated into the company's overall strategy. In particular, the Board of Directors of Pirelli & C. S.p.A., supported in its activities by the Sustainability Committee, approves, at the proposal of the Chief Executive Officer and in coordination with the Executive Vice Chairman, the environmental management strategy and targets integrated into the Industrial Plan, including those relating to climate change and decarbonisation, and discusses their performance at least once a year during the approval of the financial results. In turn, Pirelli's top management also plays a strategic role in the full implementation of Pirelli's Environmental Management Model and related strategic objectives on this matter.

In line with the ambition to limit global warming to 1.5°C, Pirelli has defined short-to-medium- and long-term decarbonisation targets for the reduction of climate-altering gas emissions. These targets concern both the Group (across production processes, raw materials and products) and the value chain. Pirelli aims to achieve Net Zero emissions by 2040, beating and exceeding the European Climate Law target of a 90% emissions reduction by the same year.

In detail, compared to 2018 values, absolute greenhouse gas emissions of Scopes 1 and 2 are expected to be reduced by 60% by 2025 and 80% by 2030, while for Scope 3[41] by 27% by 2025 and 30% by 2030. The achievement of the Net Zero target is set, as mentioned, to 2040 and requires the absolute greenhouse gas emissions of Scopes 1, 2 and 3[42] to be decreased by at least 90% compared to the values of the base year 2018.

In 2024, all of these targets were validated by the Science Based Targets initiative (SBTi), in line with the most ambitious scenario of the Paris Agreement to keep global warming within 1.5°C, following Pirelli's achievement of the previous targets - already validated by SBTi - two years in advance.

In its path towards decarbonisation and the Net Zero target, Pirelli has also set intermediate targets for 2027, which envisage a 62% reduction in absolute greenhouse gas emissions for Scopes 1 and 2 and a 28% reduction for Scope 3, compared to 2018. Furthermore, by 2030 it has committed to achieving Group Carbon Neutrality (Scope 1 and 2), neutralising the emissions that will remain after an expected reduction in absolute emissions of 80% compared to 2018 levels. Residual emissions will be offset using high-quality carbon credits, generated by projects that reduce or prevent greenhouse gas emissions or permanently remove carbon from the atmosphere. These credits are

[41] Scope 3 emissions of categories 1, 3 and 4 according to the GHG Protocol, respectively generated by the purchase of raw materials, activities linked to fuel and energy use, and the transport and distribution of raw materials and finished products.

[42] Scope 1: direct greenhouse gas emissions from the direct combustion of fossil fuels by the organisation within its boundaries; Scope 2: indirect greenhouse gas emissions from the use of electricity, heat and steam imported and consumed by the organisation within its boundaries; Scope 3: indirect emissions related to the upstream and downstream activities of the company's operations, calculated according to the GHG Protocol (which includes all categories of the value chain excluding the "use phase" charged to Car Manufacturer Customers) and in line with SBTi requirements.

certified and internationally recognised at the time of purchase, meeting best-practice standards for compliance and effectiveness.

Pirelli's Transition Plan includes investment programmes focused on innovating products and production processes with a low-carbon approach, implementing energy efficiency projects and promoting access to renewable energy to accelerate the gradual phase-out of fossil fuels such as gas and petroleum derivatives. This aligns with the recommendations and discussions on the energy transition at COP30 in Belém, which emphasised the global importance of supporting climate action, adopting renewable energy and enhancing energy efficiency.

The levers identified by Pirelli to achieve the decarbonisation targets include numerous transversal initiatives at the level of production processes, raw materials and products. These include:

- at the level of manufacturing processes, these include the use by all Group plants of 100% renewable electricity purchased from the grid by 2025, the completion of the programme to implement over 90 energy efficiency projects during the 2022–2025 period — a target fully achieved — and the progressive electrification of tyre curing presses installed at the plants. In addition to these, recurring actions are implemented in the factories to reduce energy consumption, the gradual transition to the use of non-fossil fuels, the improvement and streamlining of production processes with a focus on resource efficiency.

- with regard to raw materials, Pirelli aims to increase the proportion of natural (bio-based[43]) and recycled[44] materials used, targeting a share of more than 40% of total raw materials by 2030. The Company is also committed to promoting decarbonisation across the entire supply chain and to optimising material efficiency, thereby reducing overall consumption. In addition, Pirelli has set a target for such materials to account for more than 70% of its best product[45] by 2025 (a target already achieved) and more than 80% by 2030, with the long-term ambition of reaching 100%.

- at product level, in line with Pirelli's Eco-Safety Design strategy[46], the objective is to progressively increase the share of Eco-Safety Performance tyres within the Group's total car tyre sales volumes. Eco-Safety Performance products identify car tyres that Pirelli produces worldwide and that fall within the rolling resistance and wet grip classes A, B, measured according to the labelling parameters established by European standards. The target is to achieve 35% Eco-Safety Volumes by 2025 and 50% by 2030. Tyres classified A or B for rolling resistance, corresponding to the highest (A) and high (B) energy efficiency classes under the most stringent European tyre labelling standards, deliver high

[43] Bio-based material: Material fully or partially of biogenic origin. (source: ISO 16620 – 2 2019)

[44] Recycled material: material that has been reprocessed from recovered material through a manufacturing process and transformed into a final product or component for incorporation into a product. (source: ISO 14021 – paragraph 7.8.1.1).

[45] Pirelli's commercially available product with the highest content of bio-based and recycled materials in the reporting year.

[46] The Eco-Safety Design approach aims to maximise environmental performance while maximising safety for people, embracing the entire product life cycle with a view to a circular economy.

energy efficiency during the use phase, contributing to reduced fuel consumption in conventional vehicles and to increased battery range in electric vehicles, with a positive impact on climate change mitigation across the downstream value chain.

In order to reach these targets, specific projects are envisaged for the production of Class A and B Rolling Resistance tyres, contributing to the gradual alignment of its economic activities with the criteria set forth in the Delegated Regulation EU 2021/2139, as better detailed in the "Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy)" chapter.

For further details on Pirelli's progress in achieving the above targets, please refer to the paragraphs relating to the reference metrics.

In order to implement its Transition Plan, Pirelli started a series of programmes, expenditures and investments in manufacturing and product development. These include the multi-year CAPEX Plans for the electrification of curing presses and for the implementation of energy efficiency projects in the factories. Additional CapEx and OpEx linked to the Transition Plan result from the implementation of the individual Actions, as reported in the following paragraphs.

By the end of 2025, implementation of the climate transition plan had made significant progress with respect to the reduction of the Group's environmental impacts, with performance progressing in line with all targets set out in the plan, as described below. Pirelli undertakes to review its performance annually and implement actions to support the achievement of targets.

Pirelli assesses the potential greenhouse gas emissions that will inevitably be released into the atmosphere in the future as a result of existing infrastructure and policies (*GHG locked-in emissions*), considering both those associated with existing or planned assets under its control and those generated by the use of products sold. Specifically, with reference to:

- company assets, GHG emissions related to production infrastructure, such as plant and equipment, were assessed. The decarbonisation strategy includes the gradual electrification of production lines, which will reduce gas consumption in steam boilers and favour the use of renewable energy. No new installations of fossil fuel plants for energy production are planned and the only gas-fired cogeneration plant, currently operated by the service and utilities supplier of the Pirelli plant in Germany, will be phased out before 2030. In some Group factories, interventions on gas afterburners in order to abate volatile organic compounds (VOCs) are being evaluated, to guarantee atmospheric emissions limits imposed by some local regulations.

- products sold, the use phase of the tyres was analysed to assess the GHG emissions linked to their use. According to the specific standard of the GHG Protocol[47], and as recalled by the Science Based Targets initiative, emissions from the tyre use phase are considered "indirect" for Pirelli, as the tyre manufacturer, since they are already included in the use phase of the vehicle, of which the tyre is a component (with indirect

[47] GHG Protocol Corporate Value Chain – Scope 3

responsibility for the energy consumption of the vehicle during use depending on the rolling resistance class to which the tyre belongs). These emissions, already accounted for in the overall emissions balance of the vehicle, should therefore not be included in the emissions scope considered for value chain reduction targets by tyre manufacturers. However, in order to monitor the efficiency of its products in terms of their indirect contribution to emissions during the vehicle use phase, Pirelli annually calculates the potential impact of tyres placed on the market, following the Product Category Rules[48], developed by the Tire Industry Project Group[49] of the WBCSD[50].

This integrated approach enables Pirelli to mitigate locked-in emissions by both reducing those associated with its manufacturing processes and improving product efficiency in order to minimise their indirect contribution to vehicle energy consumption. In this way, the company ensures consistency between its operational strategies and GHG emission reduction targets, efficiently contributing to the transition towards a low-emission model for greenhouse gases.

[48] PCR version 3.05

[49] Established in 2005, the Tire Industry Project (TIP) is a voluntary initiative led by the CEOs of member companies with the mission of anticipating, understanding and addressing environmental, social and governance (ESG) issues relevant to the tyre industry and its value chain.

[50] World Business Council for Sustainable Development

Climate Change Risk assessment and strategy resilience

Pirelli periodically performs sensitivity analyses and risk assessments for its own operations and the value chain with respect to scenarios of transition towards a low-carbon economy and climate scenarios, in order to have a constantly updated overview of potential risks and opportunities linked to climate change and water stress, relevant to the business, with the relative quantification of potential financial impacts. The information gathered is used to support the analysis of the strategy and business model in order to strengthen the resilience to climate change.

The analysis is conducted using the Group's Climate Change and related Water Stress Risk Assessment, which uses scenario analyses referring to short- (by 2026), medium- (2030) and long-term (2050), time horizons, consistent with the timeframes considered in the company's sustainability strategy, in order to assess the risks related to climate change.

The scenarios considered include:

- IPCC climate scenarios[51] (RCP 1.9, RCP 2.6, RCP 4.5 and RCP 8.5)[52] covering projections of global temperature increase from <1.5°C to >4°C by the end of the century;
- IEA energy transition scenarios[53] (STEPS, APS and NZE-2050)[54], which reflect different levels of climate policy ambition.

The risks and opportunities identified as most relevant are assessed and ranked against internal metrics of potential financial impact and, for those recognised as significant, a plan for risk mitigation or adaptation is being prepared or an internal discussion is initiated to maximise the benefit of the opportunity.

In line with the results of the latest analyses, in the short to medium term (up to 2030), no significant impacts from physical and transitional risks were found in relation to the production activities of Pirelli's factories and its suppliers (upstream value chain), or to the markets in which the Group operates (downstream value chain). Elements of uncertainty remain in the long term (2050), when Pirelli's plants could be subject to a series of both physical risks (extreme weather events with potential impacts on plant production continuity) and regulatory risks (possible effects on operating costs). Among the opportunities, two medium-term and one long-term opportunities have been identified: reducing energy consumption and costs through efficiency improvements, expanding market presence driven by growth in the electricity sector, and enhancing competitiveness by rapidly bringing low-emission products to market ahead of competitors.

Within the framework of the publication of the Group's Industrial Plan, the results of the scenario analyses updated in 2025 (broken down by assets, markets, and geographies) were considered in

[51] Intergovernmental Panel on Climate Change

[52] RCP: Representative Concentration Pathways

[53] International Energy Agency

[54] STEPS: Stated Policies Scenario; APS: Announced Pledges Scenario; NZE-2050: Net Zero Emissions by 2050.

defining the “Net Zero” decarbonisation strategy by 2040, validated by the Science Based Targets initiative, in line with the objective of limiting global warming to 1.5°C, and with a view to business growth, which aims to seize market opportunities related to products developed specifically for the electric vehicle market (tyres marked Elect™) and to meet the demand for low-emission goods and services (tyres with “very high” and “high” energy efficiency values, identified respectively as class A and B of Rolling Resistance according to the labelling parameters established by European regulations).

POLICIES for managing Greenhouse Gas emissions

Pirelli’s approach to managing greenhouse gas emissions is set out in its Health, Safety and Environment Policy and Product Stewardship Policy, under which the company undertakes to:

- promote positive impacts in terms of lower CO_2 emissions both by Pirelli sites (Scope 1 and 2 emissions) and Pirelli suppliers (upstream Scope 3 emissions) and customers during the vehicle use phase (downstream Scope 3 emissions), for the portion attributable to the efficiency of the tyres (Rolling Resistance class) purchased from Pirelli;

- mitigate the risk of damage to the Group’s assets;

- seize the opportunity of an increased market share linked to both the ability to respond quickly to the demand for low-emission products before competitors and the rapid growth of the electric vehicle market.

In particular, the Health, Safety and Environment Policy describes how Pirelli is engaged in the development of products and production processes in compliance with circular economy principles, in order to pursue climate change mitigation, gradual decarbonisation along the value chain and the minimisation of polluting emissions.

As mentioned above, Pirelli’s commitment to reducing emissions extends to its supply chain, and this implies, among other things, asking Pirelli’s suppliers to adopt the same responsible approach at their sites and along the supply chain, as set out in the Health, Safety and Environment Policy. Specifically, suppliers are required to comply with Pirelli’s Supplier Code of Conduct which, with reference to the topic, urges them to prevent, reduce and mitigate all forms of environmental pollution, including air pollution, also setting scientifically valid Greenhouse Gas reduction targets, aimed at the gradual decarbonisation of their operations and supply chain. Upon express request, suppliers, who are asked to be transparent about data on emissions from their own operations and upstream activities, are also required to share information with Pirelli on GHG emissions from products and/or services (Scopes 1, 2 and 3), from origin to Pirelli’s gate and calculated according to international standards recognised worldwide (GHG Protocol, ISO 14064, ISO 14067, etc.).

Furthermore, the Health, Safety and Environment Policy is directly connected to the opportunity to expand market share in the rapidly growing electric sector. It underscores the company’s commitment to responding promptly to demand for low-emission products, staying ahead of

competitors and capitalising on the growth of the electric vehicle market. In this way, the Policy actively supports the company's growth strategy in a rapidly evolving market.

The Sustainable Natural Rubber Management Policy, with express reference to suppliers of this raw material, also requires their commitment to manage operations by minimising the amount of energy used as well as minimising and mitigating carbon emissions.

The aforementioned Policies reaffirm Pirelli's commitment to manage environmental aspects in compliance with applicable international standards and in accordance with the envisaged Sustainability Models, including, with reference to the management of greenhouse gas emissions, the European Union's growth strategy (known as the "Green Deal").

The Sustainable Natural Rubber Policy is closely linked to the risks and opportunities identified by the Group. It addresses the risk of rising costs or unavailability of bio-based materials by setting specific requirements for suppliers. The Policy mandates that suppliers adopt operational practices that minimise energy consumption and carbon emissions. Through this approach, the sustainable management of natural rubber helps reduce the supply chain's exposure to potential price fluctuations and operational disruptions, thereby mitigating the identified risk.

For further information about Group Policies, see the "*Main policies for the management of material IROs*" paragraph.

TARGETS for managing greenhouse gas emissions

Pirelli is committed to significantly reducing its absolute greenhouse gas emissions along the entire value chain, in line with the GHG Protocol, with the goal of achieving Net Zero emissions by 2040 (developed in accordance with the Corporate Net Zero Standard of SBTi and validated by the initiative in 2024). This commitment supports the content of the Global Health, Safety and Environment Policy, to which Pirelli pays attention in carrying out its activities and production processes in order to pursue climate change mitigation and gradual decarbonisation along the value chain both upstream and downstream.

In order to pursue this goal, in line with international best practices for climate change mitigation, Pirelli has defined short to medium and long-term decarbonisation targets to reduce CO_2 emissions, which concern both its own operations (Scopes 1 and 2) and the entire value chain (Scope 3). All these targets were developed following the models proposed by SBTi, which formally approved them in 2024 in line with the most ambitious scenario in the Paris Agreement to keep global warming within 1.5°C. These expectations were also cross-referenced with the results of scenarios used for climate risk assessments (Climate Change and related Water Stress Risk Assessments), in order to ensure that emission reduction strategies are not only scientifically sound, but also resilient in the face of possible climate change impacts.

In detail, compared to 2018 values, a reduction in absolute greenhouse gas emissions, approved by SBTi, is planned as follows:

1) for Scopes 1+2[55], 60% by 2025 and 80% by 2030

2) for Scope 3[56], 27% by 2025 and 30% by 2030

3) for Scopes 1+2+3[57], at least 90% by 2040 (Net Zero target)

The first is a Group target covering the whole of the Group's own operations, while the second covers part of the upstream value chain (purchase of goods and services, inbound and outbound transport, emissions from the production of purchased and consumed fuels and energy). Both are applicable to the period 2018-2030. These are relative and measurable targets, as they monitor the reduction percentage with respect to the base year value and have been confirmed in the current Industrial Plan, in continuity with the previous one. The 2018 values, expressed in tonnes of CO_2 equivalent, were 852,866 tonnes for Scope 1+2 and 3,689,019 tonnes for Scope 3 respectively (referring to the GHG Protocol categories included in the target as cited above). In addition to the 2025 and 2030 targets, Pirelli has also set interim targets to 2027 to reduce absolute greenhouse gas emissions by 62% for Scope 1+2 and 28% for Scope 3, compared to 2018.

The third target, the Net Zero target by 2040, covers the entire value chain and extends over the 2018-2040 period. This is also a relative and measurable target, expressed as the percentage reduction compared with the base year 2018, which totalled 4,858,988 tonnes for Scopes 1, 2 and 3. This includes all value chain categories under the GHG Protocol, except for the "use phase", which is the responsibility of Car Manufacturer Customers. The Net Zero target is complemented by both previous near-term targets, which serve as intermediate milestones towards 2040.

The targets just described apply to the Group's consolidated scope.

At the end of 2025, the Group records a reduction in absolute emissions of 63.3% for Scopes 1 and 2 (57.1% in 2024) and 27.5% for Scope 3[58] (26.2% in 2024) compared to the 2018 value, the base year of the SBTi targets for 2025 and 2030.

Both values show an improvement compared to 2024, confirming the positive trend of previous years and allowing the Group to fully achieve the emissions targets set for 2025.

The methodology for setting decarbonisation targets followed the guidelines of the Science Based Targets initiative (SBTi), assessing the emission reduction actions described in the Climate Transition Plan. The process involved both external stakeholder categories, such as SBTi, and internal

[55] Target on aggregated Scope 1 and Scope 2 "Market-based" emissions

[56] Scope 3 emissions of categories 1, 3 and 4 according to the GHG Protocol, respectively generated by the purchase of raw materials, activities linked to fuel and energy use, and the transport and distribution of raw materials and finished products.

[57] Scope 3 emissions related to all upstream and downstream activities of the company's operations, calculated according to the GHG Protocol (which includes all categories of the value chain excluding the "use phase" charged to Car Manufacturer Customers) and in line with SBTi requirements.

[58] Scope 3 emissions of categories 1, 3 and 4 according to the GHG Protocol

stakeholder categories, such as the relevant company departments (in particular Manufacturing, Sustainability, Procurement and Logistics). The SBTi validation criteria for alignment to the 1.5°C scenario also ensure that targets are consistent with Pirelli's GHG inventory scope, including at least 95% of absolute Scope 1 and 2 emissions and over 90% of Scope 3 emissions[59].

With regard to the definition of the 2018 base year, the reference emission values are representative with respect to the targets set, due to a complete and thorough quantification of the company's greenhouse gas inventory, along its value chain, including all GHG Protocol Scope 3 categories. The data collected for Scopes 1, 2 and 3 in the year 2018 are third-party verified (SGS Italia S.p.A.) and are accurate, reliable and verifiable, providing a solid basis for analysing progress and identifying areas for improvement. For the calculation of the emission inventory and definition of the relative targets, the contribution of biogenic emissions and emissions from land use change (LUC[60]) are also considered.

Not only are these targets an essential component of the company's climate strategy, but they also demonstrate a willingness to actively contribute to a fair and sustainable transition to a low-carbon future. Transparency and reporting on the results achieved are also an integral part of the path taken, ensuring that commitments are met.

To support its commitment to reduce greenhouse gas emissions and transition to more sustainable mobility, as well as to provide its customers with tyres that reduce emissions of their vehicles in use, Pirelli also integrates strategies aimed at improving the energy performance of its tyres into its decarbonisation objectives. In particular, the company defined growth targets in the Industrial Plan for low and very low rolling resistance tyres. Rolling resistance of the tyre has an indirect impact on fuel consumption in conventional vehicles and on battery range in electric vehicles. Therefore, improved performance in terms of low rolling resistance of the tyre contributes to the reduction of the CO_2 emissions of vehicles.

At product level, in support of decarbonisation, Pirelli has set the following targets:

- **Targets: 35% of the volume of car tyres sold in 2025, and over 50% in 2030, must fall within classes A and B for rolling resistance and wet grip**, considering the parameters set out in the European tyre labelling regulation[61], applied to the passenger car volumes sold by the entire Group.

  To ensure the comparability of the ratings outside the European Union, the rating scales adopted in non-European markets are converted into the corresponding restrictive EU scale

[59] The 2030 target includes the most emission-impacting Scope 3 categories (Category 1 – purchased goods and services, Category 3 – fuels and energy not included in Scope 1 and 2, Category 4 – upstream transportation and distribution), while the 2040 Net Zero target includes all Scope 3 categories of the value chain, excluding the "use phase" charged to Car Manufacturer Customers, as required by the GHG Protocol and in line with SBTi requirements.

[60] Land Use Change

[61] The benchmarks are the European labelling values for rolling resistance according to Regulation (EU) 2020/740 of the European Parliament and of the Council of 25 May 2020 on the labelling of tyres with respect to fuel efficiency and other parameters, amending Regulation (EU) 2017/1369 and repealing Regulation (EC) No 1222/2009 (Text with EEA relevance), in which the rolling resistance classes indicate the energy efficiency level of the tyre and range from A (highest energy efficiency) to E (lowest energy efficiency).

levels. The baseline is 30%, calculated for the year 2023. The trend recorded in 2025 exceeded internal forecasts, reaching the target set for the year, coming in at 39.6% of volumes (34.5% of volumes in 2024), confirming the solidity of the implemented strategy. This progress represents a significant evolution in the route undertaken and reinforces the Company's commitment to promoting increasingly sustainable and safe mobility solutions.

- **Target: by 2025, over 70% of new car products (new IP Code labelled) placed on the market during the year must fall within rolling resistance classes A and B**, in accordance with the parameters set by European tyre labelling regulations[62], applied to all new passenger car products placed on the market by the entire Group.

  Also for this target, comparability of ratings outside the European Union requires that the classification scales adopted in non-European markets be converted into the corresponding restrictive levels of the EU scale. The baseline is 39% in 2020, with a target validity covering the five-year period 2020-2025. The scope includes new car products (new IP Codes) that made their first sales on the market[63] in the reporting year. 2025 data indicates growth compared with the 2020 baseline, reaching 44%, although slowing compared with last year (55.4% in 2024) due to the evolution of the competitive context and market. In 2025, as regards the Wet Grip, the new IP labelled codes released to the market by Pirelli worldwide have a value of 88% (90.5% in 2024) of labels in class A or B Wet Grip, according to the European classification, including ice grip (certified by the presence of the ICE pictogram).

With reference to the full range of tyres sold by Pirelli in 2025, 77.2% of the Group's revenues come from markets requiring product labelling, such as that provided for under European Regulation 2020/740 on the labelling of tyres with respect to fuel efficiency and other parameters ("eco-safety label") or the indication required under the United States "Uniform Tire Quality Grading Standards (UTQG)".

The company continues to invest in the development of advanced solutions to further enhance performance and support more sustainable mobility. This includes initiatives in the circular economy, leveraging artificial intelligence in compound and product development, as well as highly innovative technologies such as the Cyber Tyre. For more details, see the chapter "E5 Resource use and Circular Economy" ("Research and Development for Material Sustainability and Open Innovation" paragraph) and paragraph "Product Safety, Performance and innovation", in particular "Cyber Tyre".

Product and production process objectives, included in the Climate Change Mitigation Transition Plan, contribute to managing the impacts, risks and opportunities identified as material with respect to climate change. In fact, the reduction of emissions at Pirelli's production sites (Scope 1+2 emissions from its own operations) limits the potential exposure to present and future carbon taxation mechanisms (Emission Trading System, Carbon tax, etc.) and mitigates the risk with respect to any

[62] The benchmarks are the European labelling values for rolling resistance according to Regulation (EU) 2020/740 of the European Parliament and of the Council of 25 May 2020 on the labelling of tyres with respect to fuel efficiency and other parameters, amending Regulation (EU) 2017/1369 and repealing Regulation (EC) No 1222/2009 (Text with EEA relevance), in which the rolling resistance classes indicate the energy efficiency level of the tyre and range from A (highest energy efficiency) to E (lowest energy efficiency).

[63] sales of at least 50 units

cost increase. Moreover, product efficiency targets, for the reduction in rolling resistance, on the one hand favour the reduction of fuel consumption and therefore vehicle emissions in the in-use phase (Scope 3 downstream emissions) to the benefit of Pirelli Customers, and on the other hand support the Group's positioning with respect to the low-emission products and electric vehicles markets, with an opportunity to increase sales.

In line with the commitments expressed in the Global Health, Safety and Environment Policy and the principles of the Supplier Code of Conduct, Pirelli sets responsible sourcing objectives aimed at reducing the supply chain's impact on the carbon footprint of its products. To this end, the Company has defined specific targets for its suppliers to reduce the emission impact of material and products purchased and used for tyre production.

Among these objectives, the following stand out:

- by 2025, a direct request will be made to 100% of raw material suppliers to use exclusively renewable electricity in the production of materials supplied to Pirelli.

  The target has been achieved, as during 2025 the process was completed through which 100% of raw material suppliers are formally required to use certified renewable electricity for the entire production of materials supplied to Pirelli, thereby ensuring alignment with global decarbonisation standards.

- by 2025, the objective is to extend the requirement to 100% of raw material suppliers to define decarbonisation targets that are validated by SBTi.

  To ensure alignment with international standards, in 2025 Pirelli formally required 100% of its raw material suppliers to apply the Science Based Targets initiative guidelines when defining their emission reduction targets, based on data certified in accordance with the GHG Protocol. A generic request for "science-based" objectives, in fact, is not considered sufficient if not accompanied by a clear indication of the reference methodology. This approach ensures consistency with the global emission reduction objectives set out in the Paris Agreement and supports the transition towards a low-carbon economy.

- The increase in the availability of primary data on the emissions of raw material suppliers.

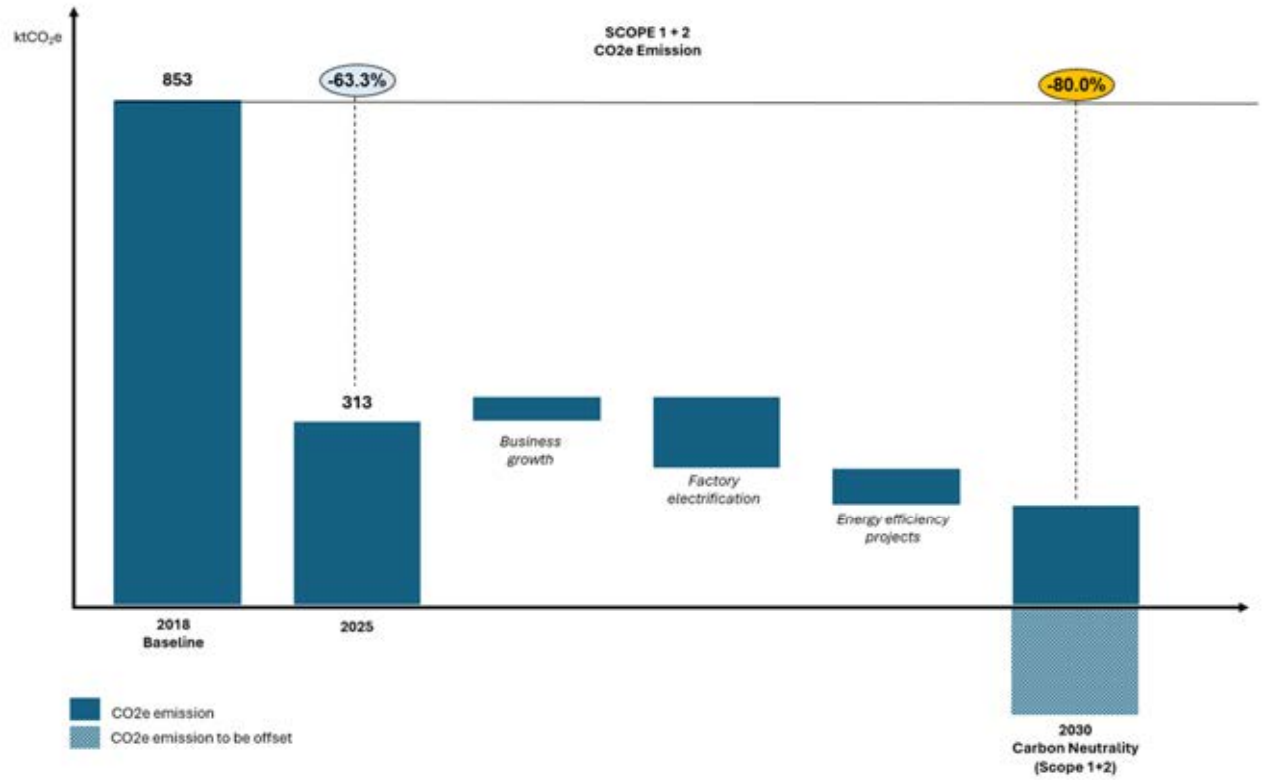
  Starting with 90% coverage of the Scope 3 category 1 emissions of the GHG Protocol (Purchased goods and services), measured in the base year of the Group's emission reduction target (2023) using "primary" data, the company aims to strengthen the quantity and quality of the information by collecting information directly from the suppliers, thereby fostering greater transparency and reliability in environmental impact data along the supply chain. Thanks to this approach, primary data coverage was confirmed to be above 90% in 2025 (consistent with 2024), reaffirming Pirelli's commitment to this target.

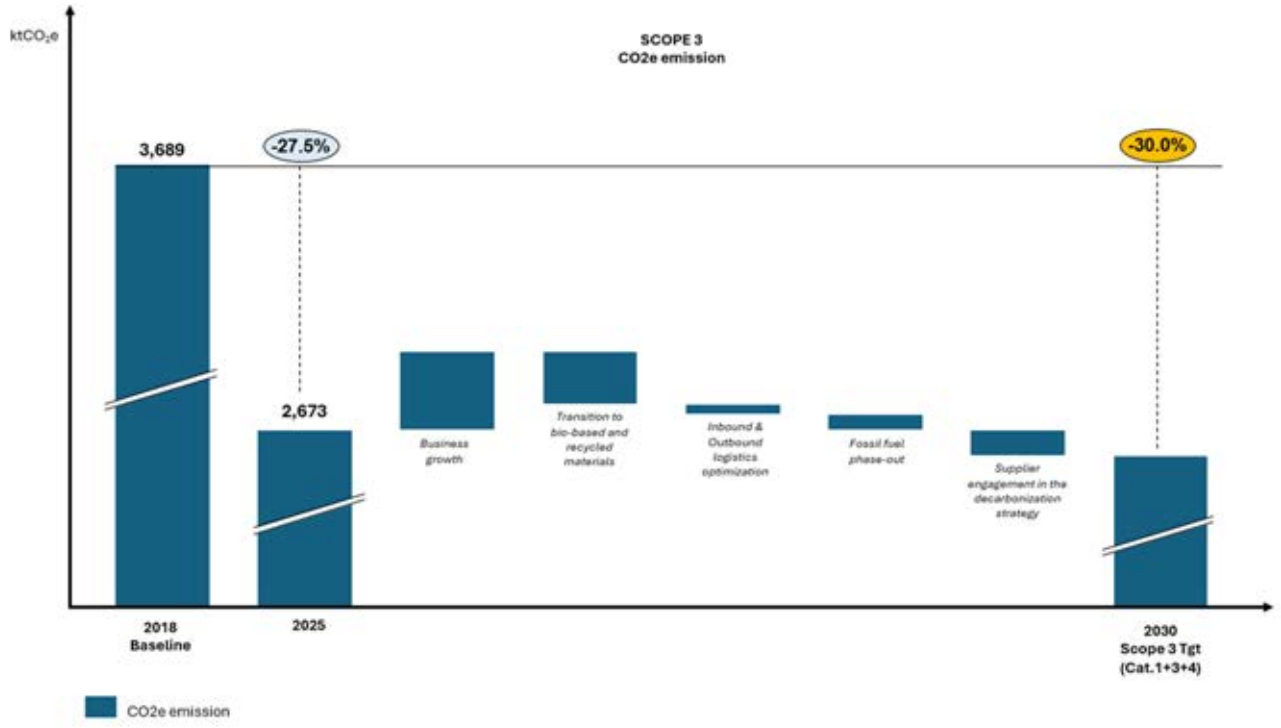
The engagement and involvement of suppliers are key to achieving the aforementioned targets. To this end, Pirelli formally submitted requests to all raw material suppliers, offering the support of its

decarbonisation and procurement teams to facilitate the adoption and implementation process as well as to ensure the accuracy and reliability of the data collected and monitored.

These targets reflect Pirelli's commitment to ensuring transparency and accountability throughout the supply chain, in accordance with international standards such as the GHG Protocol and relevant ISO standards.

The graph below summarises the contributions, in terms of Scope 1 and 2 emission reductions, of Pirelli's main decarbonisation levers with respect to Group targets.





ACTIONS for managing greenhouse gas emissions

The Group's strategy is embodied in actions aimed at reducing climate-altering gas emissions both in its own operations (Scope 1 and 2) and along the supply chain (Scope 3), through strategic investments, technological innovation, the energy transition and partnerships with its stakeholders. These actions are part of a long-term strategy described in the Group Industrial Plan, approved by the Board of Directors in March 2024, and are subject to an internal evaluation, approval and planning process.

The initiatives implemented by the Group are designed to both mitigate risks and capitalise on significant opportunities. In particular, strategic actions, such as reducing greenhouse gas emissions across operations and the supply chain, directly support risk mitigation while enabling the pursuit of identified opportunities. Investments in technological innovation, energy transition and stakeholder engagement drive reductions in energy consumption and costs, promote sustainable production processes, and improve efficiency, aligning with the Group's key opportunities (see the Energy Management paragraphs for details). A strong focus on product innovation strengthens competitiveness and expands market share in the electricity sector. Simultaneously, engagement and capacity-building initiatives with suppliers enhance the resilience and adaptability of the entire production chain, mitigating risks such as rising costs or the unavailability of bio-based materials, price volatility, supply chain disruptions and potential damage to assets from extreme weather events. In summary, the Group's decarbonisation and innovation strategy not only fosters sustainable growth but also reinforces resilience and the ability to seize emerging market opportunities.

The actions implemented as shown below, in addition to those indicated in the “Energy Management” section, resulted in a reduction of absolute emissions of about 53 kton for Scope 1+2 and about 49 kton for Scope 3 in 2025 compared to the previous year.

Decarbonisation in its own operations

To support the objectives of reducing climate-altering gas emissions with reference to its own operations (Scope 1 and 2), as specified in the previous paragraphs, Pirelli has defined a specific Climate Transition Plan based on a detailed programme of actions and investments at production sites which include, among other things, energy efficiency projects, the gradual electrification of production processes and the simultaneous switch to the supply of renewable energy in factories (linked to the target of 100% renewable electricity purchased from the grid already achieved in 2025) for a gradual transition away from fossil fuels.

The actions, investments and operating expenses identified at Group level to reduce Scope 1 and 2 emissions all fall within the scope of energy management. Therefore, for a detailed discussion of the specific initiatives including, if significant, an indication of the related investments and operating expenditures incurred during the year and expected in future years, see the paragraph “Energy management”, “TARGETS for energy management” and “ACTIONS related to energy management” sections.

Decarbonisation along the supply chain

To support the reduction of Scope 3 emissions from its upstream value chain, Pirelli has several engagement and capacity building initiatives underway with its suppliers on the topics of monitoring and reducing their carbon footprint and the potential decarbonisation levers available for their business sectors. In particular, these initiatives are designed for suppliers of raw materials with the greatest impact in terms of CO_2 emissions, aimed at supporting them in fully understanding Pirelli’s expectations and defining low-carbon development plans. The actions suppliers have taken over the year, including the introduction of technologies and the implementation of more efficient production practices, contributed to Pirelli’s 2025 performance in reducing Scope 3 emissions.

For raw material suppliers, in particular, Pirelli requested the definition of a decarbonisation roadmap with targets aligned with the criteria required by SBTi for their validation, and the adoption of 100% renewable electricity in the production of materials supplied to Pirelli, to reduce emissions related to the most energy-intensive production processes.

In 2025, the collection of primary data on emissions from suppliers continued, with results detailed in the previous paragraph, “Transition Plan for climate change mitigation,” to which readers are referred for further information.

The ongoing activities to replace the raw materials used in the production of tyres with alternative materials with lower carbon footprints also make a significant contribution to the decarbonisation targets for the supply chain. For a detailed discussion of the material switch initiatives, please refer to the chapter “E5 Resource Use and Circular Economy”.

Moreover, for years Pirelli has been involved in the Climate Change, Forest and Water Security programmes promoted by the CDP. Since 2014, Pirelli has also participated in the CDP Supplier Engagement programme, requesting its key suppliers at Group level - identified according to environmental and economic materiality criteria - to complete the CDP assessment. Also in 2025, the selection concerned the suppliers with the greatest impact on the Group’s Carbon Footprint in the Raw Materials, Logistics and Energy categories. In fact, the CDP Supply Chain supports Pirelli in monitoring the Scope 3 emissions of its supply chain and ensures that suppliers are adequately sensitised on issues related to Climate Change, in order to identify and activate all possible opportunities to reduce climate-changing gas emissions.

Also in 2025, as in previous years, CDP recognised Pirelli as “A List” both in the Climate assessment and in the Supplier Engagement Assessment (SEA).

Climate Change Engagement and Internal Training Activities

On the topic of emissions and effects on Climate Change, in 2024 the company introduced new training activities addressed to all employees, complementing the numerous awareness-raising campaigns already in place. These initiatives were further strengthened in 2025 and will continue to be reinforced in the coming years, reflecting the company’s ongoing commitment.

With its latest Industrial Plan, in fact, Pirelli has defined emission reduction targets that are among the most ambitious in the tyre industry and whose achievement requires the engagement and active participation of all colleagues.

To this end, the “Climate Change Challenge” programme was initiated, aimed at spreading the culture and awareness of the issue of Climate Change throughout the company so as to engage all participants in the challenge of achieving Net Zero emissions by 2040. This, as mentioned, will be achieved through massive engagement and training of 100% of employees on company’s goals, so that everyone can contribute to them with conscious behaviour and daily actions within the scope of his or her competencies.

Following an initial training phase, the implementation programme began in 2025, emphasising the direct involvement of employees across all Group factories. Through a structured system of proposals and feedback, Pirelli encourages contributions from all colleagues, particularly those working daily in production, adopting a bottom-up approach to decarbonisation.

The goal is to transform these proposals into concrete projects that improve energy efficiency, reduce emissions, optimise consumption and monitor production processes, turning the awareness gained during training into tangible, measurable actions.

To highlight the initiative's importance, Headquarters established a recognition programme for the Group's most exemplary factory. At the end of 2025, the award was given based on results achieved and the factory's success in fostering active employee participation in generating high-impact environmental ideas.

As part of the long-term strategy to decarbonise the manufacturing processes, the Climate Change Challenge Programme will be ongoing for years to come, as an integral part of employee engagement, training and awareness activities.

Product Innovation to maximise environmental performance

In line with its position in the Premium and Prestige segments, Pirelli develops and introduces increasingly innovative products and services on the market, responding to a macroeconomic scenario in constant and rapid evolution.

As stated in Pirelli's Product Stewardship Policy, during the design and development of new products, potential risks on health, safety, environment and society are systematically assessed throughout their life cycle, including analysis of the geopolitical context of reference and ESG impacts in the supply chain. This assessment is also supported by Life Cycle Assessment analyses performed in accordance with the industry Product Category Rules and adopting the latest methodologies for calculating potential environmental impacts.[64]

Pirelli's 'Eco-Safety' strategy aims to maximise environmental performance while keeping safety at the centre. The company's significant operating costs incurred in research and development on materials, compounds, structures and tread patterns allows Pirelli products to achieve extremely high performance in terms of braking in dry and wet conditions and, at the same time, improved environmental performance such as:

- lower rolling resistance, resulting in lower CO_2 emissions for traditional vehicles or increased mileage per recharge for electric vehicles;
- less noise, which implies reduced noise pollution;
- increased mileage, which lengthens tyre life and reduces the exploitation of resources.

The targets to improve the environmental performances adopted by Pirelli for its products are objective, measurable and they consider the level of materiality of the impacts along the life cycle of the product with a perspective of the maximum effectiveness of the action. In particular, it was seen how the tyre's rolling resistance - thus its energy efficiency - during the vehicle's use phase impacts the vehicle's fuel consumption / battery life and, thus, its CO_2 emissions. In this respect Pirelli is

[64] Such as the EF (Environmental Footprint) method, provided for in EU Commission Recommendation 2021/2279, and all impact categories therein.

constantly striving to reduce the rolling resistance of its car products, with a continuous reduction on all car products.

Among the products that best embody the Eco-Safety approach is the P ZERO™ E, the fifth generation of the P Zero tyre family, renowned for performance and safety since 1985. It incorporates Pirelli's latest technological innovations, designed to support the new era of electrified and sustainable mobility.

Thanks to years of research into new materials and careful selection of suppliers, Pirelli was the first to be able to make a high-performance tyre with more than 55%[65] bio-based and recycled materials across the entire launch range, a claim validated by Bureau Veritas according to the ISO14021 reference standard.

The Pirelli study on the life cycle of the P ZERO™ E, also verified by Bureau Veritas, shows, among other things, a 24% reduction in CO_2 equivalent emissions compared to a previous generation Pirelli tyre[66]. Moreover, this attention to the materials used has made it possible to reduce the use of materials of fossil and mineral origin, replaced by natural and recycled raw materials (12 kg less than a standard set of P Zero tyres of the same size).

Pirelli P ZERO™ E has been awarded, for all available sizes, class A in all three parameters of the European label (best performance for rolling resistance, wet braking and noise). Among the development areas that contributed to this result are the tread pattern, designed using motorsport-derived virtualisation and simulation techniques, and the adoption of specific compounds (Rolling Reduction Compounds) capable of reducing rolling resistance, favouring the autonomy of battery-powered vehicles, extending tyre life through reduced wear, and improving car control in particular driving situations, such as when braking on wet roads.

The Group incurred significant operating expenses in 2025 with reference to research and development related to product "sustainability" features, i.e. aimed at reducing environmental impacts (e.g. development of products with rolling resistance class A and B, Cycling products) and increasing safety for people (e.g. projects in the Pirelli Cyber Tyre area, development of products with wet grip class A and B). For information on the main projects in these areas see the specific sections within this report.

These costs cover 72% of the research and development costs, which in 2025 amounted to a total of 312.7 million euros, or 4.6% of the Group's consolidated revenues - a percentage in line with the forecast for 2026.

[65] Percentage achieved with a combination of physical segregation and mass balance. Bio-based materials are natural rubber, textile reinforcements, bio-resins, bio-chemicals and lignin. The recycled materials are metal, chemical and – through mass balance – synthetic rubber, silica and carbon black reinforcements

[66] P Zero E, Size 235/45R18 (IP 42865) compared to the same size as the previous generation product (PZ4 IP 27429) according to ISO 14067 and ISO 14026 verified by Bureau Veritas.

METRICS related to Scope 1, 2, 3 GHG emissions and total GHG emissions

Pirelli monitors and reports its emissions of greenhouse gases through the calculation of CO_2-equivalent (CO_2e) – unit of measurement used for the emissions reported here below –, which takes into account the contribution of carbon dioxide, methane (CH_4) and nitrous oxide (N_2O).

Biogenic and land use change (LUC) emissions are quantified and included in the greenhouse gas (GHG) inventory and within the scope of the targets in accordance with the GHG Protocol guidelines (FLAG-C5).

For the purpose of quantifying Scope 1 and Scope 2 emissions, fully covering the same corporate perimeter of the Group's consolidated financial statement, energy consumption data (fuel, electricity and thermal energy) is collected annually for all local units through the HSE-DM information system, which, multiplied by the respective emission factors, returns the value of CO_2 equivalent.

These greenhouse gases are mainly generated by the combustion of hydrocarbons at production sites, mainly used to operate heat generators that power the plants, and particularly those that produce steam for vulcanisers, or generated by the consumption of electrical or thermal energy. The former are defined as "direct emissions", or Scope 1 emissions, insofar as produced at the Company's production sites, while the latter represent the "indirect emissions", or Scope 2 emissions, as they are generated in the energy plants that produce the electricity and/or steam purchased and consumed by Pirelli. Scope 2 emissions are reported in two separate ways: "location-based" and "market-based" (methodology defined by the "GHG Protocol Scope 2 Guidance" and current reference for Pirelli's emission reduction targets).

Performance concerning greenhouse gas emissions, in relation to Scope 1 and 2, is calculated on the basis of emission factors obtained from the following sources:

- IPCC[67]: Guidelines for National Greenhouse Gas Inventories (2006)[68];
- Within location-based Scope 2:
    - National emission factors[69] taken from IEA Emission factors 2024[70]:
- Within market-based Scope 2:
    - Specific emission factors of suppliers where available;

[67] Intergovernmental Panel on Climate Change

[68] Emission factors expressed in CO_2 equivalent, obtained by considering the GWP (Global Warming Potential) coefficients based on 100 years of the IPCC Sixth Assessment Report, 2021 (AR6).

[69] Emission factors expressed in CO_2e /kWh.

[70] 2025 Publication with update to the 2024 figure.

- Residual-mix emission factors[71] taken from AIB European Residual Mixes (EU)[72] and Green-e Residual Mix Emissions Rates (US)[73];
- Emission factors used in the context of location-based method if other sources of data are not available;

and are reported according to the models proposed by:

- GHG Protocol: Corporate Accounting and Reporting Standard;
- GHG Protocol Scope 2 Guidance.

Regarding Scope 2 emissions, the national average coefficients are defined with respect to the last year available on the above reports. It should be noted that the tyre production industry is not a carbon-intensive industry; in fact, it falls within the European Emission Trading Scheme only with reference to thermal power plants above 20 MW of installed capacity. The Company is not subject to other specific regulations at the global level.

To quantify indirect Scope 3 emissions, Pirelli uses, when available, primary data collected directly from the various stakeholders along the value chain, such as suppliers of goods and services, employees, logistics providers and other relevant partners. In these cases, emission factors based on supplier-specific data or verified life cycle assessments are used, ensuring the accuracy and precision of quantified emissions. Specifically, over 90% of Scope 3 emissions (in line with 2024) were calculated using primary data.

In the absence of primary data, secondary emission factors, based on industrial market averages from recognised sources, are applied to ensure consistent estimates.

Pirelli calculates greenhouse gas (GHG) emissions for Scope 1, Scope 2 and Scope 3 following international guidelines and standards for GHG emission accounting and life cycle assessment, such as those defined by the World Business Council for Sustainable Development and the World Resources Institute.

Moreover, Pirelli's GHG calculation methodology and reduction targets (validated by SBTi) were subject to third-party verification by an accredited environmental verifier, in compliance with the methodology for verifying and validating GHG declarations set out in ISO 14064, following the criteria established by the GHG Protocol Corporate Standard.

In particular, for the Scope 3 emissions inventory, the calculation methodology also follows the guidelines of the GHG Protocol Corporate Value Chain Standard and ISO 14067 for requesting Product Carbon Footprint data from suppliers. Pirelli is committed to collecting reliable data and

[71] Emission factors expressed in CO_2e /kWh.

[72] 2025 Publication with update to the 2024 figure.

[73] 2024 Publication with update to the 2022 figure.

continuously improving the accuracy of the calculation, with the aim of reducing the overall environmental impact and ensuring transparency in the reporting process.

When available, primary emission factors such as supplier-specific data or verified life cycle assessments are used. In the absence of such data, secondary emission factors, based on industry average data from recognised sources, are used to ensure consistency and accuracy in emission calculations.

The defined criteria allow emissions to be monitored in a systematic and integrated manner, considering all stages of the life cycle, from production to distribution and final consumption.

The Scope 3 greenhouse gas (GHG) emissions inventory includes all categories defined by the GHG Protocol.

This table sets out the distribution of greenhouse gas (GHG) emissions of Scope 1, Scope 2 and Scope 3, including market- and location-based totals, in accordance with relevant reporting standards. Compared to the previous year, no significant changes have been identified in the greenhouse gas emissions reporting boundary.

	Base year	Retrospective		Goals and target years			
GHG emissions[74]	2018	2024	2025	2025	2030	(2040)	Target % per annum / Base year
GHG scope 1 emissions							
Gross GHG scope 1 (tCO_2e) emissions	190,046	215,247	192,217				
Percentage of GHG scope 1 emissions covered by regulated emissions trading schemes (%)	%	26.2%	26.4%				
GHG scope 1 biogenic emissions	0	0	0				
GHG scope 2 emissions							
Gross GHG scope 2 location-based (tCO_2e) emissions	598,311	479,475	473,596				
Gross GHG scope 2 market-based (tCO_2e) emissions	661,347	150,949	118,895				
GHG scope 2 biogenic emissions	1,473	95	1,934				
Scope 1 GHG emissions + Scope 2 market-based GHG emissions	851,393	366,196	311,112				
Scope 1 GHG emissions + Scope 2 market-based GHG emissions including biogenic emissions	852,866	366,291	313,046	341,147	170,573	-	9%
Significant scope 3 GHG target emissions							
GHG emission target categories (categories 1;3;4) including biogenic emissions	3,689,019	2,722,328	2,673,288	2,692,984	2,582,313	-	4%
Significant scope 3 GHG emissions							
Total gross indirect GHG scope 3 (tCO_2e) emissions	24,350,960	20,683,324	21,064,465				
1 Goods and services purchased	3,049,578	2,300,135	2,274,966				
Scope 3 biogenic emissions	45,755	47,520	40,134				
2 Capital goods	245,000	186,709	219,594				
3 Fuel and energy-related activities (not included in scope 1 or 2)	375,793	135,100	134,233				
4 Upstream transport and distribution	217,893	239,483	223,955				
5 Waste generated during processing	35,751	34,021	34,046				
6 Business travels	10,434	9,595	8,864				
7 Employee commuting	23,450	23,618	22,312				
8 Upstream leased assets	0	0	0				
9 Downstream transport	0	0	0				
10 Processing of products sold	-	1,660	1,714				
11 Use of products sold	20,344,838	17,659,952	18,059,134				
12 End-of-life treatment of products sold	2,468	2,469	2,182				
13 Downstream Leased Assets	-	8,000	9,506				
14 Franchising	-	1,851	2,390				
15 Capital expenditure	-	33,211	31,435				
Total GHG emissions							
Total GHG emissions (location-based) (tCO_2e)	25,140,790	21,378,141	21,732,212				
Total GHG emissions (market-based) (tCO_2e)	25,203,826	21,049,615	21,377,511				
Total GHG emissions – Net Zero target scope (Scope 1 + Scope 2 Market-based + Scope 3 (classes 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15)	4,858,988	3,389,663	3,318,377			485,899	5%

Considering the life phases of the product according to the GHG Protocol standard (Corporate Value Chain – Scope 3) and as reflected in the Science Based Targets initiative, the emissions of the use phase of the tyre (Category 11 - Use of products sold) are assessed as “indirect” because they are already included in the use phase of the vehicle (and therefore in the Scope 3 emissions charged to Car Manufacturer Customers), of which the tyre is a component with indirect responsibility for the energy consumption of the vehicle during use. These emissions, therefore, do not fall within the emission perimeter to be considered by tyre manufacturers for value chain reduction targets, which,

[74] Greenhouse Gases

instead, includes Scope 1 and 2 emissions, generated by the group's production activities, and Scope 3 emissions mainly related to the supply chain, logistics and product end-of-life.

However, in order to provide an estimate of the magnitude of the use phase of the tyre, the figure was calculated according to the Product Category Rules (PCR[75]) for tyres developed by the Tire Industry Project Group of the World Business Council for Sustainable Development. In particular, emissions attributable to the rolling resistance of tyres put on the market by Pirelli in 2025, refer to the version[76] of the new PCR.

Scope 1 emissions from stationary combustion are 176,868 tCO_2e (200,023 tCO_2e in 2024), from mobile combustion 15,349 tCO_2e (15,224 tCO_2e in 2024), from process 0 tCO_2e (in line with 2024) and fugitive 0 tCO_2e (in line with 2024).

In addition to the emissions of the subsidiaries, the own emissions of the units under operational control[77], as required by the E1-6 disclosure obligation, amount to:

- Scope 1, 7,898 tCO_2e (7,435 tCO_2e in 2024)
- Scope 2 calculated by the Location Based method, 70,757 tCO_2e (69,141 tCO_2e in 2024) and Scope 2 calculated by the market-based method, 23,537 tCO_2e (25,776 tCO_2e in 2024)

For the following units, an operational control was found to be in place, in line with the indications of ESRS and EFRAG IG 2: Value Chain Implementation Guidance, according to which Pirelli can direct the activities and operational relations of the aforementioned entities. For the sake of completeness, it should be noted that the requirements considered in order to determine the operational control required by ESRS do not correspond to the requirements verified to determine the existence of control for the purposes of full consolidation according to the IFRS in the Group's financial statements, where the two companies are classified as joint ventures and consolidated using the equity method.

Biogenic CO_2 emissions resulting from the combustion or biodegradation of biomass were: Scope 1: 0 tCO_2e (in line with 2024), Scope 2: 1,934 tCO_2e (95.39 tCO_2e in 2024)[78] and Scope 3: 40,134 tCO_2e (47,520 tCO_2e in 2024).

In 2025, there were no significant changes to the reporting scope that significantly impacted the CO_2 emissions inventory.

[75] Set of specific rules, requirements and guidelines for the development of environmental declarations, for one or more product categories, defined according to ISO 14025.

[76] PCR version 3.05

[77] Two production units held by Pirelli in the form of joint ventures,

[78] The variation between 2024 and 2025 is primarily attributable to the update of secondary datasets relating to renewable electricity generation used in estimating biogenic emissions, as well as to the increased granularity of the data available.

Pirelli calculated the emission intensity for 2025, compared to the Group's net revenues, which amount to 6,776,157 thousand euros, in line with "Revenues from sales and services" in the consolidated income statement.

With reference to the scope of emissions included in the Group targets approved by the SBTi, the indicators of GHG intensity relative to net revenues [$tCO_2e/€$] are as follows

GHG intensity relative to net revenues	**2024**	**2025**
Scope 1+2 (market-based) emissions versus net revenues [$tonCO_2e/€$]	0.000054	0.000046
Scope 3 emissions (categories 1, 3 and 4 of the GHG Protocol) versus net revenues [$tonCO_2e/€$]	0.000402	0.000395
Scope 1+2+3[79] emissions (target Net Zero) versus net revenues [$tonCO_2e/€$]	0.000500	0.000490

With reference instead to the Group's total GHG emissions calculated using both the market-based and location-based methods, the indicators of GHG intensity relative to net revenues [$tCO_2e/€$] are as follows:

GHG intensity versus net revenue	**2024**	**2025**
Total GHG emissions (market-based) versus net revenues $tonCO_2e/€$	0.003108	0.003155
Total GHG emissions (location-based) versus net revenues [$tonCO_2e/€$]	0.003156	0.003207

Key performance indicators relevant for €600,000,000 4.250 percent. Guaranteed Sustainability-Linked Notes maturing on 18 January 2028 ISIN: XS2577396430 (the "2023 Sustainability-Linked Notes")

With reference to the 2023 Sustainability-Linked Notes, issued under the base prospectus of 13 May 2022 and related supplement of 4 January 2023, Pirelli & C. S.p.A. sets out below the relevant sustainability performance targets ("SPTs") calculated in compliance with the criteria established in paragraphs 2.1 and 2.2 of the May 2022 Sustainability-linked Financing Framework published on the Company's website.

[79] Scope 3 emissions related to all upstream and downstream activities of the company's operations, calculated according to the GHG Protocol (which includes all categories of the value chain excluding the "use phase" charged to Car Manufacturer Customers) and in line with SBTi requirements.

Absolute Scope 1 and 2 GHG Emissions:

Absolute Scope 1 and 2 GHG Emissions (in metric tonnes of CO_2eq)	**Reference Year (2015)**	**Target 2025**	**2025 Result**
Gross GHG scope 1 emissions			192,217
Gross GHG scope 2 market-based emissions			118,895
Total gross Scope 1 and Scope 2 market-based (tCO_2eq) GHG emissions	**925,477**	536,777 equivalent to a reduction of 42%	**311,112** equivalent to a reduction of 66.4%

The emission-related disclosures were calculated using the most recent IPCC emission factors available for each reporting year. Emissions were therefore calculated based on the energy consumption of each individual legal entity, multiplied by updated emission factors specific to the relevant energy source and country of reference.

In addition, it should be noted that the 2025 specific disclosure value was calculated considering only the fossil emissions, excluding biogenic emissions.

As shown in the table, as at 31 December 2025 the reduction in Scope 1 and market-based Scope 2 GHG emissions compared with the 2015 base year, calculated considering fossil emissions only, amounts to 66.4%, thereby overperforming the 42% reduction target set out in the contractual documentation relating to the 2023 Sustainability-Linked Notes.

Absolute Scope 3 GHG Emissions:

Absolute Scope 3 GHG Emissions (thousands of metric tons of CO_2eq ("**kt CO_2eq**"))	**Reference Year (2018)**	**2025 Targets**	**2025 Result**
1) Goods and services purchased			2,134.3
4) Upstream transport and distribution			87
Scope 3 raw material gross indirect GHG emissions	2,659.6	2,420.2 equivalent to a reduction of 9%	2,221.3 equivalent to a reduction of 16.5%

The emission-related disclosures relating to this SPT were calculated taking into account exclusively the following two Scope 3 categories under the GHG Protocol:

- Category 1 – Purchased goods and services: fossil emissions associated with the purchase of products and services;

- Category 4 – Transportation and distribution: emissions relating to the inbound transportation of raw materials.

Fossil emissions were calculated using a proprietary tool which considers three types of emission factors:

- Primary emission factors collected directly from raw material suppliers;
- Primary emission factors derived from modelled production processes, specific to product categories and integrated into the tool;
- Secondary emission factors sourced from reference databases (Sphera GaBi LCA software).

Furthermore, it is noted that the value of this SPT's specific disclosure was calculated in accordance with the GHG Protocol guidelines; however, for Category 1, fossil emissions associated with the purchase of auxiliary materials, land-use change (LUC) emissions and biogenic emissions were excluded, while for Category 4, emissions from the transport of auxiliary materials and outbound transport were excluded.

As shown in the table, as at 31 December 2025 the reduction achieved compared with the 2018 base year in Scope 3 emissions, calculated considering fossil emissions from Category 1 (Purchased goods and services) and Category 4 (Transportation and distribution), including inbound logistics only for raw materials, amounts to 16.5%, thereby overperforming the 9% reduction target set out in the contractual documentation relating to the 2023 Sustainability-Linked Notes.

Accordingly, as at the observation date of 31 December 2025, no Step-Up Event has occurred; consequently, the coupon applicable to the 2023 Sustainability-Linked Notes will remain at 4.25% until maturity, and the Step-Up Margin will not apply.

METRICS related to GHG removals and GHG mitigation projects financed through carbon credits

In 2025 Pirelli continued in the compensation project of CO_2 emissions produced by its Italian fleet of company cars, by purchasing and retiring carbon credits certified in accordance with the most important VCM (Voluntary Carbon Market) standards. In order to ensure the credibility and integrity of carbon credits, the following key criteria apply in the process of identifying and purchasing them: climate relevance, environmental integrity, transparency, accountability, duration (continuity), additionality, social and environmental sustainability, compliance with regulations and standards, independent monitoring and verification, as well as the prevention of double counting.

Direct issuance of the Pirelli auto policy, which introduces an Internal Carbon Price model for the economic quantification of the impacts associated with car emissions, this initiative aims to promote the choice of vehicles with less impact on the environment and support environmental protection projects.

The car emissions of the corporate fleet subject to offsetting amounted to 882 tonnes of CO_2.

In addition, by purchasing credits, Pirelli also neutralised the emissions from the travel and commuting of the participants in the “Climate Change Challenge” training activity, estimated at 30 tonnes of CO_2.

In 2025, therefore, Pirelli offset the climate impact of a total of 912 tonnes of CO_2 (in 2024, it was 1,082 tonnes of CO_2), by supporting respectively:

- in Turkey, a renewable energy project (covering 84% of the purchased credits) for the construction of a large-scale offshore wind farm;
- in Italy, a sustainable agriculture project (covering 11% of the credits) that promotes regenerative farming practices, including tree planting and agroforestry, aiming to reduce greenhouse gas emissions and achieve the permanent removal of atmospheric CO_2, in line with the principle of additionality;
- in Brazil, a technological project for biogas recovery from landfills (covering the remaining 5% of the credits) to generate electricity, a portion of which is supplied to the Brazilian electricity grid.

The activities financed through Pirelli’s contribution (by purchasing and retiring credits under the Internal Carbon Registry and Gold Standard standards) were all carried out during 2025 and relate to mitigation initiatives outside the Company’s value chain, in line with the Beyond Value Chain Mitigation (BVCM) principle.

Future purchases of carbon credits to offset CO_2 emissions outside the value chain are not currently contracted.

As part of the Group’s commitments to Carbon Neutrality by 2030 (Scope 1 and 2) and Net Zero by 2040 (Scope 1, 2 and 3 approved by SBTi), in order to neutralise residual emissions that cannot be reduced, Pirelli plans to adopt a strategy focused on projects for the permanent removal of carbon from the atmosphere that are associated with high quality carbon removal that will be certified and internationally recognised as best practice, for compliance and effectiveness, when purchased.

To complement the actions already underway to achieve its short- and long-term reduction targets, Pirelli will undertake actions or make investments outside its value chain to mitigate greenhouse gas

(GHG) emissions. The company will support projects, programmes and solutions with quantifiable climate benefits, prioritising those that generate additional co-benefits for people and nature.

Carbon credits cancelled in the reference year	2024	2025
Total (tCO_2e)	1082	912
Share from reduction projects (%)	57%	89%
Share from absorption projects (%)	43%	11%
Recognised quality standard 1 (%)	100%	100%
Share from projects within the EU (%)	0%	11%
Share of carbon credits that can be considered matching adjustments (%)	0%	0%

METRICS –related to setting the internal carbon pricing

As part of its climate strategy, Pirelli adopts different types of internal carbon prices that are used for different application purposes, targets and GHG emission coverage, as described below.

To evaluate new investments at Group level in the Operations area, the Company internally adopts a carbon price in order to integrate the potential medium-term (2030) benefits of avoided Scope 1 and 2 GHG emissions into the feasibility analysis of the individual project. The introduction of an internal carbon price, in addition to supporting the Company in navigating the emerging greenhouse gas regulations, has the main aims of promoting low-carbon investments, energy efficiency and identifying opportunities. The environmental efficiency associated with projects is in fact one of the guiding criteria to be considered in investment management, as governed by the related internal Group operating rule. For this type of analysis, Pirelli adopts as a reference for the entire Group, regardless of the location of the project, an internal carbon price linked to the trading value of emission allowances in the European Union's Emission Trading System (EU ETS) market and used in the form of a shadow price (a monetary value assigned to a tonne of CO_2 for the economic quantification of impacts). The average internal carbon price used in 2025 amounts to 74 €/tonCO_2e (in 2024 it was 65 €/tCO_2).

It is noted that, for the valuation in the financial statements of emission allowances purchased through the ETS by certain Group subsidiaries, the market price at the date of purchase is used instead of the aforementioned price.

Pirelli also adopts a different internal carbon price model, used as an internal fee in its car policy, for an economic quantification of the impacts associated with car emissions (Pirelli Scope 1 and 3) aimed at influencing user behaviour in the conscious choice of vehicles that have less impact on the environment. In this case, the internal carbon price takes the market value of voluntary carbon credits as a reference.

The economic contribution required to the users of company vehicles goes into a fund (carbon offset budget) used to offset the CO_2 emissions produced by the company's fleet of cars through the

purchase and retirement of carbon credits certified according to the most important VCM (Voluntary Carbon Market) standards. For details of the initiative, please refer to the paragraph above "METRICS related to GHG removals and GHG emission mitigation projects financed through carbon credits".

The table shows the estimated volumes, expressed as percentages, of Scope 1, 2 and 3 GHG emissions affected by carbon pricing systems in 2025.

Percentage of gross GHG emissions covered by carbon pricing	*2024*	*2025*
Gross Scope 1[80] GHG emissions	4%	9%
Gross Scope 2[81] GHG emissions	9%	6%
Gross Scope 3 GHG emissions	0.001%	<0.001%

ENERGY MANAGEMENT

Following the Double materiality analysis, the following material impacts related to energy management along Pirelli's entire value chain were identified:

Impacts:

- *Use of energy from fossil sources by Pirelli sites (Scope 1 + 2)*
- *Use of energy from fossil sources by Pirelli suppliers (scope 3)*

To mitigate these significant impacts, Pirelli is pursuing multiple initiatives, including energy efficiency projects, the procurement of renewable electricity and the electrification of industrial processes, all aimed at reducing dependence on fossil fuels. See the actions section for further details.

POLICIES for energy management

Pirelli's Product Stewardship Policy also highlights, among the various aspects regulated, Pirelli's commitment to fostering positive impacts in terms of reduced energy use by Pirelli sites and, in particular, it reaffirms Pirelli's commitment to invest resources in research and development to reduce its environmental impact, also focusing on increasing the use of renewable energy and reducing the use of energy from fossil fuels.

[80] The variation in the value of the indicator between 2024 and 2025 is primarily attributable to fluctuations in the number of projects carried out during the two reporting years.

[81] The variation in the value of the indicator between 2024 and 2025 is primarily attributable to fluctuations in the number of projects carried out during the two reporting years.

With its Health Safety and Environment Policy, Pirelli is committed to developing products and production processes that respect the principles of the circular economy in order to pursue climate change mitigation and gradual decarbonisation along the value chain, with the responsible use and reduced consumption of natural resources, in addition to minimising polluting emissions.

Pirelli's commitment to energy efficiency and reducing energy consumption from fossil fuels also extends to its supply chain: the Pirelli Supplier Code of Conduct requires them to improve their energy efficiency, increase the use of energy from renewable sources, as well as set greenhouse gas reduction targets. Upon request, Suppliers must make products and services made from renewable energy available to Pirelli and provide the certificate of origin of the renewable energy assigned to Pirelli's supply.

These commitments are especially significant in light of the opportunity identified in the double materiality analysis to reduce energy consumption and costs through energy efficiency projects. In this way, the policy not only supports more efficient and sustainable production but also enables the Group to capture the economic benefits of energy efficiency, aligning environmental goals with corporate competitiveness.

For more information on the Group's policies, see the "*Main policies for the management of material IROs*" section.

TARGETS for energy management

The foregoing with regard to the specific commitments made by Pirelli with its policies, translates into strategic objectives and concrete actions aimed at promoting the use of renewable sources and reducing environmental impact across the entire value chain.

The target described below is published in the Group's Business Plan and is complemented by targeted actions both within its own corporate operations and along the supply chain. Targets and actions were defined starting from the Group's Climate Transition Plan, which is based on specific investment programmes aimed at improving products and industrial processes from a low-carbon perspective, increasing energy efficiency and fostering access to renewable energy sources in order to accelerate the gradual phase-out from fossil fuels.

At Group level, in 2025, Pirelli has achieved its target - set by that year - to reach 100% renewable electricity purchased from the grid, relying on established market instruments and additional elements to ensure the transparency and effectiveness of the path.

This result confirms the full achievement of the target and establishes its validity as a structural commitment of the Group also for the years to come.

This is an absolute Group target, covering all of its own operations, regarding the share of electricity purchased from the grid and applicable to the period 2020-2025. The target is reaffirmed in the

current Business Plan, continuing the commitment made in the previous one, using the baseline of 2020**,** when 31% of electricity supplied by the grid came from renewable sources.

The methodology used to define the target included assessing the accessibility of the various market tools for the procurement of renewables in the electricity markets in which Pirelli operates (Energy Attribute Certificates, Green Supply Contracts, Power Purchase Agreements, etc.), based on the expected evolution of the Group's electricity consumption. The process involved categories of interested internal stakeholders such as business departments, in particular Manufacturing and Purchasing.

The target, monitored by measuring the share of renewable electricity relative to the total grid electricity consumed during the year and expressed as a percentage, reflects the company's commitment to the energy transition and the strengthening of its contribution to reducing the environmental impact of its operations.

ACTIONS related to energy management

In line with its energy management commitments, Pirelli implements a range of initiatives to reduce the environmental impact of its operations and gradually decrease reliance on fossil fuels.

The costs for the actions listed below mainly refer to capitalisation of tangible fixed assets, recorded as an increase in the relevant item of the balance sheet, particularly for the electrification of curing presses and energy efficiency projects in factories.

It should also be noted that energy efficiency investments in factories are reflected in the amounts reported under the Taxonomy, attributable to the activities (7*.3 Installation, maintenance and repair of energy efficiency devices,7.4 Installation, maintenance and repair of electric vehicle charging stations in buildings (and in parking spaces associated with buildings), 7.5 Installation, maintenance and repair of metering, regulation and energy performance control devices and instruments of buildings and 7.6 Installation, maintenance and repair of renewable energy technologies, 3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation*) that contribute to achieving the objective of climate change mitigation. The electrification project was partly included in Activity 3.6 - *Manufacture of other low-carbon technologies*. Refer to the chapter on European Taxonomy for more details.

Electrification of curing presses

With a view to the progressive decarbonisation of the production phase, one of the main levers identified by the Company is the electrification of industrial processes.

In this context, Pirelli has launched a structured programme for the gradual electrification of curing presses worldwide, where the adoption of electric technologies maximises energy efficiency and reduces associated emissions.

Electric curing presses, which can achieve an approximately 80% improvement in energy efficiency compared to traditional steam-powered solutions, substantially lower energy consumption in production and the related emissions.

The implementation roadmap, including programmes, investments and plant-specific intervention plans, is developed through a coordinated process involving key corporate functions: Manufacturing, Research & Development, Sustainability and Purchasing. This ensures an integrated, multidisciplinary and consistent approach across the Group.

Progress under the programme is monitored by measuring the number of electrified presses against the total installed and expressed in percentage terms, ensuring a transparent and results-oriented approach.

In 2025, 14% of the curing presses installed in the Group factories[82] are electrified (5**%** in 2024), in respect of an investment of 33.7 million euros. The electrification process will continue gradually in the coming years.

Considering the production sites in Europe only, in 2025, the share of electrified curing presses reaches 30% (10% in 2024).

With reference to the electrification of the presses, it should be noted that the Group obtained public financing in Italy and Germany in the amount of approximately 13 million euros, of which €1.4 million has been received.

Energy efficiency projects

To promote increasingly efficient and responsible energy management and support its decarbonisation targets, Pirelli has developed a multi-year energy efficiency programme encompassing interventions across all Group production units. Between 2022 and 2025, over 90 energy efficiency projects were implemented, backed by a total CapEx investment of approximately 45 million euros.

The programme involves a systematic assessment of opportunities to reduce energy consumption, identified in part through periodic energy audits at operating units. Projects are then defined and prioritised in consultation with key internal functions, particularly Manufacturing and Purchasing, to ensure an integrated approach focused on process optimisation.

[82] Total number of presses in Group factories as at 31/12/2023

The investment in projects included in the Multi-Year Energy Efficiency Plan, implemented from 2022 to the end of 2025, amounts to a total of 44.9 million euros in CapEx, of which 5.1 million euros in 2025 alone and a further 4 million euros planned for 2026.

In detail, in 2025 the Group continued the implementation of the energy efficiency plan with actions aimed at:

- improving and accelerating the digitalisation in an Industry 4.0 perspective of energy measurement and management systems through monitoring of consumption;
- designing a global platform aimed at generating technical indicators and continuous improvement also through the use of artificial intelligence tools;
- optimising the procurement of energy resources, direct or indirect;
- improving the quality of energy transformation;
- improving the efficiency of distribution plants;
- improving the efficiency of production plants;
- recovering energy for secondary uses;
- applying targeted maintenance plans in order to reduce energy waste.

The energy efficiency plan includes a series of ongoing actions implemented on a recurring basis at the Group's various production units.

With regard to Life Cycle Assessment, the specific consumption of the industrial plants is mapped, whether those dedicated to production or dedicated to the generation of energy carriers in order to: increase the standard reference indicators, compare similar families of machinery, evaluate in detail the energy content of the plants' different families of products and sub-products and implement actions to improve their energy performance.

In terms of compliance, every industrial facility completely fulfils the indications of law regarding energy consumption and management. The legislative situation affecting the Company includes the introduction of periodic audit mechanisms on energy management and use, as well as possible tariff incentives. In this respect, there are no critical issues or non-compliances.

In order to pursue the continuous improvement of the Group's energy performance, production sites are equipped with an Energy Management System. Opportunities for efficiency in energy use are identified from energy audits at the operating units and contribute to the definition of targets for reducing consumption and saving energy with targets defined both at Group level and specific to each site (local targets). The Breuberg (Germany), Izmit (Turkey) and Yanzhou (China) plants are already certified in accordance with ISO 50001, while the Settimo Torinese (Italy) and Slatina

(Romania) plants have initiated the certification process, which will be progressively extended to the other Group plants.

Actions and investments for energy efficiency are alongside the assessment of environmental impacts to economic sustainability criteria normally applied to all Pirelli projects. In addition to innovation in production processes, driven by Research & Development, the areas for technical action both concern the traditional themes applied to each industrial area such as modernisation of thermal insulation, maintenance of distribution plants, use of technologies using inverters, implementation of optimised control systems - and special projects assessed according to the needs of each manufacturing site. There are also regular employee awareness campaigns dedicated to energy issues, which are also addressed in the “Climate Change Challenge” training program described in the previous paragraphs.

During 2025, great emphasis was placed on the digitisation of energy consumption management through Building Energy Management Systems (BEMS). These activities include the installation of intelligent systems (Green Buttons) at production plants to adjust energy consumption based on machinery operation, the automated regulation of ventilation systems and the development of forecasting tools to anticipate deviations in energy consumption from expected levels. The expansion of the real-time energy carrier metering network also continued, together with its integration with BEMS systems, already operational at the Slatina (Romania), Breuberg (Germany), Settimo Torinese (Italy) and Carlisle (UK) plants and currently being rolled out across the other Group sites.

In addition to the aforementioned electrification of the vulcanisation process, another area of focus in 2025 was the electrification of production processes that traditionally use natural gas such as thermal control units in the mixing and semi-finished products area.

The implementation of projects related to efficiency in the transformation of thermal energy and the recovery of thermal waste for space heating and the improvement of steam generation performance through flue gas recovery and combustion air preheating systems continued. Efficiency activities were also in the field for both compressed air generation, using high-efficiency compressors, and energy flows, with a focus on cold management, starting to expand the pilot projects developed in previous years. Efficiency in electricity consumption was continued through the replacement of motors with more efficient models or power modulation.

Activities also continued in the area of reducing compressed air and steam leaks on both machinery (generators and users) and distribution lines, through monitoring and periodic maintenance of the elements most at risk of malfunctioning (leak management) or through their replacement with more reliable and efficient models.

Electricity absorption measurements performed on individual plants are also continuing in order to correlate the specific consumption to production in greater detail, in order to optimise the operating conditions.

The application of energy management geared towards maximising industrial efficiency, by implementing continuous improvement logics, has led to a reduction in specific energy consumption per tonne of finished product compared to the previous year.

All the actions described in this paragraph allow for an effective reduction in energy consumption and related costs with a view to a gradual transition towards a net-zero production model.

Renewable Energy Procurement

In line with Pirelli's Transition Plan, a number of initiatives were implemented in 2025 to promote access to renewable energy sources in order to accelerate the gradual phase-out of all fossil fuels. Among the actions completed in 2025, the following initiatives can be highlighted for the procurement of renewable electricity and biomass-derived steam[83].

- the supply of steam generated by biomass plant, fuelled with waste wood from local supply chains, activated for the Campinas and Feira de Santana (Brazil) plants;
- the procurement of electricity through Power Purchase Agreements for the dedicated supply from renewable sources at the Merlo (Argentina), Campinas (Brazil) and Feira de Santana (Brazil) sites;
- the sourcing of 100% of grid electricity purchased as certified renewable energy at the Voronezh and Kirov (Russia), Silao (Mexico), Rome (US), Slatina (Romania), Burton and Carlisle (UK), Breuberg (Germany), Izmit (Turkey), Yanzhou and Jiaozuo (China), Campinas and Feira de Santana (Brazil) and Merlo (Argentina), Bollate and Settimo Torinese (Italy) sites, as well as at the Headquarters (Italy) and the other Group operating units;

With reference to the aforementioned initiatives, the Group recorded 11.7 million euros within Other Expenses in the 2025 income statement. A total cost of approximately 19.4 million euros is expected in 2026. The increase on 2025 takes into account the growth in volumes of renewable energy sources, and it should be noted that these volumes and costs are not incremental in absolute terms but replace volumes and costs from fossil fuels phased out under the Group's energy transition plan, which also includes benefits from increased energy efficiency.

Environmental management system and factory environmental performance monitoring

100% (in line with 2024) of Pirelli's tyre production sites, the Vizzola Ticino test track, the company that handles tyre sales in Switzerland and also the Milan Headquarters are equipped with

[83] The share of indirect (Scope 2) emissions generated by these projects was reported according to the procedures set out in the GHG Protocol Guidelines.

Environmental Management Systems and are certified in accordance with the International Standard ISO 14001. The International Standard ISO 14001 was adopted by Pirelli as a reference from 1997. All ISO 14001 certificates are issued with international accreditations. The certification of the environmental management system according to the ISO 14001 Standard is part of Pirelli's Environmental Policy and, as such, is extended also to new settlements that become part of the Group. The certification activity, together with control and maintenance of previously certified and implemented systems, is coordinated on a centralised basis by the Health, Safety and Environment Department.

In addition, as a result of the environmental certification of its motorsport tyre factory management systems, Pirelli was the first tyre manufacturer in the world to have been awarded three stars by the Environmental Accreditation Programme promoted by the FIA (International Automobile Federation). The three stars represent the maximum score level awarded by the programme, whose aim is to propose a series of measures that participants must implement to achieve the highest environmental standards.

The environmental performance of every tyre manufacturing site is monitored with the HSE-DM (Health, Safety and Environment Data Management) system, which is processed and managed centrally by the Health, Safety and Environment Department.

As a result of the environmental management systems implemented in the production units, and the implementation of procedures dedicated to emergency prevention and response, constant and timely monitoring and intervention is ensured on potential emergency situations that may occur, as well as on reports received from stakeholders.

During 2025, no significant environmental incidents, complaints or penalties were recorded (in line with 2024).

METRICS related to energy Consumption and energy mix

For the purposes of quantifying Pirelli's energy consumption, fully covering the same corporate perimeter of the Group's consolidated financial statement, data relating to the use of fuels and energy (electrical[84] and thermal) are calculated using direct measurements and collected annually for all local units via the HSE-DM information system.

[84] On total energy consumption, electricity accounts for 44.7% in 2024 (41.6% considering electricity taken from national distribution networks).

Energy consumption and mix	**2024**	**2025**
1) Consumption of coal and coal-derived fuels (MWh)	0	0
2) Fuel consumption from crude oil and petroleum products (MWh)	48,213	66,875
3) Fuel consumption from natural gas (MWh)	980,841	869,250
4) Fuel consumption from other fossil sources (MWh)	0	0
5) Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (MWh)	607,596	505,168
6) Total energy consumption from fossil sources (MWh) (sum of rows 1 to 5)	**1,636,650**	**1,441,293**
Share of fossil sources out of total energy consumption (%)	57.6%	52%
7) Consumption from nuclear sources (MWh)	**12,164**	**0**
Share of nuclear sources out of total energy consumption (%)	0.4%	0.0%
8) Fuel consumption for renewable sources, including biomass (also includes industrial and municipal waste of biological origin, biogas, hydrogen from renewable sources, etc.) (MWh)	0	0
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	1,191,740	1,325,543
10) Consumption of self-generated non-fuel renewable energy (MWh)	152	164
11) Total energy consumption from renewable sources (MWh) (sum of rows 8 to 10)	**1,191,892**	**1,325,707**
12) Share of renewable sources out of total energy consumption (%)	42%	48%
13) Total energy consumption (MWh) (sum of rows 6, 7 and 11)	**2,840,706**	**2,766,999**

With reference to the calculation of the energy intensity index, the overall consumption in activities classified as having a high climate impact was considered, a sector identified on the basis of the NACE codes[85] of each one monitored, equal to 2,763,374 MWh (2,838,379[86] MWh in 2024).

Energy intensity in these sectors, measured as total energy consumption per net revenue, is equal to 199.73 (206.76[47] in 2024). The revenues considered refer to the “Revenues from sales and services” of each subsidiary with a NACE code identifying a high-impact sector, including both third-party and intra-group revenues. The difference between the value considered for the purposes of this indicator and the consolidated value of Revenues from sales and services of 6,776,157 thousand euros corresponds to the elimination of intra-group revenues and revenues from third parties of companies with NACE codes other than those identifying a high climate impact sector.

[85] The following NACE Codes were identified as applicable to Pirelli: 22.11 Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres, 33.2 Installation of industrial machinery and equipment, 45.2 Maintenance and repair of motor vehicles, Wholesale trade of motor vehicle parts and accessories, 45.32 Retail trade of motor vehicle parts and accessories, 46.18 Agents specialised in the sale of other particular products, 52.29 Other transportation support activities, 68.1 Buying and selling of own real estate.

[86] During 2025, the reference perimeter used for the calculation of the KPI was refined; accordingly, in order to ensure comparability of the data, it was considered appropriate to restate the figure relating to the 2024 financial year.

Focusing more on electricity, Pirelli purchases renewable electricity through the following instruments: Energy Attribute Certificate, Green Supply Contract, PPA on-site and PPA off-site. Energy Attribute Certificates can be bundled or unbundled with respect to the electricity supply contract**.**

Therefore, 49.8% (35.5% in 2024) of the electricity consumed is covered by bundled contractual instruments (such as renewable energy certificates) while 43.6% (53.6% in 2024) derives from unbundled contracts. Overall, a total of 93.4% (in 2024 89.1%) of the electricity consumed by the Group comes from the certified instruments described above (up from previous years).

E2 POLLUTION

POLLUTION MANAGEMENT

Following the Double Materiality Assessment, the following material impacts and risks related to pollution management have been identified across Pirelli's entire value chain.

Material impacts:

- *Release of tread material during tyre usage;*
- *Release of pollutants into the air by Pirelli suppliers*

Material risks:

- *Increased costs throughout the value chain due to the introduction of new regulations relating to the pollution of materials/products*

An in-depth analysis of Pirelli's value chain, with particular focus on upstream and downstream value chain activities and actors, and with specific reference to the tyre use phase, led to the identification of these impacts. In particular, the tyre use phase was analysed in order to identify any polluting emissions deriving from the downstream value chain.

For further details about the double materiality analysis process, see the "General Information" section.

Production of compounds without the use of Substances of Very High Concern (SVHC)

The Pirelli Group manufactures rubber compounds and tyres without using so-called "Substances of Very High Concern" (SVHC), namely substances identified as raising serious concerns due to their potential effects on human health and/or the environment (as defined by the ECHA – European

Chemicals Agency). In addition, Pirelli does not use any substances falling within the following categories in its production processes:

- POPs[87], as defined by the Stockholm Convention,
- PFHxA (*Perfluorohexanoic acid*) and related compounds; PFHxS (*Perfluorohexanesulfonic acid*) and related compounds; PFOS (*Perfluorooctanesulfonic acid*); PFOA (*Perfluorooctanoic acid*); and C9–C21 PFCAs (*Perfluorocarboxylic acids* containing 9 to 21 carbon atoms),
- mercury and its derivatives, in accordance with the Minamata Convention;
- substances subject to limitations or restrictions under the REACH Regulation.

For a comprehensive list of materials that Pirelli does not use under its policy, please refer to the "Enforcement of stringent safety requirements on purchased and used materials" paragraph of this report.

The phenomenon of particulate emissions from tread wear

Tyres are a product that must adhere to the road in order to guarantee safety and braking capacity.

In turn, the tyre's grip on the road is responsible for the physical phenomenon of abrasion of the tread and the road. The combined abrasion of tread and road results in the release of the abraded material into the environment in the form of particles, the so-called tyre and road wear particle (TRWP) emissions, a combination of abraded tread particles (tyre wear particle, TWP, ~50%) and road surface particles (Road Wear Particle, ~50%).

Although the tread material is rubber (an elastomer), it is increasingly common to refer to the particulate matter generated by tread abrasion as "unintentionally released microplastics". However, the properties of TWPs are quite different from the microplastics derived from commonly used plastic objects – e.g. bottles, glasses, synthetic textiles/clothes, or the microplastics contained in hygiene and body care products – or even the microplastics derived from paints (including, in order of importance, those used for ships, buildings and road markings)[88].

TRWPs have dimensions of around 80-100 micrometres and, once emitted, have a density that causes them to sediment quickly when transported in an aqueous or gaseous environment, significantly reducing the quantity of dispersed particles.

The factors that influence the wear of the tyre tread, and the consequent release of material, are many and concurrent, and are listed below in decreasing order of impact (according to the source

[87] Persistent Organic Pollutants

[88] EU Impact Assessment Report Combating microplastic pollution in the European Union

Contribution of Road Vehicle Tyre Wear to Microplastics and Ambient Air Pollution[89]): driving style (aggressive or relaxed, at high or moderate speed, with sudden or progressive braking, etc.), road characteristics (road surface and roughness, whether the road is straight or winding, uphill or downhill, etc.), vehicle characteristics and conditions of use (weight, mass distribution, correct tyre pressure, etc.), tyre design and, finally, environmental conditions (dry or wet, hot or cold weather).

The various causal factors extrinsic to the tyre and belonging to the sphere of influence of multiple stakeholders require combined action by all actors in order to define and implement the most effective mitigation actions.

Based on scientific data collected by TIP studies[90], about three quarters of the TWP generated is deposited in the soil or in sediments, just under 20% is intercepted and removed (for example by water treatment plants) and only a minimal part is present in airborne form (about 2%) or is found in surface water at river mouths (less than 5%)[91].

With particular regard to the contribution of TWPs to airborne particulate matter in urban environments, published studies show that it is very low compared to other sources, accounting for less than 1% of the total PM10 and less than 0.3% of the total PM2.5 in the air[92].

The order of magnitude of these data has also been confirmed by other independent studies.

Although the quantity of TRWPs that can be traced in surface water is limited, in recent years some studies have identified the presence of a substance known as 6PPD-quinone, which is toxic to a specific fish species (Coho Salmon), while studies carried out on other fish species, to date, have not highlighted significant effects.

6PPD-quinone is the transformation product of a substance (6PPD) used in tyres with the specific aim of guaranteeing their safety, avoiding the degradation of the properties of the rubber due to the oxidative action of ozone. The mechanism underlying the effect of 6PPD-quinone on Coho Salmon is still unclear, however several studies are underway, promoted by TIP, to investigate the causes, and Pirelli is actively searching for alternative substances.

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89 *Sustainability* 2024, *16*(2), 522; https://doi.org/10.3390/su16020522

90 The TIP (Tire Industry Project) was set up in 2005 and operates under the umbrella of the WBCSD, with the aim of advancing the scientific study of issues common to the tyre industry (particulate emissions and tyre recycling), with a scientific approach and commissioning independent research that can then be published in peer-reviewed scientific journals. It includes ten of the largest tyre manufacturers (covering 60% of the world's tyre production capacity).

91 Tire Industry Project - Tire and Road Wear Particles - Home page; https://tireparticles.info/wp-content/uploads/2021/02/zWBCSD_TIP_TRWP_infographic.pdf

92 Measurement of airborne concentrations of tire and road wear particles in urban and rural areas of France, Japan, and the United States)

TARGETS and ACTIONS to reduce particulate emissions from tread wear

Pirelli is tackling the challenge of particulate emissions from its tyres through an innovation strategy on multiple fronts simultaneously, as described below:

Target: Reducing particulate matter at the source

Pirelli is working to lower the tread wear rate while maintaining high standards of road safety. The Company has achieved significant results within progressively shorter time frames and continues to pursue further improvements in the average wear rate:

- 23% compared to previous tyre lines of reference, for lines launched in the years between 2023 and 2025. In this regard, the new lines launched in the period 2023-2024-2025 recorded a reduction in the abrasion index of 24.2% compared to the lines of reference;
- 30% compared to previous tyre lines of reference, for lines launched in the years between 2025 and 2030.

Performance is evaluated based on the results of tests conducted on products representative of the new lines compared to those of previous reference lines, which measure tyre wear, considering the mass of the tread that has been worn away.

Research and Innovation on the "size" of particulate matter

Pirelli collaborates with Italian and European Research Centres to develop methods that allow the emission of particulate from tyres to be monitored, both qualitatively and quantitatively, and to differentiate it, by comparison with "generic" particulate from other sources. Particular attention is focused on representativeness in terms of generation, capture and analysis.

With reference to the operating expenses and capital expenditures incurred in 2025 and planned for 2026 in relation to this initiative, reference is primarily made to the Smart Electric project described in the following paragraphs.

Research and Innovation on the "biodegradability" of particulate matter

As part of a special collaboration with a university, Pirelli is studying the difference in biodegradability terms between elastomeric matrices based on synthetic polymers and those based on naturally-occurring polymers, in particular natural rubber. The studies are proceeding through targeted experiments in water, soil and specific biological matrices.

In 2024, the acquisition of Hevea-Tec, the leading natural rubber processor in Brazil, by Pirelli provides opportunities for the development of new grades of biodegradable polymers based on natural rubber technology, which could potentially replace the synthetic polymers used in tread compounds.

Capture of generated particles

Pirelli continues to monitor solutions aimed at collecting TRWP at locations where their accumulation is foreseeable, and to study and propose solutions to monitor the evolution of TRWP in these contexts, both in terms of particle size and chemical composition.

Industry Initiatives

Pirelli actively participates in industry initiatives (Tire Industry Project and regional/national industry associations) aimed at conducting and supporting scientific research to identify and fill data gaps related to the potential impacts of TRWPs and the chemicals they potentially release. Within the scope of these initiatives, particular attention is also dedicated to the development and standardisation of methods for measuring tyre abrasion, both in terms of tyre wear rate and airborne TRWP emissions. In addition, through dedicated projects in cooperation with regional associations (e.g. USTMA, Tyres Europe[93]), and TIP is monitoring the most effective TRWP mitigation strategies and has also launched pilot projects to support these strategies.

Measurement and quantification of absolute particulate matter emissions into the environment

Pirelli has been actively supporting for years the definition of regulations that set limit thresholds on tyre abrasion rates, as an essential tool for controlling particulate emission levels in the environment, and supports the European Commission's recommendations included in the Euro 7 standard for the adoption of tyre abrasion limits.

In terms of impact measurement, it is necessary to distinguish between a "specific" or "relative" performance impact - i.e. weighted against other factors, such as the mass of tread abraded per kilometre relative to vehicle weight - and the "absolute" or "total" impact in terms of particulate matter generated by tyres during vehicle use.

It should be noted that the CSRD, with specific reference to *ESRS E2-4*, requires disclosure of the total absolute amount of microplastics generated by tyres during use, rather than a specific or relative

[93] formerly known as ETRMA – the European Tyre and Rubber Manufacturers' Association

value. This approach is consistent with that adopted by organisations such as the SBTi in relation to the reporting of total absolute CO_2 emissions.

To date, Pirelli and its competitors who are members of Tyres Europe and ETRTO (European Tyre and Rim Technical Organisation), participants in the "Task Force on Tyre Abrasion" (TFTA), within the UNECE World Forum for Harmonisation of Vehicle Regulations (WP.29), are working on finalising the globally harmonised methodology for measuring tyre abrasion, defined in 2024 and to be validated in 2026, in support of possible future regulatory activities related to tyre abrasion.

This methodology will provide a measurement of the specific or relative performance of the tyre by correlating the abraded mass weight of the tyre to the distance travelled and the vehicle weight. Therefore, it is a calculation method that does not comply with the requirements of ESRS *E2-4*, which mandates reporting on the absolute amount, rather than the relative amount, of particles (so-called microplastics) generated during the use phase by products placed on the market in the reporting year.

The existing methodology that best meets the ESRS *E2-4* requirement can be found in the Product Category Rules (PCRs) developed by tyre manufacturers who are members of the WBCSD's Tire Industry Project. PCRs are the globally-applicable rules that aim to standardise the Life Cycle Assessment of tyres. PCRs are a public document, currently available in version 3.05, and include a section specifically dedicated to the calculation of total/absolute "Tire Wear Loss" (TWL) for car and truck & bus tyres (paragraph 5.2 "Tire Abrasion Calculation Guidelines"), that is the total and nominal quantity of the mass of the tread that can be abraded, throughout the entire use phase of the tyre.

This involves assuming that all the abradable mass is actually abraded and therefore the tyre is fully worn down to its legal limit of use: it is therefore a very conservative quantity but it is the one that comes closest to what is required by the CSRD.

The TWL value calculated in this way represents the amount of abradable tread determined on the basis of geometric and physical parameters alone. It is a conservative estimate that is not influenced by all the factors that can determine variations in specific performance indices, such as the abrasion index.

The estimated quantity for all car tyres placed on the market in 2025 is 157,159 tonnes (in 2024, 155,322[94] tonnes). The slight increase is mainly attributable to higher volumes placed on the market, combined with a change in the product mix.

[94] During 2025, the reference perimeter used for the calculation of the KPI was refined; accordingly, in order to ensure comparability of the data, it was considered appropriate to restate the figure relating to the 2024 financial year.

Other Projects - "SISTER" Project

As part of its participation in MOST, the National Centre for Sustainable Mobility (Italian), funded under the PNRR (National Recovery and Resilience Plan), Pirelli is a Private Partner of the Flagship Project "Sister", in collaboration with universities and research centres. The project is structured around the following activities:

- development of a laboratory machine for the generation/collection and analysis of PM (Particulate Matter) from tread compounds. The equipment was installed in the Pirelli laboratories at the end of 2025, and the related methodologies are scheduled for industrialisation during 2026.

- an analysis station integrated into the indoor abrasion measurement machine, also installed in the Pirelli laboratories at the end of 2025, has been developed, with the corresponding methodologies likewise intended for industrialisation in 2026.

- electric vehicles have been equipped with systems designed to generate, collect and analyse particulate matter (PM) during track tests. The objective is to correlate the PM results with the relevant test parameters and to establish a standardised procedure for the generation, collection and analysis of PM from tyres, including through indoor testing on dynamometer rollers. An electric vehicle fitted with these devices was presented at the MOST event held in Rome on 11 and 12 November 2025.

In addition to Pirelli Tyre, the Flagship Project B "Sister" also involves the University of Naples, the Polytechnic University of Turin, CNR-STEMS in Naples, and Pirelli Digital Solutions in Bari, which provides support for data processing, the development of software tools, and AI solutions relevant to the project.

Other Projects - "Smart Electric" Project

Pirelli has launched the "Smart Electric" Project, funded by the Ministry of Business and Made in Italy (MIMIT). The three-year initiative began in June 2022 and concluded in December 2025.

The project is aimed at developing technologies to make electric mobility more efficient and reduce its environmental impact.

Within this framework, Pirelli has developed tyre technologies specifically designed for electric vehicles, with the objective of overcoming the typical performance trade-offs associated with the electrification of mobility.

Given that electric and hybrid vehicles are generally heavier, deliver higher torque and require optimised range, Pirelli's activities under the project have focused on reducing tread abradability, including the study of wear and particulate emissions, while maintaining or improving rolling resistance.

It should be noted that, with reference to this project, MIMIT has granted a non-repayable contribution for the period 2022–2025, up to a maximum of 5.9 million euros, which has not yet been received.

AIR POLLUTION ALONG THE SUPPLY CHAIN

Pirelli recognises the importance of monitoring and managing the environmental impact generated along the entire supply chain, including the release of pollutants into the atmosphere by Tier 1 suppliers. The Group is committed to actively collaborating with its business partners to promote responsible practices and reduce polluting emissions, in line with the principles of its Policies. This approach reflects Pirelli's commitment to addressing global environmental challenges by continuously improving transparency, efficiency and sustainability throughout the entire value chain.

POLICIES for managing pollution throughout the supply chain

Pirelli requires suppliers to commit to understanding, respecting, and implementing the Pirelli Supplier Code of Conduct, which, with reference to pollution, urges them to prevent, reduce, and mitigate all forms of pollution affecting air, water and soil, as well as to prevent related environmental incidents and to promptly undertake remediation and restoration in the event of their occurrence. Suppliers are also required to identify the significant environmental impacts associated with their activities, develop and implement plans for their improvement, and identify specific key indicators to monitor their performance. Finally, suppliers must monitor, record, document and, upon request, provide Pirelli with quantitative data of their environmental performance, life cycle inventories/assessment reports or environmental footprints. In the specific case of natural rubber supply, in addition to Pirelli's Code of Conduct, the Pirelli Policy on Sustainable Management of Natural Rubber also applies. This policy explicitly requires natural rubber suppliers to commit to managing their operations using processes and technologies designed to reduce odours generated during rubber processing, while ensuring compliance with laws and regulations related to the use of chemicals in the relevant industrial sector.

For further information about Group Policies, see the "*Main policies for the management of material IROs*" paragraph.

TARGETS for managing pollution throughout the supply chain

In order to strengthen its commitment to involving suppliers in the sustainable transition, Pirelli included various pollution-related issues in the "Nature & Biodiversity" training course which, in line with the objectives set out in the Industrial Plan, was offered in 2025 to 100% of raw material suppliers and strategic CapEx suppliers.

ACTIONS for managing pollution throughout the supply chain

Nature and biodiversity training for raw material suppliers

As part of its commitment to reducing environmental impacts across the supply chain, Pirelli developed in 2025 an e-learning programme on Nature and Biodiversity addressed to 100% of the Group's raw material and capital goods suppliers considered long-standing and strategic. The course takes an integrated approach to a range of environmental topics, including pollution-related issues. It provides an overview of the fundamental concepts of biodiversity and ecosystem services, the main regulatory frameworks and international standards, and practical examples of actions suppliers can take to mitigate their impacts on ecosystems, nature and pollution.

See chapter "*E4 Biodiversity and Ecosystem*s" for further information.

Assessment of supplier environmental impacts and corrective plan

In 2025, as part of the systematic environmental due diligence process, the desk-based assessment of potential environmental risk was updated (greenhouse gases emissions and energy consumption; water, biodiversity; air pollution; materials, chemicals and waste; product use; product end of life; customer health and safety; environmental services and advocacy) along the entire supply chain (12,510 unique suppliers), which forms the basis of the risk-based approach on which Pirelli's Due Diligence process is founded.

To assess the potential risk of pollution in the supply chain, the Ecovadis IQ+ tool was used, which analyses the sector risk and country risk for each supplier. With regard to this topic, the Ecovadis methodology allows for the assessment of potential risk detected in those suppliers for which the pollution issue is material according to the model.

The risk assessment was conducted by the Purchasing, Enterprise Risk Management, Compliance and Sustainability Departments, in line with the Group's ERM model, and applies a risk scale from 1 to 4 (where 1 = low risk, 2 = medium risk, 3 = high risk and 4 = very high risk). For more detailed information on the risk assessment process, please refer to the "Governance Information" section, "ESG Risk Assessment" paragraph.

The assessment made it possible to identify the suppliers that required priority intervention by implementing the most appropriate mitigation and prevention actions.

The results of the risk assessment indicate that suppliers with high or very high potential environmental risk are primarily concentrated in the APAC and EMEA regions, whereas suppliers classified as medium risk are predominantly located in the LATAM region. With regard to potential risk associated with procurement categories, the Indirect and Raw Material categories show a higher incidence of high/very high potential risk.

The desk-based assessment of potential risk is then incorporated into the assessment of current risk through supplier assessments, conducted during the initial selection phase and updated periodically. The assessment tools adopted are guided by specialised third parties and include both on-site audits conducted by leading companies in inspection, verification, and certification services (including environmental certifications) and the services of the EcoVadis platform, which encompass assessments, improvement plans, and opportunities for training and capacity building.

The activity—both for on-site audits and assessments conducted by EcoVadis—includes the definition of a remediation plan in case of non-compliance, whose implementation is monitored through follow-ups, either on-site or documentary-based.

For Pirelli, the process of assessing suppliers' environmental impacts also serves as a strategic lever to mitigate the risk of rising supply chain costs linked to the introduction of new pollution regulations, an issue identified as material risk in the Double Materiality analysis.

Assessment of the environmental footprint of the supply chain through Life Cycle Assessment

In addition to the assessments mentioned, Pirelli annually monitors the environmental impact generated by its supply chain by applying the Life Cycle Assessment methodology. In particular, the impact categories relating to air pollution are quantified on the basis of the methods and secondary data currently available. Some examples of impact categories evaluated are the potential for the formation of atmospheric particulate matter, ionising radiation, photochemical smog, and the potential for degradation of the stratospheric ozone layer.

E3 WATER AND MARINE RESOURCES

WATER RESOURCE MANAGEMENT

Following the Double materiality analysis, the following material impacts related to water resource management along Pirelli's entire value chain were identified:

- *Water consumption at Pirelli sites, including in water-stress areas.*
- *Water consumption by Pirelli suppliers, including in water-stress areas.*

In detail, for the identification of the IROs connected to the size of the water resource, particular attention was paid to the analysis of the Group's Water Footprint, which Pirelli monitors periodically with a view to medium-long term management and the progressive reduction of its impact on the resource throughout the product life cycle. The analysis covered both water use in Pirelli's own operations and upstream activities within the value chain, recognising that water resources are an integral component of production processes. In this context, the Group places particular emphasis

on both the quantity and quality of water, as well as the local context in which it is used, including areas affected by water stress. To this end, it employs dedicated assessment tools, such as the WBCSD Water Tool[95] and the WRI Water Risk Atlas[96] to identify potential impacts and develop targeted action plans.

In line with the methodological framework of the Science Based Targets Network (SBTN), Pirelli applies principles and criteria designed to define science-based targets for water resource management. This includes assessing impacts, dependencies and risks related to water across the entire value chain. This approach fosters greater consistency in water management actions.

The environmental management systems implemented in the operating units, besides management of water resources, monitoring of relations with relevant stakeholders (local communities, authorities, etc.) and the potential impacts of the local contexts in which each production plant is located. Indeed, environmental management, and its continuous improvement, are also addressed by mapping the main stakeholders, their interests and expectations. These management systems also aim to ensure that the qualitative-quantitative characteristics of emissions are in line with the context and regulations in force.

Water resource management is also central to the Group's Biodiversity Plans, and is analysed in terms of risks, opportunities and the level of Pirelli site dependence on this resource. More specifically, water is the main dependency and the resource used the most by Pirelli sites. On this point, a number of actions to reduce water use have been identified. For a more complete discussion, with specific reference to Biodiversity Plans, please refer to the paragraph "Biodiversity Strategy" in the "Biodiversity and Ecosystems" section.

Thanks in part to its performance in water resource management, Pirelli was awarded an 'A-' rating in the CDP Water Security programme in 2025.

In terms of governance, the Board of Directors of Pirelli & C. S.p.A., supported in its activities by the Sustainability Committee, approves, at the proposal of the Chief Executive Officer and in coordination with the Executive Vice Chairman, the environmental management strategies and targets integrated in the Industrial Plan, which include those pertaining to the use of water in processes and the risks associated with it (as identified by the Group's Climate Change and related Water Stress Risk Assessment). In turn, Pirelli's top management also plays a strategic role in the full implementation of Pirelli's Environmental Management Model and related strategic objectives on this matter.

POLICIES for water management

Pirelli commitment to responsible water management is addressed in several Group Policies.

[95] World Business Council for Sustainable Development

[96] World Resources Institute

With its Health, Safety and Environment Policy, Pirelli is committed to developing products and production processes applying circular economy principles. These include the responsible use and reduced consumption of natural resources including water. It is also committed to setting environmental targets to reduce the impact of the life cycle of its products and services on water, the air and soil.

In turn, the Product Stewardship Policy reaffirms the Pirelli commitment to invest resources in research and development to reduce its environmental impact, also paying attention to water consumption.

Pirelli's commitment to reducing water consumption extends to its supply chain, as outlined in the Supplier Code of Conduct and the Policy on Sustainable Management of Natural Rubber.

Under the Pirelli Supplier Code of Conduct, Suppliers are required to conserve and manage water resources responsibly ("Water Stewardship"), optimise their use of water, set targets to reduce its exploitation and return water with a quality suitable for the ecosystem concerned, with special attention to those located in water-stressed areas or those with high environmental and biodiversity value, possibly exceeding legal requirements. Suppliers are also called on to adopt solutions to reuse wastewater, including through specific treatment.

The Sustainable Natural Rubber Management Policy, with further verticalisation on this important raw material, expressly requires the commitment of Suppliers to take all necessary actions to conserve freshwater bodies and aquifers, protecting water quality and preventing its contamination.

In order to make these commitments fully operational on the supply chain, Pirelli implements a sustainable supply chain management system that envisages, among other aspects, the assessment of their environmental responsibility both at the selection stage and periodically, through specific ESG assessments and due diligence. More information can be found in the section "Governance Information", paragraph "Management of relations with suppliers".

For more information on the Group's Policies, refer to the paragraph entitled "Main policies for the management of material IROs".

TARGETS for water resource management

In order to manage the material impacts identified regarding the water resource issue, i.e. the water consumption of both its own business operations and those of its suppliers, Pirelli has established the following goals, defined on a voluntary basis.

With reference to its own operations, the Pirelli Industrial Plan includes targets to reduce specific water withdrawal, measured in cubic metres per tonne of finished product. More specifically, Pirelli

has established two targets, one at Group level and one, further, for its sites located in areas classified as 'high water stress':

- a 60% reduction in specific water withdrawal by 2030, compared to the 2015 base year, at Group level. This is a target, covering all own operations, applicable to the 2015-2030 period. The target monitors the percentage of reduction compared to the base year figure, and has been confirmed in the current Industrial Plan, in continuity with the previous one, with a baseline referred to 2015 and a value of 12.9 cubic metres per tonne of finished product.

- In addition to the Group target, a specific target has been set for areas experiencing high water stress, aiming to ensure maximum transparency and to encourage stakeholders to track performance in these regions. For High/Extremely High water-stressed areas only[97], the target is a 36% reduction in specific water withdrawal by 2025 (target achieved) and 45%intermediate target by 2030, compared to 2015 values. The target, applicable to the 2015-2030 period, covers the sites owned by Pirelli located in the areas identified as having high water stress and is included in the current Industrial Plan with a base value of 2015, equal to 8.6[98] cubic metres per tonne of finished product.

In 2025, the Group recorded a specific water withdrawal ratio of 5.90 cubic metres per tonne of finished product (down from 6.27 in 2024). This represents a 54.3% reduction from 2015, the baseline year for the Group's 2030 target (compared to a 51.4% reduction in 2024). In areas under high water stress, the specific water withdrawal ratio was 4.91 cubic metres per tonne of finished product, (down from 5.12 in 2024), marking a 43.1% decrease (34.6% in 2024) from 2015 and exceeding the 36% target set for 2025. Both the Group-wide and highwater stress figures demonstrate a substantial improvement compared to 2024, continuing the positive trend observed in previous years.

The volume of water withdrawn from water stress areas in 2025 was 64% of the total (61% in 2024).

The methodology used to define both targets assessed the reduction in water withdrawals, due to efficiency actions in management of this resource compared to the expected change in production volumes for the different factories of the Group. For the intermediate targets, in particular, the investment plans established for the individual sites were also assessed.

The process involved internal stakeholder categories, such as corporate departments, in particular Health, Safety and Environment, Manufacturing and Sustainability.

[97] It includes all those areas characterised by a level of "water stress" equal to or greater than "high" according to the WRI Aqueduct (Water Risk Atlas) classification, as at 31 December 2023. As at that date, the Pirelli sites falling within these areas are: Campinas and Elias Fausto (BR), Silao (MX), Voronezh (RU), Slatina (RO), Breuberg (GE), Izmit (TR), Jiaozuo and Yanzhou (CN).

[98] Compared to the figures published in the 2024 Annual Report, the baseline year value has been revised to include the baseline water consumption of the Elias Fausto (BR) and Jiaozuo (CN) sites, which were acquired after 2015, in the reporting scope.

Pursuit of the targets illustrated enables positive effects on the control of volumes withdrawn from the environment and therefore on consumption, thanks to actions identified to make the use of water resources more efficient.

In particular, a site-specific target is defined for each production site every year; this enables resources to be allocated effectively and contribute to achieving the overall Group target. The site-specific targets relating to water management are also linked to the annual remuneration of the Site and HQ management, ensuring a direct link between the Group's sustainability objectives and the performance assessments of individual company positions.

As part of its water resource management strategy, Pirelli pays attention to safeguarding water quality and maximising its reuse and recycling, as expressed in its Industrial Plan.

ACTIONS for water resource management

Water management and efficiency and reuse

In order to promote efficient and responsible use of water in production processes and at work sites, water resource management programmes are adopted as part of the environmental management systems implemented at sites and certified ISO 14001.

The strategy for achieving water resource efficiency goals starts with carrying out specific water assessments. These assessments are carried out with the support of specialised external companies and aim to identify opportunities for water resource efficiency, update water use and consumption flow charts and define quantitative and qualitative site-specific targets and improvement plans. A new water assessment campaign was started on factories in 2024 and is expected to be finished by 2026.

Actions on this resource concern the management of water use, focusing primarily on reducing water withdrawal and use, recycling water and improving its quality when discharged through periodic monitoring and sampling of wastewater, as required by internal procedures, as well as the aforementioned systems for treating effluents to safeguard the quality of discharges. Facility management and machinery design are an integral part of these actions. Moreover, in order to keep employees' awareness and attention on water management high, during the year some sessions for updating the results achieved and for training/sharing the improvement activities underway on the water topic at Group level are organised.

These activities are applied to the Group's production plants and test tracks, because of the greater contribution in terms of water consumption (which account for approximately 96.6% of the group's entire water withdrawal) and because the actions envisaged in the related management plans are ongoing and are implemented on a recurring basis on these sites.

On this point, in 2025:

- At Group level, approximately 535,299 cubic metres of water used (525,244 in 2024), equivalent to around 12% of total water withdrawal (11% in 2024), were derived from the treatment of wastewater generated by manufacturing processes, supporting water recycling and more sustainable resource management.

- At the Merlo (Argentina), Breuberg (Germany), Silao (Mexico) and Settimo Torinese (Italy) sites, several improvement measures were implemented on cooling systems in order to ensure more efficient and sustainable water use.

- Several initiatives have been carried out at the Slatina site in Romania to enhance water efficiency in both the civil and industrial networks.

These actions are in line with the Group reference targets and link directly to the goals set out in the Pirelli Health, Safety and Environment Policy, envisaging achievement of environmental targets to reduce the life cycle impact of products and services on water, air and soil.

In line with the Company's commitment to access to safe drinking water, sanitation and hygiene, WASH (Water, Sanitation and Hygiene) assessments were completed in 2024 and 2025 for certain Group plants.

With reference to water-stressed areas, at the end of 2025 the specific water withdrawal of Pirelli plants located in such areas was lower than the Group average, thanks to initiatives such as the efficiency improvements to the cooling lines at Breuberg and Silao and the above-mentioned improvement measures at the Slatina site, which contribute significantly to the achievement of the specific target. These actions represent a key element of the Pirelli environmental strategy to promote the sustainable management of water resources and reduce the overall impact of its production processes.

Assessment of the water impact in the supply chain through Life Cycle Assessment

As stated in Pirelli's Product Stewardship Policy, during the design and development of new products, potential risks on health, safety, environment and society are systematically assessed throughout their life cycle, including analysis of the geopolitical context of reference and ESG impacts in the supply chain. This assessment is also supported by LCA analyses performed in accordance with the industry Product Category Rules and adopting the latest methodologies for calculating potential environmental impacts.

This assessment method enables Pirelli to periodically monitor the environmental footprint generated by its supply chain. In particular, impact categories related to water resource consumption are

quantified based on the basis of the methods and secondary data available to date. An example of an impact category assessed is the potential for water use (formerly water depletion).

METRICS related to the water resource

As already mentioned in the "Environmental management system and factory environmental performance monitoring" section, water management data at each production site is monitored through the HSE-DM data management system, which is developed and managed centrally by the Health, Safety and Environment Department.

The data below are reported to provide an overall view of Pirelli's performance in terms of water resource management, covering the same corporate perimeter as the Group's consolidated financial statements, collected through direct or indirect measurements and communicated by the local units.

The reported indicators are the following:

- absolute water consumption, measured in cubic metres, which indicates the total water consumption of the Group, including areas with water stress, calculated as the difference between water withdrawal and discharge into the sewer system or surface water body;

- reused and recycled water, measured in cubic metres (this means the water deriving from the treatment of wastewater carried out at internal Pirelli plants, in order to guarantee a level of quality that allows its reuse within the site);

- stored water, measured in cubic metres, which for Pirelli represents the reserve available for fire-fighting purposes. Specifically, due to the purpose for which water is stored at Pirelli sites, any changes in storage that occur during the year are not accounted for as they are not related to the production process;

- specific consumption, measured by comparing absolute water consumption (in cubic metres) to net revenues (in millions of euros);

- specific withdrawal, measured in cubic metres, in relation to the quantity of finished product (m^3/ton);

- absolute withdrawal, measured in cubic metres, which indicates the total withdrawal of water by the Group;

- water discharge, measured in cubic metres, which indicates the Group's total discharge of water into the sewer system or a surface water body, partially metered, while the remainder, where the discharge point does not have a meter, is calculated using estimates based on the consumption attributed to individual plants. For certain Group assets, particularly offices, water discharge is assumed to equal water withdrawal, which is determined from utility bills or, if unavailable, estimated based on daily consumption per employee.

WATER RESOURCE INDICATORS	2024	2025
Water consumption [m^3]	1,823,386	1,836,715
Water consumption in water risk areas, including those under high water stress [m^3]	1,492,696	1,479,968
Recycled and reused water [m^3]	525,244	535,299
Stored water [m^3]	89,087	64,626
Water intensity [Total water consumption m^3/ net revenue in million €]	269.20	271.06
Specific withdrawal per tonne of finished product [m^3/ton]	6.27	5.90
Water withdrawals [m^3]	4,724,586	4,457,682
Water discharges [m^3	2,901,200	2,620,967

Total water withdrawal reached approximately 4.5 million cubic metres in 2025, slightly down from 4.7 million in 2024, while total discharge of domestic and industrial wastewater was around 2.6 million cubic metres, compared with 2.9 million in 2024. Before being discharged into the final recipient, wastewater – adequately treated as necessary – is periodically subjected to analytical tests that certify substantial compliance with locally applicable statutory limits.

E4 BIODIVERSITY AND ECOSYSTEMS

THE IDENTIFICATION OF BIODIVERSITY-RELATED IROS

Pirelli actively addresses biodiversity-related risks and opportunities across its entire value chain, from upstream to downstream, in line with the guidelines of the Taskforce on Nature-related Financial Disclosure (TNFD). Thanks to the biodiversity initiatives implemented as part of the Group's strategy, detailed in this chapter, Pirelli became a TNFD adopter in October 2025, as announced by the Taskforce at COP30 in Belém. Through this membership, the company commits to transparent reporting on risks and opportunities associated with natural capital. This milestone further reinforces Pirelli's dedication to enhanced transparency and more informed management of natural and environmental risks throughout its business model.

With reference to upstream activities, Pirelli requires that its suppliers implement a management model at their sites and along their supply chain to protect biodiversity and ecosystems, with particular attention to the conservation and responsible use of natural resources, in compliance with international standards and the laws and regulations of the countries where they operate.

With regard to the issue of Non-Deforestation, the greatest risks of deforestation in the value chain are found in the supply chain and are related to materials of forest origin and in particular, by materiality of use, to natural rubber.

Regarding its own operations, Pirelli launched a process in 2024 involving all company-owned production sites and test tracks, assessing their impacts and dependencies on surrounding

ecosystems, as well as site-specific risks and opportunities; this process was completed in 2025. Pirelli starts with a risk assessment to define the Biodiversity action strategy along the value chain from upstream to downstream, in line with the company's Enterprise Risk Management methodology, and integrated in the company's multidisciplinary risk management processes.

In particular, the ENCORE tool was used for the impact assessment, thanks to which the impacts were analysed for each site based on the specific product sector. In addition, environmental indicators collected by Pirelli on site were analysed, such as water withdrawal and consumption, as well as the concentration of substances released into the atmosphere and present in wastewater.

The assessment of dependencies on neighbouring ecosystems was also conducted using public tools and datasets; in this case, the use of ENCORE was integrated with the templates provided by the TNFD to determine the dependence on ecosystem services. Based on the commodity sector to which each site belongs, the corresponding dependencies were analysed and each one was assigned a qualitative value (low, medium, high) to determine how relevant the loss or depletion of a specific ecosystem service was for the site, as well as how decisive it was from an economic point of view. The site-specific analysis confirmed the water resource as the main natural resource used by Pirelli, as well as one of the main natural assets on which various ecosystem services depend, such as the regulation of water flows and water quality for the local community.

In order to conduct the site-specific assessment, and understand the exposure of Pirelli's assets to various physical risks (such as drought, landslides, floods, water storage capacity, fires, soil, air and water pollution) and transition risks (legislative and reputational), tools such as the Global Facility for Disaster Reduction and Recovery (GFDRR), the Global Wildfire Information System (GWIS) and, when available, local documents such as vegetation maps, urban development plans and/or environmental conservation and restoration plans were used. The various tools made it possible to assess the state of biodiversity and the condition of the ecosystems surrounding Pirelli sites. The time period taken into consideration for the above analysis corresponds to 20 years, covering the timeframe from 2030 to 2050. For the Pirelli sites (warehouses, production plants and test tracks), the potential systemic risks associated with the company's activities were not considered or analysed in this first step of analysis. Over the next few years, the adopted analysis scenario will be updated when new data collected by Pirelli regarding the possible impacts of company activities becomes available, new data provided by the scientific community regarding the degradation of ecosystems and the loss of biodiversity becomes available and/or when there are new developments from a regulatory point of view.

In addition, for the same Pirelli sites, site-specific opportunities have been identified aimed at improving environmental conditions near the relevant Pirelli sites and at trying to guarantee the continuity of the use of ecosystem services and, in particular, the reduction of water use. By way of example, the following actions have been planned: actions to reduce water consumption through efficiency processes; actions to reduce the withdrawal of water from natural water bodies through processes for the recovery of rainwater and/or industrial water downstream of the processes; actions to monitor and/or filter waste water beyond what is required by law; actions for energy efficiency, energy conversion and renewable energy production to reduce the emission of pollutants into the atmosphere.

No consultations were held with the local communities that depend on the same natural resources and ecosystems as the Pirelli sites during the aforementioned analyses. The Biodiversity Action Plans (BAPs) also include a series of recommendations regarding local stakeholders that may be engaged for projects aimed at environmental conservation and the sustainable use of natural resources, with the objective of involving local communities and stakeholders in future assessment phases.

BIODIVERSITY MANAGEMENT

Following the Double Materiality analysis, the following material impact related to biodiversity management along Pirelli's entire value chain has been identified:

- Deterioration of ecosystems and exploitation of land by raw material suppliers.

Pirelli has developed a structured, integrated, strategic approach to monitor this issue in its business processes, as outlined in the following paragraphs.

Pirelli is committed to achieving "No net loss of biodiversity" in its websites through the "mitigation hierarchy" (avoid, reduce, regenerate, restore) and intends to set targets in line with the Science Based Targets Network (SBTN) and with the relevant information and methodologies made progressively available by the SBTN itself.

Particular attention is given to minimising operations in protected areas and/or in sites relevant to biodiversity[99] and/or of particular interest/value. Pirelli also ensures that the choice of each new production site takes place in compliance with protected areas, guaranteeing the preservation of biodiversity, ecosystem services and the prevention of deforestation.

The company's commitment extends to the value chain, with particular attention to increasing transparency and traceability in the natural rubber supply chain. To this end, the Company is exploring the tools being developed in the market, both individually and at the industry level, with the aim of best meeting stakeholders' expectations and, at the same time, supporting the sustainable development of the value chain (both upstream and downstream) in an evolving regulatory context, primarily ensuring compliance with the European Union Deforestation Regulation (EUDR), which will come into effect starting 30 December 2026.

A significant achievement, also in terms of innovation, was Pirelli's 2021 milestone with the introduction of Forest Stewardship Council™ (FSC™) certification for tyres and the production of the world's first FSC™-certified tyre line for natural rubber and rayon. FSC™ forest management certification confirms that plantations are managed in such a way as to preserve biological diversity

[99] "Biodiversity-relevant sites" are defined as sites that contain globally, regionally or nationally significant biodiversity ('Critical Biodiversity') and thus include protected areas/habitats/species, species classified as critically endangered, threatened or vulnerable on the IUCN Red List, endemic species, areas internationally recognised as World Heritage Sites, Ramsar Wetlands, UNESCO's Man and Biosphere.

and bring benefits to the lives of local communities and workers, while ensuring economic sustainability.

In terms of governance, the Board of Directors of Pirelli & C. S.p.A., supported in its activities by the Sustainability Committee, approves, upon the proposal of the Chief Executive Officer (CEO) and in coordination with the Executive Vice Chairman, the environmental management strategies and objectives integrated into the Industrial Plan, including those related to biodiversity. In turn, Pirelli's top management also plays a strategic role in the full implementation of Pirelli's Environmental Management Model and related strategic objectives on this matter.

Biodiversity strategy

The Pirelli Group has recognised Nature as relevant in its Sustainability Strategy and has committed to developing Biodiversity Action Plans (BAPs) for all of the Pirelli industrial sites and test tracks, as mentioned in the "The identification of biodiversity-related IROs" section.

The methodology adopted for site-specific analyses is based on the LEAP approach of the [100] TNFD[101] framework. The site analysis addressed the five main drivers of biodiversity loss and ecosystem degradation identified by IPBES[102] and was conducted in accordance with internationally recognised methodologies. In order to cascade the strategy into the BAPs, the state of biodiversity in the natural areas surrounding all Pirelli Group operating sites was analysed, together with impacts and dependencies linked to these areas. Each Pirelli operating site was assessed using the basic criteria in the LEAP approach: biodiversity importance, ecosystem integrity, water stress and potentially material dependencies or impacts. The assessment was carried out using public tools and datasets (for example ENCORE, WRI Aqueduct, WWF Biodiversity and Water Risk Filter, IBAT). In addition to these criteria, STAR indicators[103] and site-specific indicators (location-specific approach) for the localisation of environmental performance (e.g. environmental KPIs) were considered and applied. The sites analysed were then prioritised to identify the areas where mitigation actions could lead to the most significant results; the magnitude of Nature-related impacts/dependencies and risks/opportunities were quantified and, in turn, linked to the five factors of biodiversity loss and ecosystem degradation identified by IPBES, namely land-/water-/sea-use change, resource exploitation, climate change, pollution and invasive alien species. Mitigation actions addressing risks and opportunities (Key Opportunities) were identified for each driver of biodiversity loss and ecosystem degradation. These actions were recorded and linked to site-specific objectives in line with the Company's "No Net Loss of Biodiversity" vision and the "mitigation hierarchy" set out in international frameworks (avoid, minimise, restore, offset and regenerate),

[100] Locate, Evaluate, Assess, Prepare

[101] Task Force on Nature-related Financial Disclosures

[102] Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

[103] Species Threat Abatement and Restoration Metric.

thereby contributing to the Group's overall Nature Strategy as provided for in Pirelli's Health, Safety and Environment Policy.

The risk assessment was carried out following the TNFD methodology, and the levels used in the assessment to assign probability of occurrence and magnitude were aligned with those used by the Group in Enterprise Risk Management. For Pirelli sites, particularly production plants and test tracks, physical risks (such as droughts, landslides, floods, water retention capacity, fires, soil, air, and water pollution) and transitional risks (legislative and reputational) have been analysed. The opportunities identified for Pirelli sites themselves are manifold and mainly include actions to reduce water use, through adoption of viable, sustainable alternatives, decreasing energy consumption, and actions to restore or preserve local ecosystems.

The analysis considered the following assumptions:

- Days of site closure following the occurrence of an extreme natural event (such as flood and fire);
- Costs, obtained from literature available, associated with restoring the Pirelli site operations (e.g. cost of factory clean-up following a flood) and the area surrounding the sites following the occurrence of an extreme natural event;
- Hectares of local natural territory for restoration and conservation work. The land portions earmarked for these works were estimated at 10, 20 or 100 hectares, depending on specific site or surrounding territory characteristics. The cost associated with restoration/conservation was identified from the literature available;
- Reputational damage estimated for the Group.

A 20-year time horizon (2030-2050) was adopted for the risk assessment. The choice of a long-term period is motivated by wanting to include the probability of damage occurring over a sufficiently long-time span, to allow ecological dynamics to develop.

With reference to the scope of the Group, all tyre production sites and test tracks owned by Pirelli were subjected to a qualitative and quantitative assessment of impacts, dependencies, risks and opportunities, involving local departments to understand how site activities influence and impact the surrounding environment and related ecosystem services. In particular, impacts on natural resources and the environment, dependencies – i.e. the main ecosystem services on which site activities depend or to which they are linked – were identified, and the main risks and related opportunities and site-specific improvement actions that could be implemented were assessed.

As for the impacts identified, these relate to water consumption, greenhouse gas emissions, and the discharge of wastewater containing substances with a potential to contaminate water and soil.

The main dependency, and the resource Pirelli sites use most, appears to be water[104], for which quantitative data were analysed on water withdrawals, the source (whether from watercourses or wells), and whether it is treated and controlled after use and at discharge. As for **risks**, these can be divided into two main categories: physical and transitional. The former concern flood, landslide and drought risks, whereas the latter are related to legislative aspects, such as the risk of incurring fines or penalties in any non-compliance with environmental regulations, and reputational aspects, for example the risk of incurring bad publicity if, for example, the site has to respond to pollution events caused by site actions. Lastly, **opportunities** have been identified that mainly include actions to reduce water use by adopting viable, sustainable alternatives, monitoring and/or filtering wastewater going beyond what is required by law, decreasing energy consumption, and those to restore or preserve local ecosystems.

When assessing risks and opportunities for each site, the local Sustainability and Health, Safety & Environment (HSE) departments were involved to better understand and characterise the context. The project identification stage for environmental upgrading and the implementation envisages involvement of local communities and stakeholders.

For each Pirelli site (production plants, test tracks), a site-specific analysis was conducted to identify the presence of Protected Areas (PAs) and “Key Biodiversity Areas” (KBAs) adjacent to the site, within ranges of 5 km, 10 km, and 20 km. This analysis contributed to assessing impacts, dependencies, risks, and opportunities. Currently, across Pirelli’s entire footprint, a non-production site is located within protected areas of high biological diversity value: this is the Vizzola Ticino test track (Italy). The analysis refers exclusively to the sites included in Pirelli’s own operations.

To ensure the utmost protection of the natural environment in which the Vizzola test track is located, Pirelli has implemented an ISO 14001 certified Environmental Management System in accordance with the Parco del Ticino. In the area (0.37 square kilometres included in the Lombardy area of the Ticino Park, a UNESCO MAB reserve[105]) there are 7 endangered (CR), 21 endangered (EN) and 61 vulnerable (VU) species on the IUCN red list within 50 km of the site, while 8 protected areas and 1 key biodiversity areas are located within 5 km of the site. Environmental impact on biodiversity in the area is not significant. However, several actions were carried out, both by the Company directly and by the Park Authority, to mitigate and improve the interactions of Pirelli activities with the natural environment, as stipulated in the multi-year agreement signed by the parties and valid until 2033. In 2016, a campaign to monitor air quality was also carried out and highlighted the substantial negligibility of the impacts of the activity compared to the context the test field is part of. In addition, the site was subject to a new site-specific analysis in 2023, which formed the basis for the definition of the relevant Biodiversity Action Plan.

Lastly, for all the sites analysed, no material negative impacts were identified concerning land degradation, desertification and soil sealing.

[104] Raw materials are excluded from the scope of analysis at this early stage.

[105] Man and Biosphere is a set of biosphere reserves in numerous countries around the world protected by UNESCO with the aim of promoting socio-economic development and the conservation of ecosystems and biological diversity.

With reference to the supply chain, the impacts on biodiversity concern the deterioration of ecosystems and the exploitation of land by suppliers, with particular reference to deforestation risk linked to materials of forest origin and in particular, by materiality of use of the commodity in the Pirelli product, to natural rubber.

There are many measures to mitigate the risk of deforestation in the natural rubber chain: from direct support for capacity building projects at GPSNR[106], to on-site third-party audits at suppliers (followed by specific recovery plans), to engaging suppliers to adopt good agricultural practices in line with GPSNR's desired state and with FSC™ certification standards (Pirelli produced the world's first FSC™ tyre in 2021 and from 2024 F1® tyres have also been certified), and engaging with local communities. All this is in addition to compliance with the EUDR regulation, which will come into effect in December 2026.

POLICIES for biodiversity management

Pirelli pays the utmost attention to ensuring that corporate activities do not interfere with the biodiversity characteristic of both the areas bordering the operating sites and along the entire value chain, upstream and downstream, in which the Company operates.

The Company commitment to minimising impact on biodiversity, ecosystems and related ecosystem services is expressed in the Health, Safety & Environment Policy (HSE Policy). It is also set out in the Sustainable Natural Rubber Policy for the specific commodity, the impacts of which are focused on in the Double Materiality Analysis.

The HSE Policy applies to all Group operations conducted by Pirelli and, where Pirelli does not have operational control, all business partners (e.g. joint ventures, suppliers, etc.) are required to comply with the principles set out in the Policy. Pirelli is committed to action on several fronts to protect biodiversity throughout the entire product life cycle, from the upstream supply chain to the downstream impacts.

With reference to upstream activities, Pirelli requires its suppliers to implement a management model at their sites and along their supply chain to protect biodiversity and ecosystems with conservation and responsible use of natural resources, in accordance with international standards and the laws and regulations of the countries where they operate.

More specifically, through the Pirelli Supplier Code of Conduct, which forms an integral part of the contractual purchasing clauses, Pirelli requires its suppliers to undertake to prevent, reduce and mitigate all forms of environmental pollution (including soil pollution) and to contribute actively to the protection of natural ecosystems, biodiversity and ecosystem services, to prevent the overuse of natural resources, to promote the restoration of ecosystems, to stop any contribution to deforestation, degradation and/or conversion of forests, and to act in line with the internationally

[106] Global Platform for Sustainable Natural Rubber

recognised “High Conservation Value” (HCV) and “High Carbon Stock” (HCS) approaches. Suppliers operating in sites containing critical biodiversity are also called on to adopt the hierarchical model of mitigation (avoid, reduce, regenerate, restore) to protect and enhance biodiversity.

Among the materials that have always been valuable for tyre production is natural rubber.

In view of how precious the material is and, at the same time, the need to support its “vertical” (i.e. in terms of productivity) and not “horizontal” development (i.e. with a view to preventing deforestation), in 2017 Pirelli issued its Policy on Sustainable Natural Rubber Policy, after a long development process based on consultation with key stakeholders and companies, which have historical experience in the sustainable procurement of materials. Pirelli’s Policy is aligned with the Policy Framework of the Global Platform for Sustainable Natural Rubber (GPSNR), of which Pirelli is also a founding member.

As stated in the Policy, Pirelli undertakes to promote, develop and implement the sustainable and responsible sourcing and use of natural rubber throughout its value chain. In particular, with reference to biodiversity, the Policy emphasises the positioning of the Company and what is required to the natural rubber suppliers, namely:

- protection of ecosystems, flora and fauna;
- no deforestation, no exploitation of peatlands, no use of fire, and adoption of the “High Conservation Value (HCV)” and “High Carbon Stock (HCS)” methodologies;
- efficient use of resources;
- ethics and anti-corruption;
- traceability and mapping of socio-environmental risks along the supply chain;
- encouraging its suppliers and sub-suppliers to adopt robust, internationally recognised and third-party verified certification systems at all levels of the supply chain (e.g. FSC™, a certification system for the entire upstream chain introduced, for the first time in the tyre world, by Pirelli in 2021).

In terms of the Company’s commitment to non-deforestation, it should be noted that the date and cut-off year for the non-deforestation target is 1 April 2019, as stated in the Policy in line with the dictates of the GPSNR.

To verify suppliers’ compliance with these commitments, Pirelli conducts annual on-site audits performed by third-party entities, based on a targeted selection of suppliers each year. Suppliers to be audited are chosen based on specific parameters, such as the following points:

- the supplier has never been audited, as in the case of new suppliers, or has not been audited for more than 2 years,

- significance of the volumes supplied,
- results of previous audits and potential risks.

The audits, conducted by an independent external auditor, assess compliance with the Pirelli Sustainable Natural Rubber Policy, as well as with the Code of Conduct, local legal requirements and international standards.

The audits also provide a gap analysis for suppliers, helping them implement corrective action plans if necessary, thereby supporting them to strengthening biodiversity protection along the supply chain. For more information on the procurement process, please refer to the section titled “Governance Information”, paragraph “Supplier relationship management”.

For further information about Group Policies, see the “*Main policies for the management of material IROs*” paragraph.

TARGETS for biodiversity management

The Pirelli commitment to the protection of biodiversity and the responsible management of natural resources and biodiversity is expressed in clear, measurable goals, set out in the Company’s Industrial Plan, consistent with the Health, Safety and Environment Policy and the Sustainable Natural Rubber Management Policy.

These objectives are aligned with the recommendations of the Post-2020 Global Biodiversity Framework and the Kunming-Montreal Global Biodiversity Framework, which aim to halt biodiversity loss and restore degraded ecosystems.

Actions have been identified to mitigate risks and exploit opportunities related to the drivers of biodiversity loss and ecosystem degradation. These actions have been recorded and associated with specific objectives for each site, in line with the “No net Loss of Biodiversity” principle of the “Mitigation Hierarchy” (*avoid, reduce, regenerate, restore*) and thus contributing to the Group’s overall Strategy for Nature.

Biodiversity in life-cycle assessment for 100% of new product lines

With reference to life-cycle impacts, biodiversity risks are considered to be part of product design with a view to mitigating the related impacts along the life cycle and, from 2024, biodiversity parameters will be systematically included in the Life Cycle Assessment (LCA) of all new product lines.

In this context, Pirelli has planned, through its Industrial Plan, to integrate biodiversity assessments into 100% of the LCA analyses conducted on car product lines by 2024. This absolute target is based

on 2023 and is applied extensively and annually to all new passenger car tyre lines of the Group. In 2025, 100% performance was achieved (in line with 2024), proving complete alignment with the target set.

Fundamental is the ongoing scientific research activity for the mitigation of impacts, such as emissions from tyres in use, which Pirelli conducts through its own Research & Development and related partnerships, the activity within the Tire Industry Project of the WBCSD[107], which aims to identify and proactively address the potential impacts on human health and the environment associated with the life cycle of tyres, as well as through other trade associations active in this regard (Tyres Europe[108] and USTMA). For more information on the emissions from tyres in use, please refer to paragraph “The phenomenon of particulate emissions from tread wear”.

Biodiversity Action Plan for all Group industrial sites and test tracks

During the year, Pirelli achieved its target of developing, by 2025, a Biodiversity Action Plan for 100% of the industrial sites and proving grounds of the Group companies fully consolidated[109], with the aim of defining mitigation, conservation and restoration actions based on the identified impacts, dependencies and risks.

The target has 2023 as its baseline year, the year in which the analysis activity began, and the performance recorded in 2025, calculated as the number of sites with a complete BAP out of all sites, is 100% (55% in 2024).

The target related to the Biodiversity Action Plans is aligned with all four principles of the Mitigation Hierarchy, as each Biodiversity Action Plan includes guidelines, mitigation actions, and opportunities per each Pirelli site.

Ecosystem restoration projects

Based on the mitigation, conservation and restoration actions outlined in the Biodiversity Action Plans (BAPs), and reflecting the impacts, dependencies, risks and opportunities identified, Pirelli has set a target to initiate ecosystem restoration and biodiversity protection projects at all BAP sites by 2026. These projects aim to capitalise on site-specific opportunities for biodiversity restoration and enhancement.

By 2025, initiatives have already been launched at 50% of the sites, in line with the planned implementation path toward the 100% target by 2026. The target aligns with the principles of the

[107] World Business Council for Sustainable Development

[108] Formerly known as ETRMA – the European Tyre and Rubber Manufacturers’ Association

[109] 16 production sites, 1 natural rubber processing operator and 3 test tracks. The sites are located in the following countries: Argentina, Brazil, China, Germany, Italy, Mexico, Romania, Russia, Sweden, Turkey, USA and UK.

"Mitigation Hierarchy", ensuring that restoration efforts follow a structured approach to minimising and compensating environmental impacts.

100% FSC™-certified natural rubber by 2026 in European plants

As part of Pirelli's strategy for the responsible sourcing of natural rubber, the company targets to use 100% FSC™-certified natural rubber in its European plants by 2026. This path was started in Europe in 2023 with the production of F1® tyres. This is measured by calculating the percentage of natural rubber from FSC™-certified sources compared to the natural rubber requirement in European plants. As at 2025, progress is aligned with the Group's plans, with FSC™ certified natural rubber accounting for 35% of the annual total (up from 17% in 2024). This target is in line with the last principle of the "Mitigation Hierarchy", i.e. "compensate and regenerate", as it aims to preserve forests and local biodiversity.

Biodiversity training for all raw material and CapEx suppliers

During 2025, in line with the Business Plan, Pirelli defined a target to provide training on Nature & Biodiversity to 100% of its ongoing and strategic Raw Materials and Capital Goods suppliers by 2025, with a particular focus on the management of natural resources and the protection of ecosystems and biodiversity. This objective was achieved in 2025 and Pirelli also undertakes to maintain the same level of coverage of suppliers involved in the years to come. The purpose of this initiative is to strengthen capacity across the supply chain by providing a comprehensive overview of applicable regulations and management tools, both at supplier sites and across the upstream supply chain. It aims to provide information to understand the difference between Biodiversity and Nature, the economic importance of proper management of nature's services, the TNFD scheme and the consequent guidelines for setting targets in line with SBTi, as well as sharing Pirelli's commitments and its biodiversity strategy with suppliers.

This course, available on the Docebo platform in Q4 2025, forms part of the activities supporting the protection of natural capital and the conservation of biodiversity. The three training modules provide an introductory overview of the fundamental concepts related to biodiversity and ecosystem services, further insight into the main regulatory references and international standards, and practical examples of actions and measures that suppliers may adopt to reduce their impacts on nature and ecosystems.

The initiative involved 243 users and contributes to the dissemination of responsible environmental practices along the supply chain, supporting the mitigation of environmental risks and the creation of shared value. Through the sharing of training materials and the development of skills, Pirelli aims to strengthen the entire supply ecosystem and to reduce environmental impacts throughout the production cycle.

The objective related to training on Nature and Biodiversity aligns with the first two principles of the Mitigation Hierarchy – “avoid” and “minimise” - as it aims to equip raw material producers with the necessary tools to minimise waste or eliminate it entirely during production, storage, and transportation to Pirelli’s production sites.

In support of biodiversity and ecosystem services along the value chain from upstream to downstream, it is also worth mentioning the Group’s decarbonisation targets (Scope 1 and 2 emissions on the Pirelli perimeter side, and Scope 3 on the upstream value chain side), validated by SBTi in line with the 1.5°C Scenario, the targets for reducing water withdrawals from Pirelli factories, the targets for recycling materials and reducing the rolling resistance of tyres at the downstream level.

ACTIONS for biodiversity management

Biodiversity Action Plans

As stated in the paragraph related to the biodiversity strategy, Pirelli is committed to achieving No Net Loss of Biodiversity and to minimising its operations in protected areas and/or “biodiversity-relevant sites” and/or of special interest/value. In light of this, Pirelli developed Biodiversity Action Plans covering 100% of its industrial sites and proving grounds in 2025. These plans are based on identifying the dependencies/impacts of its operations on nature and establishing effective actions to reduce these dependencies/impacts, in line with the LEAP approach. During 2025, 12 Biodiversity Action Plans were launched, finalised and approved, adding the 12 already developed and approved in 2024. The actions identified concern: reducing water consumption and withdrawal, reducing water pollution and increasing the quality of water leaving the sites, reducing CO_2 emissions and energy consumption, restoring degraded ecosystems and eradicating alien species, considering the IPBES drivers of biodiversity loss as reference. In 2025, 16 biodiversity projects were active across 10 of the 24 sites covered by the BAP. In 2026, the remaining sites will identify and initiate additional projects, in line with the Group’s target. Pirelli’s BAPs provide exclusively for the implementation of direct mitigation measures, without resorting to biodiversity credits through offsetting mechanisms.

As part of its support of biodiversity, Pirelli also actively collaborates with multiple stakeholders including its suppliers for whom a training programme is planned, focused on Nature & Biodiversity issues, in line with the Group’s target. For more details on the programme and the target, please refer to the “Social information” section, “Training along supply chain” paragraph.

Further multi-stakeholder actions are reported below.

Nature and biodiversity training for raw material suppliers

As part of its commitment to reducing environmental impacts across the supply chain, Pirelli has developed an e-learning program on Nature and Biodiversity, made available to 100% of its raw material suppliers by 2025.

The course supports the protection of natural capital and the conservation of biodiversity along the supply chain, fulfilling Pirelli's commitment to strengthen supplier capacity through dedicated training. The programme consists of three modules, offering:

- an introductory overview of biodiversity and ecosystem services. Biodiversity encompasses the variety of life on Earth and underpins the stable functioning of ecosystems, which are essential for all economic activity. Ecosystem services, such as clean water, soil fertility, pollination and climate regulation, act as the "invisible engine" supporting production, logistics, and supply chains. Companies are both dependent on these services and responsible for impacts that can undermine them, including deforestation, pollution, or overuse of resources. Understanding this interconnection is vital for building resilient value chains, particularly in a world where natural systems face increasing pressures. For suppliers, this means understanding that protecting biodiversity is not only an environmental responsibility but also a strategic competitive advantage.

- an in-depth look at international regulatory frameworks and standards. The global regulatory landscape is evolving rapidly, requiring companies to manage their impacts on nature more rigorously. Regulations such as the EUDR demand traceability, legal sourcing verification and the absence of deforestation, while directives like CSRD and CSDDD extend corporate responsibility across the entire supply chain. These are complemented by voluntary but increasingly influential frameworks, such as the TNFD and SBTN, which provide methodologies to identify, measure, and report risks and dependencies on nature. Moreover, ESG ratings evaluate suppliers on biodiversity, water management, and land use, affecting both market access and investment opportunities. Understanding this landscape enables suppliers to prepare, maintain compliance and strengthen partnerships with their customers.

- practical examples of actions suppliers can take to reduce impacts on nature and ecosystems. Suppliers may take concrete actions in line with the Mitigation Hierarchy (avoid, minimise, restore and transform), such as: mapping sites and raw materials to identify sensitive areas; adopting sustainable agricultural practices, such as agroforestry, to prevent deforestation; enhancing water and energy efficiency through water recirculation and renewable energy use; reducing emissions and pollutants via clean technologies and stricter operational controls. Suppliers can also participate in ecological restoration projects, such as reforestation or the rehabilitation of degraded habitats, and adopt advanced traceability systems including GPS monitoring, supply chain audits and FSC certifications. These measures help reduce operational risks, enhance reputation, and improve supply chain resilience. The initiative promotes the dissemination of responsible environmental practices across the supply chain, supporting the mitigation of environmental risks and the creation of shared value. By sharing training materials and developing skills, Pirelli seeks to strengthen

the entire supply ecosystem and minimise impacts on nature and biodiversity throughout the production cycle.

Reforestation of the Cuenca de la Esperanza natural area

Pirelli in Mexico has been supporting local government institutions for the conservation of biodiversity and the reforestation of the *Cuenca de la Esperanza* protected natural area, located in the Guanajuato Region, since 2017. With this initiative, in addition to the environmental protection of flora and fauna, there is preservation of an area that is an important water resource for the population of the capital of Guanajuato and Silao, the city where the Pirelli plant is located.

In 2024, Pirelli renewed its three-year agreement for 2025–2027, allowing the company to expand its commitment to conserving the Cuenca de la Esperanza by adopting and restoring an additional 100 hectares. Combined with the 50 hectares restored in previous years, the overall target now stands at 150 hectares to be regenerated by 2027, with work currently underway.

Long Leaf Pine Project

This initiative focuses on restoring and protecting native ecosystems dominated by longleaf pine (Pinus palustris) in the south-eastern United States, near the city of Rome, where the Pirelli plant is located. The project seeks to naturally regenerate pine forests, implement sustainable fire management practices, and conserve the unique biodiversity of the habitat. In partnership with Berry College and The Nature Conservancy, the initiative involves planting approximately 200 hectares of longleaf pine per year.

Coosa River Basin Restoration Initiative

At its Georgia plant (USA), Pirelli contributes to programmes dedicated to the protection and restoration of the Coosa River watershed, including water quality monitoring, habitat restoration and community engagement in the sustainable management of local water resources.

Reforestation of Neptune grass with One Ocean Foundation

Pirelli is engaged with One Ocean Foundation in the *Blue Forest Project*, dedicated to the reforestation of Posidonia oceanica in the Mediterranean Sea, a basin with unique ecological characteristics that is highly delicate and fragile, where this plant has its exclusive growth range. Posidonia is an endemic marine plant that forms extensive underwater forests (meadows) and plays an important role in the ecosystem, comparable to terrestrial plants. It has a high capacity to absorb

atmospheric carbon dioxide and then store it in sediments. Pirelli is positioning itself as the forerunner and first mover for reforestation activities in the bay of Cala di Volpe, Sardinia: an area that extends about 80 hectares and where there is a regulated buoy field. To date, activities in the area potentially represent the largest protection and restoration area of *Posidonia oceanica* in the Mediterranean Sea.

The reforestation activity consists in identifying degraded stretches of seabed that have been damaged by anthropogenic and/or natural activities and are suitable for restoration and planting.

Over the tow-year period 2025-2026, Pirelli has a reforestation target of 600 m^2 of Posidonia oceanica seagrass meadows. By the end of 2025, Pirelli achieved its annual target, completing the reforestation of the first 400 m². Developed in collaboration with the University of Sassari, the project includes monitoring the reforested areas, studying marine biodiversity and conducting preliminary seabed mapping to identify the most suitable locations for future interventions. The planting activity is led by a team of certified scientific technical divers; it involves the selection and collection of *Posidonia oceanica* cuttings and seeds and subsequent transplanting onto coconut fibre mats and metal stakes.

Together for the sustainability of natural rubber - the GPSNR platform

Pirelli played a proactive role in the creation of the Global Platform for Sustainable Natural Rubber - GPSNR, together with tyre manufacturers which are also part of the Tyre Industry Project Group, within the WBCSD[110]. The development of the Platform benefited from the contribution, ideas and suggestions of the main categories of Stakeholders involved in the value chain, such as rubber producers, processors, automobile manufacturers, and from the fundamental contribution deriving from the experience of major international Non-Governmental Organisations.

The Platform, launched in Singapore in October 2018 with the participation of the first “founding members”, including Pirelli, is independent, based on multi-stakeholder dialogue and aims to support the sustainable development of the natural rubber business globally, for the benefit of the entire value chain through shared tools and initiatives based on respect for human and labour rights, prevention of land grabbing, respect for biodiversity and increased plant productivity, especially those of small owners. The first GPSNR General Assembly was held in March 2019.

In 2021, the General Assembly stipulated that from 2022 onwards, members must annually provide the status of implementation of the GPSNR Policy (status provided by Pirelli to GPSNR).

Also in 2025, Pirelli actively participated as in several working groups of the platform, in particular:

- Assurance System Taskforce (ASTF), which focuses on the development of an assurance system that supports GPSNR in demonstrating its long-term positive impact on the natural rubber

[110] World Business Council for Sustainable Development

industry, allowing member companies to validate their sustainability claims and commitments. In 2025, the GPSNR Assurance System, developed by the working group, was approved following an extraordinary general meeting with GPSNR members;

- The Carbon Calculator Taskforce (CCTF) aims to develop and refine a carbon footprint calculation tool for sourced natural rubber, covering all stages from plantation to delivery, including land use change and agricultural operations. This tool is intended to be a valuable resource for GPSNR members and the broader natural rubber industry;

- The Monitoring, Evaluation, and Learning Task Force (MELTF) seeks to consolidate data streams from GPSNR into meaningful impact metrics to support monitoring, evaluation, and learning.

Support for small natural rubber farmers

Pirelli continues to actively support initiatives that improve the livelihoods of small farmers, promoting the sustainability of the natural rubber supply chain.

In 2025, Pirelli continued its long-standing collaboration with supplier Kirana Megatara by organising Rubber Day 2025. As part of Pirelli's sustainable natural rubber sourcing initiative, the event, held in Desa Muara Enim, South Sumatra, Indonesia, was conducted in partnership with Kirana Megatara and FSC™, highlighting the vital role of smallholder farmers in the global rubber supply chain.

The event featured a latex extraction competition, showcasing the skill, knowledge, and precision required in the natural rubber industry. This activity not only celebrated the expertise of local farmers but also emphasised the importance of sustainable agricultural practices for protecting biodiversity and supporting resilient livelihoods.

In addition to the competition, the event included community engagement initiatives, such as awarding scholarships to approximately 100 children of smallholder farmers, A gesture reflecting Pirelli's belief that sustainability also means creating long-term opportunities for future generations. An in-depth session on FSC™ certification, its benefits and good agricultural practices was also organised for small-scale producers by Pirelli, Kirana Megatara and FSC™. The session aimed to raise awareness of sustainable practices and the benefits of the FSC™ certification, and included a testimonial from a certified grower sharing first-hand experiences of improved practices and results through FSC™ implementation. Overall, Rubber Day 2025 served as a strong reminder of the importance of close collaboration with suppliers and smallholder growers, which is essential for building a rubber supply chain that generates value for people, the environment and the broader industry.

Project: Living Rubber

The three-year project “Living Rubber”, launched in 2021 by Pirelli in partnership with BMW and BirdLife International, aims to foster the long-term production of sustainable, deforestation-free natural rubber in Indonesia. The initiative was supported by Pirelli and was concluded in April 2025.

The aim of the project was to preserve more than two thousand hectares of rainforest in Hutan Harapan (Sumatra Island) from deforestation, as well as protecting the indigenous community and protecting endangered animal species. The different activities are implemented in coherence with the “Desired State” of the Global Platform for Sustainable Natural Rubber (GPSNR).

More precisely, the Project set itself precise performance KPIs with respect to economic development for natural rubber farming families, community rights, collaboration with institutions, healthy ecosystems and resilient agro-ecosystems for an ecologically sustainable supply chain.

The funded project involved monitoring progress in specific areas of activity, in particular: (i) Agricultural services: capacity building for good agricultural practices, improvement of the rubber supply chain through digitalisation, ensuring its compliance with the EUDR, the establishment of storage warehouses, and the enhancement of on-site rubber agroforestry management through the strengthening of Community Resource Management Agreements (CRMA); (ii) provision of financial services: cooperatives established with capital made available to purchase rubber from farmers, provided that they comply with the EUDR. All transactions are digitally recorded and monitored. (iii) Market access: With the establishment of the cooperatives, including development of the abilities needed to run them, they should be able to stabilise prices and ensure favourable trading conditions. (iv) Gender equality: inclusion of women in agricultural activities. The studies were followed up by concrete measures to improve the role of women in decision-making positions and to encourage active participation in activities such as training, in the cooperative and as community guardians. (v) Provision of basic services: although not directly linked to agriculture, this initiative allocated resources to a literacy programme, reproductive health and a clean and healthy environment programme. These are requirements that create a favourable environment for communities to carry out social and economic activities (vi) Protection and conservation of biodiversity: Given the importance of biodiversity in this area, the “*Batin Sembilan*” were hired as community guardians to patrol an area of around 2,700 hectares and prevent illegal activities. In addition, surveys were conducted on four key species threatened with extinction: the Sumatran tiger, the agile gibbon, the helmeted hornbill and the greater green leafbird.

Pilot Project in the Ban Bon Khuan Community Forest

In 2025, Pirelli, in partnership with CMO International, launched a two-year pilot project in the Ban Bon Khuan (BBK) Community Forest in southern Thailand. The initiative focuses on developing a sustainable model of natural rubber production, combining regenerative agroforestry practices with community-led forest management.

The project aims to preserve the tropical forest's integrity while supporting the economic well-being of the BBK community through regenerative harvesting of natural rubber and other sustainable forest products. It promotes the production of FSC™-certified, EUDR-compliant natural rubber by integrating rubber trees with native species and complementary agroforestry crops. Key project activities include defining and monitoring ecosystem service parameters, training smallholder farmers, organising logistics to facilitate rubber production and transportation and implementing an environmental and social management plan. The initiative also contributes to Pirelli's in-kind support for GPSNR.

Other initiatives supporting the environment and biodiversity

In 2025, Pirelli Greece, in collaboration with We4All, organised a reforestation event, planting 1,000 trees across two areas and introducing five plant species. Based on available scientific estimates, the project is expected to gradually absorb up to 22 tonnes of CO_2 and produce approximately 117 tonnes of oxygen per year, contributing to improved micro-climate, biodiversity and air quality.

In Turkey, Pirelli has planned a coastal clean-up project in partnership with the organisation TURMEPA, further supporting environmental protection and biodiversity. Selected Pirelli staff participated in the clean-up of a beach designated by the municipality as requiring remediation. The initiative also included a brief training session on coastal clean-up and environmental awareness.

In addition, Pirelli Spain contributed to the creation of the second "Driver Forest" on the Iberian Peninsula, located in Aveiro, Portugal, restoring a degraded agricultural area near Porto by planting native species on land previously affected by invasive plants.

Finally, Pirelli Mexico coordinated the "Llantatón" initiative, collecting end-of-life tyres in the municipality of León in partnership with the Guanajuato State Health Department and other organisations, helping to reduce landfill disposal and risks of illegal burning and emissions.

E5 RESOURCE USE AND CIRCULAR ECONOMY

SUSTAINABLE RESOURCE MANAGEMENT AND TRANSITION TO THE CIRCULAR ECONOMY

Following the Double Materiality Analysis, material impacts, risks and opportunities related to resource use and the Circular Economy were identified, guiding Pirelli's commitment towards an increasingly sustainable and circular business model.

Material impacts:

- *Use of recycled or recyclable materials by Pirelli, with a potential positive impact on resources conservation*

- *Potential contribution of Pirelli to resource conservation, such as through product durability, recyclability, etc.*
- *In the downstream value chain, waste generation, i.e. end-of-life tyres (ELTs).*

Material risks:

- *Increase in the cost of "carbon-intensive" goods (e.g. steel, aluminium) following introduction of the Carbon Border Adjustment Mechanism (CBAM).*

Material opportunities:

- *Competitive advantage from early adoption of circular economy solutions and technologies such as management of resource scarcity and product end-of-life.*
- *Reduction of costs thanks to AI predictive maintenance measures that minimise errors and failures on machinery, consequently reducing material wastage.*

To specifically examine the circular economy within the Pirelli Group and assess its potential positive and negative impacts, a series of activities were carried out, building on assessments conducted in the previous year and drawing on evidence from comparisons with external benchmarks and the internal company units most directly affected by the issue. The activities focused on analysing the impacts of the Company's operations, as well as those arising from the upstream and downstream value chains and the use of resources. Once again, the analysis of the product life cycle phases was the starting point, followed by the identification of the main raw materials acquired and used in the production processes, verifying which are recycled or recyclable.

For further details about the double materiality analysis process, see the "General Information" section.

Pirelli is strongly committed to integrating circular economy principles throughout the product life cycle, adopting innovative and sustainable solutions to reduce the environmental impact and maximise resource efficiency.

Pirelli's approach to the circular economy: The 5Rs

In Pirelli's strategy, a decisive role is played by the continuous focus on the definition and implementation of increasingly circular solutions. Projects and initiatives relating to the Circular Economy are reviewed within the Sustainability Operational Committee, chaired by the CEO, which oversees the operational aspects of ESG matters, and form an integral part of the activities of the Sustainability Strategic Committee, which ensures their alignment with Pirelli's ESG strategy. Circular Economy objectives are included in the Group's strategic plans and are approved by the Board of Directors, supported by the Sustainability Committee at the proposal of the Chief Executive Officer and in coordination with the Executive Vice Chairman.

It is in this context that Pirelli has developed its own approach to the Circular Economy, which is based on rethinking (Rethink) the way products, processes and services are developed, with the goal of achieving ever-higher performance, continuously reducing environmental impacts and protecting the health and safety of people throughout the life cycle of the product.

Rethink is supported by the other four commitments of Pirelli's 5R approach:

- Refuse: avoiding processes, products, services and materials that are redundant, while at the same time promoting an increase in the safety of the products used, through the replacement of those that are not considered suitable, as a preventive measure and even going beyond legislative requirements.

- Reduce: reducing the use of resources, especially non-renewable ones, both in terms of energy carriers and natural resources, and of raw materials, with the aim of reducing the Group's Environmental Footprint, also with a view to decarbonisation. Reducing also means developing tyres with increasingly less rolling resistance that can help reduce vehicle consumption, as well as production processes that use fewer resources and generate less and more easily recyclable waste. Pirelli has expressed several public targets to support its reduction commitment. They include those on product performance, process efficiency for Pirelli factories and suppliers, as specified in the "Environmental Information" section, "Management of greenhouse gas emissions and climate transition plan" paragraph.

- Reuse: maximising the reuse of resources and products, consistent with the quality and safety levels required for tyres, with the aim of preventing waste generation and unnecessary consumption of resources, especially non-renewable resources. This commitment is reflected, for example, in the design of tyres with an increasing content of recycled raw materials, with targets defined at product level, as expressed in the Group Industrial Plan. These products will see the increased use of third-party certifications to guarantee the increased sustainability of these materials along the supply chain and verify the proportion of reported "bio-based and recycled" materials.

- Recycle: to recycle residues from production processes, promoting material recovery as much as possible over energy recovery, and to promote the recovery of end-of-life tyres (ELTs), including through research and development to maximise the quality of the secondary raw material resulting from ELT recycling; thus facilitating its use both in closed-loop applications (from tyre to tyre), and in other phases of the value chain by promoting industrial ecosystems.

POLICIES for sustainable resource management and the circular economy

The Group approach to the circular economy and end of life is highlighted in the Health, Safety and Environment Policy, in the Product Stewardship Policy, the Sustainable Natural Rubber Management Policy and Pirelli Suppliers' Code of Conduct in light of which Pirelli is committed to:

- promoting positive impacts on resource conservation by using recycled or recyclable materials as well as in terms of the potential Pirelli contribution to preserving resources, for example through product durability and recyclability*;*

- addressing the risks and seizing the opportunities associated with the transition to a low-carbon and circular economy, including impacts on raw material costs and the competitive advantage of early adoption of innovative solutions.

More specifically, the Health, Safety and Environment Policy reaffirms how Pirelli is committed to developing products and production processes that comply with circular economy principles translated into the "5Rs" approach (Rethink – Refuse – Reduce – Reuse – Recycle), referred to in the previous paragraph, in order to pursue the responsible use and reduction of natural resource consumption and minimise polluting emissions. The Group also sets environmental targets and goals to reduce the life cycle impact of its products and services on air, soil and water, such as towards "Zero Waste to Landfill", aiming to maximise recovery and recycling.

In addition, the Product Stewardship Policy also makes explicit the Pirelli responsibility to invest resources in research and development to design innovative products with a lower environmental impact and to inform customers and end consumers on the safest ways to use its products, while guaranteeing respect for the environment during their use and during disposal, facilitating recycling or reuse wherever possible.

The Pirelli approach to the circular economy extends to its supply chain, enforcing safety requirements and including them in its contractual provisions with suppliers. In the process of selecting raw materials, particular attention is paid to any potential impacts, including via the use of LCA analyses, that materials may have on the health of people and the environment, with a view to their progressive minimisation.

In line with the Pirelli Suppliers' Code of Conduct, suppliers are required to support the use and development of renewable and recycled raw materials and to develop processes and products/services clearly designed to optimise the use of resources; progressively replacing non-renewable resources with natural or recycled ones, to be recyclable and recoverable, to prevent the production of waste, to reduce its hazardousness and to maximise the amount of waste sent to recovery operations and preferably to material recycling, compliant with the circular economy model. For products and services provided to Pirelli, suppliers are also strongly encouraged to use reusable, returnable packaging.

The Sustainable Natural Rubber Management Policy also requires the same quality and efficiency approach from suppliers of this raw material as Pirelli; in order to reduce pressure on biodiversity, increase product efficiency and reduce disposal costs.

In order to make these supply chain commitments fully operational, Pirelli implements a sustainable supply chain management system, which includes, among other aspects, the assessment of suppliers' environmental responsibility both at the selection stage and periodically. For more information, please refer to the "Information on Governance" section, "Supply chain Sustainable Management System" paragraph.

TARGETS for sustainable resource management and the circular economy

The Company has set targets for increasing the use of natural (bio-based)[111] and recycled[112] materials in its tyres and is committed to increasing the use of third-party certified materials for key sustainability aspects such as, for example, FSC™ materials of forest origin (e.g. natural rubber) and ISCC+[113] for recycled materials (bio-circular, circular). The certification roadmap for Pirelli factories is being expanded. To date, 8 production sites are ISCC+ certified and 8 hold FSC™ certification. All European factories are certified according to both standards.

Pirelli production sites certified ISCC+ and FSC™ as at 31.12.2025		
ITALY	Settimo Torinese	FSC™, ISCC+
	Bollate	FSC™, ISCC+
ROMANIA	Slatina	FSC™, ISCC+
GERMANY	Breuberg	FSC™, ISCC+
UK	Burton	FSC™, ISCC+
	Carlisle	FSC™, ISCC+
TURKEY	Izmit	FSC™
USA	Rome	FSC™
CHINA	Yanzhou	ISCC+
MEXICO	Silao	ISCC+

As far as FSC™ is concerned, as specified in the "E4 Biodiversity and Ecosystems" chapter, Pirelli is committed to the responsible sourcing of natural rubber, in order to use 100% FSC™-certified natural rubber in its European plants by the end 2026. Pirelli's "FSC™" journey in Europe was launched in 2023 with the production of F1® tyres certified FSC™ for the 2024 season. As early as 2021, Pirelli had produced the world's first FSC™-certified tyre, thanks to the use of only certified natural rubber at its Rome (Georgia, USA) plant.

[111] Bio-based material: Material fully or partially of biogenic origin. (source: ISO 16620 – 2 2019)

[112] Recycled material: material that has been reprocessed from recovered material through a manufacturing process and transformed into a final product or component for incorporation into a product. (source: ISO 14021 – paragraph 7.8.1.1).

[113] International Sustainability and Carbon Certification

In terms of methodology, progress toward the target of using 100% FSC™-certified rubber in Pirelli's European factories is measured by calculating the share of FSC™-certified natural rubber relative to the total natural rubber used in those plants. By 2025, progress is in line with the Group's plans, with FSC™-certified natural rubber accounting for 35.4% of total use (up from 17% in 2024).

For more details on Pirelli's strategy, refer to the chapter on "Sustainability certifications used in the materials supply chain".

At a broader raw materials level[114], Pirelli expects to increase the amount of natural (bio-based) and recycled materials in its product.

More specifically, the targets included in the Industrial Plan envisage achieving:

- for its best product[115], supplied to the market, a share exceeding 70% by weight of natural (bio-based) and recycled materials in 2025 (target already achieved) and more than 80% in 2030, with the vision of reaching 100% of non-fossil origin materials in the long term.

The target refers to the Pirelli product, which is commercially available on the market, with the highest content of bio-based and recycled materials in the reporting year and is based on a starting value of 33% in 2021; this is the baseline against which progress is monitored. The methodology adopted for the calculation of the share of bio-based and recycled materials involves the combination of physical segregation and mass balance (according to the ISCC+ standard) and takes into account only the percentages declared by the suppliers verified by a third party. To ensure full transparency for all stakeholders, all declarations regarding the content of bio-based and recycled materials in a product specification are verified by an independent third-party body in accordance with the ISO 14021 standard. Pirelli has also designed a logo to identify products that contain at least 50% natural and recycled materials, which can be used as a hallmark and to enhance of this type of tyres, in order to guarantee the utmost transparency toward users.

For Pirelli Group tyres produced in 2025, the highest proportion of natural and recycled materials in a single market product reached 70%[116] (up from 58.5% in 2024), meeting the target set for 2025. Developed specifically for JLR (Jaguar Land Rover), the new tyre is a Pirelli P Zero, scheduled to supply select 22" wheels for the Range Rover line-up in 2025. This supports JLR's goal of developing tyres with reduced environmental impact for its luxury models.

- for the total of raw materials used by the Pirelli Group, a share exceeding 27% by weight of bio-based and recycled materials in 2025 and 40% in 2030.

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[114] The Pirelli product targets refer to tyre consumers so are therefore only to be compared, where relevant, to targets related to consumer tyres and not to other tyre categories or consolidated production segments.

[115] Pirelli's commercially available product with the highest content of natural (bio-based) and recycled materials in the reporting year.

[116] IP 35837 – Thanks to a combination of physical segregation and a mass balance approach, the tyre contains at least 31.7% bio-based materials and 38.3% recycled materials. Bio-based components include natural rubber, textile reinforcements and biochemical additives, while recycled materials include rice flour silica, reclaimed rubber, recycled steel, and, via mass balance, synthetic rubber, carbon black and silica.

The target regards the entire scope of raw materials used by Pirelli to manufacture tyres in the reporting year and refers to a baseline value of 21% in 2021. This is measured by analysing the percentages of bio-based and recycled materials declared by suppliers and calculated by comparing the value of all raw materials, natural and recycled, to the raw material total used for all tyre production.

Relative to the total production in 2025, considering the overall volume of raw materials used, 26.9% (23.7% in 2024) is of natural or recycled origin[117]. The performance improvement compared to the previous year is mainly attributable to the increase in the share of recycled material, a result that confirms a trend in line with expectations, targets and the effectiveness of the actions undertaken.

These targets reflect the ongoing company commitment to promoting a circular economy and reducing the environmental impact of its products through sustainable innovation and responsible resource management.

Consistent with this commitment, the Company has established a dedicated Life-Cycle Assessment (LCA) target for new car tyre lines, with the objective of achieving 100% coverage by 2025, including impacts on biodiversity, and sustaining this target in the years thereafter. By 2025, the objective of conducting an LCA for 100% of the new car tyre lines launched during the year was successfully achieved as planned.

In addition to new car tyre lines, products already launched on the market are also subject to LCA assessment. As of the end of 2025, around 67% (55% in 2024%) of Pirelli Products had an LCA assessment and the remaining 33% (45% in 2024%) is covered by a simplified LCA approach[118].

These targets demonstrate the Company's tangible commitment to sustainable innovation and transparency toward customers, end consumers and stakeholders at large. They also reinforce corporate declarations through independent third-party certifications that ensure the sustainability of the natural rubber supply chain.

ACTIONS for sustainable resource management and the circular economy

In line with the Pirelli Eco-Safety Design Strategy and Product Stewardship Policy commitments, the research and development of innovative materials is essential in order to design and manufacture tyres, that guarantee lower social and environmental impacts throughout their life cycle while ensuring greater driving safety and high performance.

Pirelli's policy with reference to the materials used in the tyre manufacturing process is stringent. Pirelli applies safety and acceptability requirements to minimise negative sustainability impacts from raw materials, adding these requirements to contractual provisions with suppliers. In the raw material selection process, special attention is paid to any potential impacts, including by using LCA analyses,

[117] Including 7.5% recycled material (4.4% in 2024)

[118] LCA used for the screening assessment of products based on values representative of group production

that they could have on the health of people and the environment, aimed at their progressive minimisation.

Collaboration with external stakeholders with a view to research, innovation and best practices plays a particularly important role in the development of more sustainable materials. In particular, Pirelli has many Joint Development Partnerships with strategic suppliers, research agreements with universities (for example, the Joint Labs agreement between Pirelli and the Politecnico of Milan for research on increasingly sustainable materials, such as bio-polymers), collaborations at the sector level for scientific research as part of the WBCSD's Tire Industry Project, with the aim of proactively identifying and addressing potential human health and environmental impacts associated with tyre life cycle impacts, and multi-stakeholder collaborations such as the Global Platform for Sustainable Natural Rubber (GPSNR), in order to support sustainable development of the Natural Rubber business.

More specifically, Pirelli focused on the following activities, discussed in more detail in the following paragraphs:

- setting a clear target for the introduction of "bio-based" and recycled raw materials;
- increased use of recycled materials, e.g. recycled steel and silica from rice husks;
- increasing the use of carbon black recovered from end-of-life tyres, including through scouting for new suppliers of the substance who meet Pirelli's high quality standards;
- improvement of tread compound wear resistance, with the aim of ensuring greater mileage for the same material usage.

These apply to the entire group and involve and engage both upstream (supply chain) and downstream (customers and tyre end-of-life managers) value chain players.

The aforementioned actions are recurring and aimed at achieving the material targets described in the previous section and the tyre-wear targets described in the chapter "E2 Pollution", section "The phenomenon of particulate emissions from tread wear".

The operating costs of the actions listed below, which relate to research and development, are included in the 72% expenditure share allocated to activities linked to product sustainability features, as described in the "Climate Change" chapter, "Product Innovation to maximise environmental performance" paragraph, to which reference is made.

Assessment of products and chemical substances

All chemical substances and products used by Pirelli in tyre production are subject to prior assessment and prioritisation by the Health, Safety and Environment Department. Traceability of materials to their origin is an effort conducted on multiple materials, starting with those whose

impacts may be most material (such as natural rubber for the environment or conflict minerals for society), all with a view to reducing their negative environmental and social impacts.

It should also be noted that, as per its own policy, in tyre manufacturing, Pirelli does not use any of the so-called Substances of Very High Concern (SVHCs), nor any substances falling into the internationally recognised category of POPs (Persistent Organic Pollutants) as defined by the Stockholm Convention, nor does it use mercury and its by-products as defined by the Minimata Convention, nor limited substances or those restricted by REACH regulations.

For a comprehensive list of materials that Pirelli does not use under its policy, please refer to the "*Enforcement of stringent safety requirements on purchased and used materials*" paragraph of this report.

Virtual design - Artificial Intelligence for Virtual Compounding and Development

The new frontier of innovation at Pirelli is represented by artificial intelligence, applied pervasively across the entire value chain, from product development to manufacturing.

Starting with materials research, for example, Pirelli has developed the "Virtual Compounder", an AI-based system that supports technicians in designing new compounds. Inspired by the pharmaceutical industry, this tool analyses vast volumes of historical data, including internal and external testing, as well as supplier data, in order to accelerate the development of innovative materials and new formulations. Despite the increasingly widespread adoption of such systems, human oversight and expertise remain essential to validate the results. The outcome is a tyre developed with artificial intelligence, not by artificial intelligence. The integration of these technologies has already delivered tangible results, including an average reduction in specific wear in new products, achieved through detailed analysis of tread micro-slippage.

During the year, significant virtual investigations were also performed on the contact mechanics between tyre and rim. These studies supported several OE Prestige development projects aimed at improving product performance stability and contributed to the establishment of a new design guideline for products requiring specific performance stability characteristics.

Moving to the actual tyre development phase, in 2025, the three Virtual Development Centres operated by Pirelli, located in Italy (HQ), Germany, and China, continued to support both Original Equipment (OE) and replacement development projects.

The centre in China was further strengthened with the addition of a Vehicle Dynamics specialist dedicated to Virtual Handling applications and an NVH (Noise, Vibration and Harshness) simulation specialist.

During the year, Pirelli's simulation expertise has been further strengthened in the NVH domain through:

- for External noise (ABEN project conducted in JointLabs with the Polytechnic University of Milan), defining a complete end-to-end virtual simulation workflow;
- for internal noise, a complete simulation work flow has been defined as a candidate for full virtual simulation; in 2026, this will undergo an accuracy validation process and any necessary refinements. The approach leverages full vehicle characterisation using the FRF (Frequency Response Function) methodology.

Virtualisation has also supported developments in the handling area:

- development of tyre models incorporating a thermal module continued, in alignment with methodological advances in measuring material grip maps. These include Materials research projects using the High Speed Linear Friction Tester and enhanced thermal characterisation methodologies on flat-track vehicles;
- a doctoral research project was launched in collaboration with the University of Naples Federico II, aimed at defining tyre models for low-grip conditions, primarily wet surfaces, with future extensions to snow and ice, for driving simulator applications;
- A study was carried out at the Polytechnic University of Milan to refine the cueing routines of the Dynamic Simulator, the logic used to reproduce real vehicle movements during scaled handling tests. This work enhanced the simulator's realism and strengthened its correlation with actual vehicle behaviour.

During 2025, the migration of HPC (High Performance Computing) hardware resources from the on-premise infrastructure to the full Microsoft Azure platform, with an average increase in computing performance and simulation execution speed of up to 30%, as well as benefits in terms of enhanced scalability of resources in response to workload peaks.

For 2026, a roughly 20% increase in computing capacity is expected to support simulation activities across the Moto/Velo Business Unit, including MotoGP projects, the Motorsport Business Unit and the entire Passenger R&D area.

Through use of the virtual 360° approach, starting with the tyre-related characteristics and ending with the driving simulator, we have consolidated the best practice of reducing the time and number of physical prototypes for development by up to 30 %, with advantages in terms of resources, sustainability, in line with the Responsible Artificial Intelligence Policy, and the possibility to achieve more competitive designs thanks to understanding tyre behaviour.

Sustainability certifications used in the materials supply chain

Alongside the growing use of natural and recycled materials in production, in 2025 Pirelli maintained its requirement that suppliers provide statements on the quantities of these materials supplied, supported by independent third-party verification. This approach ensures the accuracy of the data through external certification, reinforcing maximum transparency for consumers. These are complemented by certifications such as FSC™ and ISCC+, which verify the sustainability of the entire supply chain of forest-based and recycled materials, respectively. This certification process is ongoing and envisages the progressive extension of coverage to the raw materials purchased by the Group, in addition to underpinning the distinctive market positioning of products placed on the market. A forerunner of this strategy was the P Zero™ E launched in 2023, produced with more than 55% natural (bio-based) and recycled[119] materials. In 2025, this was succeeded by the P Zero ™ supplied to Jaguar Land Rover, the first tyre containing more than 70% natural (bio-based) and recycled materials (claim verified by a third party in accordance with ISO 14021), FSC™-certified and incorporating ISCC+ certified recycled materials.

ISO14021

ISO 14021 is an international standard governing self-declared environmental claims, namely statements through which an organisation independently communicates the environmental characteristics of its products or processes. The standard establishes stringent requirements to ensure that such information is accurate, verifiable, relevant and not misleading, thereby contributing to transparency and reliability in environmental communication and preventing the risk of greenwashing.

Within the framework of its circular economy strategy, Pirelli applies ISO 14021 to verify the effective achievement of the declared percentages of natural-origin or recycled materials used in its products. This verification is based on structured raw material traceability processes, control of material flows and mass balance calculations, and is further validated by an independent third party confirming the accuracy and consistency of the self-declared environmental claims in accordance with the standard.

The adoption of ISO 14021 operates synergistically with other voluntary certification schemes implemented by the Group, in particular FSC™ and ISCC+, which establish stringent criteria for sustainable management, segregation and traceability of raw materials across the entire value chain. This combination strengthens the robustness of the verification system and ensures that the use of natural, renewable or recycled materials is demonstrable, traceable and compliant with the highest

[119] All 17 sizes were available at product launch. This result is achieved through a combination of physical segregation and a mass balance approach. Depending on tyre size, the proportion of bio-based and recycled content varies between 29-31% and 25-27%, respectively. Natural-origin materials include natural rubber, textile reinforcements, bio-based chemicals, bio-resins and lignin, while recycled materials include steel reinforcements, chemicals and, through mass balance, synthetic rubber, silica and carbon black.

international standards, supporting Pirelli's commitment to an increasingly circular, responsible and transparent production model.

FSC™

FSC™ (Forest Stewardship Council) is an international non-profit organisation that promotes responsible forest management through a globally recognised certification system. FSC™ certification guarantees that forest-based materials originate from sustainably and verifiably managed sources, ensuring compliance with rigorous environmental, social and economic criteria throughout the entire supply chain.

FSC™ certification, which perfectly summarises the combination of sustainability and innovation, ensures that the supply chain of raw materials from forest management, starting with the upstream plantations from which the natural components for tyres come, is managed in a way that preserves their biological diversity and benefits the lives of local communities and workers, while promoting their economic sustainability.

In order to claim a product as FSC™ certified, an unbroken Chain of Custody (CoC) must be in place: each stage in the material's journey, from the forest to the company manufacturing the finished product, must be managed by FSC™-certified entities in compliance with the FSC-STD-40-004 standard.

Pirelli's farsighted decision to introduce FSC™-certified natural rubber, marked with a dedicated FSC™ logo on the tyre, ensures timely third-party verification of the supply chain and further supports compliance with EUDR requirements[120].

With a view to increasing the use of FSC™-certified natural rubber, Pirelli is strengthening partnerships with suppliers of certified natural rubber, whose utilisation already saw a significant acceleration in 2025, in line with the objective of using only FSC™-certified natural rubber in its European plants by the end of 2026. For further details, please refer to the "TARGETS for sustainable resource management and the circular economy" paragraph of this chapter.

ISCC+

ISCC+ (International Sustainability and Carbon Certification Plus) is an internationally recognised voluntary certification scheme that ensures the sustainability, traceability and proper management of bio-circular and circular materials across the entire value chain. The standard establishes stringent criteria regarding the origin of raw materials, their renewable or recycled nature, and the applicable chain of custody models, from physical segregation to blending control and the mass balance

[120] European Regulation on Deforestation-free Products

approach, ensuring that the allocation of sustainable content to finished products is accurate, verifiable and globally recognised.

Within its circular economy model, Pirelli systematically applies the ISCC+ standard at Group production sites that have adopted this certification, ensuring robust processes for the traceable management of ISCC+ certified materials and periodic verification by independent third-party bodies. The approach involves the receipt of Sustainability Declarations for each certified material, their registration within the Company's digital systems, and the management of such materials through chain of custody models compliant with the ISCC+ standard. These include both segregated flows and the mass balance approach, enabling the traceable and verifiable allocation of bio-circular or circular content to products at the planning and production stages. The proper implementation of the system involves the integrated engagement of the Purchasing, Quality, R&D, Production, Logistics and Sustainability functions, each with specific responsibilities to ensure the integrity, consistency and compliance of the entire process.

Research and Development for material sustainability and Open Innovation

With reference to material sustainability, the Pirelli R&D activities focus on:

- high surface area silica for wet grip, rolling resistance and durability;
- new technologies applied to developing polymers, fillers and plasticisers to improve the wear rate of tyres, involving selected partner suppliers in dedicated Joint Development Agreements active during the 2024-2026 three-year period;
- materials of natural origin, bio-fillers such as lignin, cellulose and sepiolite, and plasticisers/resins of vegetable origin; more specifically, the development of latex pre-dispersion technology, conducted both in-house and involving selected partner suppliers;
- textile reinforcements with fibres from natural and/or recycled sources;
- nanofillers for more stable compounds, lighter structures and highly impermeable liners;
- new silica surfactants to ensure performance stability, processability and improved efficiency curing cycles;
- new chemicals to reduce the emission of volatile organic compounds (VOCs) both in the process and on the finished product, in addition to Serinol Pirrolo already under joint development with the Politecnico of Milan and an external supplier selected for industrial scale-up.

In the field of biomaterials, in addition to the introduction of resins and plasticisers from natural origin, Pirelli continued its focus on silica deriving from the rice husk, i.e. the outer shell of rice grain. The husk constitutes 20% of the rough rice by weight and is the main waste product of this crop. Thanks to a partnership with various producers, Pirelli is evaluating the diversified supply of high-

performance silica from processes that start precisely from rice husks used as feedstocks, contributing to the industrial application of a circular economy model concerning waste materials. The combustion of the carbon part of the husk also allows a significant reduction in the amount of CO_2 emitted per kilogram of silica, compared to the conventional process that instead uses fossil energy sources.

In 2025, Pirelli further expanded its supplier base and remained open to new partnerships aimed at identifying additional alternatives for sourcing silica from natural (bio-based) or recycled materials. For example, the LIFE-SYNFLUOR project, selected under the European Commission's LIFE programme for the recovery of silica from waste generated by the fertiliser industry, has now entered its operational phase. At the same time, the network of suppliers providing silica derived from rice husks has been strengthened and broadened, while collaborations have continued with producers researching alternative feedstocks, such as sugarcane bagasse.

In the context of the new nano-fillers, Pirelli has consolidated the industrial use of materials of mineral origin, in a partial substitution of precipitated silica and carbon black.

Staying within the scope of circular economy, in 2025, based on proprietary patents, Pirelli further extended the industrialisation of recycled PET[121] and resins from plant sources into regular production tyres. It has also continued to develop tyres using vegetable oils, lignin and, in cooperation with the Politecnico of Milan, pyrroles from ligno-cellulosic biomass materials. Lignin is an environmentally friendly additive of natural origin obtained from waste in the cellulose production process.

Pirelli's Research and Development team continuously monitors emerging opportunities to increase the use of recycled materials. In particular, the development of innovative technologies for producing recycled materials from end-of-life tyres (ELTs), such as regenerated rubber obtained through the thermo-mechanical treatment of ELTs, or carbon black recovered through their pyrolysis, now makes it possible to incorporate these materials in progressively higher quantities without compromising performance or safety, unlike earlier technologies. In 2023, Pirelli completed the industrialisation stage of recovered Carbon Black (denoted by *rCB*, and obtained from the pyrolysis of end-of-life tyres) at its plant in Mexico, introducing it in a normal production compound across the entire range of car tyres at the Silao factory. During 2025, Pirelli extended its research and development on recovered carbon black. This commitment has translated into a broad set of initiatives. In particular, three rCB suppliers, one for each geographic region (APAC, NAFTA, and Europe), have been identified and validated from a technical, quality and production capacity standpoint. Both laboratory and industrial evaluations have been completed, and in 2026 Pirelli will introduce the rCB grades from two additional suppliers into production. At the same time, the Company will continue working to further diversify its supplier base, ensuring greater flexibility and resilience across the supply chain.

Some materials in use in compound formulations (synthetic polymers, carbon-black and synthetic oils) can in turn be produced by feeding the synthesis process with certain proportions of feedstock

[121] Polyethylene Terephthalate

from recycled materials (recycled polystyrene / recycled butadiene from cracking oil from pyrolysis of ELTs): during 2025, Pirelli further expanded its collaboration with partners to increase its use in new product ranges.

There is constant research and effort into the efficient use of materials, which makes it possible to reduce the volumes purchased, as well as the weight of the finished product, with a significant positive environmental impact throughout the entire life cycle of the material and the product.

Research is also continuing aimed at diversifying the potential supply sources of natural rubber, to reduce pressure on biodiversity in producer Countries and allow the Company to manage the potential scarcity of raw materials with greater flexibility. The sustainable management of the natural rubber chain, conflict minerals and the cobalt and mica chain are specifically discussed in the “E4 Biodiversity and eco-systems” chapter and in the “Information on Governance” section, “Managing Conflict Minerals” paragraph.

Pirelli has also strengthened its partnerships with strategic suppliers and Universities for the development of innovative, environmentally friendly materials. As part of activities dedicated to the development of new nanofillers - initiated over twenty years ago through research agreements with universities and collaborations with suppliers - Pirelli has begun the industrial introduction of mineral-based materials partially replacing precipitated silica and carbon black. Compared to the substitute raw materials, production processes, the innovations mentioned have ensured water savings as well as a reduction in CO_2 emissions.

In addition, as part of its efforts to develop bio-based raw materials, in 2023 Pirelli industrialised its first automotive product containing at least one compound with a significant lignin content: P ZERO E. Lignin is not only plant-derived, but is also obtained as a by-product of the paper industry and is typically destined for combustion. Pirelli research, conducted with an Open Innovation approach through projects with universities and exclusive suppliers, has made it possible for the first time to obtain a form of lignin compatible with use in high performance compounds.

Among the Open Innovation initiatives, the Joint Labs agreement between Pirelli, the Politecnico of Milan and the Politecnico Foundation of Milan should be highlighted. The collaboration, which began in 2011 and has been renewed for the three-year period 2024-2026, focuses on research projects for the continuous technological innovation of tyres, specifically on nanotechnology, the development of new synthetic polymers, new bio-polymers and new bifunctional chemical materials. In addition to exploring the potential of virtual environments, thanks to the static simulator installed at Pirelli’s R&D centre in Milan and the dynamic simulator at the Politecnico of Milan, the new phase of the agreement focuses on two research macro-strands: the area of materials, with the development of innovative solutions and the modelling of mixing processes, and the area of Product Development and Cyber, with integrated static-dynamic simulation and innovative modelling.

Specific projects for the development of new materials from natural sources, mainly focused on the use of waste feedstocks, are the subject of the framework agreement between Pirelli, CORIMAV (Consortium for Materials Research Advanced) and Bicocca University (collaboration renewed in 2022 for a further 6 years).

As part of the collaboration, 44 scholarships were funded and awarded in the period 2001-2005 and 63 PhD scholarships have been funded since 2005. This collaboration was established with the aim of developing cutting-edge technologies in the field of materials, supporting research and experimentation activities with a view to patenting, and promoting training and professional development initiatives for young researchers. The joint activity will continue by financing 3 new PhD scholarships each year, for research activities aimed at projects focused on sustainability, through studies on new materials obtained from renewable sources and new materials obtained from waste products from the agricultural-industrial supply chain, innovative solutions with a lower environmental impact in the tyre production process, and environmental degradability of tyres with a view to the circular economy. CORIMAV's research activities led, for example, to the patent that led to Pirelli's use of lignin in the production of tyres. Lignin is a natural material derived from waste biomass and with intrinsic antioxidant properties that, with appropriate chemical-physical modifications, makes it possible to improve the tyre's mechanical properties and replace synthetic materials of fossil origin.

The research activity carried out by CORIMAV, besides the patenting of nano-silicates (SmartNet Silica), i.e. a special silica that, when used in compounds, allows high grip and sliding performance on dry and wet surfaces, is structured in the development of new antioxidants with reduced environmental impact.

In 2025, Pirelli took part in collaborations as part of the NRRP[122] by joining the National Centre for Sustainable Mobility (MOST). The Company participated in two Flagship B projects and several Spokes, working alongside universities such as the Polytechnic University of Turin and the Polytechnic University of Bari, as well as research centres including the CNR-STEMS. In particular, the Flagship B "Sister" project, focused on the study of TRWPs, together with Spokes 2 and 11, dedicated respectively to lightweighting and material innovation, are especially relevant to improving the environmental impact of products.

Starting in 2026, additional five-year collaboration agreements are planned with the Polytechnic University of Milan, the Polytechnic University of Turin, the Polytechnic University of Bari and the CNR-STEMS. These agreements will leverage the infrastructure developed under the NRRP and will continue to focus on TRWPs, lightweighting and material innovation.

CORIMAV was included in 2018 in the European Commission's final Report Study on Fostering Industrial Talents in Research at European Level, which focuses on the promotion of inter-sectoral mobility (Ism) and reports examples of good practice for every country in the Union. An award that confirm the attention of the institutions and the European Union for a path that succeeds in transforming the fruits of research into products of commercial interest with increasing attention to the development and dissemination of more environmentally friendly solutions. A virtuous process of continuous exchange of knowledge between the industrial and university spheres, which leads to the consolidation of learning and development methods, with an enhancement of the growth paths of young researchers that enables them to quickly embark on professional paths in companies, including Pirelli.

[122] National Recovery and Resilience Plan

For more information on the subsidies received for the Research and Development projects mentioned above, see the “Information required by Law No. 124/2017 Article 1 subsections 125-129” section within the Consolidated Financial Statements.

In-house training

On the in-house training side, during 2025 sustainability was a key focus of multiple product courses for marketing and sales people, and on the Company’s decarbonisation goals, with training sessions for staff and workers in all facilities. With regard to external training, the sustainability of materials and products was at the heart of numerous sessions held with European dealers across various target markets. Among the key initiatives: in February in Madrid, involving Driver Italia sales outlets; in May at the Milan headquarters, where dealers from around the world gathered for the launch of the new PZero family, with part of the visit dedicated to the new Sustainability Hub; and in September in the Champagne region of France, for Benelux dealers. The presentations provided an overview of Pirelli’s sustainability strategy, with dedicated deep dives into P Zero E, eco-safety product design, sustainable materials, Pirelli Elect technology and certifications. Another significant milestone was the launch of the PZero family in Asia, in Sepang, where dealers from several markets were introduced to Pirelli’s sustainability strategy through a dedicated corner.

MANAGEMENT OF END-OF-LIFE TYRES

When a tyre no longer has the indispensable characteristics for safe and efficient performance on the vehicle, it becomes “end-of-life” (ELT) - i.e. waste - and must be collected for recovery and recycling in special facilities. The rubber from which the tyre is made is in fact a mix of top-quality polymers with exceptional chemical and physical characteristics. This highlights two main aspects: on the one hand, ELTs are waste that must be properly managed to avoid being dispersed into the environment; on the other hand, they are a valuable source of f materials that can be leveraged within a circular economy approach.

In fact, properly managed end-of-life tyres represent a valuable source of resources when it comes to circular economy (secondary raw materials such as rubber and steel), which are already successfully used in several sectors of the value chain (e.g. in tyre manufacturing, in construction, infrastructure, asphalt, manufacturing of rubber products) and with a considerable potential for developing further applications in different industrial ecosystems, aimed at increasingly exploiting their properties.

In the world, it is estimated that one billion tyres reach the end-of-life each year. On a global scale, about 60%[123] of all out-of-use tyres (ELTs) generated are recovered, while in Europe and the United States the recovery stands at 97%[124] and 79%[125].

For years, Pirelli has been engaged in the management of ELTs. The Company actively collaborates with the main reference entities at national and international level, promoting the identification and development of solutions to enhance and promote the sustainable recovery of ELTs, shared with the various stakeholders and based on the Circular Economy model. In particular, Pirelli is active in the Tyre Industry Project (TIP) of the WBCSD[126], and in the End of Life Tyres (ELTs) working groups of Tyres Europe[127] and USTMA[128] and, at a national and local level, interacts directly with leading organisations active in ELTs recovery and recycling, such as the consortia set up to comply with Extended Producer Responsibility regulations.

As a member of the Tire Industry Project of the WBCSD, Pirelli has collaborated on the publication of guidelines on the management of ELTs (WBCSD "A framework for effective management systems" in 2008 and "Managing End-of-Life Tires" in 2010) and a toolkit ("End-of-life tire – ELT – management Toolkit" in 2021), taking a proactive approach to raising the awareness both within Emerging Countries and those that do not yet have a system for ELTs recovery, in order to promote their recovery according to "best practices", i.e. defined management models which have already been launched successfully.

The 100% of tyres produced and sold by Pirelli is recoverable, in terms of both material and energy. The actual recovery/recycling rate varies depending on the markets and ELT management models in the various countries. Based on the recovery and recycling rates of end-of-life tyres (ELTs) in the markets where Pirelli tyres are sold, and where dedicated organisations manage the collection and treatment of ELTs, it is estimated that 47% of materials are sent for recycling (compared with 46% in 2024). This figure is rising to 72% (same figure as in 2024) when both material and energy recovery are taken into account.

With regard to "closed-loop" Circular Economy applications, tyres are a mixture of many valuable materials that at end-of-life allow two paths of recovery: recovery of material (such as "secondary raw materials") or energy. In the recovery of material, regenerated rubber, micronised rubber and carbon black derived from the pyrolysis of ELTs are increasingly used by Pirelli in the compounds for new tyres, thus contributing to the reduction of their environmental impact.

In order to increase this recovery rate, research activities following our Open Innovation model are continuing, aimed at improving the quality of recovered secondary raw materials in terms of affinity

[123] WBCSD 2019 – "Global ELT Management – A global state of knowledge on regulation, management systems, impacts of recovery and technologies"

[124] ETRMA 2021.

[125] USTMA - 2023 US Scrap Tire Management Summary.

[126] World Business Council for Sustainable Development

[127] formerly known as ETRMA – the European Tyres and Rubber Manufacturers' Association

[128] US Tire Manufacturers Association

with the other raw materials and the other ingredients present in our ultra-high performance compounds, as well as in the search for innovative recovery solutions (such as pyrolysis).

Finally, in terms of materiality of Carbon and Water Footprints, the end-of-life phase of the product has a low proportion of the total impact of the tyre on the environment.

METRICS related to resource inflows

In 2025, the total incoming material flows, comprising technical, biological materials and products[129] used in 2025 to manufacture the Company's products and services, the total amount of bio-based material was 840,175 tonnes (790,696[130] tonnes in 2024). Of these, 3.25% (2.05%[22] in 2024) consisted of biological materials and biofuels for non-energy purposes from certified sustainable sources, represented primarily by FSC™-certified natural rubber. The quantity of reused or recycled secondary components, intermediate products and materials reached 63,193 tonnes (34,765 tonnes in 2024), corresponding to 7.5% of total materials used (4.4% in 2024). Total plastic materials in products amounted to 28,351 tonnes (25,023 tonnes in 2024), of which 0.17% (0.012% in 2024) came from recycled sources. Raw materials derived from metals and minerals reached 104,208 tonnes (97,938 tonnes in 2024), with iron/steel[131] accounting for 31% of total materials used (12% in 2024).

The data are calculated from the raw material codes falling into the various categories reported, multiplied by the volume of material consumed. The uniqueness of the codes prevents materials from being counted twice.

The 2025 data reflect the Group's significant commitment to increasing the share of natural-origin materials – progressively certified FSC™ – and recycled materials – progressively certified ISCC+ – used in its products, to the detriment of materials of fossil and virgin origin, respectively.

METRICS related to resource outflows

Pirelli has mainly focused on the development, manufacture and marketing of tyres with higher added value, with special technical characteristics associated with high performance, advanced technology and safety, and characterised by an averagely deeper tread. Acknowledged by consumers for its high-value products, Pirelli's range includes innovative tyres for cars, motorbikes and bicycles, as well as a growing portfolio of tyres that meet the needs of specific applications or consumer customisation. These include the Pirelli Cyber™ Tyre system, the result of several years of research and technological innovation that, thanks to the sensors inside the tyre (the only element

[129] Raw materials, CapEx, Moulds and picking, Ancillary materials, Logistics services, ICT, Motorsport, Energy [E5-4 30 AR 21]

[130] During 2025, the KPI calculation method was refined; accordingly, in order to ensure comparability of the data, it was considered appropriate to restate the figure relating to the 2024 financial year.

[131] Other metals (Aluminium, Cobalt, Copper, Nickel, Lithium, Titanium) register 0 tonnes

of the car capable of “sensing” the conditions of the surface on which it travels), helps make essential information available to enhance vehicle performance and driving safety.

In this context, one important aspect is the concept of durability, which applied to tyres does not, to date, find an unambiguous and shared interpretation neither at regulatory level nor at the level of technical standards. It can, in fact, be due to various different concepts, including: the overall distance a tyre can guarantee, the consistency of traction and safety performance on particular surfaces (e.g. winter tyres), the resistance to particular conditions of use (e.g. tyres for off-the-road applications).

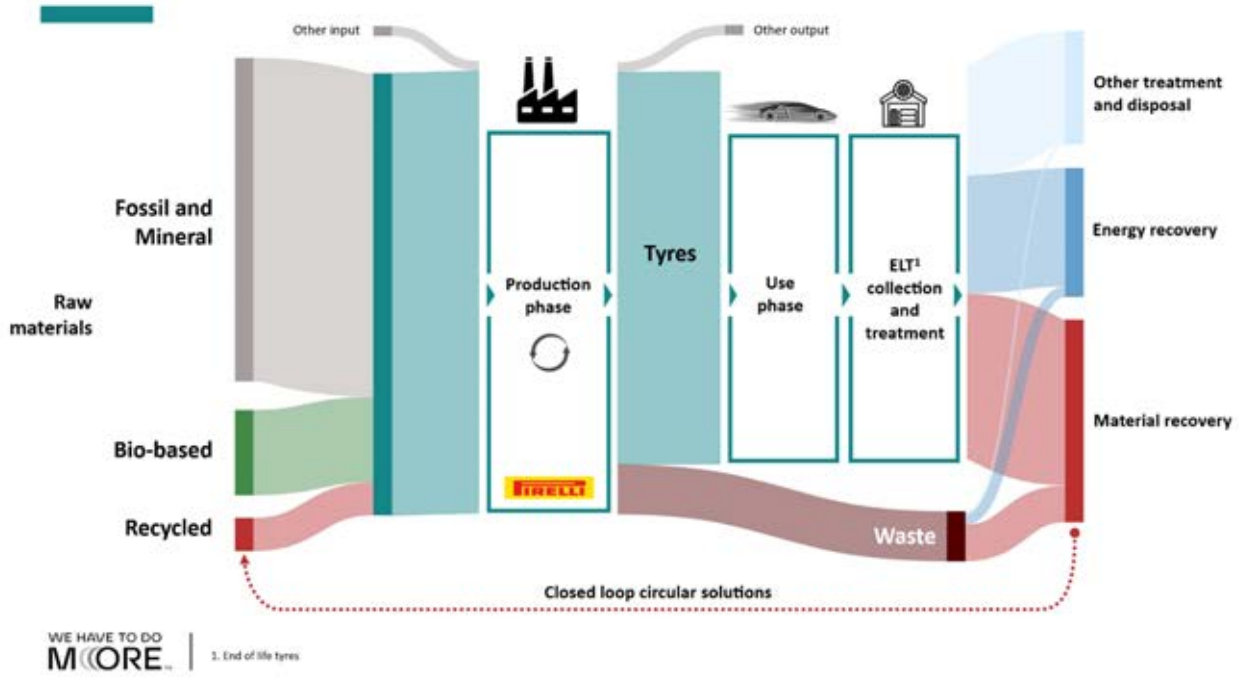
Pirelli performs all the analyses and provides all the declarations required by specific regulations in order to ensure regulatory compliance and demonstrate the required performance levels.

In addition to performance and durability, safety is also a key aspect in tyre regulation. The tyre is one of the vehicle components subject to a large number of regulations, mainly determined by the key function it has to fulfil: to ensure the safety of the vehicles on which it is installed. This is why Pirelli does not recommend tyre repair. Any repairs must be assessed by experienced point-of-sale/service technicians according to local standards and regulations, where such exist.

In 2025, the amount of finished products produced by Pirelli was approximately 756,077 (753,192 in 2024) tonnes**,** 100% of which is recyclable as required by the UN133[132] agreement (consistent with 2024). Note that the only product sold with packaging is bicycle tyres and it is made of paper and cardboard. The packaging used had a 100% recyclable content rate.

[132] Agreement Concerning the Adoption of Uniform Technical Prescriptions for Wheeled Vehicles, Equipment and Parts which can be Fitted and/or be Used on Wheeled Vehicles and the Conditions for Reciprocal Recognition of Approvals Granted on the Basis of these Prescriptionsunece.org/fileadmin/DAM/trans/main/wp29/wp29regs/2015/R133e.pdf

Below is a summary graphic representation of the main material inflows and outflows.



DISCLOSURE PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY)

EU REGULATION 2020/852: PURPOSE AND REGULATORY CONTEXT

As part of the European Union's commitment to implementing the European Green Deal, Regulation (EU) 2020/852 (the so-called "Taxonomy") was introduced with the objective of providing investors and the market with a common language of sustainability metrics that can ensure comparability between operators, reduce the risks of greenwashing, and increase the quantity and quality of information on the environmental and social impacts of business, thereby promoting more responsible investment decisions.

To this end, the Technical Delegated Acts, along with the Climate Delegated Act and the Environmental Delegated Act, were published between 2021 and 2023. These Acts provide a list of economic activities considered environmentally sustainable, defined as activities that make a substantial contribution to at least one of the following environmental or climate objectives[133], on the

[133] Article 9 of EU Regulation 2020/852, which defines the environmental objectives under the Taxonomy.

condition that they do not cause significant harm to any other environmental objective and are carried out in compliance with minimum safeguards:

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- the sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PP);
- the protection and restoration of biodiversity and ecosystems (BIO).

The process of verifying the environmental sustainability of an economic activity (so-called alignment to the Taxonomy) involves the following steps of analysis, defined Technical Screening Criteria:

- verification of substantial contribution criteria (Substantial Contribution Criteria) to assess the actual contribution of the economic activity to a given environmental objective, respecting the principle of technology neutrality, and taking into account the long-term and short-term impact of the economic activity;
- verification of the “DNSH” (Do No Significant Harm) criteria to ensure that the economic activity does not cause significant harm to any of the other environmental objectives; and
- verification of compliance with Social Minimum Safeguards, which are designed to ensure that economic activities are conducted in compliance with the main international guidelines and treaties related to human rights, including labour rights, anti-corruption and anti-competitive practices, and in compliance with tax laws.

Pursuant to Article 8 of EU Regulation 2020/852, companies required to publish non-financial information under Article 19-*bis* or Article 29-*bis* of Directive 2013/34/EU, and in line with the criteria of Directive 2022/264/EU (Corporate Sustainability Reporting Directive, CSRD), must include in their sustainability reporting details on how and to what extent their activities align with economic activities deemed environmentally sustainable under the Regulation. Consistent with previous years, Pirelli conducts its eligibility and alignment analysis against all six climate and environmental objectives defined by the Taxonomy Regulation.

Further information on the reported indicators, methodology, and results is provided in the subsequent sections of the following chapter.

On 8 January 2026, the European Commission published Delegated Regulation 2026/73 of 4 July 2025 in the Official Journal of the European Union. This Regulation introduces simplifications for reporting eligible activities aligned with the European Taxonomy. Notably, the new Delegated Act modifies the analysis methodology by introducing a materiality threshold, below which activities with

non-relevant KPIs can be excluded from reporting, simplifying reporting tables, and easing DNSH requirements for the pollution prevention and reduction (PP) objective. While applicable from January 1, 2026, companies are allowed to adopt these simplifications immediately for reporting on the 2025 financial year[134]. For this financial year, Pirelli has opted not to apply the simplifications introduced by Delegated Regulation 2026/73, instead maintaining the same approach and structure for its analysis as in previous years.

With reference to the analysis carried out in relation to the activities of the Pirelli Group, within the manufacturing activities included in the Delegated Acts, there is currently no activity specifically dedicated to the manufacture of tyres. The most recent regulatory updates, specifically Delegated Regulation (EU) 2023/2485[135], recognise the potential role of the tyre sector in contributing positively to the climate change mitigation goals and the transition towards a circular economy, although they do not define an economic activity dedicated to the production of tyres, which therefore remains eligible under activity 3.6 - “Manufacture of other low-carbon technologies”, defined in Annex I of Delegated Regulation (EU) 2021/2139[136].

The Pirelli Group reserves the right to reconsider its assessments and interpretations in future reporting periods, to take into account any changes in the regulatory framework or any further clarifications that may arise in the meantime from national and European authorities or trade associations.

ELIGIBLE ECONOMIC ACTIVITIES OF THE PIRELLI GROUP

By virtue of these considerations by the Commission, Pirelli continues to consider eligible under enabling activity 3.6 the share of production of tyres dedicated to environmentally friendly and energy-efficient vehicles, taking as a benchmark the rolling resistance values of the European labelling.

European tyre labelling[137] provides a clear and common classification of their performance for (i) rolling resistance, (ii) wet braking and (iii) exterior noise. Consistent with the specifications of

[134] Under Article 4 of Delegated Regulation 2026/73, the changes officially take effect from 1 January 2026, for reporting years beginning on or after that date. However, companies may choose to adopt these modifications for reporting years starting between 1 January and 31 December 2025.

[135] In the introductory remarks of Delegated Regulation 2023/2486, the Commission states the following: “As tyres are responsible for 20% of a vehicle’s energy consumption, leveraging innovation in their manufacture can reduce the share of greenhouse gas emissions borne by the entire transport sector. Tyres can also contribute to a more circular economy. Although tyre manufacturing is not part of the activity of manufacturing components that are essential for ensuring and improving the environmental performance of low-carbon vehicles, it will need to be assessed in more detail in order to set specific criteria for technical screening, taking due account of the legal obligations enshrined in the most recent EU legislative proposals and best practices, in particular with regard to microplastic release, air pollution, noise, direct greenhouse gas emissions and end-of-life.’

[136] The clarifications of the European Commission published in recent years did not entail updates to the approach adopted by Pirelli in past years. An analysis of the investments made by the various plants of the Group has nevertheless been conducted, which led to an expansion of the activities considered “eligible” under the Taxonomy, compared to previous years. More details on this are provided in the following paragraphs.

[137] Regulation (EU) 2020/740.

Delegated Regulation (EU) 2023/2485, the labelling parameter used is rolling resistance, which has an indirect impact on vehicle fuel consumption and related greenhouse gas emissions. Therefore, a better performance in terms of low rolling resistance has a positive impact on the environmental objective of mitigating climate change[138].

In particular, the rolling resistance classes indicate the energy efficiency level of the tyre, ranging from A (maximum energy efficiency) to E (minimum energy efficiency). In continuity with previous years, car and van tyres produced by the Group with European labelling in rolling resistance classes A, B and C were considered for eligibility, where "C" is the most widespread on the market[139].

Furthermore, as bicycles are zero-emission means of transport, tyres dedicated to them are also considered 'eligible'.

In 2025, as it was in 2024, the Pirelli CARE™ service, eligible under activity 5.5, "*Product-as-a-Service and other circular use- and result-oriented service models (CE)*", was again recognised as eligible.

In addition to the activities that are characteristic of Pirelli's business, the eligibility assessment also included interventions carried out by individual Group plants, which are referrable to economic activities defined under the Taxonomy. In this regard, the plants falling within the scope of consolidation were involved in the assessment of individual investments made during the year to identify those eligible for Taxonomy purposes.

[138] Regulation (EU) 2020/740 "(4) [...] Tyres, mainly due to their rolling resistance, account for between 20% and 30% of vehicle fuel consumption. A reduction of the rolling resistance of tyres would therefore contribute significantly to the fuel efficiency of road transport and thus to the reduction of greenhouse gas emissions and the decarbonisation of the transport sector'.

[139] EPREL - European Product Registry for Energy Labelling (extraction 28/02/2026). Focusing on the three most efficient classes of Rolling Resistance (those identified as "permissible"), one finds that tyres labelled A and B cover 11.1% of sales, while those labelled C cover 46.8% (the remaining 42.1% are tyres labelled D and E).

The following is a list of activities deemed eligible by Pirelli in 2025:

OBJECTIVE	ECONOMIC ACTIVITIES ACCORDING TO THE TAXONOMY	DESCRIPTION OF PIRELLI'S ACTIVITIES
Climate change mitigation (CCM)	*3.6 Manufacture of other low-carbon technologies*	*Tyre production and related activities*
	3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	*Installation and maintenance of electrical equipment for the transmission and distribution of electricity from photovoltaic systems*
	4.15 District heating/cooling distribution	*Interventions on pipelines and related infrastructure for the distribution of heating and cooling, which end at the substation or heat exchanger*
	4.25 Production of heat/cool using waste heat	*Investments in plants that produce heat/cool using waste heat*
	5.2 Renewal of water collection, treatment and supply systems	*Improvement of rainwater collection systems*
	5.3 Construction, extension and operation of wastewater collection and treatment systems	*Renovation and reconstruction of sewerage systems*
	7.1 Construction of new buildings	*Construction of a new building, renovation of structures, and expansion of laboratories*
	7.2 Renovation of existing buildings	*Renovation of existing buildings*
	7.3 Installation, maintenance and repair of energy efficiency equipment	*Different kinds of measures aimed at improving the energy efficiency of buildings*
	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces pertaining to buildings)	*Installation of charging stations for electric vehicles in parking spaces pertaining to buildings*
	7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	*Installation, maintenance, and repair of the buildings of energy management systems*
	7.6 Installation, maintenance and repair of renewable energy technologies	*Installation, maintenance and repair of heat transfer equipment and energy recovery systems*
Transition to a circular economy (CE)	*4.1 Provision of data-driven IT/OT (information technologies/operational technologies) solutions*	*Installation of remote monitoring systems and predictive maintenance*
Pollution prevention and control (PP)	*2.4 Remediation of contaminated sites and areas*	*Asbestos removal and facility safety measures at production plants*

ALIGNED BUSINESS ACTIVITIES OF THE PIRELLI GROUP

The Pirelli Group assessed the eco-sustainability of eligible activities pursuant to Article 3 of Regulation (EU) 2020/852 as supplemented by Commission Delegated Regulation (EU) 2021/2139.

Following the analysis process, the Pirelli Group identified aligned activities, the analysis and related findings of which are reported below. It should be noted that, with regard to the activities assessed as aligned with the climate and environmental objectives described below, none substantially contribute to more than one objective. In cases where activities are eligible under multiple objectives,

the objective to which Pirelli's activity contributes the most has been considered; therefore, the risk of potential double counting of the KPIs associated with these activities is excluded.

Activity 3.6 CCM Manufacture of other low-carbon technologies

Concerning activity 3.6, in continuity with previous years, the rolling resistance parameter was used as the best reference currently available to demonstrate the tyre's contribution to the reduction of greenhouse gas emissions of the entire transport sector[140]. In general, the tyre industry considers that moving up to a higher Rolling Resistance class (reduction in rolling resistance) results in a reduction of between 3% and 4%[141] in CO_2 emissions. Among the Rolling Resistance classes considered permissible, with class C being the most common on the market[142], rolling resistance classes A and B, which express levels of very 'high' and 'high' energy efficiency and can, therefore, lead to lower emissions than the best alternatives available on the market.

The compliance with the "Do No Significant Harm" (DNSH) principle has been verified based on the environmental procedures adopted by the Group, as well as through ad hoc initiatives such as the Climate Change and related Water Stress Risk Assessment, already described in the paragraphs "Climate Change Risk Assessment and strategy resilience" and "*Emerging risks related to climate change and water stress*". The main evidence for compliance with the DNSH criteria is reported below.

Climate change adaptation: Compliance with Appendix A of Delegated Regulation 2021/2139 is required for the DNSH verification on the Climate Change Adaptation objective. The Pirelli Group periodically carries out an analysis of the risks related to climate change, the Climate Change and related Water Stress Risk Assessment, in accordance with the process described in Appendix A. The analysis was conducted in line with the recommendations of the TCFD, in order to assess the main operational risks, strategic risks and opportunities connected to market trends and technology, linked to climate change. Risk projections were assessed against IPCC climate and IEA transition scenarios, also taking into account contextual information related to the Group (e.g. data on plants and the historical incidence of adverse climate events on them, data on suppliers, mitigation measures in place, decarbonisation plans). Based on best practices available in the literature, the days of interruption of activities and/or slowdown of the supply chain due to extreme events and the potential associated economic impacts were estimated. For risks related to extreme natural events exacerbated by climate change, the Group has implemented a specific investment plan to reduce its exposure to such events (e.g., installation of flood barriers to minimise impacts in case of adverse

[140] Report from the Expert Group on laboratory alignment for the measurement of tyre rolling resistance installed under Regulation (EC) No 1222/2009 and listed on the Commission registry of Expert Groups to the European Commission - 2021

[141] Regulation (EU) 2020/740 of the European Parliament and of the Council of 25 May 2020 on the labelling of tyres with respect to fuel efficiency and other parameters, amending Regulation (EU) 2017/1369 and repealing Regulation (EC) No 1222/2009 (Text with EEA relevance)".

[142] EPREL - European Product Registry for Energy Labelling (extraction 28/02/2026). Focusing on the three most efficient classes of Rolling Resistance (those identified as "permissible"), one finds that tyres labelled A and B cover 11.1% of sales, while those labelled C cover 46.8% (the remaining 42.1% are tyres labelled D and E).

events). More generally, in line with an adaptation approach, Pirelli aims to anticipate the negative effects of climate change and undertake appropriate actions to prevent or minimise potential damages, or to seize opportunities that may arise, where feasible. Therefore, this DNSH criterion is considered to be met for the activity in question, as well as for the other reported activities.

The sustainable use and protection of water and marine resources For the DNSH verification regarding the objective of protecting water and marine resources, compliance with Appendix B of Delegated Regulation 2021/2139 is required. All of the Group's facilities are equipped with an ISO 14001-certified environmental management system, through which the responsible use and protection of water resources are monitored and guaranteed. Additionally, the Group conducts the Climate Change and related Water Stress Risk Assessment and periodically monitors its Water Footprint. Therefore, this DNSH criterion is considered to be met for the activities reported.

Transition to a circular economy Regarding the objective of transitioning to a circular economy, DNSH compliance is guaranteed for activity 3.6 through the increasing use of recycled and renewable materials, as well as product design aimed at ensuring high durability and recyclability. See chapter "E5 Resource use and Circular Economy" for further details.

Pollution prevention and control: For the DNSH verification regarding the objective of pollution prevention and reduction, the main requirement to verify is, where applicable, compliance with Appendix C of Regulation 2021/2139, which requires that activities do not involve the manufacturing, marketing, or use of substances mapped within specific European Regulations and Directives. Regarding activity 3.6, the majority of products comply with the criteria outlined in the aforementioned Appendix. In fact, as a matter of policy, compounds and tyres are produced by Pirelli without the use of "Substances of Very High Concern" (SVHCs), i.e., those substances that give rise to high concern due to their potential effects on human health and/or the environment. Furthermore, in its production Pirelli does not use any substance falling into the internationally recognised category of POPs (Persistent Organic Pollutants) as defined by the Stockholm Convention, nor does it use mercury and its by-products as defined by the Minimata Convention, nor limited substances or those restricted by REACH regulations. For more details, see the paragraphs "E2 Pollution" and "E5 Resource Use and Circular Economy".

Protection and restoration of biodiversity and ecosystems For the DNSH verification regarding the objective of protecting and restoring biodiversity and ecosystems, all identified eligible activities require, where applicable, compliance with Appendix D of Delegated Regulation 2021/2139. Biodiversity is subject to risk assessment in line with the Group's Enterprise Risk Management methodology, both with reference to company sites and the supply chain, allowing for the continuous identification, assessment, prevention and mitigation of environmental risks along the value chain, and ensuring compliance with the DNSH. See chapter "E4 Biodiversity and Ecosystems" for further details.

Other economic activities

Regarding the Pirelli CARE™ service, which falls under the Transition to a Circular Economy objective, the alignment analysis against the technical screening criteria determined that the service does not meet the substantial contribution requirements. As a result, the activity is reported as eligible but not aligned.

With respect to investments and operating expenses at the production sites, each facility provided information on the verification of the technical screening criteria for its activities, including assessments of both the Substantial Contribution criteria and the DNSH (Do No Significant Harm) requirements.

SOCIAL MINIMUM SAFEGUARDS

Article 18.1 of the EU Taxonomy Regulation describes social minimum safeguards as procedures implemented by a company to ensure that its business activities are conducted in accordance with the internationally recognised principles set out in the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGPs).

Compliance with the minimum safeguards, for the purposes of alignment, was assessed at Group level. Specifically, the Pirelli Group considered all the issues set out in the principles contained in the above documents, analysing both compliance and the presence of any sanctions in this regard and, where appropriate, the relative management and remedial methods.

In order to identify, manage and mitigate risks related to the above issues, the Pirelli Group has adopted Policies, Management Models, prevention actions and remedial mechanisms in the areas of human rights, labour, environment, corruption, consumer protection, science, technology and innovation, competition, taxation.

In particular, Pirelli promotes respect for human rights and adherence to applicable international standards among its partners and stakeholders. Pirelli aligns its governance with the United Nations Global Compact, the ISO 26000 Guidelines, the dictates of the SA8000® Standard and underlying international ILO regulations, the International Charter of Human Rights, the OECD Guidelines on Due Diligence and the recommendations contained in the United Nations Guiding Principles on Business and Human Rights, implementing the Protect, Respect and Remedy Framework.

In line with international standards, Human Rights due diligence at Pirelli includes the following activities:

- Adoption and integration of a human rights due diligence commitment within company policies and procedures;
- Identification and assessment of risks and negative impacts, including through stakeholder involvement;
- Commitment to interrupt, prevent, mitigate and remedy negative impacts;
- Monitoring of the implementation of these actions and their results;
- Public communication of the approach to human rights due diligence and the actions taken to avoid and address negative impacts;
- Commitment to remedy any negative impacts, including establishing or participating in grievance mechanisms where individuals and groups can voice grievances and human rights concerns.

With regard to matters concerning privacy, in 2025, the update and discussions with the individual regions continued regarding the regulatory changes to which compliance is required. The update activities focused on issues such as, for example, data transfer, DPA, DPIA, and requests for the

exercise of rights concerning the management of personal data by the users themselves. Special attention was also given to the entry into force of the new European regulation on artificial intelligence (the AI Act). During 2025, Pirelli was not involved in any proceedings for alleged violation of privacy regulations.

With regard to bribery and corruption, Pirelli is committed to promoting ethical and responsible business conduct with the aim of preventing corruption risks. The Company promotes ethical and responsible behaviour and rejects any act of corruption, in all its direct and indirect forms, both in the public and private sectors. For further details on how the Group manages these matters, including the structured system in place comprising training, communication and monitoring activities, as well as the policies and initiatives implemented, please refer to the paragraph “ANTI-CORRUPTION” in the chapter “Governance Information”.

On the subject of Antitrust and in line with the provisions of its Global Antitrust and Fair Competition Policy, Pirelli operates in accordance with fair and proper competition for the purpose of Company and at the same time, market development. In this context, Pirelli constantly updates the Group’s Antitrust Programme in line with international best practices.

In 2025, the investigations launched in 2024 by the European Commission and subsequently by the Turkish Competition Authority against certain operators in the replacement tyre market, concerning alleged breaches of antitrust regulations, continued. As of the date of this document, these investigative proceedings are still ongoing and no decisions or final conclusions have been issued regarding any potential antitrust violations.

For more in-depth information on the Policies adopted, risk analysis, mitigation and prevention actions and remedial mechanisms, please refer to the sections dedicated to this in this Report, in particular:

- Principal Policies
- Respect for human rights
- Diversity, Equity and Inclusion
- Skills Development - Performance Management and Training
- Workers in the value chain
- Business conduct
- Management of relations with suppliers
- Whistleblowing Policy

- Anti-corruption

PERFORMANCE INDICATORS

Turnover, operating expenditure and capital expenditure data relating to eligible activities and Taxonomy-aligned activities for the calculation of key performance indicators (KPIs) and shares in the consolidated financial statements were extracted from the general accounting and cost accounting systems used in the preparation of the consolidated financial statements.

Details of the methods used to calculate the reported key performance indicators are provided below.

Turnover Indicator

Pirelli is among the world's leading tyre manufacturers, the only one to be entirely focused on the consumer market, which includes car, motorbike and bicycle tyres, from which it derives almost all of its turnover.

The portion of turnover[143] is calculated as the portion of net revenues obtained from products or services associated with economic activities aligned to the Taxonomy (numerator), divided by the Group's consolidated revenues (denominator). The allocation of turnover to the numerator, as regards the sale of tyres, was made thanks to the system tracking of European labelling for each tyre produced. It should also be noted that the turnover from the sale of car and van tyres produced by the Group with rolling resistance values consistent with the European labelling parameters was also taken into account by tracing the non-European labelling to the European labelling values. The turnover attributable to the Pirelli CARE® service is accounted for in specific, uniquely identifiable accounting items.

The denominator of the KPI is the consolidated revenues of the year 2025 as indicated in the explanatory note no. 30 "Revenues from sales and services" within the consolidated financial statements.

[143] As indicated in Article 8(2)(a) of Regulation (EU) 2020/852, in the section "Turnover KPI".

SHARE OF TURNOVER[144] DERIVING FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED TO THE TAXONOMY - INFORMATION FOR THE YEAR 2025, REPRESENTED IN ACCORDANCE WITH THE TEMPLATE IN ANNEX V OF DELEGATED REGULATION (EU) 2023/2486

Financial Year N		Year		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year N-1 (18)**	Category enabling activity (19)	Category transitional activity (20)
		€/mln	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of other low carbon technologies	CCM 3.6	2,733.5	40.3%	Yes	No	N/EL	N/EL	N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	35.76%	E	-
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**2,733.5**	**40.3%**	**40.3%**	**0%**	**0%**	**0%**	**0%**	**0%**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	**35.77%**		
of which enabling		2,733.5	**40.3%**	0.0%						Yes	Yes	Yes	Yes	Yes	Yes	Yes	35.76%		
of which transitional		-	0%	0%						Y	Y	Y	Y	Y	Y	Y	0.00%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	Optional							%		
Manufacture of other low carbon technologies	**CCM 3.6 /** CCA 3.6	2,168.9	32.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								35.50%		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	0.1	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.01%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2,168.9**	**32.0%**	**32.0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**35.51%**		
A. Turnover of Taxonomy- eligible activities (A.1+A.2)		**4,902.5**	**72.3%**	**72.3%**	**0%**	**0%**	**0%**	**0%**	**0%**								**71.3%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non- eligible activities		**1,873.7**	**27.7%**																
TOTAL		**6,776.2**	**100.0%**																

	Share of turnover/Total turnover	
	Aligned with Taxonomy by target	Admissible to Taxonomy by target
CCM	40.3%	72.3%
CCA	0%	72.3%
WTR	0%	0%
CE	0%	0.001%
PPC	0%	0%
BIO	0%	0%

[144] Values reported according to the template ("model") in Annex V of Delegated Regulation (EU) 2023/2486 ("MODELS FOR THE KEY PERFORMANCE INDICATORS (KPIs) OF NON-FINANCIAL COMPANIES"). Shaded cells refer to information not applicable for the current financial year to the Group's business activities.

Capital Expenditure Indicator

Capital expenditures incurred by the Pirelli Group attributed to eligible and environmentally sustainable economic activities include costs accounted for on the basis of:

(a) IAS 16 “Property, Plant and Equipment”, paragraph 73(e), sub-paragraphs (i) and (iii);

(b) IAS 38 “Intangible Assets”, paragraph 118(e)(i);

(c) IFRS 16 “Leases”, paragraph 53(h).

The share of “aligned” economic activities with reference to capital expenditure refers mainly to production investments directly related to the above-mentioned “aligned” income. Since most of the tyre production plants are jointly used for the production of tyres of different rolling resistance classes, the figures for these plants have been allocated in proportion to the volumes of tyres in the classes identified for alignment. The “aligned” shares of specific investments made by the Group’s factories, attributable to the eligible economic activities defined under the Taxonomy illustrated in the preceding paragraphs, were also considered.

The denominator of the KPI is the sum of the gross additions recognised in the year 2025 with reference to owned tangible fixed assets, rights of use and intangible fixed assets, as indicated in Note 10.1 “Tangible assets” and Note 11 “Intangible assets” within the consolidated financial statements.

SHARE OF CAPITAL EXPENDITURE[145] RESULTING FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY - INFORMATION FOR THE YEAR 2025, REPRESENTED IN ACCORDANCE WITH THE TEMPLATE IN ANNEX V OF DELEGATED REGULATION (EU) 2023/2486.

Financial Year N		Year		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year N-1 (18)**	Category enabling activity (19)	Category transitional activity (20)
		€/mln	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of other low carbon technologies	CCM 3.6	212.94	40.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	33.0%	E	-
Renewal of water collection, treatment and supply systems	CCM 5.2	0.97	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.67	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3%	E	-
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.58	0.11%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	-
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.68	0.13%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	-
Remediation of contaminated sites and areas	PP 2.4	0.14	0.03%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**215.99**	**40.6%**	**40.5%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**33.6%**		
of which enabling		214.88	40.3%	**40.3%**	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	34.0%	E	
of which transitional		-	0%	0%						Y	Y	Y	Y	Y	Y	Y	-		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	Optional							%		
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	0.43	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.30%		
Manufacture of other low carbon technologies	**CCM 3.6** / CCA 3.6	181.60	34.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								35.53%		
Provision of IT/OT data-driven solutions	CE 4.1	0.57	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.08%		
District heating/cooling distribution	CCM 4.15	0.36	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Production of heat/cool using waste heat	CCM 4.25	0.09	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
Renewal of water collection, treatment and supply systems	CCM 5.2	0.02	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	0.09	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Renewal of waste water collection and treatment	CCM 5.4	0.10	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction of new buildings	**CCM 7.1** / CE3.1	0.02	0.0%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Renovation of existing buildings	**CCM 7.2** / CE 3.2	2.45	0.5%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.91	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.11%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.05	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.62	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.16%		
Remediation of contaminated sites and areas	PP 2.4	0.09	0.02%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**187.39**	**35.2%**	35.1%	0%	0%	0%	0.1%	0%								**38.14%**		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**403.38**	**75.7%**	75.6%	0%	0%	0%	0.1%	0%								**74.75%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		**129.22**	**24.3%**																
TOTAL		**532.60**	**100.0%**																

[145] Values reported according to the template set out in Annex II of Delegated Regulation (EU) 2023/2486 ("MODELS FOR KEY PERFORMANCE INDICATORS (KPIs) OF NON-FINANCIAL COMPANIES"). Shaded cells refer to information not applicable for the current financial year to the Group's business activities.

	Share of CapEx/Total CapEx	
	Aligned with Taxonomy by target	Admissible to Taxonomy by target
CCM	40.5%	75.6%
CCA	0%	74.1%
WTR	0%	0%
CE	0%	0.6%
PPC	0.03%	0.04%
BIO	0%	0%

Operating Expenses Indicator

The numerator of the KPI comprises the “aligned” share of the costs incurred for research and development related to activity 3.6 and the operating costs related to the investments illustrated above.

The denominator of the KPI, as required by law, is composed of the following elements:

- Research and development expenses, as reported in the Group’s consolidated financial statements;
- Maintenance, described in Explanatory Note 34, “Other costs”, from which the portion relating to research and development (R&D) costs has been subtracted in order to avoid double counting with respect to the previous item;
- Leases and rentals, limited to the portion relating to leasing contracts with a duration of less than 12 months, as indicated in Explanatory Note 34, “Other costs”.

SHARE OF OPERATING EXPENDITURE[146] ARISING FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED TO THE TAXONOMY - DISCLOSURE FOR THE YEAR 2025, REPRESENTED IN ACCORDANCE WITH THE TEMPLATE IN ANNEX V OF DELEGATED REGULATION (EU) 2023/2486.

Financial Year N		Year		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year N-1 (18)**	Category enabling activity (19)	Category transitional activity (20)
		€/mln	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of other low carbon technologies	CCM 3.6	132.10	31.9%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	34.39%	E	-
Operation of personal mobility devices, cycle logistics	CCM 6.4	0.10	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.25%	-	-
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.10	0.02%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.03%	E	-
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**132.30**	**31.9%**	**31.9%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**34.67%**		
of which enabling		**132.20**	**31.9%**	**31.9%**	**0%**	**0%**	**0%**	**0%**	**0%**	Y	Y	Y	Y	Y	Y	Y	**34.42%**	**E**	
of which transitional		**-**	**-**							Y	Y	Y	Y	Y	Y	Y	**0.00%**		**T**
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	Optional							%		
Manufacture of other low carbon technologies	**CCM 3.6 / CCA 3.6**	94.76	22.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								20.7%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.10	0.03%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**94.86**	**22.9%**	22.9%	0%	0%	0%	0%	0%								**20.8%**		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		**227.16**	**54.8%**	54.8%	0%	0%	0%	0%	0%								**55.4%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**187.02**	**45.15%**																
TOTAL		**414.18**	**100.00%**																

	Share of OpEx/Total OpEx	
	Aligned with Taxonomy by target	Admissible to Taxonomy by target
CCM	31.9%	54.8%
CCA	0%	54.8%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

[146] Values reported according to the template (model) set out in Annex II of Delegated Regulation (EU) 2023/2486 ("MODELS FOR KEY PERFORMANCE INDICATORS (KPIs) OF NON-FINANCIAL COMPANIES"). Shaded cells refer to information not applicable for the current financial year to the Group's business activities.

GAS AND NUCLEAR ACTIVITIES

In accordance with Regulation 2021/2178 and in light of the clarifications by the Commission[147], Template 1 of Annex XII to Delegated Regulation 2021/2178 with respect to the activities of the Pirelli Group is set forth below.

	Activities related to nuclear energy	
1.	The company carries out, finances or has exposure to research, development, demonstration and implementation of innovative power generation facilities that produce energy from nuclear processes with a minimum amount of fuel cycle waste.	**NO**
2.	The company carries out, finances or has exposure to the construction and safe operation of new nuclear power plants for the generation of electricity or process heat, including for district heating purposes or for industrial processes such as hydrogen production, and improvements in their safety using the best available technology.	**NO**
3.	The company carries out, finances or has exposure to the safe operation of existing nuclear installations that generate electricity or process heat, including for district heating or industrial processes such as the production of hydrogen from nuclear energy, and improvements in their safety.	**NO**
	Fossil Gas Activities	
4.	The company carries out, finances or has exposure to the construction or operation of power generation facilities using fossil gas fuels.	**NO**
5.	The company carries out, finances or has exposure to the construction, upgrading and operation of combined heat/cool and power generation plants using gaseous fossil fuels.	**NO**
6.	The enterprise carries out, finances or has exposure to the construction, upgrading and operation of combined heat/cool power generation plants using gaseous fossil fuels.	**NO**

[147] The FAQs published in December 2023 confirm that non-financing companies, which do not conduct the listed activities, are only required to publish template 1, omitting templates 2 to 5, of Annex XII to Delegated Regulation 2021/2178.

SOCIAL INFORMATION

S1 OWN WORKFORCE

STAKEHOLDERS' INTERESTS AND VIEWS AND INTERACTION BETWEEN IROS AND THE STRATEGY AND BUSINESS MODEL

Pirelli has always promoted and implemented an inclusive culture that values the individual, a sense of belonging and participation in the corporate community and social dialogue, which are considered essential elements for achieving corporate goals and organisational well-being. It views the individual and collective cultural development of its people as an ongoing investment aimed at preventing the creation of cultural and organisational barriers that hinder effective participation in meeting the company's challenges, in the belief that the most innovative ideas and the best solutions emerge from a working environment where everyone can express their potential.

Dialogue and discussion with employee representatives, along with gathering individual feedback through internal employee satisfaction surveys, are the two main channels used to actively engage people and their representatives, helping the company manage and improve all aspects of work. As a result, the outcomes of these ongoing discussions, dialogue and listening efforts are actively incorporated into the Group's strategic decisions. This is evident in the employee targets outlined in the 2025-2030 Industrial Plan, which are structured around five pillars that translate into: safety first; people care and well-being; diversity, equity and inclusion; skills development; involvement and loyalty.

The Company's management and planning model also includes ongoing monitoring of studies, analyses and research on the evolving expectations of workers globally, as well as on employment governance best practices, in order to create a model of continuous improvement and anticipation of regulatory trends, particularly in relation to organisational behaviour and direct engagement in the labour market.

All of the Company's own workers who may be affected by the relevant impacts identified in the double materiality analysis, and illustrated in the General Information section, "Double materiality analysis and management of impacts, risks and opportunities" paragraph, are included in the disclosure pursuant to ESRS 2, within the regulatory limits. Specifically, with regard to non-employee workers, labour regulations are in place that assign certain actions, which may in turn be linked to impacts exclusively attributable to the respective employer (third party with respect to Pirelli).

Specifically, Pirelli's own workforce comprises employees of the company and so-called non-employees. With reference to the Pirelli Group's workforce, the second category includes agency workers.

In terms of materiality, Pirelli has identified positive impacts generated by its activities and business model on employees. The areas of activity that have a positive impact on the own workforce can be traced mainly to:

- *protection of human and labour rights*
- *dialogue and industrial relations to ensure continuous improvement of working conditions*
- *initiatives to promote diversity, equity and inclusion*
- *initiatives to promote work-life balance*
- *skills development programmes, with a focus on performance management and training*
- *welfare programmes and initiatives for the internal community*

At the same time, a potential negative impact was also identified in relation to the health and safety of the Company's own workforce. In particular, on the basis of the analysis of data relating to accidents recorded in recent years, Pirelli noted that employees engaged in production activities were more exposed to health and safety risks, in view of the nature of the tasks performed and the operational context in which they were carried out. The most recurrent types of injury included bruises, cuts, fractures and sprains, events commonly associated with manual activities or with the use of industrial machinery and equipment. The review of such evidence made it possible to identify more precisely the groups of workers potentially more exposed and to direct prevention, training and monitoring measures in a targeted manner towards the areas and activities characterised by a higher level of risk. However, this was a non-systemic impact, linked to individual accidental events that may occur in the performance of production activities, notwithstanding the presence of established management systems and preventive measures.

Further details of the policies and specific actions implemented by Pirelli to create positive impacts and mitigate negative ones on its own workforce are provided in the dedicated sections of the following paragraphs.

Finally, the Double Materiality analysis did not identify any risks or opportunities connected with the Company's own workforce, nor any material impacts on it deriving from the Group's Climate Transition Plan.

PROCESSES FOR ENGAGING THE COMPANY'S WORKERS

The workforce perspective on current and potential impacts affecting them is central to the dialogue between the Company and workers' representatives and is addressed through regular consultation, which serves as a key instrument for informing the Company's decisions and activities.

A central element in building a strong relationship with workers and protecting their rights is Pirelli's industrial relations model, which is organised on two levels. Relations and negotiations with trade unions are managed locally by the Human Resources and Organisation Department within each affiliate, always in compliance with local laws, national and/or company collective agreements, customs and practices in each country. This local approach is supported by the central functions, which coordinate activities and ensure that the above principles are upheld throughout the Group.

The Industrial Relations department, responsible for ensuring the involvement of workers' representatives and informing the Company of the findings in order to integrate the relevant aspects into the management approach, also plays an active role in the Group's commitment to health and safety, an area in which trade unions and workers are also actively involved. Collective representation bodies regularly work with the company to monitor and address current issues, as well as to implement awareness and intervention plans/programmes aimed at enhancing activities, working conditions and safeguarding workers' health and safety.

At the international level, Pirelli has also set up the European Works Council (EWC) back in 1998, which focuses mainly on economic performance, financial forecasts, realised and planned investments, and research progress. The Pirelli EWC holds an annual meeting after the presentation of the Group Financial Statement. The agreement establishing the EWC also allows for additional extraordinary sessions if needed to meet the obligation of informing delegates about significant events with transnational impact, such as the opening, restructuring or closing of premises, or widespread changes in the organisation of work. The Company has always ensured a constant exchange of information whenever there have been extraordinary situations regarding European production structures.

Moreover, in cases of corporate reorganization, restructuring, or mass termination, the Group applies a minimum notice and consultation period with employees and their representatives, in line with applicable local legislation, collective agreement provisions and union practices, following the principle of constructive and prompt dialogue with them and with the commitment to reducing social impacts.

For details on the processes used to monitor the effectiveness of this approach, please refer to the section on the annual audits conducted by Internal Audit function and the monitoring of grievance mechanisms available in the "Governance Information" section.

In addition to Industrial Relations activities, further initiatives to involve and listen to people at Pirelli include the Global engagement survey on corporate climate, described below.

Focus: NEXTOYOU - the Global Engagement Survey on corporate climate

For many years, Pirelli has used the climate survey tool to actively listen to its employees worldwide, using the feedback to develop both group-wide and local improvement plans.

Since 2022, the global survey has been both rebranded (replacing the previous name 'My Voice' with 'NEXTOYOU') and revised in terms of content, in order to ensure better alignment with the new employee experience focus of Pirelli's Human Resources and Organisation team.

The survey, covering the entire workforce, is conducted annually in two phases: for white-collar workers in even-numbered years (2024, 2026, 2028, and so on) and for blue-collar workers in odd-numbered years (2025, 2027, 2029, and so on). This biennial approach for each employee category enables Affiliates to develop a targeted and consistent action plan for their location, based on the results of the previous survey.

At the core of the climate survey model is the Sustainable Engagement index, made up of five questions. This index measures both active engagement and satisfaction, along with additional factors like Energy and Empowerment, which are also key indicators of the long-term sustainability of employee engagement. This model is based on the idea that when a work environment fosters individual performance, supports employees' well-being, and actively engages them in achieving company goals, the engagement is more likely to be sustained in the long term. In fact, the company's ultimate goal is to maintain Sustainable Engagement at consistently high values and above 80%. This objective was included in the Strategic Targets concerning People in the Industrial Plan with a 2030 horizon.

In addition to Sustainable Engagement, the questionnaire examined employees' level of Job Satisfaction across substantive dimensions of the employee experience, such as Health, Safety and well-being, stress levels, work-life balance, interpersonal relationships, teamwork, support at work, Purpose, Trust, Quality, Social Responsibility, Diversity, Inclusion and Leadership, as well as Capability and Empowerment. There are also open questions to gather comments and suggestions.

In 2025, the climate survey was addressed to the blue-collar population and recorded a global participation rate of 75%, remaining in line with the participation rate of the previous survey, and reported a Global Sustainable Engagement Index of 84%, confirming a similarly high level of engagement compared with the previous survey and positioning itself above the benchmarks relating to equivalent surveys conducted in companies in the manufacturing sector (data provided by the external specialised company that supported the Company in conducting the global surveys). The index is calculated considering the "total favourable" responses in the category of Sustainable Engagement, i.e., ratings 4 and 5 on a scale of 1 to 5 (1-total disagreement to 5-total agreement).

Notwithstanding the positive results of the previous edition of the survey for blue-collar employees (2023), the 2025 survey showed significant improvements in the areas of Sustainability and Health, Safety & Environment (HSE). These improvements confirmed the effectiveness of the initiatives undertaken by the Company and the growing attention of employees towards these strategic areas. Moreover, the area exploring perceptions of Welfare & Benefits showed, in addition to a high level of satisfaction, a significant advantage compared with international benchmarks, positioning welfare among the Company's areas of excellence.

A further significant element emerged from the analysis of open comments, provided by 50% of participants, reflecting a high level of engagement. The greatest concentration of observations

related to Health & Safety and Welfare & Benefits, further demonstrating the central role these dimensions play for the Company's workforce.

An analysis of demographic data revealed certain globally consistent trends. The opinions expressed by women – although numerically less represented than men – were more favourable across all survey dimensions; employees with parental roles expressed slightly more positive assessments compared with colleagues without children; employees with care-giving responsibilities, lastly, expressed significantly more favourable opinions than other employees. This latter data therefore confirmed the appreciation of the programmes through which Pirelli supports families and caregivers, highlighting their tangible value as perceived by beneficiaries.

Furthermore, the survey confirmed a strong sense of belonging among employees and solid trust in the quality of the products and services offered by the Company, as demonstrated by the two questions that received the highest number of favourable responses overall (both achieving 93% favourable responses): "*This organisation has established a good reputation for the quality of its products*" and "*I believe strongly in the products and services this organisation provides*".

The results of the 2025 climate survey for blue-collar employees were communicated to Senior Management in December 2025, while communication of the results to Group employees was scheduled for February 2026, with specific planning for each country and plant. On the basis of the data collected, specific improvement actions at local level in relation to the areas identified for attention were to be defined, as usual, by the end of the first quarter of 2026. The next engagement survey for blue-collar workers will be carried out in 2027.

Pirelli annually consolidates Sustainable Engagement and the global response rate by weighting the results of the current year and the previous year, thereby including both the staff survey and the blue-collar survey in a consolidated figure. For the two-year period 2024-2025, the Global Overall Sustainable Engagement score amounted to 83% [, with a global participation rate of 76%.

Sustainable Engagement remains higher among the blue-collar population than among the white-collar population, a trend that contrasts with what is typically seen in such surveys. This finding, confirmed by the specialised external company that supported the Group in conducting the global surveys, reflects the Company's strong focus on colleagues working in manufacturing roles.

In general, the surveys of the last two years reveal some characteristic traits of Pirelli's corporate culture, including pride and a sense of belonging, trust in the company's choices and recognition of the high quality of its products, showing how these are now common traits of the company around the world.

CHANNELS FOR EMPLOYEES TO RAISE CONCERNS

Pirelli strives to avoid causing - or contributing to causing - adverse effects and impacts on people. The Company operates in compliance with the United Nations Guiding Principles on Business and Human Rights, and is constantly striving to refine processes aimed at identifying, assessing,

preventing and mitigating any risks of negative impact on people, and taking timely remedial action should they occur. Remedial measures depend on the type of impact that occurs but always include actions to address the root causes. These measures are also accompanied by proactive support for those affected and, when appropriate, dialogue with workers' representatives.

To allow employees, as well as other stakeholders, to report potential violations of internal Policies or legal obligations anonymously and confidentially, the company has for the last several years implemented a whistleblowing system designed to address reports related to working conditions, discrimination and harassment, and health and safety. This system is based on the Group's Whistleblowing Policy, described in the section on Governance, paragraph "The Whistleblowing Policy".

In addition to Group channel, Pirelli provides dedicated channels at the level of individual Companies, where foreseen and in line with local regulations, as well as a channel reserved to reporting Breaches concerning the Internal Audit function managed by independent parties internal to the Company, who would engage an external party to handle the report. The external party would then be responsible for reporting to the Audit, Risks and Corporate Governance Committee.

This channel is available to anyone, whether internal or external to the Group, who wishes to submit a report, either in writing or orally, regarding any company within the Group.

The procedures for reporting and filing complaints are available internally through the intranet and company noticeboards in the local language, as well as externally on the company's website, where they are published in multiple languages to ensure easy accessibility.

Reports received through the Group channel are centrally managed by the Group Internal Audit function, which reports functionally to the Audit, Risk, and Corporate Governance Committee (made up mainly of independent directors), and to the Board of Statutory Auditors of Pirelli & C. S.p.A and meets the requirements of impartiality and independence for the performance of this activity by EU regulations[148] and best practices in general.

The Internal Audit Function receives and analyses reports obtained from Stakeholders in accordance with the whistle-blowing procedures established by the Group and regarding any cases of corruption/violation of the principles of internal control and/or the precepts of the Code of Ethics, equal opportunities, corporate rules and regulations, or any other actions or omissions that, directly or indirectly, might result in economic or financial losses for or damage to the reputation of the Group and/or its subsidiaries.

Whistleblowing Managers are in charge of analysing all the whistleblowing cases received and providing feedback to the whistleblower on their acceptance, management and results. The Whistleblowing Manager, during the analysis, may, where necessary, involve the corporate functions deemed competent for verification activities, as well as request any specific action plans. If the report

[148] Legislative Decree No. 24 of 10 March 2023 (the so-called "Whistleblowing Decree"), which transposed Directive (EU) 2019/1937

is found to be well-founded, the appropriate disciplinary measures and/or legal action will be taken to protect the Company and the whistleblower.

Finally, Internal Audit periodically reports to the relevant Pirelli & C. S.p.A. bodies on the reports received and the progress of the analyses performed.

At the end of 2024, the Group carried out a global communication campaign to make employees aware of the possibility of activating the whistleblowing process and how to report it, through posters displayed in offices and plants and a video published on the company intranet. Workers' awareness of these structures and processes, and their confidence in using them to communicate concerns or address needs, is reflected in the activations of the Whistleblowing procedure during 2025.

The whistleblowing channels are structured in accordance with the principles of 'privacy by design' and 'privacy by default and minimisation'. Reports may be made also in an anonymous form and protection of the principles of confidentiality, proportionality, impartiality and good faith is at all times guaranteed, as is zero tolerance in respect of acts of reprisal of any kind against whoever makes a report or is the subject of the report. The handling of reports is, in fact, guided by respect for the confidentiality of the persons concerned and of any third parties involved, while also ensuring anonymity, in the case of anonymous reports, and the principles of necessity and proportionality.

It should be noted that in 2025, in line with 2024, no reports of violations of fundamental Human Rights were received, nor was the Company subject to any proceedings or convictions relating to violations of Human Rights.

PIRELLI EMPLOYEES AROUND THE WORLD

Pirelli's total own workforce at 31 December 2025 – expressed in Full Time Equivalents and including temporary workers – came to 29,915 resources (31,219 resources in 2024), of whom 29,680 employees (in 2024, the figure was 30,999) and 235 temporary workers[149] (220 in 2024)**.**

The following tables, pertaining to 2025 and 2024, provide a detailed breakdown of employees by gender, geographical area and type of contract, as well as the employee flow by gender and age group. All quantitative information provided is expressed in FTE, i.e. full-time equivalents, calculated on the basis of the hours effectively worked by each employee with respect to the standard working hours. It is also noted that the Group's average number of employees is specified in Note 45 of the Consolidated financial statements.

The cost incurred by the Group in 2025 for employees, including salaries and wages, social charges, and other labour-related expenses, is recorded under the "Personnel Cost" item in the consolidated

[149] Agency workers are the workforce that is taken on to meet temporary work peaks, linked to market demand. This workforce is intermediated through employment agencies, in compliance with company policies, legal regulations and trade union agreements. **[S1-7 56]**

income statement and amounts to 1,304,932 euros (in 2024 it amounts to 1,301,297 thousand euros).

Additional quantitative information with specific reference to the issue of diversity is provided in the “Diversity, Equity and Inclusion of own workforce” paragraph of this Report.

METRICS related to characteristics of own workforce

Gender	**Number of employees 2024 (in number of persons)**	**Number of employees 2025 (in number of persons)**
Men	26,024	24,765
Women	4,975	4,915
Other	0	0
Not disclosed	0	0
Total employees	30,999	29,680

Country	**Number of employees (in FTE)**	**Number of employees 2025 (in FTE)**
Brazil	6,351	5,810
China	3,639	3,565
Italy	3,354	3,373
Mexico	3,598	3,664
Romania	4,701	4,853
Total employees in other countries	9,356	8,415
Total employees	30,999	29,680

	2024					2025				
	WOMEN	**MEN**	**OTHER (*)**	**NOT DISCLOSED**	**TOTAL**	**WOMEN**	**MEN**	**OTHER (*)**	**NOT DISCLOSED**	**TOTAL**
Number of employees (in number of persons/FTE) alternative	4,975	26,024	*0*	0	30,999	4,915	24,765	0	0	29,680
Number of permanent employees (in headcount/FTE)	4,774	25,053	*0*	0	29,827	4,742	23,915	0	0	28,657
Number of fixed-term employees (in headcount/FTE)	198	870	*0*	0	1,068	173	850	0	0	1,023
Number of variable-hour employees (in headcount/FTE)	1	103	*0*	0	104	0	0	0	0	0
Number of full-time employees (in headcount/FTE)	4,860	*25,781*	*0*	0	30,641	4,821	24,664	0	0	29,485
Number of part-time employees (in headcount/FTE)	113	*245*	*0*	0	358	94	101	0	0	195

(*) Gender as self-identified by employees.

	2024					2025				
	Europe	**North America**	**South America**	**APAC Area**	**Russia & MEAI**	**Europe**	**North America**	**South America**	**APAC Area**	**Russia & MEAI**
Number of employees (in number of persons/FTE) alternative	13,665	3,961	7,522	3,812	2,039	13,214	4,030	6,630	3,757	2,049
Number of permanent employees (in headcount/FTE)	12,651	3,961	7,408	3,805	2,001	12,287	4,030	6,547	3,757	2,035
Number of fixed-term employees (in headcount/FTE)	926	0	114	7	22	927	0	83	0	14
Number of variable-hour employees (in headcount/FTE)	104	0	0	0	0	0	0	0	0	0
Number of full-time employees (in headcount/FTE)	13,445	3,960	7,406	3,812	2,018	13,067	4,030	6,588	3,757	2,043
Number of part-time employees (in headcount/FTE)	236	1	116	0	5	147	0	42	0	6

The following data refer to incoming/outgoing employees (all incoming and outgoing movements of employees with permanent and fixed-time contract, such as retirements, resignations, expiry of fixed-term contracts). The entry and exit rates are calculated by comparing the number of entries and exits of each category to the total number of employees belonging to that category as at 31 December. Changes in working time from full-time to part-time are not considered.

In all, a total of 5,050 employees left the Company (5,011 in 2024). For more details, the voluntary and total turnover is given below, as well as evidence of flows by age and gender.

With a voluntary turnover rate of 7.2% (7.8% in 2024), in 2025, the total turnover rate is [#1108] 17% (16.2% in 2024). The data in question relates to the entire company population, which includes white- and blue-collar workers and refers to voluntary resignations and retirements.

	NEW HIRES BY AGE BRACKET 2024				NEW HIRES BY AGE BRACKET 2025			
	<30*	30 – 50	>50	Total	<30*	30 – 50	>50	Total
TOTAL	2,649	1,722	278	4,649	2,226	1,562	199	3,987
OVER THE TOTAL REFERENCE POPULATION	42.1%	9.1%	4.7%	15.0%	40.2%	8.3%	3.7%	13.4%

	NEW HIRES BY GENDER 2024					NEW HIRES BY GENDER 2025				
	Men	Women	Other	Not disclosed	Total	Men	Women	Other	Not disclosed	Total
TOTAL	3,855	794	0	0	4,649	3,365	622	0	0	3,987
OVER THE TOTAL REFERENCE POPULATION	14.8%	16.0%			15.0%	13.6%	12.7%			13.4%

*At Pirelli, there are 28 young people older than 15 and under 18 - before birthday - years old, of whom 14 in Germany, 12 in Switzerland, 2 in the UK (in 2024, there were 42 young people of whom 22 in Germany, 13 in Switzerland, 4 in Sweden, 2 in the UK, 1 in Brazil), each for training and integration plans, in accordance with local laws.

RESPECT FOR HUMAN RIGHTS

Pirelli bases its activities on compliance with the universally established Human Rights, as fundamental and indispensable values of its culture and business strategy, working to manage and reduce potential risks of violations and in order to avoid causing – or contributing to causing – adverse impacts to these rights in the international, multicultural, socially and economically diverse context in which it operates.

In line with its values and corporate responsibility commitments, the Group adheres to the Global Compact of the United Nations, to the ISO 26000 Guidelines, to the dictates of the SA8000® Standard and underlying ILO international standards, as well as the OECD Due Diligence Guidelines, and the recommendations contained in the United Nations Guiding Principles on Business and Human Rights, implementing the Protect, Respect and Remedy Framework. In this context, Pirelli promotes and protects respect for human rights, fostering the adoption and application of reference international standards by its partners and stakeholders too.

Pirelli is committed to monitoring, preventing and attenuating any impacts on human rights, both for its employees and for workers involved in its value chain. To identify, assess, prevent, and mitigate the risks of violation of Human Rights, Pirelli has implemented a Due Diligence system that crosses the entire value chain and integrates attention to human rights in all the company's activities, in line

with the UN Guidelines on Business and Human Rights, international standards and industry best practices.

In addition, before investing in a specific market, in new business relationships (e.g., M&As, joint ventures), Pirelli conducts ad hoc assessments on possible political, financial, environmental and social risks, including those related to respect for human and labour rights, and carries out systematic monitoring of the internal and external context in the countries where the Company operates, aimed at preventing negative impacts on human rights and, if necessary, remedying them.

With reference to its Affiliates, the Company also continuously monitors the application of the provisions on respect for human and labour rights, through audits performed on a sample basis by the Internal Audit department, as well as through the “Country Sustainability Plans” active at all the Affiliates and in which ongoing compliance with the dictates of SA8000 is monitored (the latter standard has been used by Pirelli as a benchmark tool for managing social responsibility, including human rights, since 2004).

Please refer to the paragraph of this report entitled “Periodic Audits on Labour Rights and Working Conditions” for more details.

In terms of governance, plans, Risk Assessment results, and Human Rights performance are discussed and approved within the Sustainability Operations Committee (a managerial committee), chaired by the Chief Executive Officer and meeting monthly, and subsequently within the Strategic Sustainability Committee (a managerial committee), chaired by the Executive Vice Chairman and meeting quarterly. These elements are incorporated into the strategic plans approved by the Board of Directors, supported by the Sustainability Committee, based on a proposal from the CEO and in coordination with the Executive Vice Chairman, and are reflected in the Sustainability results approved by the Board of Directors.

To continually update Best Practices in human rights protection, Pirelli works with governmental and non-governmental organisations, industry bodies and academic institutions on the development of global policies and principles. For example, the Group CEO signed the “CEO Guide on Human Rights” promoted by the WBCSD in 2019, Pirelli is active within the UN Global Compact Working Group on “Decent Work in Global Supply Chains”, launched in 2018 and continued in the following years, participated in the UN Global Compact “Target Gender Equality” initiative in 2023, and sponsored the UN Global Compact Business and Human Rights Accelerator programme in 2024. Additionally, Pirelli actively contributes to the creation and maintenance of the Global Platform for Sustainable Natural Rubber (GPSNR) and is a member of this platform.

Pirelli’s commitment to human rights is dealt with extensively in the ‘Global Human Rights’ Group Policy, detailed below.

POLICIES related to respect for human rights

Pirelli's commitment to guarantee respect for human rights is governed by the Global Human Rights Policy, through which Pirelli promotes respect for human rights and adherence to applicable international standards also among its partners and stakeholders, including suppliers. Even in cases where Pirelli does not have operational control, all commercial partners (e.g., joint ventures, suppliers, etc.) are required to uphold the principles outlined in the Policy. [S1-1 20]

The Policy describes the management model adopted by the Company with reference to key Rights and Values, such as:

- opposing any form of direct or indirect discrimination and preventing it in all areas of working life;
- recognising the right of its workers to freely form trade unions and to bargain collectively;
- rejecting all forms of exploitation of workers, including child, forced or compulsory labour, and strongly condemning all forms of trafficking and exploitation of human beings;
- promoting a working environment based on trust, dialogue and mutual respect and protecting the well-being of its workers;
- ensuring fair and decent wages;
- ensuring equal pay, e.g. between men and women, for work of equal value;
- ensuring reasonable working hours and providing adequate compensation for overtime, paid annual leave and rest days;
- taking a proactive role in maintaining a safe and healthy working environment and continuously promoting and disseminating a health and safety-oriented corporate culture;
- respecting local cultures and indigenous peoples and protecting the environmental and cultural heritage as well as the traditions and customs of local communities.

The Policy reaffirms Pirelli's commitment to respect and protect fundamental human rights under the laws and regulations of the individual countries in which it operates and applicable international standards, including:

- the United Nations International Bill of Human Rights, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights;
- the United Nations Convention on the Rights of the Child;
- the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and its applicable conventions;

- the European Convention on Human Rights;
- the United Nations Convention against Corruption.

Pirelli's top management, supported by the Sustainability function, which is responsible for Human Rights Governance, and with the involvement of the functions involved in various ways (including but not limited to the Compliance, Purchasing, Human Resources and Organisation, Health Safety and Environment, and Legal Affairs functions) plays a strategic role in the full implementation of the Policy, ensuring the involvement of all Pirelli workers and collaborators so that they express behaviour consistent with the values contained therein. Plans and performance are discussed and approved in the Sustainability Strategic Committee and are part of the Sustainability Plans and results presented and discussed in the competent Steering Committee and then presented, discussed and approved by the Board of Directors.

Pirelli encourages the good faith reporting, anonymously or otherwise, of any conduct adopted by anyone in Pirelli that constitutes, or may constitute, a breach, or inducement to breach, the principles set forth in the Policy. Reporting methods and how they are handled are described in the Whistleblowing Policy.

Further references to respect for human rights and its application to the supply chain are also found in other company documents: "Code of Ethics", the "Health, Safety and Environment" Policy, the "Global Personal Data Protection" (Privacy Policy), the "Diversity, Equity & Inclusion" Policy, the "Code of Conduct of Pirelli Suppliers", the "Sustainable Natural Rubber Management" Policy and the "Whistleblowing" Policy (Complaint Procedure).

For more information on the Global Human Rights Policy, refer to the paragraph entitled "Main policies for the management of material IROs".

Risk Assessment on Human Rights in own operations

Within this framework, the Pirelli Group has for several years conducted a structured Human Rights Risk Assessment process, forming an integral part of its human rights due diligence system, which is updated on a three-year basis in order to ensure its alignment with the evolution of the operational and regulatory context, progressively strengthen its effectiveness and promptly intercept any developments and risks of human rights violations.

In 2025, as part of this continuous updating process, Pirelli updated its Human Rights Risk Assessment (HRRA) relating to its subsidiaries and Joint Ventures in order to identify the geographical areas most exposed to the risk of human rights violations within the Group's perimeter. The assessment was conducted in accordance with the Company's Enterprise Risk Management (ERM) model, structured to enable the identification of any intervention priorities with the most appropriate prevention and mitigation actions.

The analyses allowed for a precise update of the actual risk profile of the Group's companies, which in 2025 was essentially in line with that of the previous financial year, with a low or remote level of risk, considering the combination of potential risk and the application of mitigation and control measures by the Company.

With regard to the methodology followed, the first phase of the update consisted of identifying the Human Rights relevant to the Pirelli Group's activities, based on an in-depth analysis of internal documentation, the international regulatory context and the main regulatory areas, including Human Rights, data protection, corporate responsibility, value chain monitoring and whistleblowing, as well as on a comparative benchmark against the practices adopted by the main industry operators. The 12 human rights identified by the analysis as priorities were as follows:

- the right to equality and non-discrimination;
- the prohibition of child labour and protection of children's rights;
- the right to freedom from slavery, forced labour and human trafficking;
- the rights of minorities and indigenous peoples;
- the right to occupational health and safety;
- the right to protection against violence and harassment in the workplace;
- the right of access to grievance and remedy mechanisms;
- the right to fair remuneration and decent working conditions;
- the right to fair working hours, overtime and paid leave;
- the right to education, training and professional development;
- the right to freedom of association and collective bargaining;
- the right to privacy and protection of personal data.

Thereafter, for each of these rights, an in-depth desk analysis based on public indices[150] was conducted in order to determine the potential country risk level across the 37 countries in which Pirelli operates, taking into account the geopolitical, socio-cultural and legislative conditions of those countries, assessed in terms of the likelihood of occurrences of human rights violations, as well as Business risk, understood as the level of exposure associated with the operational activities present,

[150] For the purposes of the analyses, the following public indices were used: Human Development Report – United Nations (UN); ILOSTAT - International Labour Organization (ILO); International Trade Union Confederation (ITUC); Lloyd's World Risk Poll; Children's Rights and Business Atlas - United Nations Children's Fund (UNICEF); Global Slavery Index – Walk Free Foundation; World Bank; Rule of Law Index – World Justice Project.

such as manufacturing plants, fitting units, logistics and offices. The integration of these elements made it possible to define the potential risk level of the various Group entities.

Both the Country potential risk analysis and the Business potential risk analysis were mapped onto a risk scale from 1 to 4 (where 1 = remote risk, 2 = low risk, 3 = medium risk and 4 = high risk).

The desk analysis of potential risks showed that countries characterised by a medium-to-high potential risk were concentrated in the African and Asian continents, as well as in certain countries in North America and Latin America; conversely, in Europe and Oceania the level of potential risk was generally low to remote.

In order to move from the level of potential risk to the level of current risk with respect to the 12 Human Rights identified as relevant, further analyses were carried out to assess the current risk situation within the Group's subsidiaries and joint ventures. These analyses examined the effectiveness of the safeguards adopted through a structured internal stakeholder engagement exercise, which made it possible to contextualise the potential risks identified in the Country and Business analyses and assess their actual relevance in light of local operational specificities. The assessment was conducted in line with the relevant international standards, considering the likelihood of a violation occurring and the severity of the impacts, understood as a combination of scale, scope and remediability. The level of actual risk was significantly lower than the potential risk and was overall assessed as low or remote, due to the effectiveness of the prevention, management and control measures adopted. Such measures affect not only the likelihood of occurrence of impacts, but also contribute to limiting their severity, since, even in the remote event of a violation, the Company's management and control system would allow for timely intervention, thereby limiting the seriousness of the potential negative impact.

The Human Rights Risk Assessment (HRRA) has provided the Pirelli Group with a structured reference framework that supports the monitoring and, where necessary, the direction of mitigation, prevention, awareness-raising and training activities relating to human rights within the corporate perimeter. In line with its Values and Policies, the Company maintains a constant and high level of attention to human rights in all the countries in which it operates.

Own workforce training on human rights

Pirelli believes that training, access to knowledge and understanding of the rules and principles relating to human rights, the values underlying them and the mechanism for their protection is of fundamental importance, both within the company and in the value chain.

With reference to Pirelli employees, in the fourth quarter of 2023 Pirelli made available a course in which the contents of Pirelli's Policy on Human Rights Management, the regulations underpinning the management model, risk analysis activities and reaction in the event violations are identified are explored point by point. During 2024 the course was translated into the languages most used by the group and was shared with all employees, so that they could learn more about Pirelli's Global Human Rights policy and the behaviours to be observed to maintain a respectful and inclusive work

environment. In 2025, the training programme continued with further updates and training sessions for company departments that, due to the nature of their activities, may have a significant impact on managing human rights issues or are responsible for specific risks related to human rights.

METRICS related to Human rights in own workforce

With regard to work-related incidents, globally there were 45 cases of discrimination and/or harassment in 2025 (64 in 2024), of which 22 cases and 23 reports were received through company channels (whistleblowing), none of which were substantiated, while 2 were still being analysed as at 31 December 2025.

Reports submitted through the Company's whistleblowing channels relating to other employment matters, excluding discrimination and harassment cases, amounted to 122 (103 in 2024[151]).

In line with 2024, in 2025 there were no complaints to the company at national contact points for OECD MNEs.

The total amount of fines, penalties and compensation for damages resulting from the incidents and complaints reported above and received in 2025 corresponds to 1,521 thousand euros (of which 88% related to the country Brazil) compared to a total value recorded in the consolidated income statement that includes amounts also related to litigation notified in previous years is9,963 thousand euros (8,040 thousand euros in 2024), of which 89% related to Brazil.

In 2025, as in previous years, the level of work and social security litigation at Group level remained low. There is still a high level of litigation in Brazil, where labour disputes are a widespread phenomenon and are linked to the specificities of the local culture; as such, it does not only concern Pirelli but also other multinationals operating in the territory. Labour lawsuits are generally initiated when an employment contract is terminated, and they usually involve the interpretation of regulatory and contractual issues that have long been controversial. The Company has made a major commitment to prevent and resolve these conflicts – to the extent possible – including through settlement procedures.

It should be pointed out that in 2024, in relation to Pirelli's Plant in Mexico (Silao), a procedure was activated to verify the respect of trade union and bargaining freedoms, provided for by the 2018 USMCA agreement between USA, Canada and Mexico.

The first phase of this procedure involved an investigation at the Plant by the Labour Authorities of Mexico, and ended with the formal declaration, by the Authorities, of Pirelli's total respect for trade union freedoms and the right to collective bargaining. The consultation process between Mexico and the United States is still ongoing and is expected to be finalised by the end of the first quarter of 2026.

[151] Coming from both inside and outside the Group.

In line with 2024, in 2025 there were no serious human rights incidents related to the company's workforce (including child labour, forced labour, human trafficking) or in violation of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for MNEs. Accordingly, there are no provisions for such cases.

Also with reference to serious incidents concerning human rights related to the company's workforce, it should be noted that no substantiated reports were received of serious violations of the ILO Core Labour Standards, with specific reference to forced labour, child labour, discrimination, freedom of association and bargaining, in line with 2024.

WORKING CONDITIONS OF OWN WORKFORCE

Following the Double Materiality analysis, the following positive impacts related to the management and welfare of Pirelli's workforce were identified:

- Efficient work organisation, including adherence to time limits set by contracts, regulations, standards and characteristics of the business sector.
- Permanent employment contracts and employment stability at Pirelli.
- Wages of the Pirelli workforce aligned with contracts, regulations, standards and characteristics of the corporate sector.
- Presence of collective agreements and opportunities of participation for Pirelli's workforce

Pirelli is committed to guaranteeing working conditions that are fair, inclusive and respectful of current regulations, promoting employment stability, safety and the well-being of its workers through policies and practices aimed at valuing people and their contribution to the sustainable growth of the company.

POLICIES for the protection of working conditions of own workforce

Pirelli's commitment to Fundamental Labour Rights is dealt with extensively in the Global Human Rights Policy, described in the preceding chapters, which regulates, among other aspects, Pirelli's commitment to fostering positive impacts in terms of (i) efficient work organisation, including compliance with time limits set by contracts, regulations, standards and company sector characteristics; (ii) permanent employment contracts and employment stability at Pirelli; (iii) Pirelli workforce wages aligned with contracts, regulations, standards and company sector characteristics; (iv) presence of collective agreements and opportunities for participation for Pirelli employees.

In particular, the Policy reaffirms Pirelli's commitment to respect workers' rights and to provide for written employment contracts, reasonable working hours, fair and decent wages and equal pay, e.g.

between men and women, for work of equal value, and adequate overtime compensation for its employees in accordance with applicable laws and regulations and collective bargaining agreements, where applicable. In any case, remuneration must always be at least sufficient to meet the basic needs of employees and to ensure a decent standard of living for them and their families. In addition, Pirelli's Policy explicitly acknowledges the firm recognition of the right of their workers to freely form trade union associations and to bargain collectively and, in this regard, to engage in open and constructive dialogue with recognised trade union representatives.

In turn, the Diversity Equity and Inclusion Policy reaffirms Pirelli's firm commitment to offering equal opportunities in every aspect of working life, and to scrupulously adhering to the principle that work of equal value should be paid for with equal pay ("equal pay for work of equal value"). For additional information, please refer to the dedicated paragraph "Diversity, Equity and Inclusion of own workforce".

The Health, Safety and Environment Policy also fosters positive impacts in terms of participation opportunities for Pirelli's workforce, expressly providing for consultation and participation of workers and their representatives on occupational health and safety. For additional information, please refer to the dedicated paragraph "Occupational health and safety in own workforce".

TARGETS relative to working conditions of own workforce

The Company's goal has always been, and will continue to be, to foster an environment of effective and open dialogue with employees and their representatives, while ensuring strict adherence to the terms of contracts, regulations, adopted policies, and applicable laws.

The Pirelli approach has always promoted compliance with all legal and/or contractual requirements concerning working hours, the use of overtime and the right to regular days of rest. These matters are often the subject of agreements at the union level, in compliance with the specific regulatory requirements of each country. At the Group level, the right to paid leave is guaranteed in accordance with applicable regulations and company agreements. As confirmation of its commitment to valuing people, as described in the paragraph dedicated to "Processes for engaging the Company's workers", Pirelli defined, within the People dimension of the Industrial Plan, the objective of maintaining a Global Sustainable Engagement Index equal to or above 80% until 2030; in 2025, this index amounted to 83%. This indicator, which measures the level of employee engagement, motivation and sense of belonging, constitutes an essential tool for monitoring organisational well-being and the effectiveness of workforce management and development policies. Achieving and maintaining a high level of engagement reflects the Group's commitment to promoting an inclusive, safe and collaborative working environment, capable of enhancing talent and preventing risks associated with disengagement or turnover.

The indicator is monitored on an annual basis through global surveys, as well as locally and, where necessary, through qualitative analyses and structured listening initiatives, the results of which feed into continuous improvement plans and targeted actions. The process for defining and updating the

indicator also envisages the direct involvement of employees and their representatives, ensuring a participatory approach consistent with the principles of transparency, collaboration and social dialogue.

ACTIONS for the protection of working conditions of own workforce

Renewal of Collective Agreements

Pirelli is actively engaged in ongoing negotiations for the renewal of collective agreements, maintaining an open dialogue in multiple countries, each with its own specific contract renewal dates. In particular, during 2025, collective agreements expiring in Germany were renewed without conflict. Mexico, and Brazil

Periodic Audits of Labour Rights and Working Conditions

In addition to the trade union dialogue and coordination between the Headquarters and local functions, Pirelli verifies the application of the provisions on the respect of human and labour rights to its affiliates through audits performed by the Internal Audit function, on the basis of an ongoing Risk Assessment.

Normally every audit is carried out by two auditors, either on-site or remotely, and lasts about two-three weeks. The Internal Audit Team received training on the environmental, social, labour and business ethics elements of an audit from central function directors to enable them to carry out an effective, clear and structured audit, granting Pirelli effective control over all aspects of sustainability. Based on the results of these audits, an action plan is agreed between the local managers and central management, with precise implementation dates and responsibilities and follow-up verification.

The auditors carry out verifications on the basis of a checklist of sustainability parameters deriving from the SA8000® Standard and the Pirelli Policies mentioned above. All managers from the affiliates involved in the audits are adequately trained and informed on the audit purpose and procedures by the applicable central functions, in particular Sustainability, Purchasing, Health, Safety and Environment, Human Resources and Organisation, and Compliance.

It should be noted that in 2025 none of the audits revealed any breach of ILO Core Labour Standards, with specific reference to forced labour or child labour, freedom of association and bargaining, and discrimination. As a result, it was not necessary to establish remedial plans and associated corrective actions.

Periodic audits on Employment Rights and Working Conditions, in addition to internal verifications, also included inspections carried out by independent third parties at the request of certain stakeholders and in specific plants, in accordance with the principles and standards of the

Responsible Business Alliance (RBA), in order to ensure compliance with social responsibility practices along the supply chain.

METRICS related to Collective bargaining in Own workforce and adequate wages

80.6% (78% in 2024) of the Group's employees are covered by trade union representation bodies (this percentage is almost constant throughout the four years 2022-2025).

In line with the requirements of the ESRS reporting standards, the table below provides details by country within the EEA where Pirelli has a significant level of employment, where significant level is defined by ESRS as "at least 50 employees representing at least 10% of the total number of employees". The countries with such characteristics are Italy and Romania, where the percentage of employees covered by collective agreements and workers' representatives is 100% (in line with 2024).

	Collective bargaining coverage	**Social dialogue**
Coverage rate 2024	**Employees – EEA** **(for countries with > 50 employees representing > 10% of total employees)**	**Workplace representation (EEA only)** **(for countries with > 50 employees representing > 10% of total employees)**
0 – 19%		
20 – 39%		
40 - 59%		
60- 79%		
80 - 100%	Italy; Romania	Italy; Romania

	Collective bargaining coverage	**Social dialogue**
Coverage rate 2025	**Employees – EEA** **(for countries with > 50 employees representing > 10% of total employees)**	**Workplace representation (EEA only)** **(for countries with > 50 employees representing > 10% of total employees)**
0 – 19%		
20 – 39%		
40 - 59%		
60- 79%		
80 - 100%	Italy; Romania	Italy; Romania

During 2025, there were no rationalisation and/or collective restructuring operations but only realignments of workforces to meet market demands. In the event of workforce rationalisations or organisational restructurings affecting employment levels, the Company adopts measures aimed at

minimising the social impact, in full compliance with applicable local legislation, the relevant collective bargaining agreements and trade union agreements. All employees receive adequate remuneration in line with collective bargaining agreements, applicable regulatory requirements and market benchmarks (as in 2024).

DIVERSITY, EQUITY AND INCLUSION OF OWN WORKFORCE

The subject of Diversity, Equity and Inclusion is linked to the following material impacts:

- *Equal opportunities in the workplace at Pirelli, respect for gender diversity and other minorities, equal pay for work of equal value between genders*
- *Commitment to achieving gender balance at Pirelli*.

POLICIES for Diversity, Equity and Inclusion of own workforce

Pirelli is characterised by a multinational context where individuals express a great diversity, whose conscious management simultaneously creates a competitive advantage for the Company and a shared social value.

Pirelli's commitment to respecting equal opportunities and valuing diversity and inclusion in the workplace is expressed in the Pirelli Global Policy "Diversity, Equity and Inclusion", last updated in August 2023. The centrality of the issue for Pirelli also sees equal opportunities covered in other relevant Group sustainability documents, including the "Code of Ethics" and the "Global Human Rights" Policy, updated in July 2025.

With specific reference to Diversity and Independence of the Board of Directors and the Board of Statutory, please refer to the related Policy "Statement on Diversity and Independence" published on Pirelli's website, in the Governance section.

Pirelli's DE&I Policy stresses its commitment to offering equal opportunities in every aspect of working life, in the selection stages as well as in decisions regarding remuneration, assignment of duties, training and career progression. In particular, Pirelli scrupulously adheres to the principle that work of equal value should be equally remunerated ("equal pay for work of equal value"), e.g. between women and men, and actively works to promote gender equality. These decisions are made exclusively on the basis of people's skills, experience and professional potential and achievements, without any distinction on the grounds of gender, gender identity and expression, sexual orientation, marital status, pregnancy status, parental or care-giving status, age, disability (whether mental or physical), skin colour, ethnic origin, nationality, religious belief, socio-economic and/or cultural background, trade union affiliation, political or other opinions.

The Policy also reaffirms Pirelli's commitment to guaranteeing a working environment in which each person is treated and treats others with dignity and respect, free from all forms of verbal, psychological, physical – sexual or non-sexual – harassment, abuse, constraint or violence, and any discrimination against individuals or groups by other individuals or groups, committing itself to preventing and intervening to put an end to such behaviour, should it occur.

The implementation of Policy DE&I passes through the active support of Group employees at all levels, in compliance with internal guidelines and the tools Pirelli makes available so to:

- take decisions concerning the employment and development of people free from any form of discrimination and harassment;
- continue to maintain a high level of sensitivity and awareness in the organisation towards Diversity, Equity and Inclusion issues, including with a view to preventing potential unconscious bias;
- maintain an inclusive and respectful working environment both within Pirelli and in relations with external Stakeholders, free from all forms of discrimination and sexual and non-sexual harassment;
- grant gender pay equity on an equal meritocratic basis, identify gaps and progressively close them, if found, and transparent reporting in this regard;
- bolster of people's motivation through dialogue, participation, services and initiatives supporting mental and physical wellbeing and work-life balance, including, for example, through flexible working options, the dissemination of a culture of sharing family responsibilities, the adoption of health support programmes, and support for parenthood.

The Policy also details the reporting procedure under DE&I, available to employees as well as to the external community, respecting confidentiality and ensuring non-retaliation. The Company responded in all cases, intervening with actions aimed at removing the causes of the complaints and/or aimed at improving the internal control system. For further information on the reports received, please refer to the paragraph "Whistleblowing Policy" in the "Governance information" section.

In terms of Governance, for years Pirelli has had an Equal Opportunities Manager who works in coordination with the different corporate departments according to their respective expertise, considering the impact of the issue on the value chain. Plans and performance in the area of Diversity, Equity and Inclusion are discussed and approved by the Sustainability Strategic Committee, chaired by the Executive Vice Chairman and which includes the Chief Executive Officer and the top management of the Company representing all organisational and functional responsibilities, and are part of the Sustainability Plans and results presented and discussed by the competent Board Committee and then presented, discussed and approved by the Board of Directors.

The centrality of Diversity, Equity and Inclusion in the commitment of top management is also reflected in the remuneration policies. In the Company's short-term incentive schemes (STI) in 2025, there are ESG KPIs focused on Diversity & Inclusion and, specifically, targets have been set on the

number of women in managerial positions relative to the total number of managerial positions in the company. This KPI, broken down in the different geographies, was assigned to the Executive Vice-President, Chief Executive Officer, Region Senior, Executives with strategic responsibility and Group Senior Management with a weight equal to 5% of the entire incentive. For evidence on the target setting and results achieved in the financial year 2025, please refer to the *Report on compensation paid 2025*.

TARGETS relative to Diversity, Equity and Inclusion of own workforce

As an integral part of the Diversity, Equity and Inclusion Policy, as well as of the Global Human Rights Policy, Pirelli pursues the following objectives, set out in the People dimension section of the Industrial Plan:

- Percentage of women in management ≥33% by 2030 (compared to a baseline of 27% in 2023)
- Gender pay gap (gender pay gap for jobs of equal value, calculated on base salary) +/- 2% related to the White-Collar population in favour of either gender by 2030 (compared to a base value of 2.7% in favour of women in 2023).

The targets, established on the basis of historical trend analyses, span the period from 2023 to 2030, with annual milestones in place to track and monitor performance.

At 31 December 2025, the percentage of women in managerial positions was 29.3% (it was 28.3% in 2024), thereby showing progress well in line with the target set.

With reference to the gender pay gap target, in 2025 the value is 0.2% (in 2024 0.4%) in favour of women. This Pay Gap is calculated on a country-by-country basis, taking into account the weight given to each organisational position based on various factors, thus enabling an analysis that highlights pay gaps for comparable roles and jobs, and is based on the Base Salary of the Group's white-collar, middle managers and executives workforce.

ACTIONS for Diversity, Equity and Inclusion of own workforce

The objectives of Diversity, Equity and Inclusion within the Company's own workforce is translated into specific programmes and actions for employees, the management of which is entrusted to the Group Human Resources function which, through a dedicated team, prepares an annual work plan. This plan is shared with the countries, allowing them to act autonomously while ensuring alignment with the guidelines provided. The central team, through regular meetings with the HR teams of the affiliates, monitors the progress of activities and supports and encourages all Group companies to take action to ensure that these initiatives are implemented worldwide.

Established practices and activities include, but are not limited to, the following initiatives, of which further details are provided later on in the text:

- as part of the selection processes, the use of shortlists with a balance of male and female profiles;
- continuous monitoring of the presence of female profiles in the succession plans for managerial positions shared with senior management;
- a commitment to maintaining parity in remuneration with a focus on reducing the Gender Pay gap where it exists;
- welfare and work-life balance initiatives (in regard, refer to the section “Welfare and initiatives in favour of the Internal Community” in this report);
- global and local awareness programmes on various diversity and inclusion issues;
- performance management process for all staff employees aimed at ensuring a fair evaluation of job performance.

In this context, in 2025, Pirelli continued implement initiatives aimed at promoting a more inclusive work environment for its employees. Demonstrating this commitment, in the climate NEXTOYOU survey conducted on the global blue-collar population in 2025, questions regarding the perception of respect for Diversity and the Inclusion climate in the company scored very positively, showing yet further improvement on the results of the previous survey conducted in 2023.

By way of example and without limitation, the following initiatives at global level are also noted:

- Continuous updating on the Company’s intranet of the section entitled “Diversity, Equity & Inclusion Hub”, dedicated to awareness-raising and training. In addition to the Global version accessible to all, certain countries have their own locally managed page through which content and initiatives dedicated to employees in that country are disseminated; guidelines on job announcements aimed at promoting equal opportunities;
- a module dedicated to the management of cross-cultural communication during the ‘Plunga’ international onboarding programme for new recruits;
- the international webinar “*Data-driven Gender Equality*” on the occasion of International Women’s Day (8 March);
- the international meeting on the topic of cultural diversity entitled “*Unlocking Cultural Inclusion*”;
- Training entitled “*A deep dive into: Pirelli Global Diversity Equity and Inclusion Policy*” for all Group countries, aimed at deepening the Company’s approach and commitment to the issue

of Diversity, Equity and Inclusion, as well as the actions implemented by the Group to foster increasingly welcoming work environments.

In addition, at local level, several Group affiliates delivered specific initiatives. Examples include, but are not limited to, the following.

Italy

- In 2025, Pirelli's commitment to gender equality was certified through the confirmation of UNI 125/22 (for Pirelli & C), a certification already obtained in 2024.
- Thematic webinars with the aim of offering moments of reflection to employees on the following international days: International Women's Day, World Bee Day, International Day for the Elimination of Violence against Women, International Day of Persons with Disabilities. In particular, reference is made to the workshop entitled "Mettiti nei miei panni" ("Put yourself in my shoes"), organised at the Headquarters in collaboration with the Libellula Foundation on the occasion of International Women's Day.
- Training for personnel managers on how to approach an inclusive interview.
- 10 annual scholarships for female university students enrolled in Science, Technology, Engineering and Mathematics (STEM) degree programmes who are daughters of Pirelli employees (in addition to the scholarships already awarded under the long-standing welfare initiative supporting employees' children, now in place for over thirty years).
- A financial planning course in collaboration with SDA Bocconi, aimed at reducing the gender gap in financial asset management skills.
- Dissemination among the Company's workforce of awareness initiatives organised by the PARI Association – *Insieme contro la violenza di genere (Together against gender violence)*, of which Pirelli is a supporting member.

Germany

- Annual celebration of Diversity Day, with DE&I-themed activities and meetings.

Romania

- Participation in the ROST – Youth Summit in Bucharest, an event dedicated to young people at which the future of work is discussed.

France

- Disability awareness day at Café Joyeux, a restaurant employing people with autism.

Brazil

- Training dedicated to the HR team on sign language.

Argentina

- Organisation of “inspirational breakfasts”: a space for dialogue and discussion with women leaders, designed to strengthen internal networks, share experiences of inclusion and inspire future generations of women within the Company.

Japan

- In order to promote greater gender diversity in field sales positions, awareness-raising and recruitment activities were intensified to attract qualified female candidates.

The financial resources allocated to these activities were centrally monitored, though they are not significant.

Beyond internal programmes, Pirelli is deeply committed to promoting equal opportunities outside of its organisation, recognising the important role the company plays in driving cultural change within its communities.

As the parent company, Pirelli actively participates in several working groups on Diversity, Equity and Inclusion issues. Among these we note:

- The Valore D network, the first business association in Italy aimed at promoting gender balance and an inclusive corporate culture. The working tables and peer sharing opportunities organised by the network deepen the concrete and positive impacts of inclusiveness on employees and the community, the definition of improvement plans and targets, and the measurement of Diversity, Equity and Inclusion results.

- The DE&I committee of MUNER, Motorvehicle University of Emilia-Romagna, of which Pirelli is a partner company.

- “Females in motorsport’, a group aimed at creating a women’s community with the objective of enhancing and promoting the role of women in motorsport.

The association ‘PARI.’ involves companies and institutions to combat gender-based violence. With regard to synergies with schools and universities, in 2025 the Company once again confirmed its participation in the “*Primavera delle pari opportunità*” (Springtime of equal opportunities) project promoted by STEAMiamoci – a network of national and international companies, universities, bodies and associations engaged in projects aimed at enhancing female talent in scientific and technological professions, in turn launched by Assolombarda – with the objective of bringing into schools the testimonies of women working in STEM fields in order to inspire girls and boys, highlighting professions that are less well known and often traditionally male-dominated.

In the area of social cooperation initiatives, it is worth mentioning the project run in collaboration with the social enterprise 'bee.4' and the social cooperative 'Cascina Biblioteca'. This initiative creates work reintegration opportunities for inmates of the Bollate prison in Milan and for individuals with disabilities, respectively.

METRICS related to Diversity, Equity and Inclusion of own workforce

The tables below provide information on the composition of the workforce for the two-year period 2024-2025, breaking down employees by age group. In addition, the distribution of top management staff is reported, understood as employees with managerial status with a breakdown by gender and the relative percentage incidence on the total. For details relating to hiring rates and personnel flows by gender, reference should be made to the paragraph "Pirelli employees around the world" in this chapter. It is specified that top management includes those positioned two levels below the CEO and managers in comparable positions; namely, those executives who plan, direct and define policies, set strategy and provide the overall direction of businesses or organisations for the development and delivery of products or services.

Number of employees	**2024**	**2025**
Under 30 years	6,287	5,537
Percentage of employees under 30	20.3%	18.6%
Between 30 and 50 years	18,854	18,772
Percentage of employees between 30 and 50	60.8%	63.3%
Over 50 years	5,858	5,371
Percentage of employees over 50	18.9%	18.1%

Number of employees at top management level	**2024**	**2025**
Women	38	43
% of women among members of senior management	14.5	15.9
Men	225	228
% of men among members of senior management	85.5	84.1
Other gender	0	0
% of employees of "other genders" among members of senior management	0	0
Not disclosed	0	0
% of employees of "non-disclosed" gender among members of senior management	0	0
Total	263	271

With regard to the proportion of women in the various professional categories in 2025, the data show a gradual increase; the number of female Executives continues to grow, amounting to 15.9% (14.5% in 2024) of total Executives. The percentage of women in managerial positions (executives and managers) also grows to 29.3% in 2025 (28.3% in 2024), and managers only to 31.2% (it was 30.2% in 2024). While the incidence of the female population out of all employees comes to 34.6% (33.8% in 2024) and the incidence in the blue-collar population rises to 12.3% (11.9% in 2024). The percentage of women in the total population grows to 16.6% (16% in 2024).

For the breakdown of the corporate bodies by gender and Diversity Policies, please refer to the "Report on Corporate Governance and Ownership Structure of Pirelli & C. S.p.A.", within the present Annual Report and in the section "Sustainability Governance Structure".

Focus: the figures on diversity

Internationality and multiculturalism are the distinguishing features of the Group: Pirelli operates in over 160 countries on five continents, and as of 31 December 2025 Pirelli's employees came from 85 nationalities. The following table shows nationalities most present in the total population calculated in relation to Management positions.

Share in total workforce (in % of total work force)		
Nationality	**% 2024**	**% 2025**
Brazilian	20.5	19.6
Chinese	11.7	12
Italian	11.2	11.8
Mexican	11.6	12.3
Romanian	15.3	16.5
Russian	6.4	6.7
Other	23.3	21.1
Total	100	100

Share in all managerial positions (as % of total workforce) including junior, middle and senior positions (as % of total managerial workforce)		
Nationality	**% 2024**	**% 2025**
Brazilian	9.8	8.9
Chinese	4.3	4.2
Italian	51.5	52.9
Mexican	3.0	3.4
Romanian	2.2	2.1
Russian	1.0	1.3
Other	28.2	27.2
Total	100	100

In the context of equal opportunities, Pirelli is particularly attentive to remuneration equality, constantly monitoring and publishing the figures transparently for more than 10 years.

The countries considered in the analysis at the end of 2025, were all the countries in which Pirelli operates. The pay gaps between men and women are calculated for each country and for the same roles, taking into account the “grade” assigned to each (i.e., the weight given to each organisational position on the basis of different factors) and the statistical significance of each cluster. This methodology of data collection allows for an objective investigation and assessment, taking into account the structural differences of the various local markets and their specific remuneration logic.

With reference to all the Group’s executives, middle managers and white-collar workers, the average pay gap measured between men and women is 0.2% in favour of women. More specifically, with reference to white-collar workers, the average pay gap between men and women measured is 0.9% in favour of women. For middle managers, on the other hand, there is an average pay differential of 0.8% in favour of men. A few examples:

- Italy, where there is a difference between average pay for men and women of around 3.8% in favour of women in the white-collar category and 3.4% in favour of men in the middle management category;

- Romania, where for the white-collar category there is a 0.6% in favour of women and for the managerial category a 2.2% in favour of men;

  Brazil, where there is a 0.9% pay gap in favour of men in the white-collar category and a 3.3% gap in favour of men in the middle management category;

- Germany, which has a difference between average male and average female salary of 1% in favour of men for the white-collar category and 1.2% in favour of men for the managerial category.

With reference to the population of executives, of which women make up 15.9% (in 2024 14.5%) there is an average pay gap of 5.7% in favour of men.

With regard to the population of blue-collars, all countries where Pirelli has an industrial presence were analysed. For each of these countries the pay gap between men and women has been calculated. The average, weighted by the number of employees, showed 2.5% in favour of men. A few examples:

- China has an 8.5% difference between average male and average female wages in favour of men;
- Brazil has a 12.9% wage gap in favour of men;
- Italy shows a 2.4% difference in favour of men;
- Romania shows a 0.5% difference in favour of men.

With reference to all Group employees, the difference between the average remuneration of men and the average remuneration of women (*Raw Pay Gap*) was 2.9% in favour of men. This calculation is based on the simple average of the remuneration of all male employees compared with the simple average of the remuneration of all female employees without any weighting or adjustment.

Pirelli also monitors the annual total remuneration ratio (i.e. the ratio between the Compensation of the Executive Vice Chairman, being the individual with the highest compensation, and the median Compensation of all other Group employees), which amounted to 615 in 2025 (in line with 2024, when the value was 614). The ratio is “adjusted” with the Purchasing Power Parity[152] correction factor, so as to take into account the different purchasing power of the various countries in which Pirelli is present. For more information on the Compensation of the Executive Vice Chairman, please refer to the 2025 Report on Compensation Paid.

[152] Conversion rate that seeks to equalise the purchasing power of different currencies, eliminating differences in price levels between countries.

SKILLS DEVELOPMENT IN OWN WORKFORCE – PERFORMANCE MANAGEMENT AND TRAINING

The Skills Development - Performance Management and Training topic is linked to the following material impact:

- *Training and skills development of Pirelli employees throughout their working lives*.

The training of the company's own workforce, full-time and part-time, is an integral part of the company's strategies to ensure professional growth and continuous improvement of skills, in line with development and performance management objectives.

POLICIES for Training and development of skills in own workforce

Pirelli's commitment to skills development is clearly outlined across multiple Policies that, among the various aspects covered, address Pirelli's commitment to promoting positive impacts by fostering the training and development of its employees' skills throughout their careers, in particular:

- the Quality Policy, which explicitly emphasises the promotion of Pirelli's corporate culture focused on quality, inclusiveness and ethics among its employees, achieved through continuous and targeted dialogue, communication, motivation and training;

- the Global Human Rights Policy, which highlights Pirelli's commitment to raising awareness among its employees through information and training, ensuring they conduct their business activities with respect for human rights;

- the Health, Safety and Environment Policy, which expresses Pirelli's commitment to empower, train and motivate its workers to work safely and in respect of the environment, making them responsible and involving all levels of the organization in a continuous training and information programme designed to promote a culture of occupational health and safety and respect for the environment, as well as to ensure that the company's responsibilities and procedures in these areas are appropriately updated, communicated and understood.

For further information about Group Policies, see the "*Main policies for the management of material IROs*" paragraph.

TARGETS for Training and development of skills in own workforce

As a key element of its training policy and to confirm its commitment to promoting the training and development of its outside workers, Pirelli aims to maintain a constant average of more than five training days per employee annually, as outlined in the Industrial Plan.

This target, defined considering the historical trend, market benchmarking and internal skills development programmes, applies to the entire Pirelli workforce globally for the period 2024-2030. In 2025, the annual performance monitoring confirmed a result above the target threshold, with 8.1 average training days per employee (in 2024 equal to 6.9 days), calculated by dividing the total training hours in the year 2025 by the average workforce for the year and converting the resulting figure into days.

ACTIONS for Training and development of skills in own workforce

All Pirelli affiliates have adopted the Learning@Pirelli training model, structured and equipped system to respond to Group training needs as well as any more specific needs that may emerge locally at any time. The Pirelli training offering is based on one hand on the strategic priorities of the organisation and the different functions, and on the other on the needs that arise each year from the Performance Management process, as well as the training needs that arise from the contingencies of the business environment. In 2025, despite the variety of training topics covered, the focus on health and safety issues, sustainability, IT security awareness programmes and general professional upskilling activities, including those required by the advancement of the company's digital transformation process, is confirmed. The content delivery modes are distributed between presence, virtual and online self-paced consistent with the learning objectives of each initiative. The Pirelli training model is based on four pillars: Professional Academy, School of Management, Global Activities and Local Education. The first three are designed centrally and provided centrally and/or locally, while Local Education is fully managed and implemented in the individual countries to meet the specific local needs, a large part of which is dedicated to training blue-collar workers.

Professional Academy Pirelli

The Pirelli Professional Academy target the entire corporate population with the aim of providing continuous technical-professional training, accompanying the development of specialist skills, encouraging cross-functional collaboration, ensuring the exchange of expertise and know-how among countries and supporting the implementation of tools and procedures within the organisation.

The Pirelli Academies are as follows: Research and Development, Manufacturing, Commercial, Quality, Supply Chain, Purchasing, Administration Finance and Control, Human Resources, Digital, Health Safety and Environment. Despite the specificity of individual training offerings, many of the Academies collaborate with each other to disseminate and promote topics of growing and cross-cutting relevance, such as sustainability and digitalisation. The Academy model envisages a function contact person leading each Academy, supported by the Group Training function, which guarantees uniformity in the methods of setting up, delivering and evaluating learning as well as ensuring liaison with local training teams. The teaching staff of the Academy is mainly composed of internal trainers, experts from the specific functions who, based on the training needs and logistical needs, provide training at central, regional and local level.

From year to year, the Professional Academies' training offerings are expanded to include new initiatives aimed at meeting strategy and business needs. Below are some examples of initiatives delivered in 2025:

- In the R&D Academy, skills mapping was completed globally for colleagues in the Product teams at all Pirelli locations. The initiative aimed to map the level of coverage of competencies considered strategic to address future challenges in product development. Analysis of the results made it possible to identify training priorities and structure a targeted skills development plan. The training programme was launched in 2025 and will continue into 2026. In addition to the continuously expanding training offer and to ensure resources remain updated on strategic skills, the R&D Academy supports Pirelli's Innovation ecosystem by facilitating networking and technical deep-dive initiatives with external stakeholders, including OE customers, suppliers, universities, research centres, and corporates.

- Within the Supply Chain and Purchasing Academy domain, the Supply Chain Essentials training, now in its fourth edition, was complemented by the first edition of the Purchasing Essentials programme. Both programmes, aimed at young professionals in the function at a global level, are designed to provide the tools and skills needed to face business challenges, in line with evolving market demands, professional trends, and technological transformations. The two training paths include both modules dedicated to the respective professional area and common modules on cross-cutting topics, aiming to foster increasing synergy. Particular attention is given to digital developments and applications of Artificial Intelligence, which are helping to redefine processes and operational models along the entire value chain.

- In the Digital Academy area, the Digital Awareness campaign for Italy continued, with the aim of providing a non-specialist audience with increasing opportunities to stay updated on the latest trends in the sector and on the company's approach to managing these trends and leveraging their full potential. In 2025, external professionals together with company management specifically addressed Cybersecurity and Cloud topics. During the year, a new training offer was also introduced for professionals in the Digital function. The programme included both interventions on transversal topics of common interest to the entire function and specialised deep-dive programmes aimed at individual teams. As part of the digital transformation path, a training campaign was conducted in Italy to strengthen skills in Microsoft 365 and Copilot, enhancing the effective, conscious and ethical use of digital tools and Artificial Intelligence in daily work. The initiative was structured in two sessions: the first focused on Microsoft 365 tools, followed by a session on Copilot providing a structured overview of its main functionalities. This programme enabled the company to achieve an average Copilot adoption rate of over 80% in the second half of the year. Starting 2026, the programme will be gradually extended to other Group countries.

- In the Health Safety and Environment Academy domain, the "Leading with Health & Safety Value" programme continued, a global initiative aimed at further strengthening the corporate culture in health and safety. In 2025, workshops were held for central functions and the Group's main operational units, and the Train the Trainer path was launched to complete cascading across all Regions. The programme will continue in 2026, gradually involving all

production sites. In connection with the Manufacturing Academy, the “Pirelli Manufacturing Excellence” (PME) programme continued in the plants, aiming to enhance competitiveness and promote operational excellence, fostering the development of new skills across all plant functions and encouraging the promotion and sharing of best practices.

- During the year, the transfer of knowledge and specialised practices from the main technical PME streams (Value & Loss Deployment, Workplace Organisation, Material Flow & Services, Professional Maintenance, and Energy) continued through dedicated training sessions. At the same time, the Manufacturing Academy updated and relaunched its training offer, aligning it with the PME model and responding even more effectively to the technical and operational needs of the business.

- In 2025, the Quality Academy contributed to the launch of the global programme “We ALLways make Quality,” an initiative aimed at promoting and consolidating a quality culture throughout the organisation. In parallel, the Quality Academy continued to offer structured and international training programmes, including those relating to Scrap Reduction and Six Sigma, with the aim of increasing efficiency and promoting continuous improvement. Additionally, the e-learning course catalogue was expanded and updated, including an increasing number of cross-cutting contents to support widespread knowledge sharing.

Pirelli School of Management

The Pirelli School of Management comprises the training offering dedicated to the development of the managerial culture within Pirelli and is aimed at the entire staff corporate population.

The focus of the School of Management’s training programmes is defined each year in line with the business challenges the Company is called upon to address. The training model provides a learning offer focused on the development of soft skills and aligned with the six Key Behaviours identified in the Group’s global performance management system. This also includes onboarding courses for new recruits and development courses to support managerial roles.

This also includes onboarding programmes for new hires and development initiatives supporting managerial roles. For all new Pirelli Group employees, the traditional digital onboarding programme “Plunga” was organised. During the programme, which this year again involved numerous colleagues from various countries, participants had the opportunity to deepen their understanding of the company’s history and culture, strategy, business, and products, including the sustainability policies and targets that cut across all of the above areas.

In 2025, a new format of the international “Warming Up” programme was introduced, aimed at all recent graduates within the Group, with the goal of supporting their growth journey within the organisation. This edition featured an increased number of soft skills modules, alternating in a structured way between business-focused and cross-functional skill modules. This approach

fostered the development and synergy between technical and soft skills. In 2025, the programme involved numerous colleagues from the majority of countries where the Group operates.

For the Group's new executives, the customary annual 'Developing Managerial Excellence' programme was implemented.

In 2025, the second edition of the managerial development programme "Lead Beyond" was completed, and a new edition was launched. This programme is made up of several modules spread over a 6-month period, organised both virtually and in person. This year, the programme again involved colleagues from different Group locations and functions, aiming to guide them along their growth path toward increasingly complex professional challenges, strengthening leadership capabilities and fostering the creation of an international network.

The programmes mentioned are part of recurring initiatives, which are repeated annually. Given the extended duration of these training courses, the Lead Beyond program includes an annual transition, where one wave concludes and the next wave begins, with a new group of participants.

Global Activities

Global Activities include all training campaigns launched globally and designed to promote awareness of corporate guidelines while respecting local diversity. Topics covered included Information Security, Sustainability, and Cultural Diversity.

In 2025, training programmes on Cyber Security and Climate Change continued, with a particular focus on awareness-raising initiatives within the plants.

Among the global sustainability initiatives conducted in 2025, the Sustainability Hub is highlighted, a digital space dedicated to strengthening awareness of sustainability issues among all employees. It provides content covering key topics such as strategy, targets, and company policies, as well as international standards, climate change, and decarbonisation.

In the area of Diversity, Equity & Inclusion, the international initiative "Unlocking Cultural Inclusion" was held, a training session aimed at the entire employee population to raise awareness of the value of cultural differences.

Local Education

The training provided at the local level responds to the specific training needs of the Pirelli affiliates operating in the different countries and is addressed to the entire company population.

With reference to the Italy perimeter, among the activities delivered in 2025, the training campaign aimed at managers continued, supporting them in the feedback phase of the Performance Management process.

By way of example, reference may also be made to the Train the Trainer programme delivered in China to strengthen the local team of internal trainers, and to the programme carried out in Turkey for a group of new hires aimed at developing intergenerational communication skills. In many countries including Romania, Germany, Italy and Argentina, local leadership programmes have been created to support the managerial development of team leaders and supervisors in plants.

A large part of the training at the local level is represented by the training provided within the plants and mainly dedicated to the continuous updating of the skills of departmental operators. In addition, all courses related to the implementation of new local regulations and procedures fall within this cluster.

METRICS related to Training in own workforce

Total training delivered in 2025 averaged out as 8.1 days, i.e. 64.6 hours (in 2024, it was 6.9 days, i.e. 55.1 hours) of training per capita. This figure, which was calculated by dividing the total training hours in the year 2025 by the average head count for the year and transforming the resulting figure into days, confirms the centrality of training in Pirelli's culture. The investments made for the various categories of the company population (blue-collar workers, middle management and white-collar workers, and executives) are balanced in proportion to the overall training strategies: the strong focus on manufacturing improvement processes in addition to the usual attention to health and safety issues, particularly significant in 2025, explain the larger investments on the blue-collar worker population.

Health, Safety and Environment topics accounted for 25% of total global training in 2025, calculated by taking the total number of training hours on HSE topics carried out in 2025 and dividing the resulting figure by the total training hours in the year in question. For more information, please refer to the chapter "Health and Safety and Environmental Training: HSE Academy".

	GROUP	WOMEN	MEN	Other	Not disclosed
Average per capita training hours 2024	55.1	49.8	56.1	0	0
Average per capita training hours 2025	64.6	56.1	66.2	0	0

	Blue-collars	White-collars	Middle Managers	Executives
Average training hours per level 2024	61.7	31.2	27	16.9
Average training hours per level 2025	71.6	41	32.5	20.5

ACTIONS related to Talent Development in own workforce

Talent Management

The Talent Development programme aims to ensure business continuity by supporting the identification and development of people with the potential to cover the positions of greater complexity, those who already hold strategic positions and so-called critical know-how (that is, people with key skills that are difficult to replace).

In 2025, global Talent Review meetings were held as usual, attended by department and business unit managers, together with their direct reports and relevant Huma Resources managers. As in previous years, the goal was to support the identification of targeted development paths and ensure a consistent and effective process across the Group. As far as training programmes for 2025 are concerned, the following are worth mentioning in particular:

- Global Mentoring Programme: an initiative dedicated to the youngest segment of the talent population, the third one of which was completed in 2025. Each of the participants, or mentees, is paired with a senior leader in the role of mentor. Mentors and mentees were supported with some training sessions aimed at sharing methodologies and tools to support the effectiveness of the programme. The main objectives of the course, in continuity with previous editions, were: the transfer of experience and vision between current leaders and the next generation of leaders, the support for the professional development goals of young talent, and the development of greater awareness of corporate culture and context.

- Lead Beyond – Pirelli Global Managerial Program: a training programme that consists of several modules, both in-person and virtual, spread over six months and intended to support participants in developing their managerial skills. The second wave of the programme was completed in 2025 and the third wave is currently underway.

METRICS related to Performance Management in own workforce

Through the Performance Management process, which mainly involves the staff population (executives, managers and employees) worldwide on an annual basis, Pirelli defines and evaluates each employee’s contribution to achieving company objectives, assessing both results achieved and behaviour acted upon. The process supports the definition and sharing of key indicators for the realisation of the corporate strategy and represents an important opportunity for the professional development and orientation of each individual. A key element of the process is the transparent, open, and agile dialogue between the boss and the employee, from the phase of sharing individual objectives to that of evaluating the results achieved and the behaviours expressed in achieving them.

The main features of the process are:

- the process and the platform are open all year, so as to better support the continuity of dialogue between boss and employee and alignment on priorities;

- the assessment is based on two dimensions: 'what' (results) and 'how' (behaviours expressed);
- key behaviours, applicable to the entire corporate population, reflect and represent the company's values outlined in the Code of Ethics and are essential for achieving the strategic objectives of the company. Key Behaviours are: Accountability, Teamwork and collaboration, Forward thinking, Agility, Cross-functional approach, Initiative and drive;
- the entire process is managed within a platform accessible from all company devices.

In support of the quality of the performance evaluations, as part of the process Pirelli includes so-called Calibration Meetings, i.e., meetings attended by the heads of the individual functions, Business Units and Countries, with their respective first reports and the relevant Human Resources and Organisation managers. During these meetings, the assessments of the people belonging to a specific organisational unit are put into common use with the aim of ensuring a shared and balanced distribution of the evaluations, enrich the assessment by supplementing it with feedback complementary to that of the manager and thus guarantee a process that is as coherent, homogeneous and objective as possible.

In 2025, alongside the usual digital training resources focused on the evaluation and feedback process, dedicated training sessions for managers were also organised to offer additional support and guidelines for managing feedback meetings.

The performance management process mainly involves staff worldwide (Executives, Middle Managers and employees). In 2025, the employee participation rate was 19.7% (19.2% in 2024), calculated by dividing the total number of people who took part in the performance review process during the year by the total number of employees as at 31 December of the year under review. This figure corresponds to the total number of eligible persons for the year under consideration according to the process defined at Group level. Below are the percentages of completion by gender and level calculated as above but considering, each time, the reference population.

	Women	**Men**	**Other**	**Not disclosed**	**Total**	**Women**	**Men**	**Other**	**Not disclosed**	**Total**
	2024	**2024**	**2024**	**2024**	**2024**	**2025**	**2025**	**2025**	**2025**	**2025**
Percentage of employees who participated in regular performance and career development reviews	37.6%	15.8%	0%	0%	19.2%	38.2%	16.1%	0%	0%	19.7%

	White-collars	Middle Managers	Executives	Blue-collars	Total	White-collars	Middle Managers	Executives	Blue-collars	Total
	2024	2024	2024	2024	2024	2025	2025	2025	2025	2025
Percentage of employees who participated in regular performance and career development reviews	87.2%	96.5%	99.1%	1.1%	19.2%	87.8%	97.2%	100%	1.2%	19.7%

WELFARE AND INITIATIVES FOR OWN WORKFORCE

The following material impact can be attributed to corporate welfare:

- *Working structure (flexibility, remote working, permits) so as to foster a balance between professional and private life.*

This theme is part of the company's policies aimed at promoting employee wellbeing, through initiatives aimed at improving the quality of working life and creating a safe, healthy and caring work environment with a balance between professional and personal life.

POLICIES related to welfare of own workforce

The well-being of workers is addressed through both the Global Human Rights Policy and the Health, Safety, and Environment Policy, which among other aspects, reflect Pirelli's commitment to fostering positive impacts for the well-being of its workers, particularly through working methods designed to promote a balance between professional and personal life.

The Diversity, Equity and Inclusion Policy also places well-being at the centre, ensuring that people's motivation is bolstered through dialogue, participation, services and initiatives supporting psycho-physical well-being and work-life balance, including, for example, through flexible working options, the dissemination of a culture of sharing family burdens, the adoption of health support programmes, and support for parenthood.

Pirelli's commitment to promoting welfare can be categorised into four main areas:

- health, physical well-being and mental health (e.g. health care, information and awareness campaigns, specific initiatives to improve the well-being of employees);

- to improve work-life balance (e.g. time flexibility, working-from-home arrangements, training for individual development and cultural enhancement, collective celebrations, corporate volunteering);

- family and parenting support (e.g. company-integrated parental leave, scholarships and summer camps for employees' children, inter-company crèches and specific activities to support parents);

- support for leisure time and promotion of a healthy lifestyle (e.g. open days, sports and cultural initiatives, online portals of products and services with important conventions and discounts for employees).

Since years Pirelli has introduced the organisational figure of the "Group Welfare Manager", who is entrusted with the supervision of welfare activities, jointly with the many central and local functions concerned, including Health and Safety at Work, Industrial Relations, Sustainability, Human Resources and Organisation. New Welfare guidelines for the Human Resources and Organisation functions of the countries were introduced in 2024. These guidelines outline the key areas of intervention at the global level, to be translated into a portfolio of specific programmes tailored to local needs.

For more information on the Group's Policies, refer to the paragraph entitled "*Main policies for the management of material IROs*".

TARGETS in welfare in own workforce

Pirelli's Industrial Plan defined a target aligned with its strategy and policy commitments, aimed at building an increasingly '*engaged, diverse and talented*' global workforce.

The goal is to engage 100% of permanent employees by 2026 in the new MORE welfare programme, launched in November 2024 and explained in the following paragraphs. The target is monitored through the metrics of the level of employee coverage achieved by the programme in the various countries, expressed as a percentage of total employees.

The global Human Resources and Organisation team defined this target by assessing the current situation in each country and setting a minimum number of initiatives to be implemented where they are not already in place. These initiatives are intended to complement existing or planned initiatives within local welfare plans in all countries where Pirelli operates.

The initiative applies to the period 2025-2026 and includes review milestones at the end of each year to assess progress and take corrective action if necessary to ensure full achievement of the target by 2026.

At end 2025, the percentage of employees covered by the MORE programme was 71% (it was 60% in 2024), following the implementation, during the year, of MORE initiatives in some countries previously not covered.

ACTIONS in welfare in own workforce

The welfare initiatives that Pirelli offers to its employees vary from country to country, in accordance with the specific regulatory, social and cultural environments in which the affiliates operate and with the global guidelines. In general, all offices worldwide are gradually committed to adopting welfare activities, tools, and processes aimed at creating collaborative environments and providing adequate support for personal life needs.

The welfare activities implemented at Pirelli affiliates around the world align with the macro-areas of intervention outlined in the global guidelines, i.e. health, physical well-being and mental health. Through such activities, initiatives are generally organised that include health care, information and awareness campaigns, specific initiatives to improve the health and well-being of employees, with a focus on stress prevention and the promotion of healthy lifestyles. The majority of countries in which Pirelli operates offer employees activities aimed at promoting physical and mental well-being. In 2025, particular attention was given to the prevention of mental health and well-being. On the occasion of Mental Health Day (10 October), both global and local awareness and information initiatives were organised.

In Pirelli UK, the “Time Out for Mental Health” initiative included a series of events during the week leading up to Mental Health Day, such as occupational health sessions, factory/office walks, yoga and physio-ergonomics sessions, and daily e-mails on mental health topics throughout the week.

In Brazil, Pirelli introduced a “Holistic Wellness App” in 2025, made available to all employees connecting them with physical and mental health specialists to support their personal and professional potential.

At Pirelli Sweden, during the week of World Mental Health Day, email communications were sent to all employees throughout the week to raise awareness and encourage internal discussion on the topic; in addition, a mental health quiz was made available in the breakfast area.

Multiple initiatives have been organised in Pirelli Romania. In Slatina, a psychologist delivered an open talk on emotional balance, stress management, and mental well-being, attended by colleagues in Slatina.

In Turkey, between September and October, the Istanbul and Kocaeli Pirelli sites hosted two “Mindful Trekking” sessions designed to encourage mindfulness practice, support well-being, and foster social connections, all while enjoying nature.

In Italy, the parent company organised international webinars on mental health awareness for all employees globally. In addition, on the occasion of Mental Health Day 2025, each Italian site hosted

a noticeboard for a week where employees could write on post-its what caring for their psychological well-being meant to them. All contributions were later processed and shared with staff via dedicated webinars or e-mail. Daily awareness cards covering topics related to mental health were also distributed.

At Pirelli Mexico, again on the occasion of World Mental Health Day, the initiative “Lunch & Learn about Mental Health” was organised and also promoted through social media channels.

In 2025, numerous initiatives were implemented across several Group affiliates in support of stress management in the workplace, as well as beyond the workplace.

Also in Mexico, the monthly sessions continued from 2024 to raise awareness of stress reduction through practical activities (e.g., candle-making workshops, puppy yoga, Lunch & Learning wellness at work), sometimes open to employees’ family members. In January, a virtual workshop was held on stress management with practical techniques for time management, productivity, and reducing stress due to poor planning.

In Pirelli Romania, in October, a stress management session was conducted for Shop-floor Team Leaders as part of the “Development Program for Team Leaders” in Slatina.

In Brazil, the “Plenamente” programme continued in 2025, providing 24/7 telephone assistance from qualified professionals, together with various initiatives for both employees and managers. In addition, a psychologist is available to employees at the Feira and Campinas plants.

In Germany, in 2025, the training programme “The Secret of Inner Strength” continued, focused on managing professional challenges and workplace stress, with sessions covering relaxation techniques, meditation, and mental training.

At Pirelli US, a webinar entitled “Productivity at Work and Emotional Wellbeing” was organised.

It should also be noted that many countries have progressively introduced dedicated listening areas for employees, to whom they can turn for individual problems and be supported by specialists in order to preserve their psycho-emotional well-being (including Argentina, Germany, Russia, Mexico, Brazil, Italy).

In addition, in Italy the “Tech.no Stress” programme, launched in 2024, continued, focusing on digital well-being and aimed at supporting the adoption of “healthy” digital behaviours and habits.

Pirelli also places equal emphasis on the introduction of campaigns and initiatives promoting healthy lifestyles, including sports initiatives designed to support physical well-being.

The main activities in the Group’s various affiliates in this area include: online courses dedicated to promoting physical well-being, sports activity and a “healthy lifestyle”, such as yoga, Pilates, total body workout, mindfulness and courses on the various dimensions of well-being.

In Argentina, in 2025, new well-being initiatives introduced by countries included in Argentina, sessions on sleep hygiene and preparation of nutritious and balanced meals to support healthy daily habits.

Pirelli Turkey launched a Well-being app through which step-counting and walking challenges were proposed to employees.

Inter-company competitions were organised between the teams at the Slatina and Craiova sites, specifically designed to support health and foster relationships and connections among colleagues, also leveraging a sense of belonging and pride in the brand. At both Slatina and Craiova, Gratitude Corners were set up – dedicated spaces where employees can express their gratitude and appreciation for colleagues by means of Post-it notes.

In Pirelli Italy, fitness classes (Strong Total Body and Pilates) continued in 2025 at the Bicocca headquarters, available in the late afternoon, and from September wellness courses (Yoga and mindfulness) were also introduced on a trial basis.

In April 2025, in Pirelli China, at the Jaozhou plant, a gym was created with table tennis and badminton facilities to encourage physical exercise after work.

In Shanghai too, a “Ping-Pong Corner” was created in July to encourage physical activity and stress relief through friendly matches between colleagues.

Support for healthy lifestyles and sport also includes encouraging employee participation in marathons and running events. In Italy, in 2025, Pirelli once again took part in the Milan Marathon with 56 relay teams made up of colleagues who ran in support of the Italian League for the Fight Against Cancer (LILT) and ENPA (National Animal Protection Agency). Similarly, in Brazil, between September and October 2025, Pirelli employees participated in two running events: the first, EcoRun, a sustainability-focused initiative organised in the São Paulo region; and the second, Colorrida, held in Feira de Santana in support of people affected by cancer.

Furthermore, Pirelli provides a dedicated catering service at all its industrial sites to promote healthy nutrition. These initiatives are complemented by specific healthy eating programmes implemented at affiliate level. In Brazil, all employees have access to an online platform with nutritional programmes, as well as access to discounts at various sports centres.

Personal well-being also depends on feeling confident in managing the financial matters that everyday life entails. Financial education is a topic of increasing interest to employees, and for this reason Pirelli has, for several years, implemented initiatives in this area.

In Italy, since 2023, a structured financial education programme consisting of several sessions held by faculty of a leading business school has been offered annually, in 2025 two sessions of 50 participants each were conducted.

In Argentina, in 2025 a session entitled “Activate Your Financial Wellbeing”, aiming to provide employees with practical tools to manage personal finances, care for the present and plan a financially sound future.

In Turkey, in 2025, the webinar “Financial Stress Management” was organised and made available to all staff employees. Again with the aim of improving the general appeal of the workplace, in 2025 some interventions were carried out at the following affiliates:

In Spain, in November ‘25, the offices in L’Hospitalet de Llobregat (Barcelona) were renovated.

In Greece, at the Argyroupoli offices, and in Italy, at the Settimo Torinese plant, numerous plants were introduced into the working areas (in the case of Settimo not only in the offices but also in production areas and other parts of the plant).

At the affiliates there are many initiatives such as Pirelli employee sport teams and awards for those people who have particularly distinguished themselves in the year.

Corporate benefits and welfare are an essential part of the support Pirelli has always offered its employees.

The various supplementary health plans provided by the company are available at the affiliates and are designed to enhance and expand social protection beyond what is provided by government and state welfare systems, while also addressing local needs. These healthcare schemes always vary from country to country in terms of allocation levels and the types of coverage provided. The plans are managed by insurance companies or funds created ad hoc, in which the Company participates by paying a fixed amount as is done in Italy, or an insurance premium as is done in Brazil and the United States. For the economic-equity measurement of the above benefits, reference is made to the Consolidated Financial Statements, notes “Employee funds” and “Personnel Costs” within this Annual Report.

The social benefits implemented by Pirelli in favour of employees (including life insurance and parental leave in addition to statutory and contractual provisions) were generally granted to all employees, regardless of the type of permanent, fixed-time or part-time contract, in compliance with company policies and local union agreements.

As part of the MORE Global Welfare Programme, it is expected that all countries will have minimum coverage under the new Group standards by the end of 2026.

More specifically, the MORE programme, analysed in detail in the next paragraph, will lead Pirelli to ensure that by the end of 2026, all countries will have supplementary health plans with globally consistent coverage areas. Additionally, “life programmes” to cover the risks of premature death will be made available, if not already provided, to all permanent employees.

In order to improve work-life balance, Pirelli adopts multiple tools, including flexible working hours, working-from-home arrangements, individual development training, cultural growth and group celebrations.

Support in terms of flexibility: in order to provide employees with greater flexibility, over recent years agreements on remote and flexible working have been formalised in the majority of the countries in which Pirelli operates, and where the nature of the role allows (including, for example, Italy, Germany, Brazil, the United States and Argentina), in agreement with the social partners. In some cases, remote working agreements also envisage further facilitations for parents and caregivers.

The following are cited, purely as examples and not exhaustively, as some of the initiatives introduced in 2025 to promote a better work-life balance:

In Pirelli Australia in 2025, flexible working hours were introduced, allowing employees to choose between an “early-in, early-out” option or a “late-in, late-out” option within standard working hours.

In the US, from April 2025, Pirelli introduced a further one-week increase in maternity and paternity leave: maternity leave rose from 14 to 15 weeks fully paid and paternity leave from 2 to 3 weeks fully paid.

In Pirelli Shanghai from January 2025, three additional annual leave days were introduced to support flexibility and help employees better manage their personal and professional lives.

Part-time solutions are also in place in many countries. In Argentina, there is an interesting best practice from 2023 that provides for substantial leave in the event of adoptions, infertility treatment and multiple births, disability and chronic illness.

Family and parenting support: includes company-supplemented parental leave, scholarships and summer camps for employees’ children, a shared inter-company nursery and other activities.

With regard to parenting, Pirelli has long supported its employees’ childcare commitments by offering maternity and parental leave that goes beyond local regulatory requirements.

As shown by the More programme, support to parenthood is an integral part of corporate welfare. For more details, see the paragraph entitled “Focus: MORE Programme (Global Welfare Program).”

In some industrial countries, there are additional paid leave for special family needs, including accompaniment to medical appointments, school placements, specific programmes to support parenting, such as, for example, facilities or contributions for access to nurseries, merit scholarships, part-time for specific needs, training courses for new parents.

To further support new mothers when they return from maternity leave in addition to the breastfeeding breaks provided by local regulations, Pirelli is going to set up a “lactation room”, where requested, or paid breastfeeding leave.

In many countries, a “birth kit” for new parents containing basic necessities for the newborn is also provided. Other countries provide, alternatively or additionally, a monetary bonus for the birth or adoption of a child.

Finally, in the majority of countries, one or more of the following tools are available to support working parents: company nursery and/or nursery allowance, tools to support children's education (e.g., scholarships) and summer camps.

With reference to the 2025 innovations in support of caregivers and parenting, the following initiatives are mentioned as examples and not exhaustive:

In Italy, a training programme was delivered for caregivers on the Enabling Approach, aimed at providing caregivers with the fundamentals of this approach, namely, how to communicate effectively with frail and cognitively impaired elderly people. 2025 also saw continuation of the information/training course for parents by age group of their children, with webinars dedicated to the various stages of development, on the topic of digital parenting.

Other family-supporting initiatives include open days, sports and cultural initiatives, online portals of products and services with important conventions and discounts for employees and family members. In addition, various programmes were implemented to support better work-life balance management, such as the support desk for care-givers on care issues, courses for new parents and care-givers, actions to support remote work and work-life balance.

In Argentina, the "Back to School" kit was again distributed in 2025: this is an initiative launched in 2024 in which Pirelli donates school kits to employees' children to support the start of the school year and further reinforce the company's commitment to supporting employees' families.

In Brazil, parenting courses have been made available through the SER FAMILIA programme.

Awareness-raising activities were also carried out at affiliate level, for example on the occasion of Mother's Day and Father's Day.

Support for leisure time and promotion of a healthy lifestyle: The Company promotes a healthy lifestyle by offering various initiatives for the well-being of its employees also during their leisure time, fostering engagement and social interaction through sport.

Once again, initiatives at affiliate level are numerous. By way of example, in Italy these include the organisation of marathons and the provision, out-of-hours offer of strong total body, pilates, yoga sports classes and mindfulness at special rates in the Company's well-being area. In Mexico, organisation of football tournaments and non-competitive races (the latter are also open to employees' families). In the USA, opportunities to participate in football and basketball tournaments.

FOCUS: MORE Programme (Pirelli Global Welfare Program)

As mentioned in the "Targets" chapter, at the end of 2024 Pirelli launched MORE, a new global welfare programme designed to provide a common welfare and well-being services platform for all countries, in continuity with the approach adopted by the company in expanding social protection beyond national welfare programmes.

With MORE, Pirelli reaffirms its commitment to caring for the well-being of its people, promoting a global approach that characterises its corporate culture. In fact, MORE establishes solid minimum standards, complementing, where not already in place, existing and future local welfare plans with a view to harmonisation across the Group.

In 2025, the Global Welfare Guidelines were revised in line with the new MORE architecture.

The MORE programme has 3 strands of intervention: FOR YOU, FOR YOUR FAMILY, FOR YOUR COMMUNITY.

FOR YOU: aimed at promoting the well-being and inclusion of people in open and stimulating work environments, as well as offering preventive health and life integration plans; includes:

- Company “life programme”: guaranteeing a monetary amount to the employee’s family in the event of the employee’s premature death.

- Health prevention programme: to provide employees with a set of preventive diagnostic services, where these are not already available through the national health system. FOR YOUR FAMILY: aimed at supporting people at various stages of life (e.g. parenting, care-giving) and families with targeted initiatives and promoting a culture of parenthood and a balanced integration of life and work; includes:

- Parental leave: to ensure that all parents working at Pirelli are granted minimum leave standards: mothers (primary caregivers): 14 weeks paid at 100%; fathers (or non-primary caregivers): 10 days paid at 100%.

- Birth Bonus: a bonus for every child born to or adopted by all parents working at Pirelli.

- FOR YOUR COMMUNITY: aimed at engaging people in supporting the local communities in which Pirelli operates, through volunteering initiatives and projects in the educational, environmental and cultural fields; includes: Corporate volunteering: allowing employees to carry out, on a voluntary basis, 4 hours per year of service with a local charity or social organisation; “Adopt a School” (for industrial countries): supporting a secondary school located near Pirelli plants by promoting educational and technical training activities and creating a bridge with the world of work.

In 2025, the progress of the programme was monitored qualitatively through biannual meetings with the representatives of the various Regions. At a quantitative level, coverage of the different initiatives globally is reported in the “TARGETS in welfare in own workforce” paragraph. Monitoring of MORE will continue in 2026, with dedicated periodic meetings with the various countries aimed at supporting the implementation of any outstanding initiatives. MORE initiatives, where not already in place, are to be implemented in all countries where Pirelli operates and made accessible to all permanent employees by December 2026.

METRICS related to social protection and work-life balance for own workforce

In 2025, the percentage of employees entitled ("entitled") to family leave (including maternity, paternity, parental and carers' leave) amounted to 58.2% [#1242] (54% in 2024) **[S1-15 93a]**, considering only those countries where all these types of leave are available, rather than only some of them.

For parental leave (maternity and paternity) in the strict sense, the minimum standards have been included in the MORE programme.

It should be noted that, with regard to the variable incentive system (STI and LTI), months of maternity and paternity leave do not count as periods of absence for the purposes of calculating any bonus at global level.

Percentage of employees entitled to leave for family reasons and who took it	**2024**	**2025**
Women	7%	7%
Men	7%	5%
Other gender	0%	0%
Not disclosed	0%	0%
Total[153]	7%[154]	5%

Finally, in 2025, more than half of our countries (representing the majority of employees) offered 18 or more weeks of fully paid parental leave to primary caregivers and two or more weeks to non-primary caregivers. These figures are to be understood as medians.

OCCUPATIONAL HEALTH AND SAFETY IN OWN WORKFORCE

The area of Health and Safety can be traced to the following potential negative material impact:

- *Pirelli Group employees could be exposed to health and safety risks that could cause work-related ill health and injury of various entities*

The top management of Pirelli, supported by the Health, Safety and Environment function and with the participation of the functions involved in various ways (including but not limited to the Human Resources, Research & Development, Sustainability, Purchasing, Quality, Manufacturing, Enterprise Risk Management functions) plays a strategic role in the full implementation of the "Health, Safety"

[153] The total represents the sum of men and women who took family leave out of the total male and female population.

[154] During 2025, the KPI calculation method was refined; accordingly, in order to ensure comparability of the data, it was considered appropriate to restate the figure relating to the 2024 financial year.

Policy, ensuring the involvement of all Pirelli's workers and collaborators so that they express behaviour consistent with the values contained herein.

Strategic Plans include health and safety aspects, and are approved by the Board of Directors, supported by the Sustainability Committee at the proposal of the Chief Executive Officer and in coordination with the Executive Vice Chairman. Results are approved by the Board of Directors as well as the reporting in the Annual Report.

In addition to the role of top management, the above-mentioned functions and the Board of Directors, the Health and Safety Governance provides for:

- a bi-monthly Health, Safety and Environment committee convened by the Pirelli Chief Executive Officer in the presence of the front line where performance updates against targets, ongoing projects and investments, analysis of major incidents, and improvement strategies are presented and discussed;

- business review meetings at local, regional and global level, which are held monthly and have health and safety and environmental issues, performance and improvement programmes at the top of the agenda, in order to ensure continuous comparison and monitoring. Such meetings entail cross-functional information sharing and provide for the participation of the Human Resources, Health, Safety and Environment departments and top management at multiple levels (local, regional and global);

- the work of the local Health, Safety and Environment Committee, set up at each site and composed of the heads of functions including Human Resources, Health, Safety and Environment, and of which the Plant Manager is the coordinator. This Committee, which meets at least quarterly, analyses health, safety and environmental issues, directs the actions and governs their progress. In a co-ordinated manner, various thematic sub-committees are also established, which carry out continuous work in relation to the characteristic themes of the site.

- the involvement of workers' representatives, at the intervals provided for by legislation, collective bargaining and specific requirements, in Health, Safety and Environment Committee at each site with the aim of illustrating, on the basis of the Health and Safety Management System, the activities carried out and those planned and to provide the results of workplace risk assessments.

Specific procedures for the identification, mitigation and management of health and safety risks are developed in accordance with international standards and reference norms that are applied and translated at each site, integrating compliance with local regulations. The procedures, developed with the cooperation of the relevant functions, systematically define the requirements for risk analysis, risk management methods, and design requirements to ensure that hazards are reduced at source. Preventive analysis and release processes on new projects are implemented to ensure risk management at all stages of development and implementation of new machines and plants. Such approaches allow the implementation of risk elimination and reduction logics in priority to the

mitigation and containment strategies implemented in any case. Procedures are reviewed and updated in the event of regulatory changes, technological or process changes and following the analysis of incidents.

Health and safety risk analysis allows the identification of priorities and leads to the definition of risk reduction programmes, actions and targets pursued at each site level, whose implementation and effectiveness are monitored by the specific local Health, Safety and Environment Committees set up at each site. Plans are also defined to respond to emergency situations, which are periodically the subject of specific drills involving all workers. The Management Model also makes use of internal inspections.

Alongside establishing specific guidelines and procedures for implementing management systems, Pirelli uses the web-based Health, Safety and Environment Data Management (HSE-DM) system, prepared and managed centrally by the Health, Safety and Environment Department. This system makes it possible to monitor performance relative to accidents, near misses, unsafe conditions and behaviour, and illnesses and prepare numerous types of reports as necessary for management or operating purposes.

The HSE-DM system collects all the information related to accidents and to the particular situations that occurred in factories, fitting units, sales centres and warehouses directly managed by Pirelli, including all workers (internal and external workers operating at Pirelli sites).

According to the Procedure, when an incident occurs, the site where it occurred immediately carries out an “Incident Investigation” to search for root causes and the immediate implementation of countermeasures to eliminate the element of risk and/or that caused the incident. At the same time, all establishments have access to information on the most significant accidents or near misses and receive a Safety Alert from the HSE-DM system, against which they conduct an internal analysis to verify whether conditions similar to those that led to the accident exist, so that, if necessary, appropriate preventive and corrective actions can be implemented.

The management of safety in supplier activities on Pirelli sites is governed by procedures specifying requirements for coordination, prior risk analysis and work authorisation.

POLICIES for own workforce health and safety management

Pirelli’s approach to responsible management of occupational health, safety and hygiene is based on the principles and commitments expressed in the Code of Ethics of the Group, in the “Health, Safety and Environment” Policy in the “Global Human Rights” Policy and in the “Quality” Policy, in accordance with the Sustainability Model envisaged by the Global Compact of the United Nations, with the “Declaration of the International Labour Organization on fundamental Principles and rights at Work” (ILO) and with the “Universal Declaration of Human Rights” of the United Nations. The reference tool since 2004 is also the SA8000® standard.

In particular, the “Health, Safety and Environment” Policy makes explicit and confirms Pirelli’s commitment to:

- manage its activities in the field of occupational health and safety protection in full compliance with the applicable international, national and local regulations on the subject and with all the voluntary commitments entered into, as well as in accordance with the most qualified international management standards;
- pursuing the objectives of “zero accidents” and “no harm to persons” in healthy and safe working environments, through the continuous identification, assessment, prevention and protection from occupational health and safety risks, the timely removal of potential causes of accidents, and the implementation of staff health surveillance plans in relation to specific tasks;
- support the development of programmes to improve psycho-physical well-being and work-life balance;
- promote consultation and participation of workers and their representatives in matters of health and safety at work;
- develop and implement emergency management programmes designed to prevent harm to people and the environment in the event of accidents;
- define, monitor and communicate to its Stakeholders specific objectives of continuous improvement of health and safety at work;
- empower, train and motivate its workers to work safely, involving all levels of the organisation in a continuous programme of training and information, aimed at promoting an occupational health and safety culture and ensuring that the company’s responsibilities and procedures in these areas are appropriately updated, communicated and understood;
- actively collaborate at national and international level with institutional, academic, non-governmental, industry bodies concerned with the regulation, study and sustainable management of occupational health and safety issues;
- requires its suppliers to implement an occupational health and safety management model at their sites and along their supply chain in compliance with international standards and the laws and regulations of the countries where they operate;
- make available to all its Stakeholders a channel (the “Whistleblowing Policy” published on Pirelli’s website) dedicated to reporting, even anonymously, of any situations that constitute or may constitute a risk for the protection of the health, safety and well-being of people (reference is made to the section “Whistleblowing Policy” for an outline of reports received, none of which regarding health and safety).

Additionally, the Global Human Rights Policy reflects Pirelli's commitment to prioritising the health and safety of workers as a core value. It emphasises the company's proactive approach in maintaining a safe and healthy work environment by adopting high standards for the prevention, assessment and management of related risks. Pirelli is also dedicated to continuously promoting and fostering a corporate culture focused on occupational health and safety.

TARGETS in health and safety in own workforce

As a key component of the "Health, Safety and Environment" Policy, Pirelli is committed to achieving the goal of "zero accidents" and "no harm to people" in the workplace. This is accomplished through the ongoing identification, assessment, prevention and protection from health and safety risks. The company focuses on promptly eliminating potential accident causes and implementing health surveillance plans for employees, tailored to specific tasks. Furthermore, Pirelli sets, monitors and communicates specific objectives to its stakeholders aimed at the continuous improvement of occupational health and safety, as well as the environmental performance associated with its processes, products and services throughout their entire life cycle.

As indicated in the Business Plan, Pirelli aims to reduce the Accident Frequency Index to a value of about 1 by 2025 (achieved, as reported below) and to maintain a value of less than 1[155] by 2030. The work accident frequency index is a key measure for monitoring and improving safety conditions at work. The time-frame of the target is significant in monitoring progress, implementing corrective action and consolidating the results obtained.

The target applies to all group companies, covering 100% of employees, ensuring an integrated and uniform approach to safety management.

The target is measurable and absolute, as it is based on a well-defined quantitative metric, which makes monitoring easy and comprehensible and aims at a specific and tangible value, without comparisons to other periods. Performance is calculated as the number of incidents recorded over a million hours worked.

For the performance of the target to 2025, please refer to the "METRICS related to health and safety in own workforce" paragraph below.

In the pursuit of this vision of zero accidents, through a path of continuous improvement and constant prevention, all leaders are involved and given responsibility and a target to pursue through action plans within sites coming under their purview.

[155] Frequency Index (FI): ∑(Fatal injuries + Severe injuries with time lost + Injuries with time lost) x 1,000,000/hours worked. If calculated on the basis of 200,000 hours worked, the value of the index is ~0.2 in 2025 and <0.2 at 2030.

The accident frequency index targets are also linked to the annual remuneration of Site and Headquarters management, ensuring a direct link between the Group's sustainability goals and the performance evaluations of individual company figures.

ACTIONS in health and safety in own workforce

The main actions underpinning the above strategy implemented to achieve the defined objectives are listed below.

The effectiveness of the actions taken is continuously monitored through a number of tools, including regular audits, field inspections, employee feedback and analysis of accident and incident data.

Ongoing evaluation makes it possible to identify any critical issues and make the necessary changes to procedures in good time.

These activities are carried out in collaboration between several departments involved (Health, Safety & Environment, Human Resources, Research & Development, Sustainability, Purchasing, Quality, Manufacturing, Enterprise Risk Management). This multidisciplinary approach ensures effective, integrated management as well as continuous improvement of the company's health and safety policies.

The Management system

Pirelli has voluntarily adopted an occupational health and safety management system, structured and certified according to the ISO 45001:2018 Standard, both at headquarters and at all Group tyre production sites. All certificates are issued with international accreditations. In 2025, the (non-manufacturing) company selling tyres in Switzerland also obtained certification. The occupational safety management system, applied without exclusion to all processes and activities at each tyre production site, has been developed in accordance with procedures and guidelines drawn up centrally in order to consolidate a "common language" that guarantees sharing, alignment and management effectiveness across the Group.

The development and continuous improvement of the management system is conducted both centrally and locally by the internal Health & Safety functions with the involvement of all relevant functions. Improvement is based on the continuous application of cycles of action planning, programme implementation, verification of results and, on the basis of these, implementation of improvement. In particular, in line with the provisions of the management system, Pirelli carries out hazard and risk assessments in order to identify what could cause damage to health and safety in the workplace, with subsequent prioritisation and related targets integrated into action plans. Similarly, actions in preparation and response to emergencies are defined. Progress in terms of the prevention and reduction of health and safety impacts, in light of the actions and plans undertaken

and the targets defined, is constantly monitored, measured and assessed. Internal inspections are also performed.

In 2025, the coverage of the safety management system (certified according to ISO Standard 45001:2018) and subject to internal and third-party audits is as follows: 90% of employees, 78% of non-employees and 96% of contractors[156] operating at Pirelli sites are covered by Pirelli's Health and Safety management system (in 2024, coverage of the management system was instead as follows: 88% of employees, 80% of non-employees and 93% of contractors). It should be noted, however, that with specific reference to tyre manufacturing plants, 100% of the Group's employees are covered by a certified safety management system.

Workplace improvement

In keeping with its strategy of continuous technological innovation, projects are planned annually focusing on machines and systems, as well as the overall working environment. These projects include, but are not limited to, optimising microclimatic and lighting conditions, making layout changes for ergonomic improvements in activities, and implementing measures to ensure the health and safety of the infrastructure. These projects mainly relate to factories throughout the Group.

In 2025, the Group invested 22.8 million euros in property, plant and equipment, while 25.8 million euros are planned for 2026 and are expected to continue in the years to come.

Enforcement of stringent safety requirements on purchased and used materials

With reference to the materials purchased, Pirelli applies stringent safety and acceptability requirements to raw materials, services and equipment, including these requirements in the contractual provisions with suppliers.

Pirelli applies and supports the technical indications for a development model based on sustainable chemistry provided by the Organisation for Economic Co-operation and Development (OECD). Sustainable chemistry is a scientific concept that aims to improve the efficiency with which natural resources are used to meet human needs for chemical products and services. Sustainable chemistry encompasses the design, production and use of chemical products and processes that are efficient, effective, safe and more environmentally friendly'. All chemical substances and products used by Pirelli are subject to prior assessment by the Health, Safety and Environment function (see also section "Governance Information", paragraph "ESG elements in the purchasing process"). This activity is continuous, ensuring constant updating and strict control to maintain high standards of safety and compliance.

[156] Contractor(s): external organisation or self-employed worker supplying Pirelli with services according to agreed specifications, terms and conditions

Pirelli produces the compounds and tyres without using the following categories of chemicals:

- with substances or mixtures belonging to the so-called SVHC ('Substances of Very High Concern*')* list, as set out in Article 57 ('*Substances to be included in Annex XIV*') of Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 (also known as the REACH Regulation); of the so-called SVHCs (Substances of Very High Concern), i.e. those substances that give rise to high concern for their potential effects on human health and/or the environment;

- without substances or mixtures in concentrations above the threshold limits laid down in Annex XVII ("*Restrictions on the manufacture, placing on the market and use of certain dangerous substances, preparations and articles*") of the aforementioned Regulation (EC) No 1907/2006;

- without substances or mixtures classified by the IARC ('*International Agency for Research on Cancer*') as belonging to Group 1 ('*Carcinogenic to humans*') or Group 2A (*'Probably Carcinogenic* to humans') or Group 2B ('*Possibly Carcinogenic to Humans*');

- without substances or mixtures classified by the ACGIH ('The American Conference of Governmental Industrial Hygienists') as belonging to Category A1 ('*Confirmed human carcinogen*') or Category A2 (*'Suspected human carcinogen*') or Category A3 (*'Confirmed animal carcinogen with unknown relevance to humans*')*;*

- without substances or mixtures belonging to the so-called POPs ('*Persistent Organic Pollutants*'), PFHxS (*'perfluorohexanesulphonic acid*') and PFHxS-related substances, PFCA C_9-C_{21} (*'perfluorocarboxylic acids containing 9 to 21 carbon atoms in the chain*'), PFOA ('*perfluorooctanesulphonic acid*') and their inorganic or organic salts ('PFOS'), isomers and derivatives;

- without any substance or mixture belonging to the recognised categories of *polybrominated biphenyls* ('*PBBs*') and *polybrominated diphenyl ethers* (*'PBDEs*'), as well as *short-chain chlorinated paraffins* (*'SCCPs*') or *medium-chain chlorinated paraffins* (*'MCCPs')*, *pentachlorobenzene*, *pentachlorothiophenol, hexachlorobutadiene*, *hexabromocyclododecane* and *dichlorane plus*;

- without any substance belonging to the phthalate family, including - but not limited to - *dibutyl phthalate*, *bis(2-ethylhexyl)phthalate*, *benzyl butyl phthalate* and *diisobutyl phthalate*;

- without any substance or mixture recognised internationally as belonging to the bisphenol family, including but not limited to *bisphenol A*, *bisphenol B*, *bisphenol F*, *bisphenol S* and *bisphenol AF*;

- without any substance or mixture classified as *"Prohibited"* by the GADSL (*'Global Automotive Declarable Substance List'*);

- without any substance or mixture containing mercury and its derivatives as defined by the Minimata Convention.

Pirelli requires 100% of suppliers to provide a declaration of all substances contained in all products delivered to Pirelli.

Based on international standards and regulations, as well as on the Pirelli Supplier Code of Conduct, Suppliers must properly identify hazardous substances and chemical mixtures and communicate them to Pirelli, also ensuring that they are handled, used, transported, stored, recycled and disposed of safely. Suppliers are required to educate and train employees and material suppliers on the health, safety and environmental aspects of hazardous materials through the tools and documents required by the above international standards and regulations.

In order to promote social responsibility and business ethics in responsible management, Pirelli requires its suppliers of materials and substances to go beyond compliance with legal provisions by adopting best manufacturing practices and addressing their potential environmental, health and safety issues as required by the highest internationally recognised standards and regulations.

Health & Safety and Environmental Training: HSE Academy

Training is an essential tool to support the culture of safety at work and the achievement of the Group's objectives.

25% of total training delivered by Pirelli in 2025 regarded health and safety at work and environmental topics (24% in 2024). Each site designs, plans and delivers training with regard to the specific risks present, particular needs for updating and fulfilling regulatory obligations, trends in indicators and changes in site activities and processes. The characteristic topics of this training covered general safety and environmental concepts including obligations, responsibilities and protection concepts, the treatment of all work hazards present at the site, operating procedures, life-saving rules (so-called golden rules), emergency procedures, and accident reporting and management procedures.

In addition to training offered locally at every Pirelli location, special mention should be made of Group activities and projects, which simultaneously target several Countries and which allow an alignment of culture and vision, fully benefiting pursuit of the Company's own improvement targets. In this regard, the Health, Safety and Environment Academy was born, the Pirelli Professional Academy dedicated to the in-depth study of Health, Safety and Environment topics and aimed at all Group countries. The Academy offers the "A Day Into HSE" course to the entire company, designed to raise awareness and provide insights into the function's key issues. In addition, it offers in-depth training through e-learning courses or virtual sessions on specific topics such as ergonomics, industrial hygiene, machine safety and environmental matters. In particular, a specialised technical training course with specific certification has been implemented for machine safety, primarily aimed at head office and factory operators.

Health and safety training is ongoing and regularly updated to ensure maximum preparedness and compliance with regulatory and operational requirements and developments.

Programmes for enhancing the safety at work culture

The “Zero Accidents” vision is a precise, strong corporate position supported by a dedicated implementation model. From an industrial point of view, the commitment is pursued through investments aimed at technical improvement of work conditions, while constantly insisting on the cultural and behavioural aspect of all Company players. This approach, together with the involvement and continuous internal dialogue between management and workers, has led over time to a sharp decline in injury rates.

To support the model, again in 2013 the company signed an agreement with DuPont Sustainable Solutions for the global implementation of the “Excellence in Safety” programme. The Programme began in 2014 and is being gradually extended to all Group production sites. In 2022, the programme was expanded by adding an in-depth focus on risk assessment with a related campaign of site assessments concluded in the first half of 2023. The principles of the programme remain applied today.

The most relevant areas of Intervention of the “Excellence in Safety” programme are related to improving safety governance, clarity of tasks and roles, empowerment of all workers, improving communication in the organisation, sharing of objectives, motivation with respect to a common strategy: all of these are substantial issues for a work environment that is appropriate and stimulating, where workers feel involved and valued in safety management. Through information, communication and training, everyone is encouraged to report any anomaly and/or unsafe condition in order to encourage participation in continuous improvement and the removal of any potential cause of accidents. All reports as well as actual or potential incidents are handled according to specific procedures aimed at analysing the causes and defining corrective and risk mitigation actions, involving all functions.

In 2024 Pirelli launched a collaboration with the LHS Foundation to develop the “Leading Health and Safety Value” programme. This initiative aims to enhance leadership in safety among company leaders and production teams, recognising it as a crucial factor in positively influencing behaviour and fostering a stronger safety culture towards achieving the goal of zero accidents. The programme includes a top-down and bottom-up approach through workshops aimed at top management, supervisors, safety champions and workers, who are engaged through specially trained in-house trainers. In support of the implementation, a video message was prepared by the Chief Executive Officer and a dedicated documentary-film made in a production factory. The implementation initially regarded headquarters and was thereafter extended to include the production sites and regions. In 2025, as part of the Leading with Health and Safety Value programme, workshops were held for central functions and the Group’s main operational units, and the Train the Trainer path was launched

to complete project implementation across all Regions. The programme will continue in 2026 with additional activities in the production sites.

People engagement

Every year Pirelli organises initiatives to raise awareness and promote health and safety issues on the occasion of World Day for Safety and Health at Work (28 April), promoted by the International Labour Organisation (ILO), as well as on World Environment Day (5 June) designated by the United Nations. Each site organised, following common guidelines, events that addressed emotional, rational and communicative aspects, with some countries also involving employees' families.

Additionally, in 2025, the engagement and involvement of the workforce benefited from the global communication campaign, "Safety is Our Value" (launched in 2023), which sees a key role played by the people and safe behaviours introduced in 2023.

In 2025, Pirelli updated its procedures for the management of Health, Safety and Environment relating to contractor suppliers and organised engagement events at its main plants in order to communicate its expectations regarding health, safety and environmental protection.

First aid and occupational health care

All Pirelli production sites are served by occupational first aid and medicine units with free access by employees managed by specialised medical and/or paramedical personnel with autonomous management of the doctor-patient relationship (guaranteeing privacy). These services work in coordination with safety management and emergency functions and company management to provide the necessary support for general risk prevention actions and ensure the necessary health surveillance to protect workers. These garrisons do not only focus on occupational medicine issues but also offer health care extended to all personnel in compliance with local regulations. This is an ongoing activity, ensuring the presence and availability of health services to support the health and well-being of employees constantly and permanently.

Artificial Intelligence support for risk prevention

In 2023, Pirelli started developing the application of Artificial Intelligence to the health and safety alerts database. The goal of this project is to enhance the analytical capabilities of HSE users, particularly by identifying significant events that might otherwise go unnoticed due to the large volume of alerts. This approach is aimed at making the data, collected from all the sites of the Group, manageable and useful for predictive and preventive activities as well as the extraction of key information, indicative of the areas of greatest risk, aimed at improving analysis at both local and overall Group level.

The tool was developed through training with a technical glossary, multiple hours of end-user interviews, and a labelling phase. In July 2024, the summarisation tool was released. In March 2025, a "chatbot" tool was launched, enabling real-time interaction with the database. In 2025, AI-based technology was implemented to analyse camera images in real time, detecting not only at-risk behaviours and situations but also recognising safe behaviours. The integration of AI with the centralised database enables the real-time collection and analysis of data relating to operational risks and workplace behaviours, thereby improving the timeliness of emergency response and making it possible to identify critical situations to be addressed through preventive action.

METRICS related to health and safety in own workforce

The performance reported below is for 2024 and 2025 and covers the same scope as the Group's consolidation.

As indicated in the Business Plan and described in the "TARGETS in health and safety of own workforce" paragraph above, Pirelli has envisaged achieving a value of about 1 for the injury frequency index by 2025 and of less than 1 by 2030[108].

The Injury Frequency Index is calculated as the "Lost Time Index Frequency Rate - LTIFR", i.e. considering the sum of injuries with at least one lost working day, weighted per one million hours worked.

In 2025, Pirelli recorded an injury LTIFR of 1.21 (1.41 in 2024), referring to 1,000,000 hours worked[157], which makes for a 14% reduction in 2025 compared with 2024.

The most representative injuries concern events related to contusions, cuts, fractures and sprains.

[157] Frequency Index (FI): ∑(Fatal incidents + Serious lost-time incidents + Lost-time incidents) x 1,000,000 / hours worked; if calculated based on 200,000 hours worked, the 2025 index is 0.24.

	Employees	Non-employees	Employees	Non-employees
	2024	**2024**	**2025**	**2025**
Percentage of personnel in the company's workforce that are covered by a health and safety management system based on legal requirements and/or recognised standards or guidelines	88%	80%	90%	78%
Number of deaths in the workforce due to work-related injuries and illnesses	0	0	0	0
Number of recordable work-related injuries for the company's workforce	81	0	68	1
Rate of recordable work-related injuries for the company's workforce	1.41	0	1.21	2.16

In 2025, the number of commuting accidents that occurred during transport organised by the company was 42 (in 2024, 23).

It is also reported that, in line with 2024, in 2025, there were no work-related deaths among contractors.

The LTIFR relating to injuries involving employees of suppliers operating at the Group's production sites in 2025 stood at 0.89, representing a decrease of approximately 13% in 2025, compared with the 2024 figure of 1.02.

S2 WORKERS IN THE VALUE CHAIN

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WORKERS IN THE VALUE CHAIN AND THEIR INTERACTION WITH THE STRATEGY AND THE BUSINESS MODEL

Pirelli is committed to responsible sourcing practices, respecting human rights and decent working conditions throughout the supply chain. In this context, the following material impacts emerged from the Double Materiality analysis:

- *Compliance with contractual rules, freedom of association, job stability, adequate working conditions, and equal treatment for the workforce of Pirelli suppliers*
- *Training and development of skills throughout the entire working life of employees of suppliers*
- *Workers throughout Pirelli's value chain, both upstream and downstream, could be exposed to health and safety risks that could cause work-related ill health and injury of various entities.*

- *Violation of human rights at Pirelli suppliers, e.g. through the use of child or forced labour*.

The integration of social, environmental and governance aspects into sustainable procurement management is a core element of Pirelli's management model, which has been attested by an independent third party (SGS S.p.A.) as being fully aligned with the ISO 20400 standard.

The following paragraphs describe Pirelli's strategy to manage material impacts. In the social area, Pirelli's strategy, which integrates sustainability and respect for human rights as fundamental principles in its procurement processes, aims to generate positive impacts on workers in the value chain and to mitigate potential negative impacts in health and safety, as demonstrated by the findings of the double materiality analysis (the analysis in fact revealed a negative impact of potential exposure to health and safety risks). These negative impacts can mainly be traced to individual, rather than systemic, incidents, which can occur in supplier and partner operations throughout the value chain. To this end, Company policies, including the Supplier Code of Conduct, provide for monitoring and control mechanisms, such as on-site ESG audits, aiming to guarantee that working conditions are adequate and to prevent any human rights violations along the entire value chain.

In this context, Pirelli bases its activities on compliance with the universally established Human Rights, as fundamental and indispensable values of its culture and business strategy, working to manage and reduce potential risks of violations and in order to avoid causing – or contributing to causing – adverse impacts to these rights in the international, multicultural, socially and economically diverse context in which it operates.

"Workers in the value chain" refers to employees of Pirelli's suppliers operating at the Suppliers' sites and the employees of suppliers involved in operations at the Group's production sites (e.g. maintenance workers, canteen services).

At the same time, the results of the audits and the dialogue with stakeholders make it possible to identify areas for improvement and to define increasingly targeted initiatives and concrete activities, which make it possible to verify compliance with contractual rules and promote the protection of freedom of association, employment stability, adequate working conditions and equal treatment for the workforce of Pirelli's suppliers, as well as to disseminate positive practices concerning training and skills development throughout workers' working lives (positive impacts identified in the double materiality analysis). These initiatives, detailed below, are mainly implemented through:

- on-site audits of suppliers to check compliance with regulations on human rights, labour, contracts and health and safety as well as the requirements contained in the Supplier Code of Conduct and Pirelli's Policies;
- direct advice during audits to identify and implement plans to remedy non-conformities;
- ESG training sessions on human rights and sustainable management for suppliers of raw materials and strategic goods;

Pirelli directs its attention to the entire workforce of its suppliers, while recognising the differing materiality of human rights violation risks across product categories and with reference to the various

local contexts in which, or from which, goods and services are procured. Such goods and services also present differing levels of economic materiality in relation to the Group's total procurement spend. In this regard, raw materials are those that, on a cross-cutting basis, present high materiality both in economic terms, as they account for a significant share of total procurement expenditure, and because they are often produced in regions (primarily MEAI, LATAM and APAC) and industrial sectors that entail a higher potential risk of human rights violations (as well as breaches of environmental protection and business ethics regulations).

Further details on the Policies and specific actions implemented by Pirelli to create positive impacts on workers in the value chain are provided in the dedicated sections in the following paragraphs. For an in-depth look at the supply chain management model, the content of sustainability clauses, details of on-site audits, as well as information on Conflict Minerals and Natural Rubber, please refer to the "Management of relations with suppliers" paragraph in the "Governance Information" section.

INTERESTS AND OPINIONS OF WORKERS IN THE VALUE CHAIN

To incorporate the interests and perspectives of workers in the value chain into the company's strategies and business model, Pirelli aligns with initiatives and frameworks designed to ascertain market expectations and best practices. These include the United Nations Global Compact, which supports the ongoing coverage and updating of human and labour rights governance, as well as, since 2004, the SA8000® Standard as reference tool for managing human rights in the Company and in the supply chain and applying relevant international ILO regulations. Additionally, Pirelli integrates the UN Protect, Respect and Remedy Framework into its strategies, draws the OECD Guidelines on Due Diligence and the recommendations contained in the United Nations Guiding Principles on Business and Human Rights.

The effectiveness of worker engagement activities within the value chain is assessed during periodic audits and social compliance verifications conducted at suppliers' premises, as well as through analysis of the results of self-assessment questionnaires and monitoring of the implementation of agreed improvement plans. The assessments consider suppliers' ability to adopt corrective measures and to maintain standards consistent with the relevant international principles, ensuring continuous improvement in labour management practices throughout the supply chain. At the same time, for workers considered particularly vulnerable to specific impacts, such as those employed in high-risk countries or in sectors characterised by greater exposure to human rights violations, Pirelli adopts a risk-based approach, which includes on-site audits and direct interviews with personnel aimed at understanding workers' perspectives and actual working conditions. The information gathered contributes to the definition of targeted preventive and corrective measures intended to strengthen the protection of human rights and compliance with working conditions throughout the entire value chain.

The feedback received guides the corporate strategy, supporting the Sourcing Excellence function in identifying priority areas for action, with a focus on issues such as human rights, occupational health and safety.

Respect for Human Rights and management of the related risk of violation are integrated into all purchasing processes, with specific monitoring of suppliers in higher risk countries. This approach protects workers, strengthens sustainability and drives the business model towards a responsible and inclusive system.

PROCESSES TO INVOLVE WORKERS IN THE VALUE CHAIN AND TO REMEDY NEGATIVE IMPACTS, INCLUDING CHANNELS FOR WORKERS IN THE VALUE CHAIN TO RAISE CONCERNS

As already stated, Pirelli has clear and structured processes to identify and address any negative impacts that could affect workers in the value chain. In fact, by conducting due diligence, the Company is committed to identifying critical issues related to labour rights and international regulatory compliance, and where non-compliances are identified it requires suppliers to develop remedial plans to address the issues raised. These plans include actions and deadlines designed to improve working conditions and restore appropriate standards. The implementation of these plans is monitored through regular follow-ups, conducted by independent auditors, to ensure the full implementation of the agreed measures.

In the context of Due Diligence, the Company implements structured initiatives that serve as tools for engaging with its suppliers and aim to assess the social responsibility of its suppliers both at the selection stage as well as periodically, and to address the actual and potential impacts on workers in the supply chain. These include:

- **Human Rights Risk Assessment**

  The Human Rights Risk Assessment is the tool used to assess the potential Human Rights and Labour risk of the entire supply chain, cross-referencing sector and country risk. This tool allows Pirelli to identify priority areas on which to intervene through the most appropriate mitigation and prevention actions. For more information, see the dedicated section “Human Rights Risk Assessment” in this chapter.

- **Specialised third-party assessment**

  On-site sustainability (ESG) audits of the Annual Audit Campaign are an essential tool for gathering information from suppliers, through observations, interviews with workers and process analysis. These audits conducted at suppliers’ operative sites include direct interviews with workers and their representatives, aimed at collecting feedback on working conditions and respect for human rights. This process is a crucial tool to monitor and evaluate the impact of Pirelli’s activities on workers in the value chain. The results of these interviews are incorporated into the ESG risk assessment to evaluate the current risk associated with the supplier and guide the development of appropriate mitigation measures to be implemented by the company.

In addition, for prospective suppliers of raw materials and high value-added goods, Pirelli conducts a preliminary third-party ESG audit at the potential supplier's site as part of the qualification/approval procedure. This audit is aimed at verifying the potential supplier's level of compliance with the principal national and international regulations relating to Human Rights and Labour (as well as environmental legislation and business ethics standards) and, where necessary, initiating remediation plans followed by third-party follow-up activities before the supplier is qualified and/or the material is approved for Pirelli's use.

In turn, ESG assessments carried out through the EcoVadis platform represent a broad-based tool for evaluating the sustainability profile of existing suppliers, although the outcomes of on-site third-party audits prevail over the related results.

- **Training and capacity building of the Supply chain on human rights**:

  Pirelli promotes ongoing training initiatives for suppliers, rolled out in phases based on the associated risk category, to raise awareness of human rights and improve working conditions. These activities help to strengthen the awareness and skills of workers along the value chain. For more details, reference should be made to the following paragraph, "Training along the Supply Chain".

- **Reporting channels for Suppliers and supply chain workers**

  Pirelli ensures that its suppliers are aware of the reporting mechanisms available to them, as described in the Supplier Code of Conduct, which all suppliers are required to read and understand during the qualification phase. The Code indicates the Pirelli reporting procedure (Whistleblowing Policy) and requires suppliers to establish appropriate training measures to ensure that their employees, as well as their supply chain, have an adequate level of knowledge and understanding of the contents of the Code. In addition, the Pirelli Supplier Code of Conduct calls for Suppliers to in turn adopt whistleblowing and/or reporting mechanisms that allow for complaints and comments from both internal and external stakeholders to be raised, even anonymously, without any retaliation, and to take appropriate action to resolve identified problems.

  Pirelli's Whistleblowing Policy forms part of its contractual purchasing clauses and is published on Pirelli's website for all stakeholders, including workers within the supply chain. Through this mechanism, they may report any actual or suspected breaches of the Pirelli Supplier Code of Conduct and/or any applicable legislation via the dedicated Integrity Line (https://pirelli.integrityline.com/).

  Lastly, with specific regard to the natural rubber supply chain and in consideration of its particular characteristics, for which a dedicated "Pirelli Sustainable Natural Rubber Policy" has been adopted, in addition to the Whistleblowing reporting channel, Pirelli provides a dedicated grievance procedure aligned with the principles of the GPSNR. This procedure is set out within the Policy itself, which is available on the Company's website.

For more detailed information on the Whistleblowing procedure and on the control, monitoring and management of whistleblowing reports, see the section “Governance Information”, paragraph “Whistleblowing Policy”.

Operational responsibility for Supplier involvement lies with the Group Purchasing Department, which works together with the Sustainability Department. Within the Sourcing Excellence function, Pirelli manages the ESG aspects of the supply chain, monitoring performance and risks, implementing training and capacity building initiatives for suppliers, and supporting them in mitigating ESG risks.

In addition to the frameworks already mentioned in the previous section, with specific reference to possible global framework agreements, please refer to the information on the European Works Council (EWC) described in the “S1 Own workforce” - “Processes for engaging the Company’s workers” paragraph, which deals with transnational agreements related to human rights and relations with workers’ representatives.

WORKING CONDITIONS AND RESPECT FOR HUMAN RIGHTS ALONG THE SUPPLY CHAIN

On the basis of the material impacts identified through the double materiality analysis with regard to the management of working conditions and the respect for human rights of workers across Pirelli’s value chain, the Group adopts specific policies, defines targets and develops activities and initiatives aimed at safeguarding these matters.

The existing activities and controls are outlined in the following paragraphs.

POLICIES for the management of working conditions and respect for human rights along the Value Chain

The activities described in the preceding paragraph are also aimed at making the commitments contained in Pirelli’s Policies fully operational, which underpin the Company’s sustainable supply chain management system.

Pirelli Policies are prescriptive with respect to the requirements of respect for human and labour rights by suppliers. In particular, the Pirelli Suppliers Code of Conduct, which is an integral part of the purchasing contract applied by Pirelli, requires suppliers to operate in compliance with national, international, regional and/or local laws, including collective labour agreements, where applicable, as well as international standards defined by the United Nations and the International Labour Organisation or other organisations (e.g. local International Organisation for Standardisation, the “ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up” and to align their due diligence process with the requirements of the United Nations Guiding Principles on Business and Human Rights. The Code details, among other things, what is required of Pirelli’s suppliers in

the area of human and labour rights and, specifically, in the areas of labour contracts, working hours, prohibition of child labour, prohibition of forced labour and modern slavery (so-called Modern Slavery: human trafficking, serfdom, debt bondage,...), passport management, occupational health, safety and hygiene (including in terms of the use of materials and chemicals that may be hazardous), non-discrimination, equal pay for work of equal value, freedom of association and collective bargaining, rights of indigenous peoples and prevention of conflicts over land, privacy, internal security regulations. The Supplier Code of Conduct details the due diligence system applied by Pirelli, including, as described above, the reporting system - Whistleblowing - that Pirelli makes available to Stakeholders, and, at the same time, that required of suppliers and throughout the supply chain. The clauses also require confirmation that the Goods and Services supplied or to be supplied to Pirelli under the Contract and/or Orders do not contain and will not contain for the entire duration of the supply any Conflict Minerals (3TG, Mica, Cobalt, etc.). Pirelli contractually reserves the right to suspend or terminate the contractual relationship in the event of non-compliance with the Code of Conduct, and/or refusal to enter into a repayment plan, or failure to implement an agreed repayment plan.

In addition to the Pirelli Supplier Code of Conduct, the issue is dealt with in the Sustainable Natural Rubber Management Policy, whose content, in line with the Policy Framework of the Global Platform for Sustainable Natural Rubber (GPSNR), expressly calls for a commitment to respect universal human rights and protect the health, safety and welfare of workers. For more details on the policy and on the commitment with the GPSNR see the “Environmental Information” section, “E4 Biodiversity and Ecosystems” paragraph.

Further Pirelli policies reiterating these commitments, which suppliers are required to comply with and, specifically, to implement through an analogous management model within their own supply chains, include:

- The Global Human Rights Policy, which requires respect for workers’ rights and the provision of written employment contracts, reasonable working hours, fair and decent wages (including providing for equal pay, e.g. between men and women, for work of equal value) and adequate compensation for overtime for employees in accordance with applicable laws and regulations and collective bargaining agreements, where applicable. The Policy also requires respect for freedom of association and collective bargaining, responsible supply chain management, and the establishment of a reporting channel for potential violations, ensuring confidentiality and a zero-tolerance approach to any form of retaliation.

- The Health, Safety and Environment Policy which requires to protect the health and safety of workers (and the environment) and, in particular, to:

    - govern its activities in full compliance with the applicable international, national and local laws and regulations on health and safety at work and all the voluntary commitments signed, as well as in line with the highest international management standards;

    - pursue the objectives of ‘zero accidents’ and ‘no personal injury’ in the workplace;

- define, monitor and communicate to its Stakeholders specific objectives for continuous improvement of health and safety at work;
- develop and implement emergency management programmes aimed at preventing harm to the environment in the event of accidents;
- empower, train and motivate its workers to work safely, involving all levels of the organisation in a continuous programme of training and information, aimed at promoting an occupational health and safety culture and ensuring that the company's responsibilities and procedures in these areas are appropriately updated, communicated and understood;
- promote consultation and participation of workers and their representatives in matters of health and safety at work;
- provide for consultation and participation of workers and their representatives in matters of occupational health and safety.

The Policy explicitly requires Pirelli's suppliers to adopt the same responsible approach at their sites and throughout the supply chain, ensuring occupational health and safety in compliance with international standards and the laws and regulations of the countries where they operate, as detailed in the Pirelli Suppliers' Code of Conduct.

These Policies reaffirm Pirelli's commitment to manage these areas in compliance with applicable international standards, including but not limited to the United Nations International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work, as well as the relevant applicable conventions, which all suppliers are required to respect.

For more information on the Group's Policies, refer to the paragraph entitled "*Main policies for the management of material IROs*".

Finally, with particular attention to the health and safety aspects, specific occupational health and safety management criteria are also applied to all suppliers, detailed in Article 2.7 of the Pirelli Suppliers' Code of Conduct, which is published on the company website and forms an integral part of the purchase contract clauses, as described in the paragraph "Management of relations with suppliers" to which reference is made. In accordance with the provisions of article 4.1 of such Code, moreover, based on international standards and regulations, Suppliers must properly identify hazardous substances and chemical mixtures and communicate them to Pirelli, also ensuring that they are handled, used, transported, stored, recycled and disposed of safely. Suppliers are required to educate and train employees and material suppliers on the health, safety and environmental aspects of hazardous materials through the tools and documents required by the above international standards and regulations.

ACTIONS for the management of working conditions and respect for human rights along the Value Chain

Human rights risk assessment

In 2025, as part of its commitment to the annual review of the ESG risks in the supply chain, Pirelli updated the potential human and labour rights risk assessment along the entire supply chain (12,510 unique suppliers), which forms the basis of the risk-based approach underpinning Pirelli's Due Diligence process.

The Ecovadis IQ+ tool was used for desk risk assessment of the potential Human Rights and Labour risk of the supply chain, which, for each supplier, evaluates sector and country risk by considering issues such as human rights; child labour, forced labour and human trafficking; diversity, equity & inclusion(including pay equity), discrimination and harassment; human rights of external stakeholders; employee health and safety; working conditions; social dialogue, which considers the presence of recognised worker representatives and collective bargaining; career management and training.

The risk assessment was conducted by the Purchasing department and shared with Enterprise Risk Management and Sustainability, in line with the Group's ERM model, and applies a risk scale from 1 to 4 (where 1 = low risk, 2 = medium risk, 3 = high risk and 4 = very high risk). For more detailed information on the risk assessment process, please refer to the "Governance Information" section, "ESG Risk Assessment" paragraph.

This analysis specifically enabled the identification of geographical areas and production categories (sector risk) most exposed to potential risks of human and labour rights violations. The assessment made it possible to identify the suppliers that required priority intervention by implementing the most appropriate mitigation and prevention actions.

The results of the analysis show that the countries with the highest incidence of suppliers with an associated high/very high potential risk are mainly concentrated in the LATAM and APAC regions; while in the Europe region the risk was generally medium to low. With regard to potential risk associated with procurement categories, the Indirect and Raw Material categories show a medium-to-high level of potential risk.

Based on the findings of the assessment conducted through EcoVadis IQ+ and on the materiality of procurement spend, suppliers identified as presenting a high or medium potential risk are subject to either an on-site audit or an EcoVadis desk assessment in order to identify their current risk profile. The priorities guiding the assessment of current risk are aligned with Pirelli's public targets, as outlined in the section "Targets for the Management of Working Conditions and Respect for Human Rights across the Value Chain".

The results of the Risk Assessment conducted in 2025 are at the base of 2026 mitigation and prevention actions, with the aim of prioritising verification, monitoring, awareness-raising and training actions to intervene in an increasingly targeted manner on suppliers that might not be in line with

Pirelli's provisions, and required in the Supplier Code of Conduct, regarding human rights and labour protection, in line with Pirelli Due Diligence process.

The effectiveness of ESG audits is monitored through non-compliance follow-ups by third party and corrective actions; specifically, remedial plans are checked to ensure that they are implemented correctly and in a timely manner. Finally, audits conducted in subsequent periods, and their findings, allow the assessment of the effectiveness of the remedial actions that have been implemented.

Specifically, 1,443 Tier 1 suppliers and contractors, corresponding to 11.5% of the total of these categories, were assessed on human rights by a third party in the last three years.

Of these, following an actual risk assessment, performed by means of onsite audits or Ecovadis desk assessment, in 17% of cases, risks were identified and in 100% of the latter, remedial plans have been activated.

For details on the qualitative and quantitative targets in the supplier chain, refer to the section "Governance Information" and specifically, the paragraph entitled "Sustainability elements in the purchasing process: Labour, Human Rights, Environment, and Business Ethics" and the paragraph entitled "Training & Capacity Building on human rights" of this section.

Conflict minerals management

"Conflict Minerals" are normally defined as any mineral mined, refined or traded under conditions of armed conflict and human rights violations, mainly in the Democratic Republic of the Congo, but also in any conflict-affected or high-risk area.

The concept of Conflict Minerals was introduced by Section 1502 of the Dodd-Frank Act, a United States federal law, in 2010. "Conflict minerals" means gold, columbite-tantalite (coltan) cassiterite, wolframite and their derivates like tantalum, tin and tungsten that come from (or are extracted in) the Democratic Republic of Congo and/or bordering Countries. Such minerals are commonly called "3TG" (Tungsten, Tin, Tantalum, Gold).

The objective of the Conflict Mineral Rules is to discourage the use of minerals whose sale might finance violent conflicts in Central Africa where serious violations of human rights have been recorded for many years. Under Conflict Mineral Rules, listed companies in the United States are required to perform reasonable due diligence in tracing the provenance of these materials and reporting the findings to the SEC and publishing them on their website, with the first report to be published by 31 May 2014 (relating to 2013) and subsequently updated each year.

In turn, the European Institutions in May 2017 approved the 2017/821 Regulation (subsequently amended by Regulation (EU) 2020/1588), which "establishes duties in terms of due diligence in the supply chain for EU importers of tin, tantalum and tungsten, their minerals, and gold, originating in conflict zones or at high risk". The new provisions came into force in January 2021.

Pirelli addresses the management of this issue through a process of risk identification and mitigation. This process is aligned with that indicated by the Organisation for Economic Co-operation and Development (OECD), with particular reference to the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas".

This process consists of different points:

- annual traceability of Conflict Minerals in the raw materials in the supply chain, aimed at identifying the origin of the minerals up to the mines or smelters and the existence of any Conflict Minerals. The scope of perimeter refers to raw materials received in the Group's production plants and approved, according to the quality system, to be used in the production cycle as defined by the BOM (Bill of Material) for Pirelli tyres;

- assessment of the real necessity for use according to the safety and performance requirements of Pirelli products;

- annual survey of suppliers eligible for reporting associated with Conflict Minerals, using the tools defined by the Responsible Minerals Initiative (RMI), in particular through tools such as the Conflict Minerals Reporting Template (CMRT) for 3TG and the Extended Minerals Reporting Template (EMRT) for other conflict minerals such as Cobalt and Natural Mica. The survey is launched in July of the tax year, based on raw material input data from the first six months of the year, and completed in the first months of the following year when raw material and supplier data are consolidated for the tax year of interest;

- analysis and mitigation of risks at Smelter/Refiner (SOR; Smelters Or Refiners) level by verifying compliance with the standards set by the Responsible Minerals Assurance Program (RMAP), also considering the search for alternative sources of supply to support risk mitigation.

Pirelli does not have direct relationships with Smelters/Refiners but rather purchases materials from suppliers that, in turn, have Smelters/Refiners upstream in their supply chain. Pirelli is committed, and works with its supply chain, with the objective of sourcing materials containing exclusively 3TG minerals, cobalt and natural mica from Smelters/Refiners that have successfully undergone independent third-party audits certifying their compliance with RMAP standards.

In addition to the Conflict Minerals Policy, Pirelli expresses its position on the management of the issue in a section dedicated to it in its Global Human Rights Policy, where it is stated that the Company "*requires its suppliers to ensure the commitment to carry out proper due diligence as part of its supply chain in order to certify that products and materials provided to Pirelli are "conflict free" along the entire supply chain (i.e. that they do not come from mines or foundries operating in conflict zones identified as such by the applicable legislation on "conflict minerals" unless they are certified as "conflict free"*). Pirelli reserves the right to discontinue the relationship with suppliers in case of clear evidence of supply of minerals from conflict and in any event in the case of violation of Human Rights".

The above is further set out in the Pirelli Suppliers' Code of Conduct, which is in turn an integral part of the General Terms and Conditions of Purchase. Purchasing (of both Materials and Goods and

Services) whose objective is not to purchase Materials, Goods or Services containing "Minerals from Conflict Zones" unless they are certified as "Conflict Free". All this is explicitly highlighted by a dedicated clause that Pirelli asks Suppliers to sign: for example, in the case of Materials, this clause reads:

The Supplier represents and warrants that the Goods and Services supplied or to be supplied to Pirelli under the Contract and/or the Orders do not contain and shall not contain for the entire duration of the supply any Conflict Zone Minerals.

The Supplier undertakes:

(i) to provide Pirelli with a comprehensive description of the procedures and tools that have been implemented to ensure that the Goods and Services and the parties involved in the supply of the different components of the Goods and Services do not contain Conflict Minerals;

(ii) to maintain an active due diligence programme to identify and track all Minerals from Conflict Zones in its supply chain based on Organisation for Economic Cooperation and Development (OECD) and Responsible Minerals Initiative (RMI) procedures and tools;

(iii) to supply 3TG Minerals, Cobalt and Natural Mica from smelters that have been classified as "Conformant" (as described in https://www.responsiblemineralsinitiative.org/responsible-minerals-assurance-process/ and https://www.responsiblemineralsinitiative.org/facilities-lists/);

(iv) to complete, for each type of Good and Service provided under the Contract or Orders, the latest version of the "Conflict Minerals Reporting Template" (CMRT), downloadable at https://www.responsiblemineralsinitiative.org/reporting-templates/cmrt/, and the "Extended Minerals Reporting Template" (EMRT), downloadable at https://https://www.responsiblemineralsinitiative.org/reporting-templates/emrt/, and to send the same by e-mail to conflictminerals@pirelli.com;

(v) to send the documents referred to in (iv) updated annually (always) or in the event of any change in the composition and/or parts/components and/or production process of the Goods and/or Services supplied, and/or any change in the list of foundries and/or the "Conformant" classification status referred to in (iii).

In the event of breach by the Supplier of any of its obligations under this clause, Pirelli may suspend performance of the Contract and/or Order with immediate effect, without prejudice to its right to terminate the Contract(s) and/or Order(s) and exercise any remedy provided by law.

Over the years, Pirelli has progressively strengthened its model of management and mitigation of the risk associated with Conflict Minerals, extending its scope from the so-called "3TG" minerals (tin, tantalum and tungsten, their ores, and gold) to include, on a voluntary basis, first Cobalt (from 2019) and, from 2022, also Natural Mica.

This extension has been linked to an increasing focus on Cobalt, used in the Lithium-ion batteries that are an integral part of electric vehicles, mobile phones and laptops. The focus on Cobalt is

motivated by three main reasons: the growing worldwide demand for this mineral, the fact that its extraction is concentrated in the Democratic Republic of Congo, which holds about 60% of the world's reserves[158], and the existence of numerous reports associating Cobalt mining with the risk of negative social (e.g., child labour, human rights violations) and environmental impacts.

Similarly with regard to Natural Mica (used on a large scale in cosmetics and paints), numerous reports indicate that the extraction and processing of the mineral, concentrated in India and Madagascar and heavily reliant on manual often artisanal and low-scale processes, is often associated with illegal activities, child labour and dangerous and unhealthy working conditions.

In relation to the aforementioned conflict minerals, in any case, it is useful to point out that the materiality of the subject for Pirelli products is decidedly small: e.g., the total volume of minerals (3TG) used by Pirelli Tyre in a year weighs less than one tonne, a quantity less than one millionth of the volume of raw materials used annually by the Company and which is equally distributed among most tyres produced. To give an example, a tyre weighing 10 kg contains about 10 mg (milligrams) equivalent of tin, in the extremely low concentration of 1 ppm (one part per million).

Despite the negligible amount of these minerals in relation to the volume of raw materials used, their presence inside tyres is of significant technical importance, contributing to their safety and performance. The CMRT and EMRT survey carried out in 2025 was submitted to all suppliers, covering the entire "Conflict Minerals" risk associated with the tyres produced by the Group and the related total revenue. The investigation led to no evidence of critical issues in the supply chain related to 3TG, Natural Mica and Cobalt.

Global Platform for Sustainable Natural Rubber (GPSNR)

Pirelli's participation as a founding member in the Global Platform for Sustainable Natural Rubber (GPSNR) is particularly relevant. This platform aims, among other things, to support the sustainable development of the natural rubber business globally, benefiting the entire value chain through shared tools and initiatives based on respect for human and labour rights. For more information on the platform, see the "Environmental Information" section, "E4 Biodiversity and Ecosystems" chapter.

With specific regard to the workers of suppliers of raw materials and high value-added goods, among the activities of the Global Platform for Sustainable Natural Rubber – GPSNR, in 2024 and in several months of 2025, Pirelli took part in the "Smallholders Representation and Capacity Building (SCB) Working Group" to represent small landowners, which continued activities aimed at developing a capacity-building strategy for smallholder farmers and Business Plantations. This initiative played a strategic role in integrating the interests and opinions of workers in the Natural Rubber supply chain.

[158] Global Critical Minerals Outlook 2024

TARGETS for the management of working conditions and respect for human rights along the Value Chain

As part of the management of its relationships with suppliers, in updating its Strategic Plan in March 2024 Pirelli defined an ESG assessment target (including human and labour rights) for suppliers identified as presenting a potentially medium or high ESG risk, based on the findings of the annual ESG risk assessment and the materiality of supplier spend. The rationale of the target is to progressively reduce potential high and medium risks to a low current risk level through targeted assessments and any corrective measures implemented as a result of such assessments. The supplier base subject to assessment is updated each year in line with the findings of the most recent annual ESG risk assessment of the supply chain and is combined with a Group-level materiality threshold for procurement spend (set at 1 million euros in 2025).

The 2025 target required that 96% of total spend relating to suppliers identified as relevant in terms of expenditure and classified as having medium to high potential ESG risk be subject to an ESG assessment, and this target was exceeded, reaching in 2025 coverage of 98.4%, an increase of 5 percentage points compared with the previous year, for suppliers with high potential ESG risk and 96.4% (versus 86% in 2024) for those with medium potential ESG risk. This percentage is expected to reach 100% by 2027. The supplier base considered in 2024 derived from the risk assessment conducted at the end of 2023, while the supplier base used in 2025 derived from the risk assessment conducted at the end of 2024. The same approach will be followed in the coming years.

It should be noted that this target is in addition to the ordinary assessment activities carried out through local audits or via the EcoVadis platform, involving suppliers across all categories and applying local spend thresholds that are significantly lower than the threshold considered at total Group level.

More information on the ESG Supplier Assessment target can be found in the section “Governance Information”, paragraph “Supplier relationship management”.

TRAINING ALONG THE VALUE CHAIN

The material impact that emerged from the double materiality analysis in terms of training and skills development throughout the working life of the suppliers’ workers reflects Pirelli’s commitment to the growth and awareness of its suppliers on sustainability issues, fostering a positive impact on people and communities.

The existing activities and controls are outlined in the following paragraphs.

POLICIES for the management of training along the value chain

Pirelli believes that training, access to knowledge and understanding of the rules and principles relating to human rights, the values underlying them and the mechanism for their protection is of fundamental importance, both within the company and in the value chain.

Training across the supply chain is in fact central to the supplier capacity-building objectives set out in the Business Plan, as described below.

Of primary importance is the commitment required of suppliers, within their own organisations, to provide training to their workforce.

- In this regard, the Pirelli Supplier Code of Conduct requires suppliers to establish training measures for their employees and along the supply chain that ensure an adequate level of knowledge and understanding of the contents of the Code, as well as to provide adequate training and information programmes to educate and engage their workforce on risk management and health and safety protection measures.t

- the Policy on Sustainable Natural Rubber states, among the various aspects covered, Pirelli's commitment to fostering positive impacts in terms of training and skills development throughout the working life of workers of suppliers. The Policy highlights how Pirelli offers training courses and materials to the various levels of its natural rubber supply chain, as well as to its employees involved in the purchasing process.

In addition, Pirelli activated internally, through its Purchasing Academy, specific training sessions on ESG management addressed to the Purchasing Department and its buyers, as well as to other internal stakeholders involved in the procurement process.

For more information on the Group's Policies, refer to the paragraph entitled "*Main policies for the management of material IROs*".

ACTIONS for the management of training along the value chain

Training, Capacity building & Engagement – Business & Human Rights & Nature & Biodiversity

Pirelli believes that training, access to knowledge and understanding of the rules and principles relating to human rights, the values underlying them and the mechanism for their protection is of fundamental importance, both within the company and in the value chain. In line with the objectives set forth in the Business Plan, with reference to the supply chain, in 2024, Pirelli had implemented a Business and Human Rights training course offered to 100% of Raw Materials and Capital Goods suppliers considered ongoing and strategic for the Group. In 2025 and again in line with the provisions of the Business Plan, the Company offered the same training also to 100% of suppliers in the other product categories identified as high potential risk through the Risk Assessment ESG

analysis, which combines Country Risk and Business Sector Risk. In addition, in 2025 strategic Raw Materials and CapEx suppliers that had been added to the Company's vendor register following the 2024 training were also involved, thereby ensuring that in 2025 the training offering maintained effective and current coverage of 100% of suppliers within those categories. All those involved were asked to participate in the training, involving the three internal corporate functions considered key in the management of Human Rights, namely Purchasing, Human Resources and Sustainability.

The course was structured in three modules, with the objective of building "capacity" among suppliers, giving them the essential information that will enable them to effectively manage the issue in compliance with current international regulations and guidelines, and of which Pirelli calls for application, such as the ILO international regulations, the OECD Guidelines on the duty of vigilance, and the recommendations contained in the United Nations Guiding Principles on Business and Human Rights, implementing the Protect, Respect and Remedy Framework.

The course focused on explaining how to create a Management Model, from Governance to Policies, including identifying the necessary processes, how to carry out risk assessments, how to perform due diligence, and providing practical examples of remedial measures, explaining the importance of engagement with stakeholders, and illustrating reporting practices through tangible examples.

At the end of the course, which ended in December 2025, an Attestation Form was issued to each participant supplier.

With a view to impacting the upstream chain, Pirelli has also asked Suppliers to cascade the course within their organisation and their supply chain. To this end, and to facilitate this activity, Pirelli offered to Suppliers who have completed the course the opportunity to download free of charge all the material, insert their own logo and make it their own, so that they can capitalise on the result of a significant training investment, without having to recreate it, so that they have the course ready for application within their own organisation and to their supply chain. This approach aims to facilitate the extension of the positive impact of training in terms of reach.

Equally important are the "capacity building" activities that were carried out in 2025 for about 558 suppliers, both in the area of training on human rights management and in the area of management strategy and reduction of carbon emissions impacts. Of these, 54% falls within the scope of significant suppliers, meaning those with potential ESG risk and/or those considered business-critical.

In addition to the already established training and capacity-building programme on Business and Human Rights, in 2025 Pirelli implemented a further e-learning training programme focused on Biodiversity and decarbonisation. Reference should be made, respectively, to the paragraphs "Biodiversity Training for 100% of Raw Materials and CapEx Suppliers" and "Decarbonisation across the Supply Chain" in the Environmental chapter.

TARGETS related to training along the value chain

As established in the 2024–2025 Strategic Plan, in 2025 Pirelli achieved the objective it had set to promote respect for workers' rights within its supply chain, namely to offer human rights training to 100% of suppliers classified as High Risk[159] by 2025. Notwithstanding the achievement of this milestone, the Group continues to work towards a further target by 2027, namely to deliver the "Business and Human Rights Management" training course to 100% of its suppliers classified as Medium Risk[160].

For the definition of High Risk and Medium Risk suppliers, please refer to what has already been described with reference to the ESG Assessment target in the "Governance Information" section, "Management of relations with suppliers" paragraph.

It should also be noted that there is a further target relating to supply chain training in the area of Biodiversity, as described in the section "Biodiversity training for 100% of raw material and CapEx suppliers".

S3 AFFECTED COMMUNITIES

With reference to the affected communities, the following positive impact Pirelli has on the development of the communities in which it operates was found to be material:

- *Social cohesion, individual and community development and general well-being of people within the community in which Pirelli operates, through the pursuit of dedicated initiatives*.

Since its foundation, Pirelli has been aware of its important role in promoting civil progress in all the communities where it operates and is committed to engaging in dialogue with local and international communities and organisations to identify targeted and measurable interventions, ensuring that its contributions uphold ethical principles and fundamental rights.

Interaction and positive integration with communities are also instrumental to the Company's growth strategy, within a global and local context characterised by transformations that highlight the importance of supporting the development and resilience of communities themselves, from the perspective of broader impact management along the entire value chain.

The analysis of the socio-economic and environmental contexts in which Pirelli operates, together with engagement with experts and strategic partners, institutions and local stakeholders, makes it

[159] The suppliers considered represent all categories with the exception of strategic raw materials and capital goods suppliers, for whom training was provided in 2024

[160] The suppliers considered represent all categories with the exception of strategic raw materials and capital goods suppliers, for whom training was provided in 2024

possible to identify the specific vulnerabilities of the communities concerned, thereby enabling the assessment of targeted measures to mitigate them.

Culture and Art, education, sport, inclusion and solidarity are at the core of the Company's projects and initiatives in support of its reference Communities, in compliance with the needs identified and in line with the values that have always characterised the Company's identity.

Pirelli for some years now has adopted an internal procedure to regulate the distribution of gifts and direct contributions to the external community, which explains the roles and responsibilities of the functions involved, the operational process of planning, realising and monitoring the initiatives and the disclosures regarding the same. The internal procedure also specifies that no initiatives may be taken in favour of beneficiaries for whom there is direct or indirect evidence of violation of human rights, worker rights, environmental protection or business ethics.

PROCESSES FOR ENGAGING AFFECTED COMMUNITIES

Pirelli engages with communities at various stages of the decision-making process, depending on the nature of the activities and their potential impacts, using participation methods that include structured consultations, periodic meetings, discussion forums, qualitative surveys and dedicated reporting channels. Operational responsibility for ensuring that community engagement is carried out effectively and systematically, and that the outcomes of these activities are adequately analysed and integrated into decision-making processes, Group Policies and actions, varies according to the type of process carried out. In general, however, the results of the engagement activities carried out by Pirelli are monitored and analysed through various tools, such as satisfaction surveys of the parties involved in the different initiatives. For more information on the activities carried out during 2025, refer to the "ACTIONS dedicated to developing the external community" paragraph of this chapter.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS GENERATED ON THE EXTERNAL COMMUNITY AND CHANNELS FOR AFFECTED COMMUNITIES TO RAISE CONCERNS

In line with its commitment to the community, Pirelli adopts a structured approach to identify, prevent and, if necessary, remedy any potential significant negative impacts for the communities in which it operates.

In this context, Pirelli guarantees the accessibility of its whistleblowing channel to external communities too, thereby allowing all those who may become aware of a potential relevant violation to make the proper report.

The channel is open not only to employees, suppliers and business partners but also to the members of the communities in which Pirelli operates, allowing them to make verbal or written reports,

potentially also anonymous, of any conduct that is not compliant with the Company's standards or current regulations. All reports are treated with the utmost confidentiality and impartiality, guaranteeing the protection of the whistleblowing from any form of retaliation.

Reports are handled by the Group's Internal Audit Department in compliance with standards of independence and transparency, ensuring adequate analysis and, if grounded, the adoption of suitable corrective or disciplinary measures.

For more detailed information, refer to the section on "Information on Governance", "Whistleblowing Policy" paragraph.

Pirelli has implemented a Due Diligence system that crosses the value chain and integrates attention to human rights in all the Company's activities. Specifically, Pirelli systematically monitors the internal and external context of the countries in which it operates, to prevent negative impacts on human rights and, if so, to remedy such.

In addition, prior to investing in a specific market or entering into new business relationships, including, for example, new acquisitions, mergers and acquisitions (M&A) transactions or joint ventures, Pirelli carries out dedicated assessments of potential political, financial, environmental and social risks, including those relating to respect for human and labour rights. In countries where the Company already operates, systematic monitoring activities are undertaken with regard to both the internal and external context, with a view to preventing adverse impacts on human rights and, where necessary, addressing them.

POLICIES for managing relations with the external community

Relations with the external community are an integral part of the Global Human Rights Policy, which sets out Pirelli's commitment to fostering positive impacts in terms of social cohesion, individual and community development and the general well-being of people within the community in which Pirelli operates, through the development of dedicated initiatives.

More specifically, the Policy expresses Pirelli's active commitment to disseminating and promoting the values that permeate its action, in respect of local cultures and indigenous populations, protecting the environmental and cultural heritage and traditions and customs of the local communities and helping ensure the economic well-being, respect for human rights and growth of the communities in which it operates, supporting social, cultural and educational initiatives focussed on personal promotion and the improvement of living conditions. In this regard, Pirelli holds dialogue with institutions and the competent non-government organisations to be essential in identifying priority areas in which to support local communities.

The Group's Code of Ethics also expresses Pirelli's commitment to contributing towards the economic well-being and growth of the communities in which it works through the supply of efficient, technologically-advanced services and the support of social, cultural and educational initiative focussed on personal promotion and the improvement of living conditions.

The Supplier Code of Conduct, in turn, reminds suppliers to ensure respect of local communities, safeguarding their cultural and natural heritage, traditions and local customs.

The Sustainable Natural Rubber Policy, with express reference to suppliers of this raw material, also calls for a commitment to promote the development of local communities. More specifically, Pirelli expects all players in its natural rubber supply chain to act responsibly, supporting dignified living conditions for local communities and promoting their cultural development.

The above Policies are in line with the applicable international standards governing human rights, including the United Nations Universal Declaration of Human Rights and the European Convention on Human Rights.

For a complete list of international standards, refer to the paragraphs on “S1 Own Workforce” and “Workers in the value chain”. For more information on the Group’s Policies, refer to the paragraph entitled “*Main policies for the management of material IROs*”.

TARGETS relating to the development of the external community

Pirelli is committed to constantly contributing to the economic well-being and growth of the communities in which it operates, as explained in the previous paragraphs and detailed in the specific actions reported below merely by way of example. More specifically, the initiatives pursued meet with the objectives of the Group to disseminate the key values of Pirelli’s identity and business culture, including to external stakeholders.

ACTIONS dedicated to the development of the external community

Corporate culture as shared capital: the Pirelli Foundation

The Pirelli Foundation aims to educate, promote and disseminate expressions of culture, with particular emphasis on knowledge of the historical and contemporary heritage of the Pirelli Group, both through the enhancement of the materials in which it is expressed and through projects and initiatives designed to promote Pirelli’s corporate culture as part of the country’s cultural heritage.

The Foundation is responsible for the preservation and management of the Group’s Historical Archive (comprising materials collected from the Company’s foundation in 1872 to the present day), the technical-scientific library and its own thematic library, and carries out numerous activities to enhance the value of the Company’s heritage. A true laboratory of corporate culture, its objective is to disseminate the link between memory and the future and to promote, in all the communities and territories in which the Company operates, starting from the Bicocca district in Milan, that attitude towards a “polytechnic culture” which represents one of the distinguishing features of Pirelli’s DNA.

The enhancement projects include: the curation of publications and digital projects, the management of the Company libraries (opened in 2016), the organisation of exhibitions and exhibition routes, seminars and conferences, guided tours, initiatives that involve thousands of people every year, also through collaboration with other cultural institutions. The Foundation carries out research, in support of the company management and scholars at a national and international level, in areas that range from economic and industrial history, through to architecture, from the history of work and industrial relations through to graphics and design. The Foundation also operates in the field of education through programmes aimed at schools of all levels and at universities and academies, with the main objective of introducing even the youngest audiences to the world of production and work, bringing them closer to the founding values of the Group's corporate culture. With specific reference to its commitment to educating new generations, the Pirelli Foundation promotes initiatives in support of reading, such as the Campiello Junior prize, now in its fifth edition.

Among the initiatives in 2025 addressed to both internal and external communities, with the aim of promoting the Company's corporate culture and workplaces, including among younger generations, the following are worth noting: the new editorial project (the tenth publication curated by the Foundation) dedicated to the celebration of 500 Grands Prix that have seen Pirelli as a protagonist in the world of Formula 1, entitled "*Emozioni*" (published by Marsilio Arte); the podcast talk "Grand control" on sports themes produced by Chora Media; the launch of a photographic reportage in Pirelli factories around the world by photographer Matteo Gastel to document the Company's manufacturing identity, research and innovation; the design of exhibition focuses dedicated to design (on the occasion of the awarding of the *Compasso d'Oro* 2025 to the Pirelli P Zero E tyre) and to winter sports (in the run-up to the Milan-Cortina 2026).

With the aim of disseminating Pirelli's history, its corporate culture and the Company values expressed since its origins at global level, and of ensuring the widest possible access, the digital ecosystem of the Pirelli Foundation has been enriched with new content, also made available through new assistive technologies to improve accessibility for users with disabilities. Also curated by the Pirelli Foundation is a series of thematic guides to the Foundation, to the Company's history, to the Pirelli Headquarters, to the history of two- and four-wheel competitions, and to the Company libraries, available to all visitors.

Numerous initiatives and events saw the Pirelli Foundation play a leading role in 2025, with exhibitions, workshops, reading promotion initiatives and guided tours both at Pirelli sites and at other institutions; among these, by way of example and not exhaustively, participation in MuseoCity, an initiative of the Municipality of Milan, the National Made in Italy Day established by the Ministry of Enterprises and Made in Italy, and the 24th Week of Corporate Culture promoted by Confindustria and Museimpresa.

As every year, the Pirelli Foundation devoted particular attention to educational projects for students and teachers. The free programme "Educational Pirelli Foundation", established in 2013, provides educational pathways which in 2025 involved over 4,000 teachers, pupils from primary and secondary schools and university students, through meetings, refresher courses and special events linked to the world of education, also organised in collaboration with other cultural institutions. The workshops are designed to explore, through digital content, interactive pathways and guided tours,

themes such as the history and technology of the tyre, environmental, social and economic sustainability, design and graphics, and the world of work and production. The 2025/2026 workshop programme entitled “We Are History. We Are the Future. Corporate culture for schools and universities” saw the involvement of numerous students and teachers, through lessons delivered both digitally and in person, and guided tours of the Pirelli Foundation, the Research and Development laboratories and the Company Headquarters.

Finally, over 500 Italian and international university students were involved in initiatives organised by the Pirelli Foundation, also in collaboration with various Pirelli departments, on topics such as technological innovation, the history and culture of enterprise, design and visual communication, and the management and digital enhancement of corporate archives.

The Pirelli Foundation confirms its leading role within Museimpresa, the Italian Association of Corporate Archives and Museums that promotes exchange networks and the promotion of corporate culture as part of the national cultural heritage, and within Confindustria’s Culture Group.

Open and accessible art for all: the Pirelli HangarBicocca Foundation

Pirelli HangarBicocca is a non-profit foundation dedicated to the production and promotion of contemporary art, whose mission is to make art open and accessible to all.

Founded in 2004, Pirelli HangarBicocca is based in Milan and is today an institution of reference for the international art community, local residents and the territory. A totally free, accessible and open museum complex, it is a place for experimentation, research and dissemination where art is the cue for reflection on the most topical issues of contemporary culture and society.

The activities, which target an extensive, heterogeneous audience, include a calendar of important personal exhibitions of Italian and international artists, a multidisciplinary program of collateral events and analyses, a scientific disseminating publishing activity, educational and training proposals.

The artists are the main reference persons and together make up the community of greatest interest for the institution, as their work is essential for it to have a public and museum function. Some commissions and productions are launched in collaboration with important institutes of various types: museums, galleries, foundations, research centres, technological poles and public entities.

The attention paid to the communities of the city of Milan, the Bicocca district and the outlying towns is made tangible by a structured dissemination, education and training proposal, conceived in correlation with the exhibitions, which makes Pirelli HangarBicocca a resource for the achievement of considerable positive impacts on the community. The main general beneficiaries of the collaboration or use of Pirelli HangarBicocca cultural projects are: employees of Pirelli and Pirelli HangarBicocca, the intake linked to the exhibitions and activities as suppliers, businesses, artisans, professionals, artistic and cultural institutions, associations, independent spaces, charities,

universities of all fields of knowledge, both humanistic and scientific, and schools, those working in the world of art, art enthusiasts and those enjoying a first approach to art.

Exhibitions: shared, accessible, inclusive art

In 2025, Pirelli HangarBicocca hosted solo exhibitions by leading national and international artists in the context of a programme that has distinguished itself for its curatorial rigour and for its attention to site-specific projects capable of "talking" to the unique characteristics of the surrounding context and space. The artistic programming of 2025, curated by Artistic Director Vicente Todolí, presented artists with a high profile, alternating solo exhibitions by well-established names with exhibitions of younger, more experimental artists. In the Navate Space: Jean Tinguely, Nan Goldin. In the Shed Space: Tarek Atoui, Yuko Mohri.

In addition, the public was able to visit the permanent installations *I Sette Palazzi Celesti 2004-2015* by Anselm Kiefer (Donaueschingen, Germany, 1945, lives and works in Paris and Barjac, France), *La Sequenza* by Fausto Melotti (Rovereto, 1901 – Milan, 1986) and the murals developed on the outside walls of the Cube *Waves Only Exist Because the Wind Blows* by eL Seed (Le Chesnay, France, 1981, lives and works in Paris and Dubai).

To facilitate a better understanding of the art themes, visitors were given free printed and digital guides, available online, to the exhibitions and permanent installations in Italian and English.

Equally important is the topic of audience inclusion, in order to guarantee access in full respect of different needs and requirements.

Museum guides and guides to the permanent installations have been published in accordance with easy-to-read parameters and in Augmentative and Alternative Communication (AAC) format for people with intellectual disabilities. The initiative is part of the "Museo per tutti" project conceived by the L'abilità onlus association, with the aim of encouraging social participation by persons with intellectual disabilities and facilitating their access to the world of museums and culture, and the guides were created with the contribution of the Regional Authority of Lombardy

Pirelli HangarBicocca also provides audio-video guides in LIS (Italian Sign Language) dedicated to the permanent installation *I Sette Palazzi Celesti 2004-2015* by Anselm Kiefer, LIS video guides addressing the exhibition space and the work *La Sequenza* (1971-81) by Fausto Melotti, produced in collaboration with the Istituto dei Sordi di Torino, and an audio-video guide dedicated to the monumental-scale intervention *Waves Only Exist Because the Wind Blows* by eL Seed, displayed on the external walls of the "*Cubo*" at Pirelli HangarBicocca.

During 2025, creative workshops for children and guided tours for adults in LIS with Italian voice-over were also designed and delivered.

The museum mediation team and employees of Pirelli HangarBicocca had the opportunity to take part in training days dedicated to reception and accessibility for visitors with disabilities.

Pirelli HangarBicocca has been mapped and recognised as an accessible venue by AISM – Associazione Italiana Sclerosi Multipla (Italian Multiple Sclerosis Association) and, in 2025, for the second consecutive year, the Pirelli HangarBicocca Foundation won the Lombardy Region “Bando Unico Cultura” call with the project “*Oltre il museo*” (Beyond the museum), which will enable the continuation and further development of actions dedicated to museum accessibility.

In 2025, for the second consecutive year, the Pirelli HangarBicocca Foundation won the Lombardy Region “Bando Unico Cultura” call with the project “*Oltre il museo*” (Beyond the museum), which will enable the continuation and further development of actions dedicated to museum accessibility.

Educational projects

The training projects run by the Education Department of Pirelli HangarBicocca include activities that meet with the requests submitted by the world of education and groups of interest. The principles inspiring the project are: to make available to the schooling community and graduates the competences of Pirelli HangarBicocca free of charge; to develop lasting partnerships with universities; to create models that can become a resource for research and development and to allow everyone to make on-line use of such.

Among the activities carried out in 2025, Pirelli HangarBicocca, in scientific collaboration with the Training Service for Social Professions of the Metropolitan City of Milan, the transdisciplinary Babel Laboratory on adolescent languages established within the Department of Education Sciences at the Milan-Bicocca University, and the Varenna - Servizi per l’adolescenza Foundation, designed and curated the participatory workshop *Una vita oltre le norme. Ripensare l’idea di limite e di trasgressione nell’adolescenza* (Life beyond the rules. Rethinking the idea of limit and transgression in adolescence), dedicated to social workers, educators and professionals working in social and social-health services for adolescents, families and children across the Metropolitan City of Milan.

The School activities of the Education Department are addressed to all teachers and students of every level of education. These initiatives are designed to take place in person and include workshop programmes delivered directly within the exhibition space. The School planning intends to optimise the artistic language of contemporary art, which may involve and concern subjects that would, at first glance, appear to be unrelated to art. The is that the teachers can play a leading role in collaborating towards the reading of works of art connected to their subjects and current topics.

The initiatives developed within the Kids programme are also particularly important, designed to involve children, along with their families, in creative laboratories aiming to ensure the discovery of the languages of contemporary art with activities organised in person in connection with all the exhibitions hosted.

In 2025, the Kids programme was structured into the projects “Edu Summer 2025” and “Percorsi creativi e Family Lab” (Creative paths and Family Lab). The first took place during the summer months and included both free-access weekend workshops and weekly in-person summer camps for primary and first-year secondary school children. The second included activities and workshops

offered throughout the year to children, teenagers and their families, designed to explore the exhibitions through movement and play, listening to emotions, trials with unusual techniques and materials and the exploration of the exhibition space.

Cultural events

In 2025 too, multiple cultural events were organised by the Hangar Bicocca Foundation, always offered free of charge to the public.

They include:

- The Public Programmes, a calendar of cultural events – meetings, conversations, guided tours, workshops, projections, musical events and performances – that complete the artistic proposal of Pirelli HangarBicocca, stressing the multidisciplinary and transversal nature of contemporary art and expanding the reflection to include other contemporary disciplines and languages.

- The Special Projects, appointments or initiatives designed and organised by Pirelli HangarBicocca involving artists and contexts other than those exhibited in the museum spaces. These events aim to extend the cultural proposal, offering the public performance, research and dissemination projects.

- The Guest Projects, appointments or initiatives organised by national and international entities and institutions at Pirelli HangarBicocca. These events open up to other disciplinary areas, beyond that of contemporary art, enriching the institution's cultural offer and networking it with other subjects and communities.

A valuable space to engage employees and other Stakeholders

Pirelli Hangar Bicocca also hosts events dedicated to employees with a view to fostering their engagement. In 2025, in collaboration with Pirelli's Learning division, events dedicated to participants in the Plunga training course were organised in April, July and November; and in November, a meeting was also organised dedicated to those who had signed up for the training programme Lead Beyond – Pirelli Global Managerial Programme, during which participants had the opportunity to learn more about the relationship that binds Pirelli HangarBicocca to the company and to visit the temporary exhibitions and the permanent installation by Anselm Kiefer.

During the Pirelli Party, held in the areas of Pirelli HangarBicocca, all employees also had the opportunity to visit the exhibitions of Yuko Mohri and Nan Goldin accompanied by the museum mediation.

As regards external stakeholders, during the year, trips were organised to the exhibition space dedicated to Pirelli dealers and the Company's international divisions (Czech Republic, United Arab Emirates, Turkey, United Kingdom). In addition, for the company visits organised by Pirelli with Milano&Partners for Italian and international students from prestigious schools and MBA programmes, Pirelli HangarBicocca offered guided tours of the exhibition space, constituting an important tale of Pirelli's legacy with the territory.

The activities of Pirelli Hangar Bicocca are managed through a Pirelli Group company that in 2025 incurred a total amount of operating expense of 5 million euros.

Initiatives and contributions for the external community

As specified in the Group Code of Ethics, with the involvement of all the company departments, which can themselves promote such initiatives both globally and locally, Pirelli supports social, cultural and educational initiatives aimed at personal promotion and the improvement of living conditions. The amount of the disbursements in support of the External Community incurred by Pirelli in 2025 is shown in the section "Contributions to the Community".

Road Safety

Around the world, Pirelli is synonymous with safety and high performance. Together with environmental protection, road safety is the key element of the Eco-Safety Performance strategy that inspires the Group's industrial and commercial choices. Pirelli's commitment to road safety includes numerous training and information activities, resulting in the research for and continuous application of innovative technological solutions in favour of sustainable mobility but odes not only regard product innovation, rather it extends to include the promotion of principles of road safety and safe driving through the participation in dedicated projects and campaigns.

Bearing witness to this commitment, Pirelli in 2018 joined the United Nations "Road Safety Fund" which aims to support States to reduce the number of deaths and injuries caused by road accidents. The Fund supports the implementation of national plans, as well as concrete actions and projects aimed at improving the safety of infrastructure and vehicles, promoting the correct behaviour of road users and managing the post-accident period efficiently.

Numerous road safety initiatives have been implemented in the countries where the Group operates, of which the following is a non-exhaustive list.

In Italy, in 2025 the partnership with the University of Milan Bicocca and participation in the informal round table on the topic of mobility management and road safety in the area continued, issues on which representatives of the city administration are involved. Also in this context are included the meetings held at the Istituto Tecnico Don Orione of Fano (PU) for 2nd and 3rd year high school classes, and at the Istituto Don Orione of Mestre for the training of teachers in the Mechatronics

programme, where discussions focused on the tyre and its characteristics, with particular emphasis on safety and efficiency.

The collaboration with the Highway Police continues, supporting initiatives for prevention and awareness aimed at children, young people and adults.

Among these the Icaro Project particularly stands out as one of the most important road safety education campaigns in Italy, now in its 25th edition, which each year involves thousands of primary and secondary school students with training activities dedicated to risk perception, driving distractions and the adoption of responsible behaviours.

Also in collaboration with the Highway Police, in November the Pirelli Foundation organised a morning of training for two classes at the Giovanni Battista Pirelli Primary School of Milan.

With a particular focus on sustainable mobility, understood as safer, more ecological, efficient and accessible mobility that strengthens national competitiveness through practical and scalable solutions, in 2025, the work on two important multi-year projects at the regional and national level in Italy continued and entered the final phase: MOST (Italy's National Centre for Sustainable Mobility) and MUSA (Multilayered Urban Sustainability Actions). Both are part of the actions envisaged within the National Recovery and Resilience Plan (NRRP), but while the MOST is totally focused on sustainable mobility at a national level, the second has a broader scope on the theme of urban regeneration, where mobility is in any case a fundamental aspect albeit not the only one, and has a local perimeter focused on the Lombardy region and more specifically on Milan. Pirelli in these projects acts on the one hand by contributing to the development of sustainable tyres in terms of rolling resistance reduction, more sustainable materials and digital integration, and on the other hand by foreshadowing the main characteristics of the city of the future and identifying the mobility services that will enable its increasingly sustainable development.

In the United States of America, Pirelli continued its partnership with *The Ray* for the advancement of road infrastructures and technologies to improve safety and reduce the environmental impact.

In Romania, Pirelli acted as Gold Partner of the 2025 Sustainable and Accessible Mobility Forum, attended by leaders from the automotive sector representing over 35 countries, to share progress in the fields of electric vehicles, biofuels, autonomous driving technologies and intelligent transport infrastructure, under the overarching themes of decarbonisation and electrification.

In 2025, Pirelli also continued to invest in numerous initiatives supporting road safety education on two wheels, with a particular focus on collaborations with driving schools for the training and development of practical and safe experience on the road, track and off-road. Among the various initiatives we can mention the Enduro Republic, Motorace People, Tutti Pazzi per la Pista and GS Academy, as well as the track test days organised directly by Pirelli: the Pirelli Trackdays. With the Metzeler brand, the company is also a partner of the main "adventouring" events that bring participants closer to the off-road world. Finally, we also have the technical collaborations with motorcycle brands such as BMW and Triumph, to support their track driving days.

As in previous years, a section of the website was dedicated to driving tips, for summer and winter, highlighting the important role played by the tyres in the active safety of vehicles and its occupants.

Training

The promotion of technical education at all levels and training are long-standing values that are well-established in the history of Pirelli. The Group continues to benefit from technical and research cooperation with various Universities in the world including the Politecnico of Milan, the Politecnico of Turin, Bocconi University and the SDA Bocconi Business School and the Bicocca University of Milan in Italy, the Universities of Craiova, Pitesti, Tragoviste and Resita in Romania, the University of Qingdao in China, and the Technical University of Darmstadt, the University of Applied Sciences in Darmstadt, to name a few.

The Company supports educational and didactic programmes that are able to give less fortunate young people the tools to improve their condition; it contributes scholarships and research projects, firmly believing in training as vital to individual growth and the economic growth of a country.

In Greece, Pirelli took part in an educational programme carried out in 2025 in 4 schools, reaching 144 students of different ages.

In China, Pirelli has for years sponsored the study grant for the School of Science and Polymer Engineering (engineering of rubber and plastics and synthesis of polymers) of the Qingdao University of Science & Technology (QUST).

In Turkey, tyres were donated to the engineering clubs of three universities for international single-seater car competitions organised by the respective clubs.

Pirelli Argentina collaborated with the *Instituto Tecnológico de Capacitación Automotriz (ITCA)* to fully fund a scholarship for a deserving student at Technical School no. 2 in Merlo, supporting their education in automotive technology. Pirelli also supported two schools in Bahía Blanca by donating kits tailored to the educational level and containing essential items such as backpacks, notebooks, pencils, markers, and more. At Technical School no. 5 in Merlo, desktop computers, a server, and printers/scanners were donated to strengthen the technical laboratories of the IT programme. Support for university scholarships was also renewed through the partnership with *Universidad del CEMA*.

In the United States, Pirelli contributed to the Rise and Thrive initiative, created by the Rome Chamber of Commerce to promote professional development and growth for individuals in the area. In partnership with Atlanta Public Schools, Pirelli developed the P.A.L.S. programme (Pirelli Assisting Leaders in STEM), providing teachers and students with hands-on STEM experiences that connect educational standards to the applications and opportunities of leading industries.

In Canada, a donation was made to the *Global Schoolhouse Initiative*, a non-profit that provides education and support for children in the poorest areas, worse struck by crises.

Pirelli Brazil contributed to the *Escritor para o Futuro* educational project to encourage reading, writing, and critical thinking through structured activities and a dedicated programme schedule. It also supported the school *Educandário Amélia Rodrigues*, assisted the GURI project for youth music education, which in 2025 included experiential activities such as a visit to the Pan-American Circuit. Pirelli also contributed to the *Aprender Brincando* project for the development and skills of children in the local community, and supported the GAUSS project, an educational initiative designed to strengthen core competencies and improve the schooling experience, with Pirelli employees volunteering as mentors to the children.

In Mexico, 2025 saw Pirelli support disadvantaged communities, focussing on children through the *United Way* Association. The children were offered workshops divided into five areas: socio-emotional development, educational reinforcement, hygiene and health, environment, and life projects (to stimulate the children to set short- and long-term goals and learn discipline and decision-making).

In 2025, Pirelli Romania continued the project developed together with the Pitesti faculty of Mechanics on the advanced techniques of tyre manufacture with the support of Pirelli R&D specialists. In addition to the University of Pitesti, the Universities of Craiova, Tragoviste and Resita also took part in this project with numerous masters students. The Io Tifo Positivo programme involved students from schools in the Slatina area to teach how to deal with bullying and how to cheer in a positive way. In addition, Pirelli Romania supported the programme "*Vreau la Facultate*" together with Babeș-Bolyai University, to help students from rural communities complete their university courses.

In Spain, Pirelli continues to support the UPC Manresa Polytechnic university, giving students the chance to take part in the program *Dynamics UPC Manresa*, each year constructing a single-seat car and a motorcycle for international university competitions, fostering the development of technical skills, project management and teamwork. Also in 2025, Pirelli Spain organised visits to Pirelli's old production plants for high school and university students teaching the tyre manufacturing process and the distribution logistics component.

In Germany, Pirelli has supported study grant programmes like the *Deutschlandstipendium* and specialist industry institutes like *Deutsches Institut für Kautschuktechnologie.* The commitment also included support for local educational organisations like the *Verein für Waldorfpädagogik Rosenheim e.V.*

Sport and inclusion

There is a close link between solidarity and sport, in a virtuous circle where commitment to sports becomes synonymous with the commitment to promoting inclusive, ethical sociality, especially amongst young people. Getting young people involved in sport is a way to teach the notion of integration to children from different social groups and helps prevent negative situations like isolation and solitude.

It is in this context that Pirelli's support of Inter Campus falls, which since 1997 has developed social, flexible cooperation and long-term actions, in 30 countries around the world with the support of local operators, using football as an educational tool to offer boys and girls in need, aged between 6 and 13, the right to play.

Since 2008, Pirelli and Inter Campus, along with a local partner, have been running the social project in Slatina, Romania. The sports and recreational activities are organised for the entire year, involving around a hundred children from different social contexts who have been learning team spirit, social integration and the values of friendship through football for years.

Since 2012, Inter Campus has also been active in Mexico, in Silao, near the Pirelli plant. During 2025, strong participation was recorded in the "Friendship Tournament", where teams of boys and girls, each bearing the names of the positive values that characterise the Inter Campus methodology, competed in an atmosphere of joy, mutual respect and inclusion.

On the occasion of the 47th Istanbul Marathon, Pirelli Turkey took part in the Corporate Run as part of the *Run for First Steps!* project, with the aim of promoting a healthy lifestyle while contributing to the social cause of *Cerebral Palsy Türkiye* in support of the "first steps" of children affected by the condition.

Pirelli Germany supported sports activities with inclusive purposes, backing local events and associations linked to sporting practice and community participation, such as the *Bergrennen Eichenbühl* and the activities of *Schützengesellschaft Söllhuben e.V.*, helping to foster social interaction, inclusion and cohesion through sport.

Social Solidarity

Since its origins, Pirelli has integrated the values of social solidarity into its identity.

At an international level, numerous initiatives were carried out in 2025 by Pirelli and its employees in support of charitable organisations; some examples are outlined below.

In Spain, the company supports the *Fundacio del Convent de Santa Clara*, which runs programmes to supply food to needy families. Pirelli has offered permanent use of a warehouse to store food for those in need.

Pirelli Argentina organised a toy collection for Children's Day to benefit children and adolescents supported by the *Todavía es Tiempo* foundation; employees contributed by donating new toys and volunteering during the distribution event. The corporate volunteering programme *Let's Leave a Mark* was also launched to strengthen ties with the external community through planned activities combining practical volunteering actions and donations with initiatives linked to community well-being.

In Romania, Pirelli employees donated school backpacks, toys, clothing, personal hygiene products and food for disadvantaged children.

Pirelli Germany supported solidarity and social protection initiatives in local communities, contributing to organisations assisting children, families and vulnerable communities, such as DLRG Kreisverband Odenwald and Jugendfeuerwehr Odenwaldkreis, and promoting inclusion and diversity through projects such as the *ALL IN – Ein Wochenende der Vielfalt* event with Lebenswert Odenwald, also including support for organisations dedicated to disability care and hospices such as Lebenshilfe Wuppertal and Stiftung Kinder-Hospiz Sternenbrücke, as well as animal welfare initiatives.

In Japan, Pirelli supported youth development activities with the association *Mirai no Mori*, a certified non-profit organisation, by funding the planning and implementation of outdoor programmes for disadvantaged children. The initiative aims to offer meaningful experiences in contact with nature, strengthening resilience, with the intention of maintaining ongoing support.

In Brazil, in the Campinas area, Pirelli supported *Famílias em Ação*, an initiative linked to a care home providing assistance to children and families in vulnerable conditions, including essential support and continuity of assistance in subsequent years. Pirelli also supported the *Lar São Francisco de Assis* association, a social care institution primarily dedicated to supporting older people, with activities focused on dignity, well-being and care for the benefit of the local community.

In Mexico, Pirelli volunteers celebrated Children's Day at company facilities, offering fair-style games, educational activities and awareness moments on respect for and care of animals, in a safe and recreational environment. In response to the emergency of stray dog overpopulation in the area, since 2019 Pirelli has also been active in the recovery of stray dogs and supports adoption programmes, involving the community through adoption and food-collection events, such as the initiative organised together with the *Bravos de León* baseball team at Domingo Santana Stadium.

Health support

In Brazil, Pirelli has been supporting the Pequeno Principe children's hospital, one of the most important paediatric complexes with an advanced surgery and oncology centre, since 2011.

In Argentina, Pirelli participated as a sponsor in the *Avon Walk for Breast Health*, supporting women's health and cancer prevention; funds raised support logistics, awareness campaigns, educational materials and access to free mammograms for at-risk individuals without medical coverage.

In Mexico, contributions from Pirelli employees enabled the implementation of a dental health campaign for children and families, including oral hygiene tutorials aimed at promoting dental care from early childhood. A visual health campaign was also conducted, including eye screenings and the donation of glasses for disadvantaged children. Wheelchairs were donated to persons with disabilities, distributed both to homes and at Domingo Santana baseball stadium, in coordination with the *Bravos de León*.

Pirelli Germany supported community health and well-being initiatives, including contributions to support and protection services managed by organisations of the *Deutsches Rotes Kreuz*, as well as donations dedicated to projects for children with serious illnesses. These actions were complemented by contributions selected through internal initiatives in support of organisations assisting people in difficulty and local support services such as *HORIZONT e.V.*

Environmental initiatives

In line with the company's vision of sustainability, Pirelli supports various environmental projects around the world. For a more in-depth description of these initiatives, refer to the paragraph "Other initiatives supporting the environment and biodiversity" in chapter "E4 Biodiversity and ecosystems".

METRICS related to Community Contributions

Referring to the contributions made to the External Community, Pirelli has for many years adopted internal procedures defining the roles and responsibilities of the involved functions and the operational process of planning, achieving, monitoring and control of results of the initiatives supported. Pirelli procedure specifies that it may not promote initiatives for the benefit of beneficiaries in respect of whom there is direct or indirect evidence of failure to abide by human rights, workers' rights, environmental rights or business ethics.

In 2025, the ratio of expenses for corporate initiatives in favour of the external community to the Group's net result is 0.8%, in line with the previous year.

The table below shows the expenses incurred in 2025 for contributions to the external community (in thousands of euros):

CONTRIBUTIONS FOR THE BENEFIT OF THE EXTERNAL COMMUNITY (In thousands of €)	**2024**	**2025**
Training and research	1,457	1,520
Social-cultural initiatives	2,050	1,562
Sports and solidarity	574	904
Total contributions for the benefit of the external community	4,081	3,986

For more information about the main initiatives supported with the above disbursements and the related governance model, refer to the actions described in the previous paragraphs.

S4 CONSUMERS AND END USERS

Following the Double Materiality Analysis conducted by Pirelli, the following impacts and opportunities in the area of consumers and end users, were identified:

- *channels dedicated to listening to customers*
- *availability of adequate information on Pirelli Products for customers*
- *occurrence of accidents caused by product characteristics/defects (negative impact)*
- *increase in market share thanks to ever safer products, such as smart and connected tyres that transmit information useful to safe mobility in real time (opportunity).*

The next few paragraphs analyse the Group's actions, policies, targets and commitments in connection with these topics.

INTERESTS AND VIEWS OF STAKEHOLDERS

Customer focus

Customer focus is a central element of the Group "Values" and Ethical Code and the Quality Policy and Product Stewardship Policy of Pirelli. These documents outline the company positioning and are therefore communicated to all employees in the local language and are available in many languages on the Pirelli website.

Among the essential elements of the Pirelli approach, the following are highlighted:

- consideration of the impact of its actions and behaviour on the customer;
- exploitation of every opportunity offered by doing business to satisfy the customer's needs;
- anticipation of customer needs;
- safety, reliability, high performance of products and services offered, in accordance with local regulations and more developed national and international standards applicable, as well as excellence of production systems and processes;
- information to customers and end users to guarantee an adequate understanding of the environmental impacts and safety features of Pirelli products, as well as of the safest ways of using the product.

Pirelli's end consumers are identified as the users of fleet or private vehicles, specifically: owners of cars, motorcycles and bicycles.

All end consumers (i.e. those who use or consume the product and require accurate and accessible information via the website, product literature and point-of-sale materials, including product labels) who may suffer the significant impacts resulting from the Double Materiality analysis are included in the disclosure in accordance with ESRS-2.

Pirelli closely monitors the potential negative impacts linked to the use of its products by end consumers, with a particular focus on matters such as environmental pollution and product safety. The Group's main activities in this respect are described in the section "Environmental information", chapter "E5 Circular economy" as well as in this section in the paragraph "Product safety, performance and sustainability".

Impacts on road safety in connection with the use of a tyre may be associated with accidents, or with an increased risk of accidents, for example as a result of product defects or the use of tyres that are not adequately maintained.

To mitigate these impacts, Pirelli promotes significant investments in research and development of materials, compounds, structures, and tread patterns, as part of its Eco-Safety Strategy, already analysed in the previous chapters. These improvements allow the Pirelli product to achieve extremely high performance in terms of dry and wet braking, key product safety parameters.

In addition, Pirelli adopts a rigorous quality management system, supported by numerous certifications and tests, including ISO 9001, IATF 16949, and ISO/IEC 17025, for which reference is made to the paragraph "Product safety, performance and innovation", which guarantee the compliance of the processes with the highest international standards and make sure that the products comply with the safety standards and performance required. These certifications, which are constantly monitored and renewed, reflect the company's commitment to the quality and safety of its products.

In line with its customer-focused approach, Pirelli develops a range of initiatives aimed at enhancing the customer experience, including the use of digital tools to provide customers with information (for example via email), as well as product training activities.

Moreover, since 2016, and in line with its "Prestige" strategy, Pirelli has introduced a new retail concept called P ZERO WORLD™, with the aim of offering top-class services aimed at satisfying the most demanding consumers. P ZERO WORLD™ offers its customers the full range of Pirelli products (Car, P ZERO™ TrofeoR and Trofeo RS, Pirelli Collection, Moto and Cycling) and a series of customer-oriented services such as car valet and courtesy car, all immersed in an environment that allows to fully experience Pirelli World, being able to touch the most important assets such as F1®, the Calendar and the continuous partnerships of Pirelli Design. In 2025, the P ZERO WORLD™ network reached more than a hundred stores selected in the highest potential Premium & Prestige areas in the main countries worldwide. Of these, four are already active Flagship Stores (Munich, Monte Carlo, Dubai and Melbourne), while the remainder are authorised dealers, with around 20 new openings planned for 2026.

Further details of the specific actions implemented by Pirelli to create positive impacts on its customers are provided in the following paragraphs

FOCUS: The value of the partnerships with OEMs in the eyes of consumers

2025 was also marked by numerous fitments on Prestige and Sport Premium segment vehicles that selected Pirelli as their original equipment tyre supplier.

The year opened with an important collaboration with BMW M: Pirelli, as Official Tyre Partner of the BMW M Experience 2025 at the Yas Marina Circuit in Abu Dhabi, played a key role in ensuring the success of the event, equipping the entire BMW M fleet with more than 1,500 P Zero tyres, engineered to deliver outstanding performance and maximum safety on track. During the month-long event, more than 1,600 guests from 67 countries experienced the thrill of driving BMW M vehicles, supported by Pirelli's high-performance tyres.

This was followed by the launch event for the new P Zero range, organised by Pirelli in May at the Monza Circuit, which featured numerous Prestige segment cars that, in collaboration with the car manufacturers, were driven by guests both on track and on road. The models made available included the Porsche GT3 RS, BMW M5, Pagani Utopia and Lamborghini Urus SE.

During the year, McLaren launched limited editions of the 750S, the Le Mans Edition and the Japan Edition, both fitted with Pirelli tyres, and presented the new W1 hypercar to the public at the Goodwood Festival of Speed. The car is equipped with P Zero R, Trofeo RS and P Zero Winter 2, all containing more than 50% natural and recycled materials.

The year concluded with the launches of the new Porsche 911 Turbo S, which set a lap record at the Nürburgring on P Zero R tyres, and the Bentley Supersports "Project Mildred", a powerful ICE version of the Continental GT for which Pirelli developed a dedicated Trofeo RS.

In terms of events, in addition to the global launch of the P Zero range mentioned above, the highlights of the year were once again the Goodwood Festival of Speed, of which Pirelli was the Official Tyre Partner for the third year running, and the P Zero Experience, which this year saw Pirelli's track driving platform reach the historic milestone of a first appointment organised in collaboration with Porsche and Porsche Driving Experience. The event was held in China at the Shanghai International Circuit last 24 October.

PROCESSES TO ENGAGE CUSTOMERS AND CONSUMERS

Listening and exchanging ideas with the customer as a source of continuous improvement

Consumer relationships are managed by Pirelli principally through two channels:

- the local sales organisation, which has direct contact with the customer network and which, thanks to advanced information management systems, is able to process and respond to all information requirements of the interlocutor on-site;

- the Pirelli Contact Centres, more than 20 worldwide, performing information support and order management (inbound), telemarketing and teleselling (outbound).

Also, in 2025 direct customer listening activities were carried out both through the Brand Tracking survey in Pirelli's Top Market (Italy, Germany, China and United States) and through surveys to consumers with whom Pirelli has a direct and constant dialogue thanks to structured CRM activities. The ongoing changes made to the Brand Tracking study over the years have made it possible to refine and improve the precision of business insights into the brand role, image profile and factors that influence the end customer's purchase decision. Brand Tracking, handled under the scope of the Marketing Department's activities, ensures the continuous monitoring of brand performance indicators through weekly surveys conducted throughout the year. Data can be analysed on demand once a month or on a cumulative basis of multiple months. Once a year, reports will be prepared offering a detailed analysis of the performance of the main tyre brands by country.

This monitoring enables Pirelli to analyse consumer perception, identify potential market trends and assess the brand's positioning relative to its main competitors. In terms of performance indicators, in addition to brand awareness and purchase consideration metrics (Brand Awareness and Consideration), in which Pirelli consistently ranks among the top players in the sector, the Premium Price indicator is also analysed. This indicator measures a brand's ability to sustain a price above the category average, by virtue of perceived value and the distinctive image it occupies in consumers' minds. With reference to the Premium 18" Up consumer target, represented by owners of vehicles fitted with tyres with a rim size of 18 inches or above, the analysis highlights a highly distinctive positioning for Pirelli compared with competitors. Pirelli is recognised as a Premium brand, with a strong presence in Motorsport and a clear orientation towards Innovation. These image attributes translate into a greater consumer willingness to recognise a Premium Price: Pirelli consistently ranks among the top 3 positions (first in Italy, second in the United States and China, and third in Germany).

To listen to the consumer, their opinions and mindset, websites and social networks are equally essential, on which the Company boasts a structured, capillary presence. The analysis of trends recorded on the company's social profiles makes it possible to monitor variations of the reference market, both in personal terms (age, gender) and geopolitically, for each product category offered (car, motorcycle and cycling).

Pirelli is present on the main social media channels – Facebook, Instagram, LinkedIn, Threads, YouTube, X and TikTok. In 2025, the overall fan base recorded an increase compared with the previous year, with LinkedIn and Instagram confirming their position as the leading channels.

As regards motorcycles, both the Pirelli brand and Metzeler have been active for years now on Facebook and Instagram channels.

Immediately active in Instagram, Pirelli Cycling in turn bases its communication on digital activation in line with the propensities of its target consumer.

The website www.pirelli.com, the Group's digital magazine, reached more than 4 million users in 2025. Through the publication of editorial content, the website supports the communication of the various areas of activity, ranging from product-related topics (car, motorcycle and cycling) and motorsport, to content more closely linked to the brand and the corporate dimension. Among the latter, particular emphasis has been placed on sustainability, technology and innovation, as well as on sponsorship activities and the Pirelli Calendar.

In addition to the group website, consumers can contact or gather specific information for the motorcycle and cycling world, on dedicated websites. As regards the motorcycle world, moreover, in addition to the website, for the business, the mobile application DIABLO™ Super Biker is particularly important, having now been further renewed and improved in its graphics, usability and functions offered to motorcyclists, along with the CRM (Customer Relationship Management) project, which is seen as a priority considering the passion for Pirelli products demonstrated by the community of registered bikers.

CHANNELS ALLOWING CONSUMERS TO EXPRESS CONCERNS

Pirelli adopts a structured, transparent approach to identify, manage and mitigate any significant negative impacts caused by its products on consumers and end users, in line with its commitment to product safety and environmental sustainability.

In the event of negative impacts linked to product characteristics, Pirelli will take action to promptly respond to and assess the effectiveness of remedies through a rigorous complaints analysis process, data monitoring and continuous improvement of its procedures and its products.

Pirelli has adopted a clear procedure to provide feedback to any end consumer complaint, which involves immediate intervention to solve the problem reported.

Consumers can access a series of channels to raise concerns, including the whistleblowing channel, for which reference is made to the section, "Information on Governance", paragraph "Whistleblowing Policy", which, as envisaged by the Policy, is open to all Group stakeholders (internal or external).

The complaint channels available to end consumers also include B2B platforms and contact centres accessible through the retailers from which they purchased the products [S4-3, 25c]. Through the

B2B platform, retailers can send complaints to a dedicated platform directly, where all market complaints are recorded, launching automated operating complaint management flows, which significantly reduce handling time, guaranteeing more efficient support and handling of the impact that has occurred in the consumer's regard.

Once the complaint has been received, the contact centre organises collection of the tyre to send it to the dedicated complaints centre, where a specialised technician will analyse the tyre. The process concludes with the approval or rejection of the complaint, recorded in the system. Should the complaint prove to be substantiated, compensation is provided.

All data relating to complaints is available on a data collection platform for analysis at a market, manufacturer or specific site level. Each month, Pirelli monitors the number of complaints accepted from the start of the year.

TRANSPARENCY AND CUSTOMER INFORMATION

Transparent communication and information is at the heart of Pirelli's commitment to its Customers, running on multiple specific channels, adapted to the type of customer, which may be original equipment, distributor or end customer.

In the context of advertising communication, Pirelli has defined a traceable and transparent process for decisions relating to advertising campaigns and related media planning, both in the case of promotional activities managed centrally and locally with central supervision.

In terms of production of advertising campaigns and media planning, Pirelli uses specific auditing and certification structures that place the Company at the highest levels in terms of transparency and traceability in its investment strategies.

The Pirelli Group endorses the IAB (Interactive Advertising Bureau) and is associated with the UPA (Associated Advertising Users), among other things dedicating ongoing commitment to support the Advertising Code of Corporate Governance of the association. Through the UPA, Pirelli is a member of the WFA (World Federation of Advertisers), which commits participating firms to pursue honest, truthful and fair competition and communication in compliance with the code of conduct and self-regulation which they adopt. Consumer protection is also guaranteed by the choice of suppliers in the communication sector (creative agencies, media centres, production companies) that in turn belong to business and professional associations governed by ethical codes regarding communication.

Pirelli provides information to customer-distributors and end customers on a continual basis. This information concerns both the product and related initiatives, and is disseminated in a variety of ways, including digital channels, and this is complemented by information distributed in hard copy format, as well as the range of offline and online training activities.

The multilingual websites dedicated to the Car, Motorcycle and Cycling product segments represent a key point of contact for Pirelli in engaging with customers throughout the tyre purchasing process. These product websites localised not only in terms of language, but also for content, offer and promotional activities, aim to inform consumers about product characteristics and applied technologies, and direct them, in all countries where Pirelli markets its products, to points of sale where they can purchase tyres or to purchase them online on partner e-commerce platforms.

The Retail sites, present in numerous countries, offer an additional digital touchpoint, which takes the consumer to the threshold of the sales point.

In 2025, particularly significant in terms of engagement and training, with a strong focus on sustainability topics, were the Conventions dedicated to European Dealers across the various reference markets. Here are a few examples: in February, in Madrid, involving Driver Italia, in May at the Milan headquarters, involving dealers from all over the world for the launch of the new PZero family and dedicating part of the visit to the new Sustainability Hub, in September in the area of Champagne (France) for Benelux dealers. The presentations provided an overview of Pirelli's sustainability strategy, with dedicated deep-dives into P Zero E, Eco-Safety product design, natural-origin and recycled materials, Pirelli Elect technology for the electric vehicle market, and the certifications adopted, such as FSC™ for forest-based materials.

POLICIES for transparency and customer information

The importance of the transparency and adequacy of the information supplied to customers is stressed not only by the Pirelli Group Code, the Quality Policy and the Product Stewardship Policy, the contents of which include, amongst the various aspects regulated, Pirelli's commitment to fostering positive impacts in terms of making available to customers both dedicated channels for listening and suitable information on Pirelli products.

Customer guidance is first and foremost a key element of the Pirelli Group Code of Ethics, which recalls Pirelli's commitment to base the excellence of the products and services offered on constant innovation, with the aim of anticipating the needs of its customers and meeting their requirements with an immediate and competent response, operating with integrity, courtesy and maximum collaboration.

The Product Stewardship Policy confirms Pirelli's commitment to promoting continuous, open, loyal dialogue with all its stakeholders, including customers and end consumers, aimed at constructing sustainable relations that ensure reciprocal benefits and the sharing of common responsibilities, as well as to communicating information to stakeholders about its products and the approach taken to the management of their life cycle.

More specifically, Pirelli undertakes to support customers and end consumers to guarantee that they understand the environmental impacts and safety characteristics of the products and inform them as to how to make safe use of such.

In addition, the Quality Policy stresses how quality, an essential value for Pirelli, is also pursued by the Group through: i) promotion towards the internal and external communities (including customers and end consumers) of its quality-orientated business culture, inclusivity and ethics, disseminated through a constant, focussed activity of dialogue, communication, motivation and training; ii) the timeliness of response and collaboration with customers, with a view to creating shared value.

For more information on the Group's Policies, refer to the paragraph entitled "*Main policies for the management of material IROs*".

TARGETS in Transparency and customer information

Through transparent, up-to-date, high quality information on products and technologies, coupled with targeted communication campaigns, Pirelli aims to increase customer engagement, the Group constantly monitors the effectiveness of its policies and actions through the collection of feedback from customers through dedicated investigations, and undertakes to maintain continuous monitoring of the end consumer's perception of the Pirelli brand through Brand Tracking.

In addition, Pirelli's performance on the social networks is a tool to verify the degree of consumer engagement with respect to the Pirelli brand, flanked by the implementation of the Customer Relationship Management (CRM) systems to track consumer preferences and improve the purchasing experience.

ACTIONS in Transparency and customer information

Direct E-mail Marketing (DEM)

Pirelli's Direct E-mail Marketing (DEM) programme is developed to strengthen the relationship with its customers through a direct, immediate and easily-accessible communication channel, in line with the objectives of the Code of Ethics and the Product Stewardship Policy.

This tool has been designed to:

- inform retailers about the main new features of the product and corporate updates.
- provide details on training opportunities, as well as courses to become Pirelli Product Experts, contributing to the professional growth of partners.
- guarantee continuous, customised contact, strengthening the connection between the Company and its interlocutors (retailers and/or consumers).

Pirelli's Digital E-mail Marketing (DEM) programme has been consolidated over the years and today represents an established initiative, capable of generating positive impacts on the results of engagement and conversion activities targeting the CRM customer base.

The programme is managed in complete respect of the rights of consumers and other interlocutors involved, in compliance with data processing and privacy regulations, offering a customised, but non-invasive experience. Pirelli undertakes to guarantee a constant balance of marketing effectiveness and respect for consumers, promoting a relationship based on trust and transparency.

Measurement of the effectiveness of Digital E-mail Marketing (DEM) initiatives is based on a combination of quantitative (opening rates, clicks, conversion, unsubscriptions, etc.) and qualitative (consumer feedback, NPS) metrics.

On-line customer training

In line with the provisions of the Group's Product Stewardship Policy, according to which Pirelli undertakes to support customers and end consumers to guarantee that they understand the environmental impacts and safety characteristics of its products. Indeed, in 2024, the Company decided to further strengthen its customer and consumer education and information tools with the development of a technological platform designed specifically to host the Tyre campus, a virtual tool that delivers on-line training courses about Pirelli's products, technology, sustainability topics and tyre sales.

This initiative was launched in consideration of the feedback collected from the market on the tools previously available and aims to guarantee a greater understanding of the product by retailers, particularly in respect of the innovative performance and sustainability of the new products, and that these messages reach the end consumers, thanks to the ease of use and presence of materials prepared with the help of all the competent departments, such as Research&Development and Marketing.

Thanks to the automatic preparation of reports and insights, the new platform also facilitates the monitoring of the effectiveness of such tools and internal sharing for potential revisions of training and information strategies.

The platform is designed to serve more than 42 markets effectively, being available in 20 languages, and by 2026 its activation will extend to cover all reference markets.

Accessible directly from Pirelli's B2B portal, the 3rd generation Tyre Campus will thus enable tens of thousands of users worldwide to complete product information courses, offering the local market considerable management autonomy, such as the preparation and distribution to dealers of documentation of exclusively local relevance. In addition, the focus is on gamification, which enables the trainee to compare notes with national and international colleagues, thereby stimulating the use of the platform. Upon completing each themed training course, the participants receive a badge and certificate of attendance, available for download, which will automatically be shared on their personal social networks, thereby promoting the Tyre Campus with their network of contacts.

Pirelli Sustainability Journey Program for the sales network

In 2025, Pirelli launched the Sustainability Journey Program, a unique initiative within the tyre sector designed to support the retail network in a structured pathway to develop its ESG profile and to consistently disseminate the Group's sustainability strategy along the downstream value chain through to the end customer. Through the programme, Pirelli provides dealers with technical support, dedicated training and a comprehensive assessment of environmental, social and governance performance, with access to independent TÜV SÜD certification covering areas such as energy efficiency, resource management, environmental protection, cybersecurity and anti-corruption.

Open without prerequisites, the initiative begins with an initial assessment aimed at identifying the impacts and areas for improvement of each retail outlet, followed by a progressive pathway supported by operational tools and the sharing of best practices. This approach enables dealers to progressively improve their efficiency, the quality of the working environment and risk management, delivering tangible benefits in terms of reputation and competitiveness. Thanks to dedicated training, certification and the associated visibility, retail outlets become credible ambassadors of Pirelli's sustainability, helping to convey to the final consumer a clear and authoritative narrative on the environmental and social benefits of the Group's products and responsible choices. The Programme thus represents a distinctive pillar of Pirelli's sustainability governance, enhancing the value of its partnership with the commercial network and generating a positive impact across the entire value chain.

PRODUCT SAFETY, PERFORMANCE AND INNOVATION

Pirelli's Eco&Safety strategy places safety for people and technological solutions in support of the environment among the essential values of the Company's product offering and commitment. In 2025, the Company confirmed its continued focus on the development and marketing of tyres and technologies that aim to increase safety and enhance the potential of cars in tandem with attention to the environment.

With reference to the opportunity to increase market share thanks to ever safer products, such as smart, connected tyres that transmit information useful to safe mobility in real time, this can become particularly important for specific groups of end users and consumers. More specifically, such innovations may have a significant impact on categories like more demanding drivers seeking advanced technology to improve safety and performance or company fleets requiring proactive monitoring solutions. Innovation in this area responds to the growing expectations of those privileging high added value products, combining safety, efficiency and connectivity.

In 2025, P Zero E became the first tyre to win the prestigious *Compasso d'Oro* International Award ADI, one of the most authoritative awards worldwide in the field of industrial design. Launched in 2023, P Zero E represents the synthesis of the latest technological innovations developed by Pirelli,

placed at the service of the new electrified and sustainable mobility. Characterising the product are several elements:

- manufactured with more than 55% natural (bio-based[161]) and recycled[162] materials, over the whole launch range, as validated by Bureau Veritas, world leader in services verifying compliance and certification for quality, the environment, health, safety and social responsibility.

- Pirelli P Zero E has achieved, for all available sizes, the highest class (A) in all parameters of the European label, namely energy efficiency – rolling resistance, safety – wet braking, and noise impact – external rolling noise. Starting with rolling resistance, thanks to specific compounds (so-called Rolling Reduction Compounds) that favour greater autonomy of battery-powered vehicles, prolong tyre life thanks to reduced wear and play a fundamental role in controlling the car in various driving situations and in particular wet braking. As of 2023, Pirelli P Zero E was the first UHP product with this label category.

- The entire P Zero E range is also marked Elect, which identifies the package of technologies developed by Pirelli to enhance the characteristics of electric cars.

In turn, the new Pirelli RunForward technology, making its debut on the P Zero E, is designed to keep control of the car in the event of a puncture and allow you to continue driving. This system is made up of reinforcing bezels on the tyre's sidewalls, which provide support for the tyre and allow it to travel up to 40 km at a maximum speed of 80 km/h even at zero pressure. The advantages of tyres equipped with Pirelli RunForward are many, including: a level of driving and acoustic comfort comparable to that of a traditional tyre, while maintaining low rolling resistance and the convenience of not requiring special rims to benefit from this technology, designed especially for BEV cars.

For the 2025 summer season, Pirelli presented the new generation of P ZERO™, the ideal choice for Premium and Prestige vehicles, developed in collaboration with leading car manufacturers. It delivers exceptional control in both dry and wet conditions, with 100% of sizes in class A for wet grip across the entire launch range, thanks to advanced technologies and virtual design enhanced by AI and Motorsport experience.

Alongside P ZERO, the new Cinturato made its début, dedicated to saloons and Crossover utility vehicles CUVs, combining safety and durability with class-leading braking performance on both dry and wet surfaces (class A on the EU label).

The Cinturato ensures excellent mileage thanks to next-generation compounds and a redesigned tread pattern. In addition, it is manufactured at industrial sites that purchase 100% renewable electricity.

[161] Bio-based material: Material fully or partially of biogenic origin. (source: ISO 16620 – 2 2019)

[162] Recycled material: material that has been reprocessed from recovered material through a manufacturing process and transformed into a final product or component for incorporation into a product. (source: ISO 14021 – paragraph 7.8.1.1).

After introducing the P Zero Winter 2 in 2024 – made with over 50% natural and recycled materials in selected sizes of the ELECT™ range for electric and plug-in vehicles – in 2025 the winter range was expanded with the new Cinturato Winter 3, designed to offer maximum safety in winter conditions and certified with the TÜV Premium Quality mark. Intended for saloons and CUVs, it stands out for excellent performance on snow, with braking, traction and handling at the top of its category, while ensuring safety on wet surfaces thanks to aquaplaning resistance and wet grip rated A/B on the European label. It also provides driving comfort with a noise rating of class B.

Also, within winter products, during 2025 Pirelli introduced the new ICE FRICTION, designed for cars and SUVs, offering safety and control in extreme winter conditions, with excellent performance on ice, snow and wet surfaces. It ensures driving comfort and low noise levels (class A on the European label), thanks to an optimised tread pattern and PNCS™ and ELECT™ technologies dedicated to electric vehicles. ICE FRICTION also bears the “Ice Pictogram” symbol, certifying that the tyre has been developed and tested in extreme ice conditions.

In the All Season segment, in 2025 Pirelli expanded its offering with the new Scorpion All Season SF3, designed for SUVs and developed from the experience of the award-winning Cinturato All Season SF3. This tyre ensures safety and comfort all year round, with excellent performance on wet and dry surfaces and in cold conditions. It delivers superior wet performance, confirmed by Dekra tests, with top braking performance and class A grip on the European label. It also stands out for dry braking and maintains high winter performance thanks to the 3PMSF marking. In addition, it ensures driving comfort (class B for noise), long life and low rolling resistance for improved efficiency.

During 2025, tests conducted by the European press continued to confirm the excellence of our product ranges, with overall results at the highest level. These performance results demonstrate not only the technical quality of our tyres but also the strength of our innovation strategy.

The new summer products include the P Zero (PZ5) achieving 2 victories, receiving recognition from authoritative publications such as Tyre Reviews and Auto Express. The new Cinturato (C3) also performed strongly, achieving 4 podium finishes including 2 victories (Tyre Reviews and AlVolante), while the Scorpion added 3 podium finishes to our SUV product portfolio, including 1 victory awarded by Teknikens Värld.

Even more significant results came from the All Season range. The Cinturato All Season SF3 dominated this category, achieving 18 podium finishes, including 13 victories, in some of the most authoritative sector tests, such as Auto Bild, Tyre Reviews, Al Volante and Auto Express. The new Scorpion All Season SF3 also made a positive début, winning its first test in AvD.

In the winter segment, the P Zero Winter 2 in the UHP category achieved 3 podium finishes, including 2 victories in tests by Tyre Reviews and Teknikens Värld, confirming its status as a benchmark for sports performance in winter conditions. The new Ice Friction secured 2 podium finishes in major tests conducted by Vi Bilägare and Teknikens Värld, marking an excellent start in the Nordic category.

Strong results were also achieved in the NAFTA market. In the All Weather segment test conducted by Car and Driver, the Cinturato WeatherActive ranked first, standing out as the “best tyre on dry surfaces thanks to lateral grip, responsive steering and comfort, while also ensuring excellent performance on wet and snow”.

It should also be noted that, in the customer satisfaction rankings published by Tire Rack (Dec. 2025), Pirelli products consistently rank at the top of their respective categories:

- Scorpion Zero All Season Plus 3 – 1st place in the Street/Sport Truck All Season category
- Scorpion Zero All Season – 3rd place in the same category

  Scorpion Weatheractive – 1st in the Crossover/SUV Touring All Season category
- Scorpion AS Plus 3 - 2nd place in the Crossover/SUV Touring All Season category (productsAll Season M+S)
- Scorpion Winter - 2nd place in the Light Truck/SUV Performance Winter/Snow category
- P Zero AS Plus 3 - 1st place in the Ultra High Performance All Season category
- P7 AS Plus 3 - 1st place in the Grand Touring All Season category (M+S All Season products)
- Cinturato Weatheractive - 1st place in the Grand Touring All Season category

The focus on the evolution of safe and environmentally responsible mobility is also reflected in the offering of tyres bearing the Elect marking, which identifies all Pirelli tyres specifically developed, together with car manufacturers, for electric vehicles. The marking represents the clear identification of a tyre built through technological solutions and material packages capable of enhancing the technical peculiarities of electric cars, particularly in terms of:

- low rolling resistance, to increase the life of the car battery;
- low acoustic emissions, for greater driving comfort, in line with the silence of electric traction;
- greater resistance of the carcass to better support the weight increase of the car given by the batteries and at the same time guaranteeing better handling;
- greater resistance of the tread compound to support the higher torque generated by the electric motor, ensuring the necessary road holding.

Pirelli’s growing role within the electric segment and as a strategic development partner is further evidenced by the achievement of 781 homologations (on pure electric vehicles BEVs – Battery Electric Vehicles), of which 114 were obtained in 2025 alone, across 49 different car manufacturers, including numerous activities within the BEV original equipment segment in the APAC region, which is experiencing strong expansion and represents a diversification element of Pirelli’s original equipment presence.

Particularly suitable for electric vehicles, but not only, is the PNCS™ technology, a decisive innovation for the reduction of interior noise generated by tyre rolling as a result of stress between the road surface and the tread pattern. Benefits have been recognised by car manufacturers such as Volkswagen, Jeep, Alpina, Karma, Enovate, Jaguar-Land Rover, BMW, Audi, Volvo, Polestar, Mercedes, Ford, Tesla, Lucid, Porsche, Bentley, McLaren, Aston Martin and Rolls Royce.

Cyber tyre

Pirelli's high-tech products include the development of technologies based on the introduction of sensors inside the tyre. The Pirelli Cyber Tyre system, consisting of a sensor in the tyre that collects fundamental information for safe driving, and a software integrated in the car's electronics, was the first in the world to be fitted as original equipment on a standard car, the McLaren Artura and is now approved on several models in North America and Europe. Thanks to information provided by the Pirelli Cyber Tyre system, the car's electronics can intervene promptly, improving safety and vehicle performance. In addition, Pirelli and Bosch recently signed a joint development agreement to create new solutions based on software and driving functions, thanks to tyre-integrated sensors. This collaboration opens up new evolutionary scenarios for Advanced Driver Assistance Systems (ADAS) and autonomous driving, in which the tyre becomes a true generator of digital data, complementary and synergistic with other on-board technologies. The first vehicle to benefit from the Pirelli–Bosch collaboration was the Pagani Utopia in 2025, while Pirelli, Bosch and Aston Martin are working to integrate Cyber Tyre technology into future models of the British company.

Another future development will see tyres networked, both with other vehicles and with the road infrastructure. Pirelli was the first tyre company in the world to share information about the road surface on the 5G network from smart tyres equipped with sensors, presenting in Turin the use-case "World-first 5G enhanced ADAS (Advanced Driver Assistance Systems) services". This is a continuously evolving system that will become essential as the level of autonomy of cars increases. In fact, the driver's current ability to perceive the grip conditions given by the type of road surface and weather conditions will have to be fulfilled by the tyres, and the car will be able to slow down if the asphalt is found to be slippery, adapt the electronic controls to increase safety and, with inter-vehicle connectivity, warn other self-driving cars of a potential imminent danger. This is a true tactile sense offered by the only point of contact between the car and the road: the tyres.

These initiatives demonstrate that the Company takes a proactive approach in identifying the necessary and most appropriate way to respond to potential or actual significant negative impacts on consumers or end users. This process is based on a continuous analysis of market trends, the regulatory framework and emerging customer demands, with a view to guaranteeing a range of products and services that is increasingly safe, sustainable and in line with end consumer expectations.

POLICIES for product safety, performance and innovation

Product safety is first and foremost recalled by the Pirelli Group Code of Ethics, which stresses, as an essential value for Pirelli, the fact of offering top product quality, excellence of systems and production processes, while maintaining a constant focus on performance in order to meet customer expectations in terms of performance and safety.

Product safety and quality is stressed not only by the Pirelli Group Code of Ethics but also by the Quality Policy and the Product Stewardship Policy, the contents of which also set forth, amongst the various aspects regulated, Pirelli's commitment to fostering positive impacts in terms of the prevention of incidents caused by product characteristics/flaws, at the same time also making it possible to make the most of the opportunity to increase market share thanks to ever safer products, for example smart, connected tyres that transmit information useful to safe mobility in real time.

The Product Stewardship Policy confirms how Pirelli has chosen to systematically assess any potential safety risk during each phase of the product life cycle and take timely action as necessary to prevent or mitigate any negative impacts in this respect, as well as to invest in research and development to design innovative, ever safer products and reduce the environmental impact.

The Policy also stresses Pirelli's commitment to supporting customers and end consumers to guarantee that they understand the safety characteristics of the products and to inform them about the safest ways to use them, at the same time assuring respect for the environmental during their use and at disposal, facilitating recycling or reuse wherever possible.

Finally, the Quality Policy stresses how quality, an essential value for Pirelli, is also pursued by the Group through: i) the safety, reliability and high performance of the products and services supplied, in compliance with current regulations and the highest national and international standards, guaranteeing a continuous alignment of business processes with the requirements of quality standards (ISO 9001 and IATF 16949 – automotive sector); ii) the anticipation, satisfaction and tendency to exceed the expectations of both internal and external stakeholders (including customers) across the world, benefiting from the high level of skills and professionalism of its people; iii) the identification, prevention and management of the various types of risks, both in business processes and throughout the value chain and the capacity to make the most of development opportunities; iv) continuous evolution and innovation of products, services, processes and systems with a view to excellence and guaranteeing a perfect customer experience. For more information on the Group's Policies, refer to the paragraph entitled "*Main policies for the management of material IROs*".

The Pirelli Quality system is a key policy implementation tool.

Pirelli's tyres undergo a careful quality analysis before being released to the market, with a view to preventing or solving the problem of faulty products before they are delivered to customers and thereby avoid product recalls. The entire production process is subject to specific internal quality assurance procedures with safety and performance targets that are constantly updated and raised. The Pirelli Quality Management System involves annual first party audits (i.e. internal audits) to guarantee and validate the quality management system, in compliance with standards ISO 9001 and

IATF 16949 for the automotive sector, assessing the implementation, maintenance and effectiveness of the Quality Management System.

These audits assess compliance with the IATF standard, specific customer requirements and our internal policies.

The areas of interest include management's commitment, risk management, change management and continuous improvement processes.

In addition to the management system audits, audits are also run on the process and product. Guided by VDA 6.3 and VDA 6.7, process audits examine the solidity and capacity of key processes along the value chain of production and services. The audit scope covers project management, the planning and development of products and processes, supplier management and production processes. The key focus is on identifying potential risks, guaranteeing process controls and improving the efficiency and quality of results. To assess compliance with the predefined criteria and identify areas for improvement, the specific VDA standard is used. According to the guidelines of VDA 6.5, on the other hand, product audits assess whether or not the end products satisfy customers expectations, legal and regulatory requirements and internal quality standards. These audits entail detailed inspections, function tests and the assessment of specific product characteristics. The results of product audits are used to guide corrective and preventive actions.

The approach described is structured in such a way as to cover all Group sites, processes and products with Pirelli system, process and product audits, in line with the requirements and frequency laid down by standard ISO 9001 – IATF 16949 (system audits), VDA 6.3 and VDA 6.7 (process audits), VDA 6.5 (product audits) or in respect of Customer requests.

For some years now, Pirelli has also adopted an internal procedure to regulate the periodic delivery of training on the Group Quality Management System, in relation to the roles and responsibilities of the functions involved, the operational process of planning, realising and monitoring the initiatives and the disclosures regarding the same. The content delivery modes are distributed between in-person, virtual and on-line self-paced courses or "on-the-job training", consistent with the learning objectives of each initiative. The first method described is used for white-collar training, while the second is preferred for blue-collar workers. The aim of these training sessions on Quality is to ensure that the people are able to apply knowledge and skills (abilities and know-how) learned to effectively fulfil their current and future responsibilities.

In January 2025, Pirelli voluntarily decided to proceed with a product recall, limited to the United States market, relating to a 2018 supply for the Mercedes E-Class. The tyres had been incorrectly marked with an inaccurate maximum inflation pressure and, as a result of this incorrect marking, might not have met the endurance requirements associated with the indicated pressure. Consequently, vehicles equipped with the tyre in question were not compliant with the requirements of Federal Motor Vehicle Safety Standard (FMVSS) no. 139, "New pneumatic radial tyres for light vehicles".

As a corrective action, after halting production and distribution of the product concerned, Pirelli decided to commence production of a replacement product indicating the correct maximum inflation pressure of 350 kPa. Production of the replacement began from week 12 of 2019.

The costs accrued in 2025 for this recall amount to approximately 421,000 USD.

Pirelli is not aware of any failures, accidents or injuries attributable to this labelling error.

The event described above was the only occurrence in 2025 that resulted in market action.

TARGETS in Product safety, performance and innovation

Pirelli's Strategic Plan set the goal of improving performance in car tyre wet grip, making the commitment to ensure that more than 90% of the new IP Codes fall within classes A and B of European labelling by 2025.

In addition to aiming to improve rolling resistance, for which reference is made to the addressing of product targets in the "Environmental information" section, chapter "E1 Climate Change", the target comes as part of the Eco-Safety strategy, which combines the need for high quality products with high safety characteristics and a constant commitment to improving the environmental impact.

This measurable, relative target applied to the period 2020-2025, with a baseline year set at 2020.

The target scope includes new car products (new IP Codes) that made their first sales on the market[163] in the reporting year. In addition, the values for wet grip, assessed on non-European scales, are converted to the equivalent EU scale, thereby guaranteeing a consistent comparison with current regulations.

As at 2025, the recorded share of new IP codes in wet grip classes A/B stood at 88%, reflecting a slight slowdown compared with the previous year (90.5% in 2024), also as a result of evolving competitive and market dynamics.

ACTIONS in Product safety, performance and innovation

The operating costs of the actions listed below, which relate to research and development activities, are included in the 72% expenditure share allocated to activities linked to product sustainability features, as described in the Environmental Information section, under the "E1 Climate Change" and "Product Innovation" paragraphs, to which reference is made.

[163] sales of at least 50 units

High Speed Testing Machine

Since 2021, Pirelli has benefited from use of the High Speed Testing Machine in its Research and development Centre of Milan. This new machine can test tyres in controlled conditions at up to 500 km/h and with realistic operating cycles that can reproduce effective stress during the extreme use of products on the track or on the road. The main purpose of this test is to further increase the safety of tyres for the fastest cars: with the advent of increasingly high-performance road hypercars, also as a result of the perfection of electric engines, high speed is becoming a crucial factor in the development of different categories of tyres, not only those specifically for motorsport, but also those intended for road use.

Joint Development Partnerships

Collaboration with external stakeholders with a view to research, innovation and best practices plays a particularly important role in the development of more sustainable materials. More specifically, Pirelli has multiple Joint Development Partnerships in place with strategic suppliers, two- or three-year collaborations, research agreements with universities (such as the Joint Labs agreement stipulated by Pirelli and the Polytechnic University of Milan for the research of ever more sustainable materials, such as bio-polymers). Collaborations with universities are often associated with cycles of financed PhD qualifications, which therefore last at least three years, but as a rule they last for multiple cycles. There are then also collaborations at the sector level for scientific research as part of the WBCSD's Tire Industry Project, with the aim of proactively identifying and addressing potential human health and environmental impacts associated with tyre life cycle impacts, and multi-stakeholder collaborations such as the Global Platform for Sustainable Natural Rubber (GPSNR), in order to support sustainable development of the Natural Rubber business.

Quality, product and sustainability certifications

The main management systems adopted by Pirelli under the scope of quality management include ISO 9001, IATF 16949, ISO/IEC 17025.

ISO 9001: since 1970, the Group has had its own Quality Management System introduced gradually at all Plants and, since 1993, Pirelli has obtained certification of its quality system under the ISO 9001 standard. The transition process of its Plants and the Headquarters to certification according to the new ISO 9001: 2015 ended in September 2018. In 2020, following the Covid-19 pandemic situation, the IAF (International Accreditation Forum) admitted the possibility of implementing remote audits and extending the validity of expiring certificates. Pirelli ensured that surveillance and recertification audits were carried out remotely and, in the field, where possible, in accordance with IAF rules and in compliance with the rules for the preservation of personnel health, established by the country and the company itself. In 2021, due to the continuation of the pandemic situation, the Company continued to carry out surveillance audits in accordance with the procedures laid down by

the relevant third-party bodies, guaranteeing the continuity of the certifications obtained. Starting in 2022 and continuing through 2023, 2024 and 2025, following the re-establishment of the general conditions of normality and in accordance with the procedures laid down by the appointed third-party bodies, the Company resumed carrying out surveillance audits in presence, guaranteeing the continuity of the certifications achieved.

IATF 16949:2016: since 1999 the Group has obtained the certification of its Quality Management System according to the automotive scheme and subsequent evolutions. Following the evolution of ISO 9001:2015 and the new IATF 16949:2016 (Automotive Scheme became private), Pirelli achieved the Quality Management System certification in 100% of its eligible Plants as at 31 December 2018. In 2020, due to the pandemic situation, the International Automotive Task Force allowed remote audits from 30 October 2020. Once again, Pirelli ensured that surveillance and recertification audits were carried out in the field, and then remotely, in accordance with IATF rules and in compliance with the rules for the preservation of personnel health, established by the country and the company itself. Also in this case, during the emergency situation caused by the 2021 pandemic, surveillance audits continued to be carried out in accordance with the procedures established by third-party bodies, in order to ensure the continuity of the certifications obtained.

ISO/IEC 17025: since 1993, the Materials and Testing Laboratory of Pirelli Tyre S.p.A., since 1996 the Testing Laboratory of Pirelli Pneus (Latin America), since 2023 the Materials and Testing Laboratory of Jining Shenzhou Tire Co. (China), and since 2025 the Testing Laboratory of Pirelli Neumaticos S.A. de C.V. (Mexico) have implemented a Quality Management System and have been accredited in accordance with ISO/IEC 17025. This system is maintained in accordance with the standard in force and the ability of the laboratories to perform accredited tests is evaluated annually. In 2020, the laboratories carried out the annual surveillance audit remotely, in 2021 and 2022 in hybrid mode, as stipulated by the Accreditation Body Accredia. Starting from 2024, the laboratories renewed their certificates through on-site audits, thereby ensuring the continuity of their accreditation.

Laboratories participate in proficiency tests organised by the International Standard Organisation, the European Tyre and Rim Technical Organisation (ETRTO) or international circuits organised by car manufacturers. Specifically in regard to car tyres, the focus on quality is confirmed by Pirelli's supremacy in numerous product tests. It is also guaranteed by its collaboration on product development and experimentation with the most prestigious partners (auto manufacturers, specialised magazines, driving schools, etc.).

The Product Certifications, which allow the marketing of the same in the various markets in accordance with the regulations laid down by the different Countries, are coordinated and, for some markets managed, directly by the Quality Function. The prevailing certifications, obtained in the Pirelli Group, cover the markets of Europe, North America, South America, China, the Gulf States, India, Indonesia, South Korea, Africa, Argentina and Australia (the latter only 'on demand', as it considers both the DOT - Department of Transportation - marking and the UNECE certificate valid), and involve all Pirelli plants. These Certifications periodically require factory audits by ministerial bodies from the countries concerned or bodies delegated by them, with the aim of verifying product compliance at the Pirelli production sites.

As of 2023, all Governmental Authorities and/or Type Approval Authorities performed in-person audits for production conformity verification.

Sustainability certifications, carried out on an entirely voluntary basis, allow Pirelli's plants to comply with standards ISCC+, ISO14021 and FSC™ where applicable. These standards entail site-specific certification; therefore, all plants involved in the process must implement all activities, criteria and responsibilities to respect the rules of segregation and/or calculation of mass balance and, finally, must show the traceability and sustainability of their outputs: tyres, compounds/semi-finished products and raw materials.

Furthermore, in order to effectively meet stakeholder expectations, Pirelli addressed the RBA and RSCI standards at its sites in Mexico as well as at its Chinese (2024) plants. This strengthens Pirelli's commitment to the promotion of a responsible, sustainable value chain, taking into account not only the social but also the environmental and economic impacts of its business. Participation in these initiatives can also help Pirelli identify and manage the risks in its value chain, improve the transparency and traceability of its products and services and collaborate with other industry operators to promote sustainable practices.

Integration of emerging technologies to improve product quality

Product quality is also a key element integrated into the Group's digital transformation programme, as well as into the adoption and application of advanced tools to ensure greater efficiency, consistency and reliability of quality and industrial data.

Pirelli's Industrial IoT platform enables the integration of product and factory systems, with the migration of data and information to the Cloud. The real-time data platform and the application of machine learning models improve accuracy, reduce variability and accelerate the continuous improvement of factory, product and quality processes, responding to requirements for flexibility and efficiency and enabling automatic control and adjustment of production parameters on the basis of continuously measured conditions.

In addition, a digital check-list supports and guides each operating routine, transferring all control and response activities into a common digital environment; alerts are generated in real time.

Finally, predictive analyses based on AI and Big data are applied to facilitate the forecasting of product quality defects and process-related failures, as well as to optimise preventive actions.

In order to improve corporate performance in terms of product quality, Pirelli ensures the maintenance of 100% of ISO 9001 and IATF certifications for all operating sites at the end of each year.

High value approach to the mobility of the future

Pirelli closely monitors the evolution of mobility and its main technological trends, such as digitisation, electrification, driving automation, servitisation and shared mobility. Alongside these, other broader macrotrends (such as urbanisation, remote working, population growth and economic growth) and their different developments across regions also have a significant impact on mobility and, as such, merit monitoring with a view to offering mobility products and services aligned with these trends and with new customer needs. The mobility of the future cannot be separated from digitalisation, and in this area Pirelli is present with the Cyber™ TYRE project. Tyre 'sensorisation' and the algorithms and software that process the data collected by the sensors and make it available to the vehicles are an integral part of the Group's strategy that makes technological innovation a distinctive and key element in responding to the major themes that will transform the concept of mobility: autonomous driving, electric, sharing and 5G connectivity. For more details, see the paragraph "Cyber tyre" of this chapter.

By applying to tyres the market demand for mobility in the form of a service (Tyre As A Service), Pirelli continued the service introduced in 2022 on the Italian market: PIRELLI Care. The procedure for purchasing tyres and services for car care, using the app with monthly payments. The mobility of the future also partly consists of a return to the past, where bicycles, now electrified, play an important role, especially in urban mobility. This is why, since 2017, Pirelli has returned to the world of bicycle tyres (consider that the first Pirelli tyre at the end of the 19th century was a bicycle tyre), in which it is present with several product lines: P ZEROTM for high-performance racing bicycles, designed for users devoted to maximum performance; CINTURATOTM for Endurance and Gravel bicycles, where the more playful component of exploration and sporting activity understood as well-being and lifestyle flanks pure performance, yet extending the surfaces where light off-road cycling is also possible; SCORPIONTM, the line dedicated to the world of Mountain Biking, with all its variants from Cross Country to Downhill, including all the various traditional options or with the support of an electric motor (E-MTBs); and finally the AngelTM Urban line of tyres, ideal for all situations, urban and otherwise, of commuting by pushbike, with or without electrical assistance.

A complete range of products developed by R&D Pirelli also in collaboration with the best international professional teams in each category, to achieve maximum performance.

Added to this is the start-up of bicycle tyre production at the Pirelli plant in Bollate, which thus becomes the only factory to produce 'Made in Italy' bicycle tyres on an industrial scale. The historic facility, a few kilometres from Milan and inaugurated by Pirelli in 1962, has undergone a process of modernisation and reorganisation to house the production of Pirelli Cycling's high-end lines.

In 2025, within the Cycling product range, a new product, Cinturato Evo, was introduced, combining excellent product performance with the use of more than 50% bio-based or recycled materials.

The product's key features include tread durability, which has been improved compared with the previous version. In addition, Cinturato Evo, produced at the Bollate factory, uses FSC™-certified natural rubber.

In the field of urban mobility, Pirelli is committed on several fronts to promoting and developing modern and sustainable solutions.

In 2025, Pirelli strengthened its commitment to micromobility through a partnership with Unicorn Mobility, a company of the UM Technologies BV group. The agreement marked the start of a new phase of CYCL-e Around, the Corporate eBike Sharing project launched by Pirelli in 2021 and dedicated to private communities. The service, offered under the co-brand Pirelli | Unicorn, expands the original e-bike sharing offering by including light electric vehicles such as e-scooters, electric mopeds and microcars, in response to the growing demand for mobility solutions from companies, hospitality facilities, residential complexes and student residences.

The offering is distinguished by its “turnkey” model, integrating vehicle fleets, a booking app, technical assistance and a dashboard for monitoring sustainability KPIs.

The initiative, to which Pirelli contributes the strength of its brand and its knowledge of global markets, concretely supports the spread of new mobility models, promoting active lifestyles and environmental awareness.

GOVERNANCE INFORMATION

G1 BUSINESS CONDUCT

PIRELLI’S CORPORATE CULTURE AND ITS MANAGEMENT MODEL

Pirelli’s history is distinguished by a Company culture capable of combining technological innovation and humanistic culture, scientific research and artistic experimentation, talent development and an international outlook. To disseminate its corporate culture in Italy and abroad, Pirelli implements numerous initiatives and promotes collaborations with leading cultural institutions.

At the forefront in supporting these Company initiatives is the Pirelli Foundation, established in 2008 with the aim of preserving the Company’s historical heritage from its origins to the present day and enhancing it through: the curation of publications, the organisation of exhibitions, digital projects, conferences and guided tours, the management of company libraries and the education of younger generations, bringing them closer to the founding values of the Group’s Company culture.

Moreover, the Pirelli Group promotes the development of plans and policies to ensure the presence of a solid and responsible governance framework capable of planning, implementing, and monitoring the company’s strategic directions over the medium to long term. It encourages responsible behaviour and fosters awareness of the importance of effective governance throughout the organisation.

In line with this approach, the following positive impact generated by Pirelli emerged from the Double Materiality Analysis, attributable to the topic of company culture:

- *Sharing and dissemination of the company's rules and principles with internal and external stakeholders*

The main Policies through which Pirelli expresses and disseminates its corporate culture are described in the chapter "Main policies for IRO management". The following is a detailed description of the Code of Ethics and the Whistleblowing Policy, as well as the initiatives put in place to implement the commitments set out therein.

POLICIES for business Conduct

Values and the Code of Ethics

The sharing and dissemination of the Company's rules and principles with internal and external stakeholders is addressed by the Pirelli Group Code of Ethics and, more generally, reflected in all the Policies adopted by the Group.

More specifically, the Code of Ethics stresses how Pirelli adopts a multi-stakeholder approach, pursuing sustainable, lasting growth aimed at balancing the expectations of all those who interact with the Group and the businesses that are a part of it, and expressly states that it shall be disseminated as much as possible so that the values and rules of conduct it contains are known to employees and available for consultation by all.

The Code of Ethics sets out the values and standards of conduct with which all recipients must comply. More specifically and amongst other aspects, Pirelli's commitment is stressed to:

- condemn unlawful or in any case unfair conduct and respect and ensure that the laws in force in the countries in which it operates are respected internally and in relations with the outside world;

- promote fair competition, acknowledging that correct and fair competition is essential to business and market development;

- require all Code of Ethics recipients to ensure the utmost confidentiality of information acquired or processed on the basis of or during fulfilment of their duties;

- pursue the protection of internationally-affirmed human rights and respect for the principle of equal opportunities in the workplace, without any distinction based on gender, marital status, sexual orientation, religious faith, opinions concerning politics and trade unions, skin colour, ethnic origin, nationality, age, disability;

- manage activities in respect of the environment and public health and make responsible use of resources, in line with the objective of achieving sustainable, environmentally-friendly development;

- protect health, safety and hygiene in the workplace, both through continuously improved management systems and by promoting a health and safety culture based on prevention and on the need to effectively manage occupational risks.

In supplementation of the contents of the Code of Ethics, the Group has also adopted the Code of Conduct with which all Pirelli Group directors, statutory auditors, managers and employees and, in general, all those operating in Italy and abroad for and on behalf of and/or in the interests of the Pirelli Group, or who entertain business relations with it, must comply. Through the Code of Conduct, the Company asks its recipients to behave ethically including seeking to avoid any situation of conflict of interests. In the event of a conflict arising, they are obliged to report it immediately. Moreover, unlawful conduct (such as insider trading) is strictly prohibited.

The Code of Conduct also stipulates that an adequate training and continuous awareness programme on matters related to the Code of Ethics must be implemented. In this regard, the Code of Ethics and the main procedures adopted by the Group are brought to the attention of, and made available to, the corporate population through their publication on the Intranet and through training and awareness campaigns. Among these initiatives is the preparation of a welcome email for new hires dedicated to compliance issues, as well as the availability on the My Learning platform of specific training on ethical conduct.

For further information regarding the Group's Policies, please refer to the paragraph "*Main policies for the management of material IROs*" within the chapter "General information".

The Whistleblowing Policy

The Group's Whistleblowing Policy defines the procedures and channels that can be used to notify any violations, including of the values and principles established in the Pirelli Group Code of Ethics and Code of Conduct, as well as, more generally, any violations of the principles set forth in the Group's Policies. In addition to the Group Policy, a Whistleblowing Policy has been issued, applicable to companies based in European Union countries. The Policy in the EU area in particular, in compliance with the general principles already included in the Group Policy, guarantees the compliance of the whistleblowing system with the regulations included in the EU Directive 2019/1937 and in the national transposition laws adopted by the EU countries in which the Group operates.

The Whistleblowing Policies govern the manner of reporting breaches, suspected breaches and inducement to breaches of the law and other regulations (local, regional, national and international), principles ratified by the Code of Ethics, including reports relating to equal opportunities, discrimination and mobbing, in addition to all that is dealt with in the other Policies, internal auditing principles, corporate policies, rules and procedures, and any other behaviour involving commission or omission of acts that might directly or indirectly lead to economic-equity or reputational detriment

for the Group and/or its stakeholders (all without prejudice to any extensions or limitations imposed by locally applicable whistleblowing regulations).

The portal through which a report may be submitted is accessible at https://pirelli.integrityline.com and is available to anyone, whether internal or external to the Group, wishing to submit a written or oral report concerning any company of the Group. In addition to this channel, Pirelli also offers the possibility to submit a report by hard copy letter or by e-mailing ethics@pirelli.com. The reporting procedures and their management are described in the Whistleblowing Policy, available on the Pirelli website.

The references to the Policies and/or reporting channel also constitute part of the General Conditions of Purchase included in supply orders/contracts, in the Pirelli Supplier Code of Conduct, as well as in the text of the different Group Policies published on the Company's website.

Reports may be made in different ways (in writing or verbally), and also in an anonymous form; in any case, protection of the principles of confidentiality, proportionality, impartiality and good faith is guaranteed at all times, as is zero tolerance in respect of acts of reprisal of any kind against whoever makes a report or is involved in the report in any capacity. Reports may concern directors, statutory auditors, management, employees of the Company and, in general, anyone operating in Italy or abroad for Pirelli or who engages in business relations with the Group, including partners, customers, suppliers, consultants, collaborators, auditing companies, institutions and public entities, including the affected communities.

Reports submitted through the Group channel are centrally managed by the Group Internal Audit function, which reports functionally to the Audit, Risk, and Corporate Governance Committee (made up mainly of independent directors), and to the Board of Statutory Auditors of Pirelli & C. S.p.A and meets the requirements of impartiality and independence. In addition to the Group channel, Pirelli provides dedicated channels at the level of individual companies (where required by local regulations) and a channel reserved for reporting Breaches concerning the Internal Audit function, managed by an autonomous person and/or department within the Company. Whistleblowing Managers are in charge of analysing all the whistleblowing cases received and providing feedback to the whistleblower on their acceptance, management and results. The Whistleblowing Manager, during the analysis, may, where necessary, involve the corporate functions deemed competent for verification activities, as well as schedule specific action plans. In the report is found to be well-founded, the appropriate disciplinary measures and/or legal action will be taken to protect the Company.

The whistleblowing channels are structured in accordance with the principles of 'privacy by design' and 'privacy by default and minimisation'. The handling of reports is guided by respect for the confidentiality of the persons concerned and of any other third parties involved, while also ensuring anonymity, in the case of anonymous reports, and the principles of necessity and proportionality. More specifically, the Whistleblowing Policy envisages a "prohibition of retaliatory acts", stressing the non-tolerance of any form of threat, retaliation or discrimination, whether attempted or effective, against whistleblowers, facilitators, related persons, reported persons and anyone who has collaborated with investigations into the grounds of the report. As explained in the Policy, Pirelli aims

to eliminate (wherever possible) or offset the effects of any retaliation against the above persons and reserves the right to take suitable action against anyone who threatens to or implements any acts of retaliation against the persons listed above. If a report should be found to be valid, it undertakes to eliminate the causes.

Furthermore, in the event of a violation of the principles established by the company Policies, or related Procedures, by its employees (by way of example and not limited to the context of: health and safety, anti-corruption, antitrust, information security, etc.), Pirelli applies the sanctions provided for by the company disciplinary system in compliance with collective labour agreements, company procedures and applicable regulations in the countries where Pirelli operates.

Reports made by whistleblowing

During the course of 2025 the Whistleblowing procedure was activated 181 times. Specifically:

- reports were received from 12 different countries (Argentina, Brazil, China, Germany, Italy, Mexico, Romania, Serbia, Sweden, Turkey, UK, USA);
- of the reports received, 18 were found to be substantiated, including 11 related to Human Rights & Labour Conditions and 7 concerning cases of Mismanagement.
- the reports received are partly signed and partly anonymous. It is objectively not possible to confirm the total number of reports from internal or external stakeholders because some complaints, as mentioned, were received anonymously;
- of the 59 signed reports received, 2 were submitted by external whistleblowers.
- no reports were received concerning the Internal Audit function.
- the majority of the reports were submitted via the ethics@pirelli.com email inbox, while the remaining reports were received through the dedicated whistleblowing platform (*https://pirelli.integrityline.com*), which was introduced in 2024;
- the Internal Audit function periodically reported the reports received and the progress of the analyses carried out to the competent corporate bodies of Pirelli & C. S.p.A.

Below is the subject matter alleged in the relevant reports received. For more information about reports regarding working conditions, discrimination and health and safety matters, refer to the section “Social Information” and, in particular, the chapter “S1 Own workforce” “Respect for human rights” paragraph.

Alleged subject matter	**2024**	**2025**
Total no. of reports received	170	181
Human Rights & Labour Conditions	*95*	*122*
Discrimination or Harassment	*25*	*23*
Customer privacy data	*0*	*0*
Conflicts of interest	*0*	*0*
Money laundering or insider trading	*0*	*0*
Corruption or Bribery	*3*	*1*
Other	*40*	*35*

The Company took action in all cases, intervening with disciplinary sanctions (reprimands and/or dismissals) and with actions aimed at removing the causes of the complaints and/or aimed at improving the internal control system.

With specific reference to the Grievance Procedure for reporting violations of the Policy on Sustainable Natural Rubber Management, no reports were received in 2025.

These reporting mechanisms allow Pirelli to monitor the effectiveness of its policies and actions aimed at sharing and disseminating the Company's rules and principles with internal and external stakeholders.

ACTIONS in Business Conduct

During 2025, the company continued to provide training and communication activities on the current Organisational Model to the population of the Group's Italian companies. More specifically, in 2025, the on-line training course was flanked by specific training sessions aimed at investigating specific topics in greater detail, including in regard to staff operating at various plants. In addition, the Company carried out a communication campaign relating to the Whistleblowing mechanism, addressed to all employees in the countries in which it operates, with the aim of increasing awareness of the existence and use of this tool.

ANTI-CORRUPTION

The following potential material impact emerged from the Double Materiality Analysis, attributable to the topic of active and passive corruption:

- Corruption and illegal conduct within the Company's operations.

The same analysis also identified the following relevant risks, likewise attributable to the topic of active and passive corruption:

- Non-compliance with company criminal regulations (e.g. Italian Legislative Decree no. 231/2001);

- Non-compliance with anti-corruption rules and regulations

As regards the corporate liability of companies and entities, envisaged by Italian Legislative Decree no. 231/2001 (hereinafter also the “Decree”), Pirelli has had an Organisation and Management Model (hereinafter the “Model 231”) in place for years now. The Model is structured in a General Section, which includes a review of the regulations contained in the Decree, of the crimes relevant to the Italian companies of the Group and the procedures for adopting and implementing the Model, and in a Special Section, which indicates the corporate processes and the corresponding sensitive activities for the Group’s Italian companies pursuant to the Decree, as well as the principles and internal control plans to supervise these activities.

In addition, with regard to anti-corruption, Pirelli has adopted the ISO 37001 management system: during 2025, the certification body carried out audits on the Anti-Corruption Management System and confirmed the continued compliance with the ISO 37001 standard of Pirelli & C. S.p.A. and Pirelli Tyre S.p.A., as well as of the affiliates in Russia, Brazil and Spain.

Again with reference to processes, procedures and mechanisms in place, Pirelli carries out period internal audits that also include a focus on anti-corruption. In particular, the audits carried out by Internal Audit Function at Group subsidiaries include monitoring of crime risks, among which corruption and fraud figure. With reference to the Group’s Italian companies, in order to prevent the criminal liability of entities envisaged by Italian Legislative Decree no. 231/2001, specific information flows are in place to identify any anomalous situations.

Finally, the whistleblowing channel, explained in the chapter “Whistleblowing Policy”, allows for the identification and investigation of episodes of illegal business conduct, including corruption and concussion, in a timely, independent and objective manner.

Pirelli has envisaged a dedicated channel in the event that the reporting of unlawful conduct should regard a representative of the Internal Audit Department; reports are therefore handled by an autonomous person and/or department within the Company, who/which is independent of the Internal Audit Department.

The next chapter provides details of the Policies setting out Pirelli’s commitment to anti-corruption matters and the action taken to fulfil these commitments and manage any IROs found to be material.

POLICIES in Anti-corruption

The topic of anti-corruption is addressed, in addition to the Pirelli Group's Code of Ethics and the Code of Conduct, by the Group Anti-Corruption Compliance Programme, the contents of which set out Pirelli's commitment, on the one hand, to promoting the prevention of corruption and unlawful conduct in Pirelli's activities, mitigating the potential negative impacts arising from any corruption incidents, and, on the other hand, to reducing the risks of non-compliance with corporate criminal regulations (e.g. Italian Legislative Decree no. 231/2001) and with anti-corruption rules and regulations.

The Group Anti-Corruption Compliance Programme was adopted with a view to establishing a reference framework, thereby further strengthening the anti-corruption Policy that Pirelli has implemented over time, first and foremost with the Code of Ethics and then through specific programmes and models in the various countries in which Pirelli operates, also aiming to mitigate the risk of the perpetration of crime (for example, the 231 Organisational Model, applicable to Italian companies).

In the document, the Pirelli principles already set out in the Code of Ethics and the Code of Conduct, including zero tolerance of any type of corruption in any form or manner, in any jurisdiction, not even where activities of this kind are in practice admitted, tolerated or not judicially pursued are restated.

Specifically, the Anti-Corruption Compliance Programme identifies the areas that Pirelli has considered as being at risk of corruption and, in particular: relations with intermediaries and suppliers; relations with the Public Administration (including inspections); management of gifts and entertainment expenses; management of sponsorships and promotional activities; the granting of contributions to the external community; recruitment and selection of human resources; extraordinary transactions and joint ventures; the management of so-called facilitation payments, and the related principles and rules to be followed in order to prevent the risk of corruption. More specifically, referring to the Pirelli Group's Code of Ethics, the Anti-Corruption Compliance Programme reaffirms that Pirelli does not provide contributions, benefits, or any other advantages to political parties, trade unions, or their representatives or candidates, while ensuring compliance with any applicable regulations.

Lastly, the Compliance Programme recalls the procedures for reporting any corruption and the protections envisaged for whistleblowers, in compliance with the Whistleblowing Policy, the sanctions envisaged in the event of violation of the contents of the document and the training and information activities promoted by Pirelli to oversee anti-corruption topics.

As envisage by the Anti-Corruption Compliance Program, in the event of violation thereof, Pirelli applies the sanctions provided for by the company disciplinary system in compliance with the collective labour agreements, procedures and regulations applicable in the countries where Pirelli operates.

For positions exposed to a risk of corruption classified as higher than "low", insofar as they operate in the sensitive areas identified in the Anti-corruption programme, and for the compliance department

for the prevention of corruption in accordance with ISO 37001, the regular deposit has been envisaged of a declaration confirming their observance of the corruption prevention policy. The company regularly conducts an audit to check that at-risk persons required to make the declaration are correctly identified.

In compliance with the provisions of the company regulations approval process established by Pirelli, the contents of the Policies referred to herein have been shared with all the company departments involved in their implementation and validated by top management before their approval and issue.

In 2025, the Board of Directors approved the update of the Group Anti-Corruption Compliance Programme, the revision of which had been initiated following the corruption risk assessment completed during the current year. This update, aimed at incorporating the results of the risk assessment and ensuring the continued effectiveness and adequacy of the Programme, entailed a general revision of the document, while maintaining its objectives and overall structure unchanged. Among the most significant changes were: a more detailed description of the role and responsibilities of the Compliance & Rules Department as the department responsible for anti-corruption compliance; an update, based on the results of the risk assessment, of the areas at risk of corruption and, where necessary, the related controls; and a more analytical description of the due diligence process. Further amendments of a predominantly formal nature were introduced to enhance the usability of the document.

Pirelli ensured the dissemination of the updated version of the Anti-Corruption Compliance Programme, communicating it to all personnel and stakeholders in order to guarantee full awareness of the changes introduced and to maintain its role as an up-to-date point of reference for the principles and conduct to be adopted in the prevention of corruption. The implementation of the updated Programme also involved the updating of risk indicators based on the requirements of the various countries and areas in which Pirelli operates.

In order to ensure the effectiveness of the Group Anti-Corruption Programme, Pirelli delivers mandatory training courses on the subject to employees of companies in the various countries in which it operates. More specifically, the Pirelli Group has developed specific mandatory anti-corruption courses for employees of companies subject to ISO 37001 certification (i.e. Pirelli & C. S.p.A. and Pirelli Tyre S.p.A., and the Affiliates in Russia, Brazil and Spain). In addition, the Group has provided for the implementation of further anti-corruption courses due to local regulatory specificities or organisational characteristics. Finally, note that the communication process of the Group Anti-corruption Programme involves making the Programme available to all employees, who can consult it via notice boards, the company intranet or the website, where the programme has been published in several languages.

More details on training can be found in the paragraph below entitled “Training on anti-corruption and awareness-raising”.

TARGETS in Anti-corruption

Pirelli is committed to promoting ethical and responsible business conduct, in compliance with laws, regulations, standards and guidelines, applicable to business in the countries where it operates and refuses all forms of corruption, whether direct or indirect, in both the public and private sectors.

Pirelli monitors the effectiveness of its policies and actions in relation to material impacts and risks through a structured system that includes, as previously mentioned, training, communication, and monitoring activities. These activities aim to prevent the risks of corruption, promoting ethical, responsible behaviour and guaranteeing the knowledge of applicable regulations and rules of conduct relative to the prevention of corruption and compliance with the applicable laws, regulations, standards and guidelines in the countries in which the Company operates.

To assess progress against these commitments, the company uses qualitative and quantitative indicators such as the number and type of reports received, the results of the audits and risk assessments, participation in training and communication programmes and the progress made on legal proceedings pending in connection with corruption matters. These measures allow for the verification of the adequacy and effectiveness of the Anti-corruption Programme and internal policies, promoting a corporate culture based on ethics and accountability. The system of information flows is designed to promptly identify the most relevant risks in the countries in which Pirelli operates, while risk assessment, the mechanisms for reporting unlawful conduct and audit activities can verify the compliance of corporate operations with the anti-corruption policies and identify any critical issues. In addition, the monitoring of reports received and legal proceedings pending in regard to corruption constitutes a key tool to assess the effectiveness of the action taken.

ACTIONS in Anti-corruption

Implementation of Anti-Corruption Prevention Frameworks in Light of the Updated Risk Assessment

The activity aimed at analysing the profiles of corruption risk is continuous and includes the assessment of conformity with local regulations in force in the Countries where the Company is present, the verification of the adequacy of the corporate oversight and, where necessary, the updating of the risk analysis.

More specifically, during 2025 Pirelli undertook a process to implement the findings that emerged from the anti-corruption risk assessment. Overall, the results of the analyses confirmed the adequacy and efficiency of the Management System, which ensures the continuous improvement of the processes underlying the prevention of corruption. In line with a proactive and responsible approach, the Compliance Department prepared an action plan aimed at strengthening control safeguards in individual countries, in the operational areas and departments most exposed, with the objective of further enhancing monitoring tools.

Anti-Corruption Training and Awareness

The Pirelli Group's Anti-Corruption Programme, available in several different languages on the Pirelli website, is the corporate benchmark for the prevention of corruptive practices and represents a collection of principles and rules aimed at preventing or reducing the risk of corruption. In the document, the Pirelli principles already set out in the Code of Ethics and the Code of Conduct, including zero tolerance of "any type of corruption in any form or manner, in any jurisdiction, not even where activities of this kind are in practice admitted, tolerated or not judicially pursued" are restated.

At the international level, as part of the Anti-Corruption Programme implementation process, mandatory country-specific training courses have been made available through an e-learning platform. More specifically, in addition to on-line training tools, Pirelli has, where necessary, also envisaged in-person training and communication to both dedicated departments and those operating at certain Group production plants.

Some examples of training activation follow.

Also during 2025, training and communication activities on the current Organisational Model were completed for the entire population of the Group's Italian companies. More specifically, at the end of 2024, the on-line training course was flanked by specific training sessions aimed at investigating specific topics in greater detail. This training involved employees of the Group's Italian companies, including some employees who work at the plants, in order to provide the stakeholders involved with a code of conduct, control systems and measures to ensure, insofar as possible, the prevention of the perpetration of crime in accordance with Italian Legislative Decree 231/01 and corruption. Specifically, this is ongoing training aimed at covering the entire Italian corporate population. With particular reference to the at-risk departments of these Group companies, in 2025 anti-corruption training was provided to 100% of the at-risk departments, in line with 2024.

A specific anti-corruption training course has also been implemented for employees in the UK.

Finally, for some years now there has been a training activity dedicated to the Group Purchasing Department, which receives a specific course given the relevance and potential riskiness of the activities.

It should be pointed out that the Group's training activities do not only concern the white-collar employees of the companies but also the blue-collar workers. Specifically, Pirelli has also started training and communication activities for staff working at some of the Group's plants (i.e. Italy and Brazil).

In 2025, awareness-raising activities continued with a view to enhancing understanding of the Group Anti-Corruption Programme, in compliance with the requirements of the ISO 37001 anti-bribery management system, across the principal countries in which Pirelli operates. These activities involved key managers and the members of the Board of Directors and the Board of Statutory

Auditors of the Group, who periodically issue a declaration confirming their compliance with the anti-corruption policy.

Due diligence of third parties

Pirelli only entertains business relations with parties of proven integrity and honesty. In this regard, specific procedures have been defined to formalise the roles and responsibilities and operating procedures of the third-party due diligence process through the analysis of the activities, conducted in the main Countries, of gathering and verifying information of ethical, legal and reputational nature relating to counterparties and aimed at identifying potential Compliance risks in advance.

Specifically, in its relationships with various Business Partners, Pirelli constantly verifies the experience and technical requirements and asks that the absence of investigations or judgements related to corruption be declared. In addition, in-depth assessments are conducted on counterparties who provide relevant compliance answers to the questionnaire available on the qualification platform. In this regard, with specific reference to the suppliers with which Pirelli collaborates, in order to ensure an effective assessment of stakeholders, Pirelli conducts periodic analyses aimed at verifying completion of the qualification process at the dedicated platform.

METRICS related to confirmed cases of active or passive corruption

In 2025, as in 2024, Pirelli did not record any convictions for violations of anti-corruption laws. Accordingly, no sanctions were imposed for violations and, consequently, it was not necessary to define remediation plans and related corrective actions.

MANAGEMENT OF RELATIONS WITH SUPPLIERS

The Double Materiality analysis revealed the following positive impact, which can be linked to the issue of business conduct:

- Development of local supply chains.

The following paragraphs detail the Company’s strategy in sustainable procurement processes, as well as the main safeguards and activities in place to manage Pirelli’s relations with its suppliers.

Supply chain sustainable management system

The Supply Chain Management Model adopted by Pirelli is certified by an independent third party as being fully aligned with the requirements of the international ISO 20400 - “Sustainable

Procurement Guidance". The certification follows in-depth third-party audits, to which the Company has been subject on a periodic basis since 2018. The most recent renewal of the certification was carried out at the beginning of 2026 and issued by SGS Italia S.p.A.; it confirms the full alignment of Pirelli's model with the ISO 20400 requirements and highlights, among other aspects, Pirelli's high level of maturity in managing sustainable procurement topics, the full integration of ESG factors into the procurement process and throughout the entire lifecycle of the supplier relationship, as well as the strong synergy among the various functions involved in Sustainable Procurement.

The Group's relations with suppliers are based on fairness, impartiality and respect for equal opportunities towards all those involved in the purchasing processes as prescribed by the Group Values and Code of Ethics and in line with the OECD Guidelines on Duty of Care.

The mission of Pirelli's Purchasing Department is to promote best practices and to purchase services and goods for the effective and efficient operation of the Company and to ensure the best supply base in line with the following priorities: best market value, quality, on-time delivery, speed, innovation, compliance with local and international regulations and internal procedures.

The sustainable management of the supply chain at Executive level is headed by the Group Purchasing Director, who works in constant coordination with the Sustainability Department. Starting in 2022, Pirelli's Purchasing Department has also been further structured to manage ESG aspects, including "Conflict Minerals", along the supply chain, with the creation of a dedicated Unit, Sourcing sustainability & risk management. Within the Sourcing Excellence function, the unit is dedicated to monitoring the performance and risks of the supply chain, implementing training and supplier engagement & capacity building initiatives, and supporting suppliers in closing areas for improvement and thus ESG risk mitigation along the supply chain.

Sustainability elements in the purchasing process: Labour, Human Rights, Environment, and Business Ethics

On the basis of the supply chain characteristics, for which reference is made to the section "General Information", paragraph "Business model and value chain", Pirelli builds its own supplier screening model (ESG risk assessment). Screening is the initial analysis step, carried out to identify potential ESG risks in the areas of Labour, Human Rights, Environment, and Business Ethics within the supply chain. The result is a risk assessment that integrates various "desk" analyses relative to the ESG risk associated with the country, sector, specific goods/materials and, therefore, the potential risk of negative ESG impacts that can be associated with the suppliers. Considering the relevance for the business (like the weight of spending and ease of replacement of supplies) and the results of the ESG desk analysis, Pirelli identifies the significant suppliers, which are also the main recipients of development, training and engagement & capacity building initiatives. The ESG risk assessment is performed annually with the engagement of Purchasing Managers in consultation with the relevant departments, involving Enterprise Risk Management and Sustainability Managers.

Pirelli uses the same approach to assessing ESG performance throughout the entire process of interactions with a supplier, although in different ways among them, consistently with the intensity of the interactions characterising the specific procedural stages.

During the initial scouting phase, which involves evaluating potential suppliers of a good or service, the buyer, who is adequately trained, can form a first impression of whether the potential supplier is likely to meet product or service requirements, as well as compliance with Labour, Human Rights, Environment, and Business Ethics standards. This makes it possible to select those potential suppliers who are not clearly in potential breach of Pirelli's expectations.

Considerations of relevance to the business, country, sector and commodity specific risks are also at the origin of the on-site audit approach to potential suppliers of raw materials and high value-added parts. The process of assessing the compliance of the supplier with the principles shared in the Pirelli Code of Conduct proceeds with onboarding.

The scouting phase continues with on-boarding (pre-qualification and qualification). Pirelli requires all potential suppliers to complete a questionnaire through which the supplier confirms that it has reviewed and understood Pirelli's requirements regarding economic, social and environmental responsibility, as well as business ethics. The approach considers country, sector and commodity-specific economic and ESG risks (for example, the specific risks related to natural rubber from the different countries). Among the questions asked of the potential supplier, for example in the area of Human and labour Rights, is the request to certify that its company: checks workers' ages before hiring them and it ascertains that all of its employees satisfy the minimum legal working age; uses workers provided with a written labour contract and who work on a voluntary basis exclusively; abides by workers' rights of freedom of association and participation in trade-union activities; pays wages that meet the minimum legal standards; manages disciplinary practices, if any, abiding by the law; abides by and applies legislative/contract provisions in the matter of work schedules, overtime and rest periods. Further questions are aimed at identifying potential integrity and corruption risks in advance. The EcoVadis is also used to extensively investigate the supplier's sustainability profile, from management systems to environmental performance, human and labour rights, ethics and sustainable procurement.

The management of potential new suppliers and/or plants of raw materials and high value-added goods, which by their very nature may become long-term/development partners for the Company and to which a large part of procurement spending is destined, in addition to often coming from countries and sectors that present specific ESG risks, is particularly important in terms of mitigating the ESG risk. For prospective new suppliers and/or production sites relating to raw materials and high value-added goods, Pirelli conducts a preliminary third-party on-site audit from the qualification stage onwards, in order to verify the potential supplier's level of compliance with the principal national and international regulations concerning Labour and Human Rights (including health and safety), the Environment and business ethics. Loss prevention information is also analysed as a key element to prevent future cases of business interruption. The non-acceptance of the audit and/or not entering into a reinstatement plan of any non-compliance shall block the qualification of the supplier. The assessment of the potential and actual risk of the supplier constitutes the basis for the selection for supplier development, training and engagement & capacity building initiatives.

With a view to safeguarding the health of workers and the environment, for many years now Pirelli has been carrying out preventive evaluations of new raw materials and process aids before these materials can be used extensively by the Group's operating units. It should also be noted that, as per its own policy, in tyre manufacturing, Pirelli does not use any of the so-called Substances of Very High Concern (SVHCs), nor any substances falling into the internationally recognised category of POPs (Persistent Organic Pollutants) as defined by the Stockholm Convention, nor does it use mercury and its by-products as defined by the Minimata Convention, nor limited substances or those restricted by REACH regulations. For a comprehensive list of materials that Pirelli does not use under its policy, please refer to the "*Enforcement of stringent safety requirements on purchased and used materials*" paragraph of this report.

On the basis of specific documents made available by the Suppliers (the so-called "Safety Data Sheet" and the relative "*Technical Data Sheet*") and by virtue of the requirements provided not only by the most restrictive European regulations on the management of hazardous substances (see, for example, the "REACH" and "CLP" Regulations), but also in consideration of the highest international technical standards and the most up-to-date scientific knowledge (specific United Nations databases, etc.), these internal assessments provide an up-to-date picture of the potential risks to human health and/or the environment.

Furthermore, independently of and in addition to the requirements provided for by current laws, Pirelli requires suppliers of raw materials and process aids used by the Group to detail and quantify the residual impurities contained in the products sold to the Group, beyond mere compliance with the limits imposed by current regulations (where present).

Finally, of note are the well-established monitoring activities of producers and suppliers of raw materials with regard to compliance with the requirements of Regulation (EU) 2017/821 (as amended by Regulation (EU) 2020/1588) concerning so-called 'conflict minerals' (to which a section is dedicated below). The process of managing 'conflict minerals' activities starts out from the qualification phase of potential new suppliers associated with the issue and continues throughout the duration of the supply as dully described in the paragraph "*Conflict minerals management"* in the chapter *"S2 Workers in the value chain".*

With regard to the contractual stage, for about twenty years the Sustainability and Business Ethics Clauses (including anti-corruption) have been included systematically by Pirelli in contracts and orders for the purchase of goods and/or services and/or works, both with private suppliers and with the Public Administration (or institutes/enterprises under public control) or NGOs, worldwide.

In particular, the clauses require all suppliers to accept the principles of the Pirelli Suppliers' Code of Conduct, the contents of which, as mentioned above, govern Pirelli's requirements in terms of human and labour rights, the environment, decarbonisation, biodiversity, sustainable management of materials and conflict minerals, business ethics and the obligation of due diligence on the supply chain, up to upstream, as well as Pirelli's right to carry out audits and subject to termination in the

event of violation. The clause, published in the "Suppliers Area" within the "General Terms and Conditions of Purchase", reads:

- *The Supplier declares to have read and understood the Pirelli Suppliers' Code of Conduct, published and accessible at Supplier_CoC_EN.pdf (amazonaws.com), which sets out the principles by which Pirelli conducts its business and relations with third parties.*

- *In light of the above, the Supplier undertakes, in connection with the performance of each Contract(s) and/or Order(s), to manage its business in compliance with the Pirelli Suppliers' Code of Conduct.*

- *Pirelli has the right to verify, throughout the duration of the Contract, directly or through third parties, the Supplier's compliance with the Pirelli Suppliers' Code of Conduct, subject to confidentiality and reasonable notice.*

- *In case of breach by the Supplier of the obligations set forth in the Pirelli Suppliers' Code of Conduct, or in case of refusal by the Supplier to implement an action plan required by Pirelli or in case of failure to implement an action plan agreed with Pirelli in relation to the Pirelli Suppliers' Code of Conduct, Pirelli may suspend with immediate effect performance of the Contract and/or Order, without prejudice to its right to terminate the Contract(s) and/or Order(s) pursuant to Article 6.2 and exercise any other remedy provided by law.*

- *The Supplier is entitled to report to ethics@pirelli.com any violation or suspected violation of the Pirelli Suppliers' Code of Conduct and/or of any applicable legislation; reports may be made anonymously, but must contain a description of the facts constituting even a suspected violation of the provisions contained in the Pirelli Suppliers' Code of Conduct, including information on the time and place of the facts represented, and the persons involved. Pirelli will not tolerate threats or retaliation of any kind against the whistleblower or anyone who has collaborated in the activities of verifying the validity of the report, and reserves the right to take all appropriate action against anyone who carries out or threatens to carry out such acts of retaliation. Pirelli guarantees the anonymity of the whistleblower in compliance with the law.*

In addition, always in line with the consideration of business relevance, country, sector and commodity specific risks:

- Suppliers associated with the Conflict Minerals issue are required to sign an additional dedicated clause, which is detailed in the "Conflict Minerals" paragraph within the "Social Information" section, under the "S2 Workers in the value chain" chapter. Specific sustainability clauses are applied to Natural Rubber Suppliers, which implement the requirements of the Sustainable Natural Rubber Policy, without prejudice to Pirelli's right to audit and terminate the contract (as set out in the Policies).

At the level of monitoring and evaluating supplier performance and risks, Pirelli adopts a vendor rating system also aimed at monitoring performance in the areas of Labour, Human Rights, Environment and Business Ethics, through the adoption of the EcoVadis platform. The system,

adopted to monitor the sustainability performance of vendors and propose improvement plans on environmental, human rights, ethics and sustainable sourcing, also offers access to ESG benchmarks. Through Scorecard it is possible to monitor the company's positioning with respect to the reference industry, manage/prioritise improvement actions, and compare performance within the EcoVadis network. For more information, refer to the paragraph on "*ESG RISK ASSESSMENT"* of this chapter.

FOCUS: ESG Assessments, ESG Audits and Corrective Actions

In 2025, the total number of unique suppliers screened by Pirelli through Desk Assessment, using the EcoVadis IQ+ platform, amounted to 12,510. Of these, 514 were identified as significant unique suppliers, representing 67% of the Group's total spending, and defined as those falling within at least one of the following two criteria: Business (annual spending exceeding 1 million euros, excluding health insurance providers, dealers, financial and governmental institutions, utilities, duties and suppliers in the exit phase) and potential ESG risk level (suppliers assessed as Medium or High risk based on the IQ+ analysis and with annual spending exceeding 1 million euros). These suppliers are defined as those characterised by significant risks of potential negative ESG impacts or by material relevance for the business.

In addition, 1,568 unique suppliers, of which 466 were significant, were subject to sustainability assessments in order to identify current as well as potential environmental, social and governance risks, through an EcoVadis assessment or a third-party on-site audit.

Of the suppliers subject to an assessment in the last 3 years, 807 (787 in 2025) (of which 170 were significant – 158 in 2025) currently present ESG non-compliance risks, and 100% of them have a remediation plan in place to address the non-compliances, including specific actions and timelines. For all of them, Pirelli provides multiple tools to support the implementation of the related corrective action plans.

Equally relevant are the additional development initiatives undertaken by the Group to support the improvement of suppliers' ESG performance, including the capacity-building activities carried out in 2025, which involved 558 suppliers, 54% of whom were significant unique suppliers. These initiatives concerned both training in the areas of human rights and Nature and Biodiversity management, as well as the strengthening of management and reduction strategies for impacts related to carbon emissions.

The Pirelli management model has been characterised by third-party on-site audits since 2009. Compared to self-assessment or remote assessments, this approach allows for a very high level of reliability of the audit results, as they are carried out on-site and in person by a specialised third party.

The on-site audit, the costs of which are covered by Pirelli, represents an opportunity for the supplier to engage in capacity building, by assessing the compliance of its operations with local and international regulations on environmental standards, human rights and labour rights, and business

ethics. In turn, support is provided for the development of a remediation plan in response to any non-compliance, based on dialogue between the auditor and the supplier.

The on-site audit is carried out already in the pre-qualification phase for all potential new suppliers and/or plants of raw materials and high value-added goods that, by their nature, can become development/long-term partners for the company, to which, moreover, a large part of the procurement spending is allocated.

In addition, every year Pirelli conducts an on-site third-party ESG audit campaign at active suppliers' sites to cover all product and geographic areas of purchase.

The annual Audit Campaign covers suppliers considered critical and significant based on the results of economic materiality and ESG risk criteria of the country, sector and commodity.

The parameters considered in assessing critical and significant suppliers, are multiple:

- the supplier is bound to Pirelli by multi-year contracts;
- the replacement of the supplier and/or related product may be complex;
- the supplier holds a high percentage of Pirelli's purchase for the specific product category;
- the economic burden of the purchase is significant;
- the supplier plays a relevant role in terms of impact on innovation;
- the supplier operates in a Country, sector and/or supplies a commodity, good or service considered to be at risk under environmental, human rights and/or labour terms;
- the supplier has not yet undergone an ESG audit by Pirelli or special critical issues have been detected in previous audits;
- there is information, a perception or doubt concerning possible violations by the supplier in the matter of social, environmental and/or business ethics responsibilities.

Each on-site audit has an average duration of two days in the field and includes a factory visit, interviews with workers, management and trade union representatives.

The external auditors carry out the audits on respect for Human and Labour Rights, compliance with environmental regulations, the level of sustainable management of the supply chain by the supplier, and the codes of conduct and policies adopted and implemented, following a checklist of parameters derived from the SA8000® standard (a reference tool officially adopted by the Group for managing social responsibility since 2004), from the Pirelli Suppliers' Code of Conduct (in turn consistent with the areas of social, environmental and governance sustainability dictated by the United Nations Global Compact and underlying based on the findings of the audit and ILO regulations) and from the Pirelli Policies "Health, Safety and Environment", "Global Human Rights", "Diversity, Equity &

Inclusion", and "Sustainable Natural Rubber Management". Since 2019, KPIs related to loss prevention issues have been added. For natural rubber suppliers, the on-site Audit checklist is enriched with additional and specific parameters, deriving from Pirelli's Policy for the Sustainable Management of Natural Rubber and in line with the expectations of the Global Platform for Sustainable Natural Rubber (a specific section is dedicated to the topic of Natural Rubber Sustainability below).

On the basis of audit findings, and where non-conformities are found, the supplier signs off a corrective action plan suggested by the independent auditor, to be implemented within specific deadlines. The actual return from non-compliance within the prescribed time limit is then verified through follow-up activities followed by the third-party auditor who reports to Pirelli. In the event of refusal by the Supplier to implement an action plan requested by Pirelli or failure to implement an agreed action plan, Pirelli may suspend with immediate effect the execution of the Contract and/or the Order, and/or terminate the contractual relationship. In 2025, no supplier contracts were terminated.

Pirelli has carried out a significant number of ESG audits of third parties over the years, showing its commitment to assessing and continuously monitoring suppliers in order to guarantee compliance with the environmental, social and governance standards.

Suppliers where non-conformities have been found have signed a remedial plan to be implemented within specific deadlines, which, as per the Procedure, entails follow-up by the third-party Auditor to evidence and confirm that remedial action has been taken.

The results of the on-site ESG Audit together with the additional evaluations carried out during the on-boarding of the supplier are integrated into the annual Vendor Rating process whereby a rating is given to the supplier that sums up ESG performance, the qualitative level of supplies, the quality of the commercial relationship and the technical-scientific collaboration.

Lastly, the Group Internal Audit department, as part of any audit activities relating to Pirelli's Sustainable Management Model, verifies the adequacy of the management and oversight of the ESG Audit process on suppliers by the relevant Pirelli affiliate functions.

POLICIES for sustainable supply chain management

Sustainable supply chain management is addressed in the "Health, Safety and Environment" Policy, the "Global Human Rights" Policy, the "Quality" Policy, the "Product stewardship" Policy, the "Sustainable Natural Rubber Management" Policy, the "Green Sourcing" Policy, the "Social Responsibility for Occupational Health, Safety and Rights, and Environment" Policy, published in several languages on the Company's website so that they are fully accessible to the general public. The Policies are in turn the source of the details of what Pirelli requires of its Suppliers, expressed in the Pirelli Suppliers' Code of Conduct, also published on the Company's website, both among the Policies and in the "Suppliers Area".

For further information regarding the Group's Policies, please refer to the paragraph "*Main policies for the management of material IROs*" within the chapter "General information".

The Supplier Code of Conduct is an integral part of relations between Pirelli and its suppliers. In light of the documents mentioned, with reference to the specific social and environmental issues addressed by the individual Policies, Pirelli undertakes to establish and maintain the procedures necessary to evaluate and select its suppliers on the basis of their level of social and environmental responsibility, and to require them to implement a similar management model in order to extend responsible management in the supply chain as far as possible to its origin. [MDR-P 65a]

Purchasing policies and practices are subject to monitoring to ensure alignment with the Supplier Code of Conduct and to prevent any conflicts with ESG expectations and objectives.

TARGETS in Supply chain sustainable management

As outlined in the General Information section, Pirelli operates according to a local-for-local supply approach, which is consistently applied across the Group.

The "Increasing local-for-local sourcing" commitment, included in the Industrial Plan, reflects the Group's commitment to strengthening local sourcing in the various operative areas, in line with the commitment to optimise supply chain management.

This objective is implemented through the execution of the specific strategy of each goods category and the activities vary according to the specificities of the individual goods categories and local needs.

This approach allows Pirelli to adapt its strategies to the characteristics of the reference markets, guaranteeing flexibility and greater effectiveness in pursuing the commitment to local sourcing.

In addition, as part of the management of its relationships with suppliers, in updating its Strategic Plan in March 2024 Pirelli defined an ESG assessment target (including human and labour rights) for suppliers identified as presenting a potentially medium or high ESG risk, based on the findings of the annual ESG risk assessment and the materiality of supplier spend. The rationale of the target is to progressively reduce potential high and medium risks to a low current risk level through targeted assessments and any corrective measures implemented as a result of such assessments. The supplier base subject to assessment is updated each year in line with the findings of the most recent annual ESG risk assessment of the supply chain and is combined with a Group-level materiality threshold for procurement spend (set at 1 million euros in 2025).

The 2025 target, already presented in the chapter 'Workers in the Value Chain", provided that 96% of total spending relating to suppliers identified as material in terms of spending and classified as medium-high potential ESG risk be subject to an ESG assessment. Pirelli significantly exceeded the target it had set, reaching coverage of 98.4%, an increase of 5 percentage points compared with the previous year, for suppliers at high potential ESG risk and of 96.4% (versus 86% in 2024) for those

at medium potential ESG risk. This percentage is expected reach 100% by 2027. The supplier base considered in 2024 derived from the risk assessment conducted at the end of 2023, while the supplier base used in 2025 derived from the risk assessment conducted at the end of 2024. The same approach will be followed in the coming years.

The target was developed to identify and mitigate the risk of violations of the provisions set out in the Supplier Code of Conduct regarding Human Rights and Labour across Pirelli's supply chain. This is achieved through a specific evaluation system, based on tools such as EcoVadis Rating or on-site audits.

Monitoring and assessment are carried out in close collaboration by the company Sustainability and Purchasing Departments in order to guarantee strategic and operative alignment.

ACTIONS related to Supply chain sustainable management

ESG Risk Assessment

In 2025, continuing on from what has been done during previous years, Pirelli carried out a systematic research desk of negative supplier ESG impacts and their corporate relevance, considering the data sources available, like ESG risks per country, sector or commodity, the expense, the company relevance, etc., updating the potential and actual risk assessment associated with the whole chain (12.510 tier-1) and further strengthening the due diligence process and underlying risk-based model for the management of ESG aspects. Thanks to the implementation of the Ecovadis IQ+ package, which allows for systematic desk research to be carried out of the potential risk of negative ESG impacts of suppliers and their commercial relevance, overseen by the Purchasing, Enterprise Risk Management, Compliance and Sustainability Departments, Pirelli has assessed the potential risk associated with the chain and each supplier, according to the following 3 risk factors:

- The supplier's sustainability risk is assessed based on four categories, divided into the following 21 criteria: Environment (Energy consumption and greenhouse gas; water, biodiversity; atmospheric pollution; materials, chemical substances and waste; use of products; product end of life; customer health and safety; environmental services and advocacy), Human and labour rights (Health and social; human rights; child labour, forced labour and human trafficking; diversity, equity and inclusion; human rights of external stakeholders; health and safety of employees; working conditions; social dialogue; management of careers and training), Ethics (anti-competitive practices; responsible information management) and Sustainable Management of the supplier's own supply chain (social and environmental practices). For each of these items, the sector risk is measured, according to the materiality analysis carried out by Ecovadis and the statistical analysis of average performance achieved by industry players, and the country risk, measured according to internationally recognised indices;

- Procurement Risk: determined by the level of expense and/or criticality of the partners;

- Scan Risk: verification from public sources of the presence of reports, certifications and policies and assessment on the basis of the validity period and type of document.

The assessment was carried out in line with the Group's Enterprise Risk Management (ERM) model and applies a risk scale from 1 to 4 (where 1 = low risk, 2 = medium risk, 3 = high risk and 4 = very high risk).

Thanks to this analysis, it has been possible to identify the geographic areas and production categories most exposed to risk of violation of the provisions of the Suppliers' Code of Conduct. The assessment made it possible to identify the suppliers that required priority intervention by implementing the most appropriate mitigation and prevention actions.

The results of the analysis indicate that, in general, the category with the highest concentration of potential risk is the Sustainable Management of the supplier's own supply chain, which is also characterised by a uniform risk distribution across different geographical areas. The countries with the highest incidence of suppliers associated with a high/medium-high risk of ESG violations are, instead, mainly concentrated in the regions of MEAI, LATAM and APAC; while in the regions of Europe and North America, as a rule the potential risk was found to be medium. The goods categories with the highest incidence of potentially high/very high risk suppliers are energy, auxiliary materials, indirect, R&D, moulds & off-take and raw materials.

An analysis of the non-conformities revealed by the audits of the last four years shows that the actual risk level of the company's suppliers is significantly lower even in regions with medium-high potential risk, such as MEAI and LATAM, whilst it remains high in APAC.

The Risk Assessment performed will make it possible in 2025 to further strengthen the mitigation and prevention actions adopted with the aim of prioritising verification, monitoring, awareness-raising and training actions to intervene in an increasingly targeted manner on suppliers that might not be in line with Pirelli's provisions, and required in the Suppliers' Code of Conduct, thus reinforcing the Due Diligence process already implemented.

In 2025, on-site audits involved Pirelli suppliers across all product categories operating in Brazil, China, Germany, Indonesia, Italy, Mexico, Thailand, South Africa, Turkey, the UK, and the US.

The results of the audits carried out during 2025 show that 19% (27% in 2024) of the audited suppliers were found to have no non-compliances. Suppliers where non-conformities (and Medium or High associated risk) have been found have signed a remedial plan to be implemented within specific deadlines, which, as per the Procedure, entails follow-up by the third-party Auditor to evidence and confirm that remedial action has been taken.

The results of the on-site ESG Audit together with the additional evaluations carried out during the on-boarding of the supplier are integrated into the annual Vendor Rating process whereby a rating is given to the supplier that sums up ESG performance, the qualitative level of supplies, the quality of the commercial relationship and the technical-scientific collaboration.

Supplier award

Every year Pirelli recognises the contribution of its best suppliers, putting sustainability, continuous innovation, quality, impeccable service and competitiveness at the heart of Pirelli Supplier Day.

The 2025 event was held at the company's headquarters in Milan, in the presence of the Executive Vice President and the Chief Executive Officer. It involved a selection of large, medium and small companies from all over the world, most of which were considered 'strategic suppliers'. The seven suppliers that distinguished themselves during the year in sustainability, quality, process and materials innovation, digital transformation, service level and performance were awarded by Pirelli's Chief Procurement Officer.

Supplier Day 2025 was also an opportunity to reiterate that the ability to innovate represents a central pillar of Pirelli's strategy. One example is the new P Zero, now in its fifth generation, designed using virtual development techniques and artificial intelligence.

Particular attention was drawn to Pirelli's commitment to sustainability, as demonstrated by the recent launch of the first tyre for the global market made with more than 70% bio-based and recycled materials, including FSC™ (Forest Stewardship Council™) certified natural rubber, developed in a version specifically for JLR (Jaguar Land Rover).

All plants are also working to improve energy efficiency by reducing energy consumption per unit produced through the electrification of production processes, and to reduce absolute CO_2 emissions by purchasing renewable electricity for 100% of the Group's sites or by using steam generated from renewable sources.

METRICS related to payment practices

Payment terms with Group suppliers are defined on the basis of various factors, including the nature of the contract, the relationship with the supplier and market conditions. Once the terms have been set, payments are made according to the agreed deadlines, thereby ensuring transparent and reliable financial management in order to guarantee a good relationship with counterparties and ensure continuity of supply.

With reference to the required disclosure on payment practices, it should be noted that the Group, in the absence of specific guidelines and considering the difficulty in obtaining all the necessary information, considered the invoices recorded in 2025 in the accounting systems through the Group's standard process of the main subsidiaries, including all production companies.

The average actual payment days, calculated as the difference between the payment date and the invoice date, was 91 (93 in 2024), while the average payment terms resulting from purchase orders based on negotiations with suppliers was 81. The data represents a weighted average over the value of the relevant invoices. It should be noted that the invoices considered are representative of the main goods and services purchased by the Group (purchases of raw materials, logistics services,

purchases of tangible fixed assets, indirect purchases and industrial services, such as maintenance and auxiliary materials).

Purchases recognised as above cover about 96% of the sum of purchases from third parties included in the cost items of the Profit and Loss Account and investments in the Group's consolidated financial statements as at 31 December 2025. It should also be noted that, in order to verify the consistency of the above-mentioned results on the sample described with respect to the overall cost population, DPO *(days of payment outstanding*) was calculated on the consolidated data by applying the formula as per market practice, obtaining a value substantially in line with the results deriving from the sample.

It is specified that, as at the date of this document, there are no significant pending legal proceedings due to payment delays to suppliers, in line with the previous year.

The Board of Directors

Milan, April 16, 2026

REPORT ON THE CORPORATE GOVERNANCE

AND SHARE OWNERSHIP OF PIRELLI & C. S.p.A.

PURSUANT TO ART. 123-*BIS* OF THE CONSOLIDATED LAW ON FINANCE (TUF)

(traditional model of Administration and Control)

(Report approved by the Board of Directors of Pirelli & C. S.p.A. on 16 April 2026 in relation to the year ended on 31 December 2025. The report is also available on the website www.pirelli.com)

GLOSSARY

Borsa Italiana: Borsa Italiana S.p.A.

Camfin: Camfin S.p.A., a company established under Italian law indirectly controlled by Marco Tronchetti Provera through MTP&C, with registered offices in Milan, Via Larga no. 2, Tax Code, VAT and Milan-Monza Brianza-Lodi Companies Register number 00795290154.

ChemChina: China National Chemical Corporation Limited, a company established under Chinese law, directly controlled by Sinochem Holdings, with its registered office in Beijing (People's Republic of China), No. 62 Beisihuan Xilu, Haidian District, registered with the Beijing Municipal Administration for Market Regulation under No.91110000710932515R.

CNRC: China National Tire & Rubber Corporation Ltd., a company established under Chinese law, directly controlled by ChemChina, with its registered office in Beijing (People's Republic of China), No. 62 Beisihuan Xilu, Haidian District, registered with the Beijing Municipal Administration for Market Regulation under No. 91110000100008069M.

Civil Code: the Italian Civil Code approved by Royal Decree no. 262 of 16 March 1942 (as subsequently amended and supplemented).

Corporate Governance Code: refers to the Corporate Governance Code of listed companies prepared and approved in January 2020 by the Corporate Governance Committee and effective from 1 January 2021.

Code of Ethics: the Group's Code of Ethics, of which the current version was most recently adopted in 2023 and which sets out the general principles (transparency, correctness and loyalty) that inspire the conduct and operation of the Group's business. The Code of Ethics is available on the Website.

Board of Statutory Auditors: the Board of Statutory Auditors of Pirelli.

Corporate Governance Committee: the Italian Corporate Governance Committee for listed companies, promoted by Borsa Italiana, as well as by ABI, Ania, Assogestioni, Assonime and Confindustria.

Board of Directors: the Board of Directors of Pirelli.

Consob: the National Commission for Companies and the Stock Exchange.

Report Date: indicates 16 April 2026, the date on which the Board of Directors approved this Report.

CSRD Decree: Italian Legislative Decree no. 125 of 06 September 2024, which incorporates and implements the CSRD Directive into the Italian system.

Golden Power Decree: Italian Decree-Law no. 21 of 15 March 2012, setting out rules governing special powers over corporate structures in the sectors of national security and defence and for

activities of strategic relevance in the sectors of energy, transport and communications, and converted into Italian Law no. 56 of 11 May 2012, as subsequently amended and supplemented.

CSRD Directive: Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, the "Corporate Sustainability Reporting Directive", adopted on sustainability reporting.

Key Managers: the persons identified in accordance with Art. 11.12 of the Bylaws, namely Pirelli's managers who, by virtue of the duties and powers assigned to them, directly or indirectly have the power and responsibility for planning, directing and controlling the Company's business and making decisions that can impact its evolution and future prospects.

Golden Power DPCM or the **Decision**: the Decree of the President of the Council of Ministers adopted following conclusion of the Golden Power Proceedings and notified to the Company on 16 June 2023, whereby the special powers were exercised in accordance with the Golden Power Decree.

2026 Golden Power DPCM: the Decree of the President of the Council of Ministers adopted following conclusion of the Golden Power Proceedings and notified to the Company on 10 April 2026, whereby the special powers were exercised in accordance with the Golden Power Decree.

Year: the financial year to which this Report relates, i.e. the year ending 31 December 2025.

ESRS: means the European Sustainability Reporting Standards adopted by the European Commission by means of delegated acts implementing the CSRD Directive.

Group: collectively Pirelli and its subsidiaries, as defined in art. 2359 of the Civil Code and art. 93 TUF.

Significant Matters: the matters pursuant to section 4.5.2 of the Report.

MPI Italy: Marco Polo International Italy S.r.l., a company established under Italian law indirectly controlled by Sinochem Holdings through ChemChina with registered offices at Piazzetta Umberto Giordano 4, Milan-Monza Brianza-Lodi, Tax Code, VAT and Milan Companies Register number 10449990968.

MTP&C: Marco Tronchetti Provera & C. S.p.A., a company established under Italian law directly controlled by Marco Tronchetti Provera, with registered offices at via Bicocca degli Arcimboldi 3, Milan, with Tax Code, VAT and Milan-Monza Brianza-Lodi Companies Register number 11963760159.

Supervisory Body: the supervisory body appointed by the Board of Directors in accordance with Italian Legislative Decree no. 231 of 08 June 2001.

Pirelli or the **Company**: Pirelli & C. S.p.A., a company established under Italian law with registered offices at viale Piero e Alberto Pirelli 25, Milan, with Tax Code, VAT and Milan-Monza Brianza-Lodi Companies Register number 00860340157.

Pirelli Tyre: Pirelli Tyre S.p.A., a company established under Italian law controlled by Pirelli, with registered offices at viale Piero e Alberto Pirelli 25, Milan, with Tax Code, VAT and Milan-Monza Brianza-Lodi Companies Register number 07211330159.

Pirelli International Treasury: Pirelli International Treasury S.p.A., a company established under Italian law, controlled by Pirelli with registered offices at viale Piero e Alberto Pirelli 25, Milan, with Tax code and Milan-Monza Brianza-Lodi Companies Register number 10523850963.

Golden Power Proceedings: the administrative proceedings established by the Golden Power Decree on 6 March 2023 following notification of the indirect shareholder of Pirelli CNRC, in connection with the Shareholders' Agreement Renewal and which concluded with the Company's notification of the Golden Power DPCM.

2026 Golden Power Proceedings: the administrative proceedings established by the Golden Power Decree following notifications of the shareholders Camfin and MTP&C, on 30 January 2026, and CNRC, on 3 February 2026, in connection with the non-renewal of the Shareholders' Agreement Renewal, which were subsequently consolidated into a single proceeding and which concluded with the Company's notification of the 2026 Golden Power DPCM.

Market Abuse Procedure: the procedure for the internal management and external communication of inside information in accordance with Regulation (EU) no. 596/2014 and last approved by the Board of Directors on 07 November 2024.

RPT Procedure: the procedure for related-party transactions approved by the Board of Directors on 09 May 2024 in accordance with the Related Parties Regulation.

Regulations of the Board: the Regulations, adopted by the Board of Directors on 3 August 2023, which govern the methods of organisation and internal functioning of the Board of Directors itself, in line with the recommendations of the Corporate Governance Code.

Issuers' Regulation: the Regulation approved by Consob resolution 11971/1999 (as amended and supplemented) on the subject of issuers.

Related Parties Regulation: the Regulation approved by Consob resolution 17221 dated 12 March 2010 (as amended and supplemented) on the subject of related-party transactions.

Report: this Report on the corporate governance and share ownership prepared pursuant to art. 123-*bis* TUF.

Remuneration Report: the report on the Remuneration Policy and compensation paid, approved by the Board of Directors on 16 April 2026, on the proposal of the Remuneration Committee, having

consulted with the Board of Statutory Auditors, drafted in accordance with Art. 123-*ter* of the TUF and Art. 84-*quater* of the Issuers' Regulation and published on the Website.

Consolidated Sustainability Reporting: indicates the reporting of sustainability-related information, as regulated by the CSRD Decree, contained in the directors' report on operations, included in the 2025 annual financial report published on the Website.

Shareholders' Agreement Renewal: the shareholders' agreement entered into on 16 May 2022 by ChemChina, CNRC, SPV HK 1, SPV Lux, MPI Italy, 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 Decision. The essential content of the Shareholders' Agreement Renewal, to which reference is made for further information, is available on the Website.

Sinochem Holdings: Sinochem Holdings Corporation Ltd., a Chinese state-owned enterprise or SOE, under the control of the State-owned Assets Supervision and Administrative Commission of the State Council (SASAC) of the People's Republic of China, with its registered office in Xiong'an New District (People's Republic of China), No. 001, Enterprise Headquarters Zone, Start-up Area of Xiongan New Area, Hebei Province, registered with the Bureau of Public Services of Xiongan New Area under No. 91133100MA0GBL5F38.

Website: the institutional website of Pirelli containing inter alia information about the Company, can be found at the Internet domain *www.pirelli.com*.

Auditing Firm: PricewaterhouseCoopers S.p.A.

SPV HK1: CNRC International Limited, limited company under Hong Kong law (People's Republic of China), indirectly controlled by Sinochem Holdings through ChemChina, with registered offices at 4611 46/F Office Tower Convention Plaza Wanchai G, Hong Kong (People's Republic of China), Hong Kong Companies Register number 2222516.

SPV Lux: Fourteen Sundew S.à r.l., a limited liability company (société à responsabilité limitée) under Luxembourg law, indirectly controlled by Sinochem Holdings through ChemChina, with registered offices at 15 Boulevard F.W. Raiffeisen 2411, Luxembourg (Grand Duchy of Luxembourg), with Luxembourg Companies and Commerce Register number B195.473.

Bylaws: the Bylaws of Pirelli & C., available on the Website.

TUF: Legislative decree 58 of 24 February 1998, as subsequently amended and integrated (the Consolidated Law on Finance).

Refer to the Consolidated Sustainability Reporting contained in the Directors' Report on Operations, included in the 2025 Annual Financial Report published on the Website, for information about Pirelli's corporate governance, in compliance with the requirements set forth by the ESRS standards.

PREAMBLE

The Report presents the corporate governance system adopted by the Company. This system is consistent with the principles and the recommendations contained in the Corporate Governance Code. Pirelli is aware that an efficient system of corporate governance is an essential element for achieving the objective of sustainable value creation.

The Report was examined on 14 April 2026 by the Audit, Risks and Corporate Governance Committee, which expressed a favourable opinion on it, and it was approved by the Board of Directors on 16 April 2026.

The information contained in the Report refers, unless otherwise expressly indicated, to the Financial Year.

1. COMPANY PROFILE

Pirelli, with its 29.7 thousand employees and revenues of around 6.8 billion euros in 2025, ranks among the principal global manufacturers of tyres and supplier of ancillary services, being the only operator in the sector exclusively specialised in the Consumer segment (tyres for cars, motorcycles and bicycles), with a globally-recognised brand. The Company has a distinctive positioning with regard to High Value tyres, as its tyres are manufactured to achieve the highest levels of performance, safety, quietness and road grip, with significant input from technology and/or customisation (i.e. ≥*18"*, Specialities, Super Specialities and Premium Motorcycle tyres). In addition, the Company currently holds a leadership position in the Car Prestige tyres segment, and in the radial segment of the motorcycle tyre replacement market. Pirelli is also a leader in Europe, China and Brazil in the Car ≥18" tyre market in the replacement channel. At the end of the financial year, Pirelli boasts geographically diversified production, with 18 production plants in 12 different countries and a commercial presence in more than 160 countries.

Furthermore, Pirelli continues to develop its CYBER™ technologies, which currently constitute an essential technology in the Group's innovation journey, embodying a new, fully integrated and pervasive technological paradigm across Pirelli's entire business model. By adopting cutting-edge technologies, the Group aims to preserve its technological leadership in the tyre sector.

To this end, following the conclusion of the Golden Power Proceedings and the 2026 Golden Power Proceeding, within the adoption, respectively, of the Decision and the 2026 Golden Power DPCM, the Council of Ministers also noted that, amongst other aspects, the CYBER™ technology for installation in the tyres constitutes an asset of strategic importance in accordance with and pursuant to the Golden Power Decree. The 2026 Golden Power DPCM, 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. The 2026 Golden Power DPCM also recognized that the Cyber Tyre technology 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.

For more details on the Decision, the 2026 Golden Power DPCM and the special government powers under the Golden Power Decree, see section 2.5 of the Report.

The Company has an organisational structure that reflects its business strategy and business model. For more details on Pirelli's organisational structure, refer to the Website.

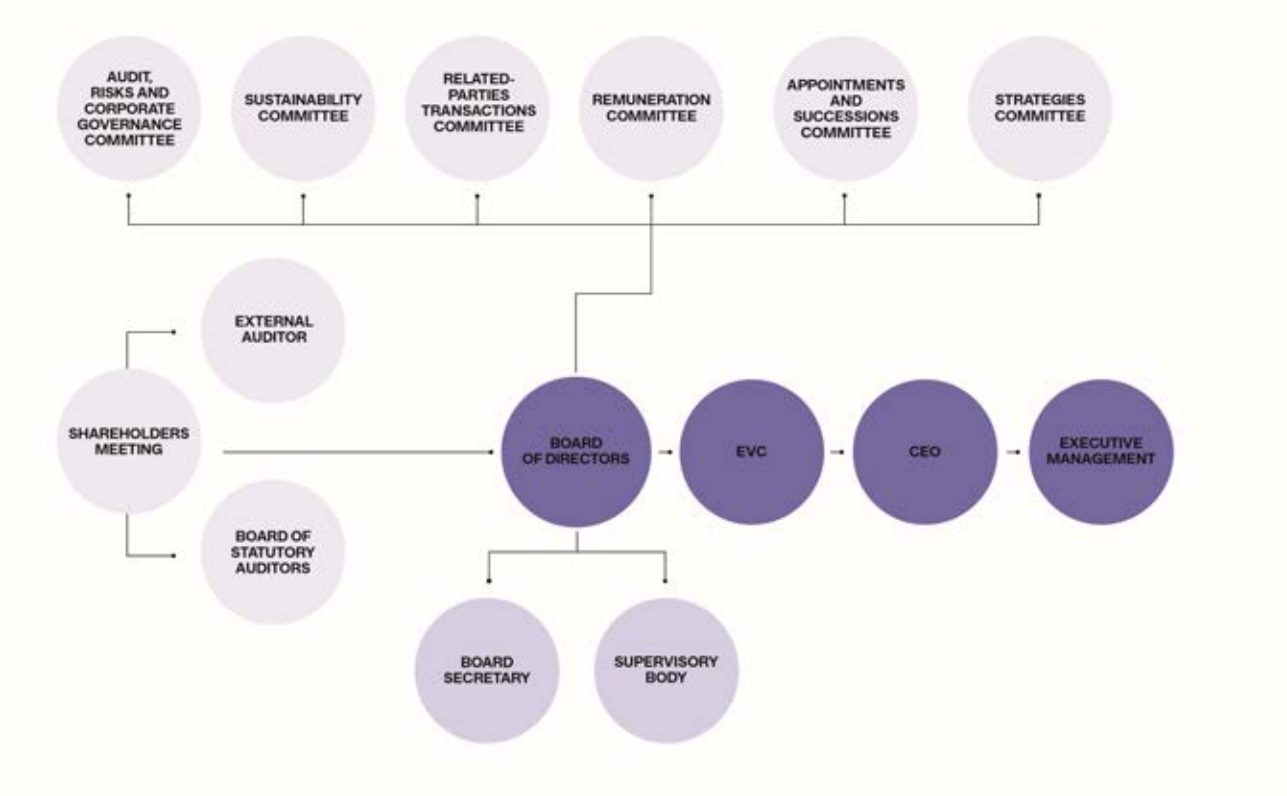
For the sake of completeness, it should be noted that, pursuant to the Corporate Governance Code, the Company falls within the definition of "concentrated ownership company" and "large company". Moreover, the Company did not use any flexibility options admitted by the Corporate Governance Code for such companies.

For more details on Pirelli's profile, also see the Website.

1.1 MODEL OF CORPORATE GOVERNANCE

Pirelli's governance structure, hinged on the very best international practices, as ruled by Art. 3.4 of the Bylaws, is structured according to the traditional model of administration and control.

The following diagram summarises the Company's current governance structure.



In compliance with the Corporate Governance Code and the Bylaws, the Board of Directors has established five board Committees appointed to offer support and specifically:

- Strategies Committee;
- Appointments and Successions Committee;
- Remuneration Committee;
- Sustainability Committee;
- Audit, Risks and Corporate Governance Committee.

The Board of Directors has also established the Related-Party Transactions Committee to carry out the duties required by regulations applicable to related-party transactions.

For further details on board Committees, see section 6 of the Report.

The external audit of the accounts is entrusted to PricewaterhouseCoopers S.p.A.[164], a registered auditing firm (see section 9.5 of the Report for further details). The Company's Governance Structure is completed by a Board of Statutory Auditors (made up of five standing and three alternate members) with the functions of supervising compliance with the law and Bylaws, respect for principles of correct administration and the adequacy of the organisational, administrative and accounting structure adopted by the Company (see section 11 of the Report for more details) and a Supervisory Body (made up of three members, of whom one is also a Standing Auditor) with the functions of supervising the operation of and compliance with the organisation, management and control model adopted pursuant to Italian Legislative Decree 231/2001 (see section 9.8 of the Report for further details).

In fulfilling its duties, the Board of Directors has defined the Group companies' corporate governance rules and system. Moreover, key managers and managers with sector and function expertise sit on the boards of directors of the subsidiaries in order to pursue the strategies and policies adopted by the Company.

1.2 SUSTAINABILITY IN PIRELLI

For Pirelli, sustainability is a factor that is integrated into the Group's growth strategies and business and, with this in mind, Pirelli is constantly committed to promoting, developing and implementing a sustainable business model for all its relevant stakeholders in all aspects of its business.

On the sustainability-related matters, the Board of Directors:

- draws up a sustainability plan which integrates the Company's strategic plans and monitoring of their implementation (for more details, see the Consolidated Sustainability Reporting);
- includes ESG indicators in its Remuneration Policy, consistent with the objectives included in the Company's strategic plans for measuring the management performance in its annual and medium/long-term remuneration plans (for more details see the Remuneration Report);
- identifies the Chief Executive Officer as the Director in charge of sustainability issues with the task of overseeing such matters (for more details see section 9.2 of the Report);
- establishes the Sustainability Committee offering support in analysing sustainability topics linked to the corporate business, to corporate social responsibility and the analysis of topics relevant to generating value in the long-term (for more details, see section 6.4 of the Report);

[164] Following the proposal of the Board of Statutory Auditors, the Shareholders' Meeting held on 28 May 2024 appointed KPMG S.p.A. to perform the statutory audit of Pirelli's accounts for the period 2026-2034, determining the relative fees.

- sets up the Audit, Risks and Corporate Governance Committee to support it in evaluating and making decisions in relation to the internal control and risk management system (for further details see section 9.3 of the Report);

- approves the double materiality assessment, which identifies the impacts, risks and opportunities ("**IROs**") that are material for the Group (for more details, see the Consolidated Sustainability Reporting);

- periodically assesses, on an ongoing basis, the risks associated with business activities so as to create long-term value for the benefit of shareholders (for more details see section 9 of the Report);

- adopts a specific policy for dialogue with shareholders and the main stakeholders in the financial market in which the Company operates (for more details see section 14.1 of the Report).

The Company's commitment to pursuing sustainable development is further confirmed by the establishing of specific policies and procedures adopted by Pirelli, as better detailed in the Consolidated Sustainability Reporting, to which reference is made for any additional information.

2. INFORMATION ON THE OWNERSHIP STRUCTURE

2.1 STRUCTURE OF SHARE CAPITAL

On the Report Date, the issued share capital of Pirelli amounts to Euro 2,065,650,608.36 fully paid, and is represented by 1,084,881,933 ordinary shares without nominal value. Each share grants the right to one vote. There are no other categories of shares.

It should be noted that, as disclosed to the market on 22 December 2025, during the Financial Year Pirelli's share capital 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 completion of the share capital increase was registered with the Companies Register on 23 January 2026.

It is further specified that the Company's bylaws do not provide for enhanced voting rights or for the issuance of shares carrying multiple voting rights.

2.2 SIGNIFICANT SHAREHOLDINGS OF CAPITAL

For information on the significant shareholdings of Pirelli's capital, refer to Table 1 annexed to this Report.

2.3 MANAGEMENT AND COORDINATION ACTIVITIES

The Golden Power DPCM and, most recently, the 2026 Golden Power DPCM have ruled that CNRC, the indirect parent company of MPI Italy, must specifically respect the commitment, *inter alia*, not to manage and coordinate Pirelli, as better detailed in section 2.5 of the Report. Conversely, Pirelli exercises direction and coordination of numerous subsidiaries, having made the relevant publication where necessary.

2.4 RESTRICTIONS ON THE TRANSFER OF SECURITIES: SECURITIES THAT CARRY SPECIAL RIGHTS; EMPLOYEE SHARE OWNERSHIP: THE MECHANISM FOR EXERCISING VOTING RIGHTS; RESTRICTIONS ON VOTING RIGHTS

The Bylaws do not impose any restrictions on the transferability of the shares issued by the Company nor do they envisage any limitations to possession of Company shares nor any need to obtain approval from the Company or other holders of securities.

No securities conferring special control rights have been issued, nor do the Company's bylaws provide for enhanced voting rights or for the issuance of shares carrying multiple voting rights.

With regard to the shares owned by employees, there are no specific procedures or restrictions governing the exercise of their voting rights.

There are no restrictions to shareholders' voting rights.

By adopting the 2026 Golden Power DPCM, the Council of Ministers has ordered the imposition of certain specific measures to MPI Italy and CNRC. In this regard, see paragraph 2.5 of the Report.

2.5 SPECIAL GOVERNMENT POWERS

The Golden Power Decree regulates the special powers that can be exercised by the President of the Council of Ministers in order to safeguard businesses and assets considered as strategic under the applicable legislation[165].

By adopting the Prime Ministerial Decree issued pursuant to the Golden Power regulation (the "Golden Power Decree"), the Council of Ministers had already determined that the Company held technologies of strategic relevance to the national interest, as identified in the Golden Power Law and its implementing regulations, and that the risks associated therewith required structural safeguards irrespective of the temporary nature of the renewal of the shareholders' agreement.

The Decision had envisaged, differently in respect of Pirelli and CNRC, the notifying party in the Golden Power Proceedings, a series of rules aiming to set up a network of measures that together act to protect Pirelli's autonomy and that of its management team, as well as the technologies and information of strategic relevance held by the Company.

In compliance with the measures, Pirelli had already equipped itself with a series of tools by which to protect the assets of strategic importance, including Strategic Industrial Security Clearance (NOSIS), which envisages limits to the accessibility of information and had already established an autonomous security organisational unit ("**Security Organisation**").

The Golden Power DPCM had also established that any change to Pirelli's corporate governance, including any failure to renew or to enter into the renewal of the Shareholders' Agreement, should be notified in accordance with the Golden Power Decree.

Finally, the Decision had envisaged that the implementation of the measures was monitored by the Ministry for Enterprises and Made in Italy ("**MIMIT**").

For more details on the provisions of the Golden Power DPCM, refer to the Company's press release issued on 18 June 2023 and to the Report on the Corporate Governance and Share Ownership for 2023 and 2024.

In compliance with Article 2 of the Golden Power Decree and with the requirements of the Prime Ministerial Decree on Golden Power, on 30 January 2026 the shareholders Camfin and MTP&C submitted to the Presidency of the Council of Ministers the notification required pursuant to the Golden Power Decree in relation to the decision, disclosed on 23 January 2026, not to renew the Shareholders' Agreement.

[165] The applicable legislation grants the Presidency of the Council of Ministers intervention powers should it deem that a serious threat to the public interests identified in the Golden Power Decree exists, assessed in light of the principles of proportionality, reasonableness, and non-discrimination. To this end, by decree of the President of the Council of Ministers: (a) a veto may be imposed on the adoption of shareholders' or board resolutions; (b) conditions and requirements may be imposed; (c) opposition to the acquisition of shareholdings may be expressed.

Subsequently, on 3 February 2026, the shareholder CNRC also submitted to the Presidency of the Council of Ministers the notification required under the Golden Power Decree, in relation to the non-renewal of the Shareholders' Agreement.

On 6 March 2026, the Presidency of the Council of Ministers informed the Company that it had ordered the consolidation of the proceedings.

Following the conclusion of the 2026 Golden Power Proceeding, the 2026 Golden Power DPCM 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, specifically, of articles 6 and 9 of the Prime Ministerial Decree of 18 December 2020, no. 179.

The 2026 Golden Power DPCM maintained that, in the absence of the Shareholders' Agreement Renewal, 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 Golden Power DPCM.

In detail, the 2026 Golden Power DPCM has ordered the imposition of the following specific measures to MPI Italy:

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 MPI Italy 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), MPI Italy will have the option of requesting a revision of the abovementioned measures.

The 2026 DPCM Golden Power 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 nonexhaustive 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, 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 decision will remain in force as long as the company MPI Italy 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 abovementioned 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 TUF, 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;

The 2026 Golden Power DPCM has also confirmed the measures regarding the Security Organization and, to that end, it is also prescribed to Pirelli 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 Security Organization; 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 of the 2026 Golden Power DPCM is subject to monitoring by the MIMIT. Pirelli is held to send to the MIMIT 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 2026 Golden Power DPCM 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 MIMIT 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.

2.6 SHAREHOLDERS' AGREEMENTS

With reference to the shareholders' agreements known to the Company in accordance with Art. 122 TUF, we note: the Shareholders' Agreement Renewal, which aims, amongst other aspects, to regulate Pirelli's governance, in line with the terms and conditions of the previous shareholders' agreement signed on 1 August 2019 between ChemChina, CNRC, SPV HK1, CNRC International Holding (HK) Limited, SPV Lux, MPI Italy, Silk Road Fund Co., Ltd. ("**SRF**"), MTP&C and Camfin, which had reached expiry of the three-year term on 28 April 2023 (the "**Shareholders' Agreement**"). The Shareholders' Agreement Renewal entered into force on 19 May 2023 (being the date of publication of the notice convening the Shareholders' Meeting of the Company called to approve the financial statements as at 31 December 2022) and has a term of three years.

On 23 January 2026, Camfin and MTP&C announced their decision not to further renew the Shareholders' Agreement Renewal, which will therefore come to its natural end on 18 May 2026.

For more details on the notifications submitted to the Presidency of the Council of Ministers, in accordance with the Golden Power Decree, following such decision, reference is made to section 2.5 of the Report.

For more information on the provisions contained in Shareholders' agreement Renewal, please refer to the relevant essential information available on the Site, pursuant to Article 122 of the TUF and Article 130 of the Issuers' Regulation.

It should also be noted that, as disclosed to the market on 07 November 2025 and, subsequently, on 02 March 2026, the shareholders' agreement entered into on 28 February 2023 by Brembo N.V. (formerly Brembo S.p.A.) ("**BNV**") and Next Investment S.r.l. ("**NI**"), together with their parent company Nuova FourB S.r.l. ("**NFB**" and, jointly with BNV and NI, the "**Party B**"), on the one hand, and Camfin, together with its parent company MTP&C, on the other hand, containing shareholders' arrangements relating to Pirelli, terminated with effect from 28 February 2026 following the notice dated 04 November 2025 by which Party B expressed its intention not to renew the aforementioned agreement.

2.7 CHANGE OF CONTROL CLAUSES

The most significant contracts containing clauses of this type, at the Report Date, are summarised below.

2.7.1 PT EVOLUZIONE TYRES JOINT VENTURE

On 24 April 2012, Pirelli Tyre and PT Astra Otoparts Tbk, an Indonesian company, signed a Joint Venture Agreement in relation to PT Evoluzione Tyres, an Indonesian company incorporated on 6 June 2012 and operating in the production of motorcycle tyres in the plant of Subang, West Java.

Pursuant to this contract, in the event of a change in the ownership structure of one of the shareholders that is deemed to be a change of control event, a put&call procedure could be activated that, in the extreme case, might lead to the acquisition by Pirelli Tyre of the entire equity investment held by PT Astra Otoparts tbk in PT Evoluzione Tyres, with the consequent termination of the joint venture agreement.

2.7.2 SUPPLY CONTRACT WITH BEKAERT

The Company, which sold the Steelcord Business Unit to Bekaert in 2014, also entered into with Bekaert, in view of the contractual specificities connected with the sale of the business unit, a steelcord supply contract, which envisaged a change of control clause, under which, amongst other aspects, Bekaert had the right to withdraw from the contract within 90 days of becoming aware of a situation in which a third party acquires control over Pirelli.

As of the Date of the Report, negotiations are underway for a new four-year steelcord supply contract with Bekaert, for the period 2026 - 2029, for which the inclusion of a similar clause is not envisaged.

2.7.3 EQUITY-LINKED BOND CALLED “EUR 500 MILLION SENIOR UNSECURED GUARANTEED EQUITY-LINKED BONDS DUE 2025”

On 22 December 2020, Pirelli completed the placement reserved for institutional investors of an equity-linked bond with a nominal amount of 500,000,000 euros, maturing on 22 December 2025, called “EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025” guaranteed by Pirelli Tyre. The bonds were admitted for trading on the Vienna MTF – a multilateral trading facility managed by the Vienna Stock Exchange.

The bonds, which were non-interest-bearing, were convertible into Pirelli ordinary shares. This followed the Shareholders’ Meeting of Pirelli held on 24 March 2021, which had approved a capital

increase with the exclusion of option rights pursuant to Article 2441, paragraph 5, of the Italian Civil Code, to be reserved exclusively for the purposes of the conversion of the aforementioned bonds.

The rules of the loan, as set out in the Regulations, provided, inter alia, that during the period specified therein, for the grant - at the option of each bondholder - upon the occurrence of qualified change of control events affecting the Company (so-called change of control) or in the event that the free float of the Company's ordinary shares (calculated as specified in the Regulations) fell below a pre-set threshold and remained below such threshold for a certain number of trading days from the first day on which it fell below that threshold (so called free float event), alternatively: (i) the right to request early reimbursement at the bonds' nominal value, by exercising a put option; or (ii) acknowledgement of a new conversion price (if applicable even regulated based on the so-called cash settlement amount mechanism), lower than the original and based on the time between the event and the maturity of the bonds; all in accordance with the terms and conditions set out in the Regulations.

In particular, a change of control could only be triggered (except in specific cases permitted under the Regulation) if any entity, other than ChemChina, Sinochem Group Co., Ltd ("**Sinochem Group**"), SRF, Camfin, MTP&C (or any other company controlled by Mr Marco Tronchetti Provera or his family members), their respective subsidiaries and/or any person or persons acting in concert with any of them, were to acquire an absolute majority of the shares carrying voting rights following a public offer to the shareholders and, as a result, hold or control an absolute majority of the voting rights exercisable at Pirelli's Shareholders' Meeting; or if any person, or persons acting in concert, other than ChemChina, Sinochem Group, SRF, Camfin, MTP&C (or any other company controlled by Mr Marco Tronchetti Provera or his family members), their respective subsidiaries and/or any person or persons acting in concert with them, were to hold or control an absolute majority of the voting rights exercisable at Pirelli's Shareholders' Meeting.

For the avoidance of doubt, the Regulation provided that no change of control would be deemed to occur in the event that Camfin, MTP&C (or any other company controlled by Mr Marco Tronchetti Provera or one or more of his family members) participated, directly or indirectly, in the control of Pirelli or had the right, directly or indirectly, whether individually or acting in concert with one or more persons, to appoint the Chief Executive Officer of Pirelli.

Following the exercise of the conversion option – between 9 December 2025 and 17 December 2025, at a price of 5.8493 euros per share (including share premium) – by the holders of the bond issue "EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025", partial execution was given to the capital increase resolution adopted by the Shareholders' Meeting of Pirelli on 24 March 2021. The capital increase was executed for a nominal amount of 161,275,672.70 euros, through the subscription and issuance of 84,881,933 ordinary shares without nominal value. The residual bonds for which conversion was not requested, totalling 3,500,000 euros, were repaid at maturity by Pirelli on 22 December 2025.

2.7.4 CLUB DEAL EUR 1,6 BLN ESG 2022 5Y

On 11 November 2021, the Board of Directors authorised Pirelli and Pirelli International Treasury to enter into a new medium/long-term unsecured variable-rate loan, divided into two credit lines guaranteed by Pirelli Tyre: one 'Term' (for 600 million euros) and two 'Revolving' (for a total of 1,000 million euros), based on predetermined economic and environmental sustainability objectives, for a total amount no greater than 1.6 billion euros, with a pool of lending banks.

This contract - signed with 16 national and international lending banks in February 2022 - provided, *inter alia*, that Pirelli and Pirelli International Treasury would be required to repay in advance the portion of the loan made available by each lender should certain events occur, including a change in Pirelli's control structure.

In particular, a change of control could only be triggered (subject to the occurrence of specific permitted cases under the loan agreement) if any person, other than ChemChina, Sinochem Group, Sinochem Holdings, SRF, Camfin, MTP&C (or any other company controlled by Mr Marco Tronchetti Provera or his family members), their respective subsidiaries and/or any person or persons acting in concert with any of them, were to become, in aggregate, the holder(s) of more than 50 per cent. of the voting rights attaching to the Company's shares.

For clarification, the loan contract established that there would be no change of control if Camfin, MTP&C (or any other company controlled by Marco Tronchetti Provera or by one or more of his family members) should participate, directly or indirectly, in the control of Pirelli, or be entitled, directly or indirectly, individually or in concert with one or more parties, to designate the CEO of Pirelli.

In January 2026, the Term facility was fully repaid in advance and the Revolving facilities were fully cancelled in advance.

2.7.5 EMTN PROGRAMME AND NOTES ISSUED IN 2023

On 23 February 2022, the Board of Directors, in the context of the Company's refinancing strategy, approved an EMTN (Euro Medium Term Note) programme for the issue of non-convertible, senior unsecured bonds for a maximum value of 2 billion euros ("**EMTN Programme**"). In the context of the EMTN Programme, the Board of Directors authorised the issue of one or more bonds - to be carried out within 12 months of finalisation of the documentation - to be placed with institutional investors by May 2023, for a maximum total amount of up to 1 billion euros. The newly issued securities may be listed on one or more regulated markets and guaranteed by Pirelli Tyre.

On 11 January 2023, in the context of the EMTN Programme, Pirelli started and successfully completed the placement of its first sustainability-linked bond with international institutional investors, for a total nominal amount of 600 million euros.

Pursuant to the EMTN Programme, bondholders will have the right to request early repayment of securities (the so-called “Put option”) in the event of a Change of Control, under the same terms and conditions provided for in the Club Deal Eur 1.6 bln ESG 2022 5y, as per section 2.7.4.

2.7.6 EMTN PROGRAMME UPDATE AND NOTES ISSUED IN 2024

On 11 May 2023, amongst others the Board of Directors approved the update and amendment of the EMTN Programme pursuant to section 2.7.5. The Board of Directors has also authorised the issue, to be executed within 12 months of the date of approval of the annual update by the competent authority (this took place on 30 January 2024), of one or more bond issues, to be placed with institutional investors, for a maximum total amount of up to 1 billion euros. The new issues may be settled in accordance with English or Italian law and the securities can be listed on one or more regulated markets and will be guaranteed by Pirelli Tyre.

On 25 June 2024, in the context of the updated EMTN Programme, Pirelli started and successfully completed the placement of another sustainability-linked bond with institutional investors, for a total nominal amount of 600 million euros.

Pursuant to the updated EMTN Programme, bondholders will have the right to request early repayment of securities (the so-called “Put option”) in the event of a Change of Control under the same terms and conditions provided for in the RCF EUR 500 MLN 2023 4Y pursuant to section 2.7.8.

2.7.7 BILATERAL FACILITY EUR 300 MLN ESG 2023 2.5Y

On 11 May 2023, Pirelli’s Board of Directors approved the subscription of a bilateral loan for a maximum amount of 400 million euros, maturing in February 2026.

This loan agreement - signed on 30 June 2023 for an amount of 300 million euros - stated, *inter alia*, that the facility could be cancelled and that Pirelli would be required to repay the relevant drawdowns upon the occurrence of certain events, including a change in Pirelli’s control structure, under terms and conditions consistent with those provided for in the Club Deal Eur 1,6 bln ESG 2022 5y, referred to in section 2.7.4.

The loan was paid back in full and in advance in several instalments, of which the last was paid in December 2025.

2.7.8 EUR 500 MILLION 4Y RCF (2023)

On 9 November 2023, Pirelli's Board of Directors approved the signing of a revolving committed credit facility with a select pool of international banks, for an amount of 500 million euros, maturing in 4 years.

The agreement, signed on 21 December 2023, was subsequently amended in May 2024 to bring the credit facility into line with the new, more challenging science-based target the Company set itself as part of the 2024-2025 Industrial Plan Update.

The loan agreement provided, *inter alia*, that the facility could be cancelled and that Pirelli would be required to repay any drawdowns made against it should certain events occur, including changes in Pirelli's control structure.

In particular, a change of control could only be triggered (subject to the occurrence of specific permitted cases under the financing agreement) if any person, other than Camfin (or any other company controlled by Mr Marco Tronchetti Provera or his family members), their respective subsidiaries and/or any person or persons acting in concert with any of them, were to become the holder of, or acquire control over, in aggregate, more than 50 per cent. of the voting rights attaching to the Company's shares.

For clarification, the loan contract established that there would be no change of control if Camfin (or any other company controlled by Marco Tronchetti Provera or by one or more of his family members) should participate, directly or indirectly, in the control of Pirelli, or be entitled, directly or indirectly, individually or in concert with one or more parties, to designate the CEO of Pirelli.

In January 2026, the facility was fully cancelled in advance.

2.7.9 EUR 600 MLN 4Y TERM LOAN CREDIT FACILITY

On 6 March 2024, Pirelli's Board of Directors approved the signing of a term loan credit facility with a select pool of international banks, for an amount of 600 million euros, maturing in October 2028.

The new facility, stipulated on 22 March 2024, is brought into line with the new, more challenging objectives, subject to the Science-Based Target initiative (SBTi), which Pirelli established in the 2024-2025 Industrial Plan Update.

This loan agreement also envisages, *inter alia*, possible early repayment if certain events should occur, including certain types of change of control in line with those agreed in the context of the RCF EUR 500 MLN 2023 4Y and the updated EMTN Programme, as respectively discussed in sections 2.7.8 and 2.7.6.

2.7.10 LOAN EUR 2.1 BLN ESG 2026 5Y

On 6 November 2025, the Board of Directors approved the execution by Pirelli and Pirelli International Treasury of a new unsecured five-year floating-rate financing, structured in three facilities and guaranteed by Pirelli Tyre, namely one Term facility (for 600 million euros) and two Revolving facilities (for an aggregate amount of 1.5 billion euros), linked to predefined sustainability targets, for a total amount not exceeding 2.1 billion euros, with a pool of lending banks.

On 23 January 2026, the relevant financing agreement was entered into with a pool of leading national and international banks. The agreement provides, *inter alia*, possible early repayment if certain events should occur, including certain types of change of control in line with those agreed in the context of the RCF EUR 500 MLN 2023 4Y and the updated EMTN Programme, as respectively discussed in sections 2.7.8 and 2.7.6.

* * *

For the sake of completeness, it should be noted that, in addition to the foregoing, as is customary, some companies in the Pirelli Group have entered into contracts in the commercial sector (including contracts for the purchase of goods and services and contracts for the sale of products) that provide for a change of control clause concerning the interest held, directly or indirectly, by Pirelli in them. This clause would therefore only apply if the Pirelli Group company left the Group. It should also be noted that, under the terms of certain local loans, any change of control of Pirelli could potentially trigger, in the absence of appropriate liability management initiatives, the early repayment of the respective amount disbursed locally and – in certain remote circumstances – may have a “cascading” effect on the central loan agreements, entailing the requirement to make early repayment of the respective amounts disbursed at Group level by virtue of the usual cross default/acceleration clauses provided therein. With respect to such scenarios, the Group maintains available committed lines, in the amount of 1.5 billion euros, sufficient to meet any liability management needs.

2.8 CLAUSES IN THE BYLAWS ABOUT PUBLIC OFFERS

The Bylaws do not envisage, in the event of a public takeover bid or exchange regarding Pirelli securities, any derogations from the provisions governing the passivity rule envisaged by Art. 104, paragraphs 1 and 1-*bis* of the TUF, nor the application of the rule of neutralisation set forth in Art. 104-*bis*, paragraphs 2 and 3 of the TUF.

By adopting the 2026 Golden Power DPCM, the Council of Ministers has ordered the imposition of certain specific measures to MPI Italy and CNRC. In this regard, see paragraph 2.5 of the Report.

2.9 MANDATE TO INCREASE SHARE CAPITAL AND AUTHORISATIONS TO PURCHASE OWN SHARES

At the Date of the Report: (i) no mandates have been granted to the Directors to increase the share capital pursuant to Article 2443 of the Italian Civil Code; (ii) no authority has been granted to issue equity-based financial instruments, and (iii) the Shareholders' Meeting of the Company has not authorised any purchase of treasury shares pursuant to Articles 2357 et seq. of the Italian Civil Code.

During the Financial Year, the capital increase was partly executed, as resolved by Pirelli's Shareholders' Meeting on 24 March 2021, to serve the conversion of the bond loan issued by the Company named "EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025", which matured on 22 December 2025. Refer to section 2.1 and 2.7.3 of the Report for more details.

3. COMPLIANCE

Pirelli adheres to the Corporate Governance Code, published on 31 January 2020 and in force since 1 January 2021, which is available to the public on the website of the Corporate Governance Committee, at the following link: https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020eng.en.pdf.

The Company also took into account in the Report the collection of useful Q&As for the application of the Corporate Governance Code; these were published by the Corporate Governance Committee on 4 November 2020.

The corporate governance system implemented by the Company is compliant with the principles and recommendations of the Corporate Governance Code, as was also seen during the financial year, in which the Company, with the support of the Audit, Risks and Corporate Governance Committee, examined and constantly monitored the contents of the Corporate Governance Code itself.

According to the "comply or explain" principle envisaged by the Code of Corporate Governance, the Report provides an account of the recommendations the Company has, presently, decided that there is no need to fully or partially follow.

The Report is also drafted on the basis of the specific format originally proposed by Borsa Italiana and which is now updated by the Corporate Governance Committee Technical Secretariat with the coordination of Borsa Italiana.

Pirelli operates in various countries and is therefore subject, in the different jurisdictions in which it operates, to the applicable national and international laws and technical standards governing the products it manufactures and/or markets. The adoption, implementation or entry into force of restrictive or adverse regulatory measures, or the imposition of compliance obligations or additional

requirements connected with the conduct of the business, could affect the Company's corporate governance structure.

For further details, please refer to the directors' report on operations at 31 December 2025, within the 2025 annual financial report.

4. BOARD OF DIRECTORS

4.1 ROLE OF THE BOARD OF DIRECTORS

In accordance with art. 11 of the Bylaws, the Board of Directors manages and supervises the overall business activity, pursuing its sustainable success, and to this end is assigned powers of administration, except those that the law or Bylaws assign to the Shareholders' Meeting and without prejudice to the prerogatives granted to the Executive Vice Chairman and Chief Executive Officer, also taking into account the provisions of the Golden Power DPCM.

For more details on the prerogatives granted to the Executive Vice Chairman and Chief Executive Officer, also with regard to outlining the Company and Group's strategies and monitoring their implementation, reference is made to sections 4.5.1 and 4.5.2 of the Report.

For a detailed explanation of the role of the Board of Directors in the management of sustainability matters in accordance with the CSRD Decree and ESRSs, refer to the Consolidated Sustainability Reporting.

4.2 APPOINTMENT AND REPLACEMENT OF DIRECTORS

The provisions contained in the Bylaws, to which reference is made for more details, regarding the appointment and replacement of Pirelli's directors are summarised below.

Appointment: 31 July 2023 Expiration date: 2025 Financial Statement approval **Directors**: 15 **Executive director**: 2 **Independent Directors**: 9	**Board committees**: 6 Strategies Committee - Related Parties Transactions Committee - Sustainability Committee - Appointments and Successions Committee - Remuneration Committee - Audit, Risks and Corporate Governance Committee

4.2.1 APPOINTMENT AND REPLACEMENT

Pursuant to art. 10 of the Bylaws, the Company is managed by a Board of Directors made up of a maximum of fifteen members, who remain in office for three years and who may be re-elected.

The Board of Directors is appointed on the basis of slates presented by the shareholders, taking into account, *inter alia*, the provisions of the 2026 Golden Power DPCM, in which the candidates are listed by consecutive number. The Bylaws do not allow the outgoing Board of Directors to submit a slate for the appointment of directors.

The slates presented by shareholders, signed by those submitting them, must be filed at the registered offices of the Company at least twenty-five days prior to the date fixed for the Shareholders' Meeting called to resolve in that regard. These slates are made available to the public at the registered offices, on the Website and in other ways prescribed by Consob regulation, at least twenty-one days prior to the date of the Meeting.

Each shareholder may present or take part in the presentation of only one slate and each candidate may appear on only one slate on penalty of losing the right to be elected.

The Bylaws acknowledge that shareholders are only entitled to present slates if, alone or together with other shareholders, they own shares in total representing at least 1% of the share capital entitled to vote at an Ordinary Meeting, or any lower amount specified in the applicable regulations, with the obligation to evidence their ownership of the number of shares needed for the presentation of slates within the deadline envisaged for the publication of such slates by the Company.

Each slate filed must be accompanied by acceptances of nomination and declarations from each candidate confirming, under their own responsibility, that there are no reasons that would make them ineligible for or incompatible with the role, and that they satisfy any requirements established for the role concerned. Together with such statements, a *curriculum vitae* must be filed for each candidate, including their relevant personal and professional data and mentioning the offices held in management and supervisory bodies of other companies and their satisfaction of the requisites of independence prescribed for directors of listed companies by the law or by the governance code endorsed by the Company. In order to ensure gender balance, slates that contain three candidates must include candidates of different genders, whilst slates containing a number of candidates equal to or higher than four must contain a number of candidates of different gender at least matching the minimum laid down in current regulations, in accordance with the content of the notice of the Shareholders' Meeting. Any changes arising prior to the actual date of the Meeting must be promptly notified to the Company.

Any slates presented that do not comply with the above bylaw provisions and the laws and/or regulations in force at the time will be treated as if not presented.

Each party entitled to vote may only vote for one slate.

The Board of Directors is appointed as follows:

a) four-fifths of the directors to be elected are drawn from the slate that obtains the majority of the votes expressed by the shareholders, rounded down to the nearest whole number in the case of a fractional number;

b) the remaining directors are drawn from the other slates, using the quotient method described in the Bylaws.

If more than one candidate obtains the same quotient, the candidate from the slate that has not yet elected a director or that has elected the lowest number of directors is elected.

If none of those slates has elected a director yet or all of them have elected the same number of directors, the candidate elected will be drawn from the slate that obtains the largest number of votes. In the event of a voting tie, again with more than one candidate obtaining the same quotient, the Shareholders' Meeting will vote again and the candidate who receives the largest number of votes will be elected.

If only one slate is presented, all the directors will be elected from that slate.

Should application of the slate voting mechanism not ensure the minimum number of directors belonging to the less represented gender set out by applicable law, the candidate belonging to the most represented gender and elected, indicated in the slate that obtained the largest number of votes, shall be replaced by the first candidate belonging to the less represented gender not already elected, drawn from that slate pursuant to the sequential order of presentation and so on, for each slate (solely for slates that contain three or more candidates) until the minimum number of directors belonging to the less represented gender has been obtained. If the above procedure does not ensure the result specified above, the replacement shall be made by resolution of the Shareholders' Meeting, adopted by the relative majority of the votes expressed, following presentation of the candidacies of persons belonging to the less represented gender.

Should application of the slate voting mechanism not obtain the minimum number of independent directors envisaged by applicable law, the non-independent candidate elected indicated with the highest progressive number in the slate that obtained the largest number of votes shall be replaced by the first independent candidate not already elected from that slate following the sequential order of presentation, and so on for each slate until the minimum number of independent directors has been obtained, in all cases in compliance with the applicable law governing gender balance.

In the event a Director ceases to comply with the independence requirements, this does not cause his/her ceasing to be a Director provided that the Directors in office complying with legal independence requirements are a number at least equal to the minimum number requested by laws and/or regulations.

For the appointment of directors who, for any reason, were not appointed in accordance with the slate voting mechanism, the Shareholders' Meeting shall adopt resolutions with the majorities required by law, without prejudice in all cases to compliance with the independence and gender balance requirements.

Should one or more directors cease to hold office during the financial year, they shall be replaced pursuant to art. 2386 of the Civil Code, without prejudice in any event to respect for the legislation on gender balance and the independence of the directors as well as any other *pro-tempore* regulations currently in force. Whenever the majority of the members of the Board of Directors

elected by the Shareholders' Meeting leaves office for any cause or reason whatsoever, the remaining Directors will be deemed to have resigned and their resignation will become effective the moment a shareholders' meeting convened on an urgent basis elects a new Board of Directors.

For information on the role of the Board of Directors and Committees in the board evaluation process and the appointment and replacement of directors, refer to sections 4.4.2 and 7 of the Report.

4.3 COMPOSITION

The Board of Directors in office at the Report Date was appointed by the Pirelli Shareholders' Meeting held on 31 July 2023. Its term of office will end with the approval of the financial statements as at 31 December 2025.

As of the Report Date, the Board of Directors is composed of 15 Directors, namely:

- Jiao Jian (Chairman), Marco Tronchetti Provera (Executive Vice Chairman), Andrea Casaluci (Chief Executive Officer), Chen Aihua, Zhang Haitao, Chen Qian, Alberto Bradanini, Michele Carpinelli, Domenico De Sole, Fan Xiaohua, Marisa Pappalardo and Grace Tang were appointed based on the slate submitted by MPI Italy, also on behalf of Camfin, which obtained approximately 84% of the share capital votes represented at the Shareholders' Meeting. Four directors specified on such slate, including the Chief Executive Officer, were designated by Camfin pursuant to the Golden Power DPCM, specifically: Marco Tronchetti Provera (Executive Vice Chairman), Andrea Casaluci (Chief Executive Officer), Domenico De Sole and Michele Carpinelli;

- Directors Giovanni Lo Storto, Roberto Diacetti and Paola Boromei were appointed based on a slate submitted by a group of asset management companies and institutional investors that gained approximately 16% of the share capital votes represented at the Shareholders' Meeting.

At the Report Date, 40% of the members of the Board of Directors in office were female[166] and the remaining 60% were male. Moreover, approximately 7% are under the age of 50. The average age of the members of the Board of Directors is approximately 61 years of age and the average age of the female members is approximately 56 years of age. The Directors' average time in office as at 31 December 2025 was approximately six years. The board of directors is comprised of executive and non-executive directors. All directors ensure professional skills and competence that are appropriate to their tasks.

[166] The representation requirement for the least represented gender in the corporate bodies of listed companies in force at the date on which the Board of Directors of Pirelli in office at the Report Date was appointed, is at least two fifths of the least represented gender, in accordance with Art. 147-*ter*, paragraph 1-*ter*, of the TUF, as most recently amended by Art. 1, paragraph 302 of Italian Law no. 160 of 27 December 2019.

At the Report Date, the majority of the members of the Board of Directors in office are independent directors, ensuring that they have significant weight in the adoption of board resolutions and guaranteeing effective monitoring of operations.

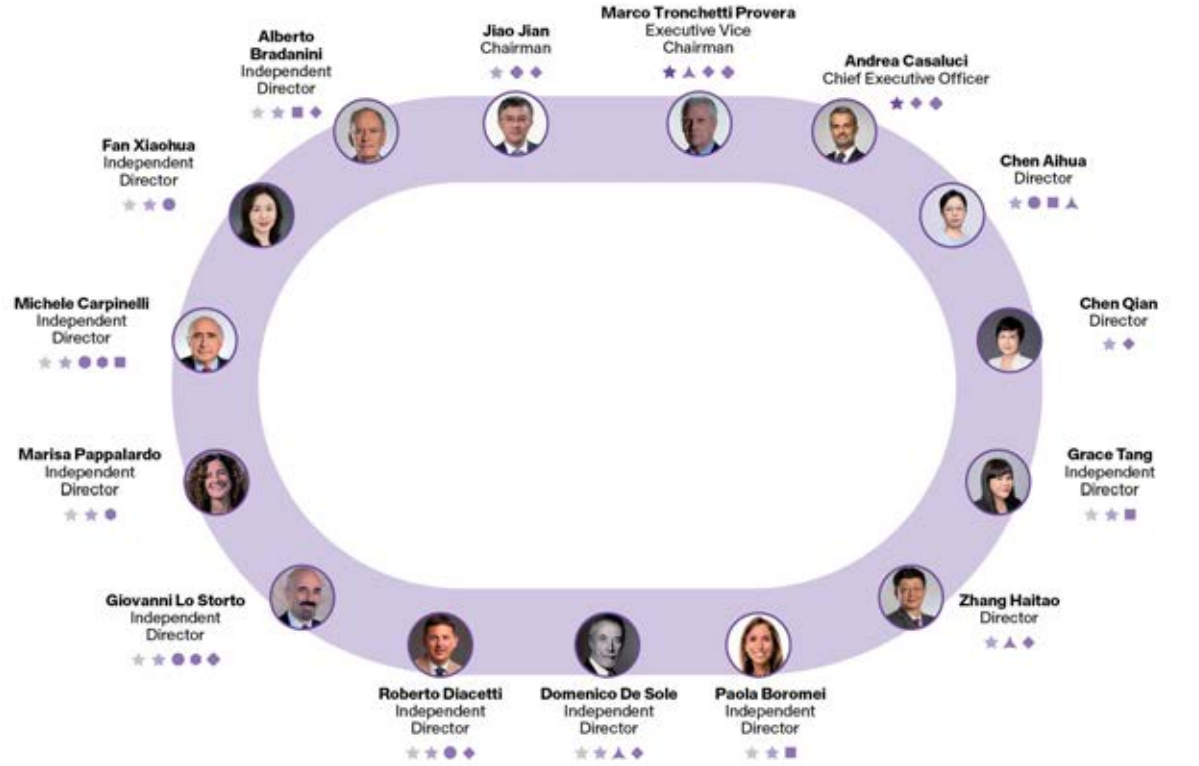
For more details on the composition and diversity of the Board of Directors in accordance with the CSRD Decree and ESRSs, also refer to the Consolidated Sustainability Reporting.

Table 2, annexed, provides the significant information on the members of the Company's current Board of Directors, with reference to each Director in office at the Report Date.

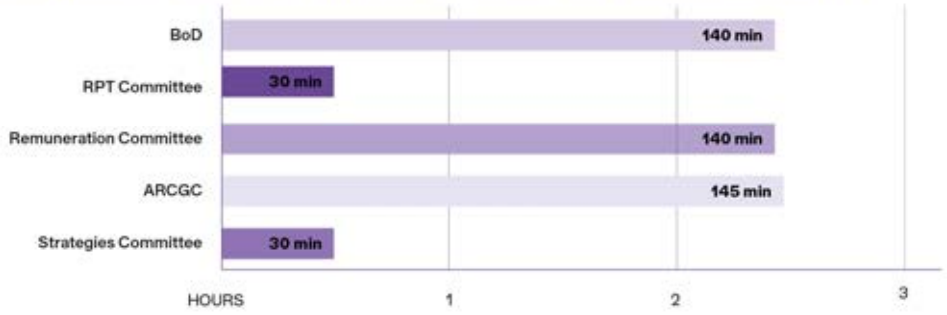
The following charts illustrate: (i) the composition of the Board of Directors at the Report Date, as well as (ii) the average duration of the meetings of the Board of Directors and Committees, (iii) the average attendance at the meetings, (iv) the number of meetings of the Board of Directors and Committees held during the Financial Year and (v) an overview of the overall skills of the members of the Board of Directors.

In addition, a summary of the professional profiles of the members of the Board of Directors, updated from time to time, is available on the Website.

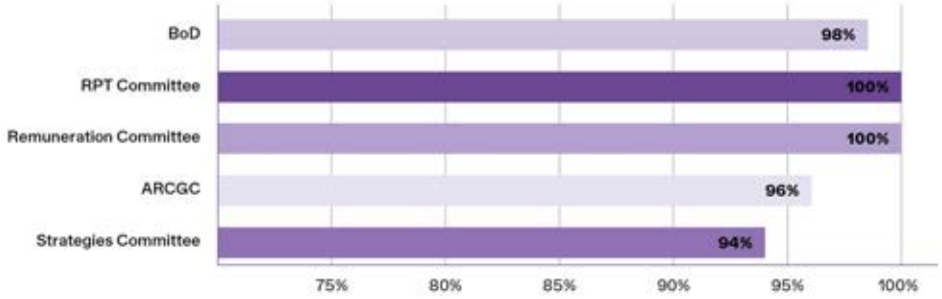
For more details on the competences and capacity of the administrative, management and control bodies on matters of sustainability in accordance with the CSRD Decree and ESRSs, refer to section 4.3.3 of the Report and the Consolidated Sustainability Reporting.



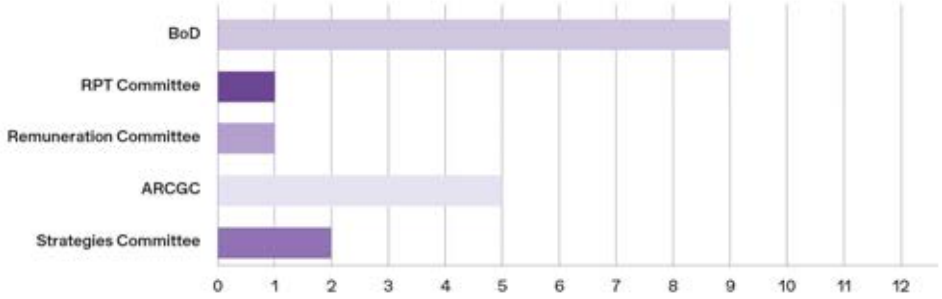
AVERAGE LENGHT OF MEETINGS OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES



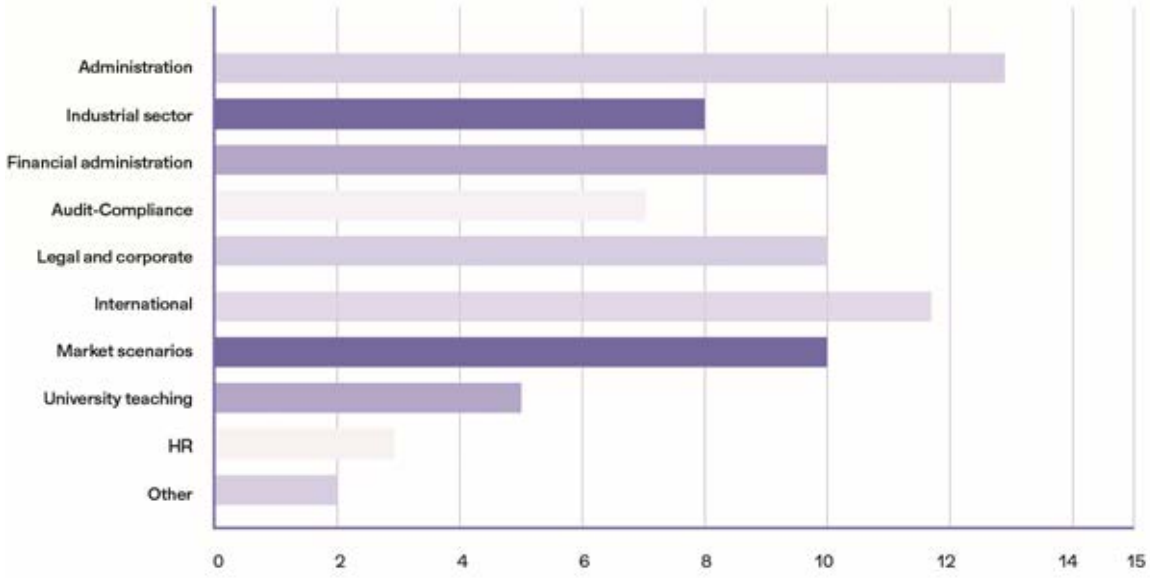
AVERAGE PERCENTAGE OF ATTENDANCE TO THE MEETINGS OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES



NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES



OVERALL SKILLS BY SECTOR



4.3.1 DIVERSITY POLICIES

The pursuit and implementation of diversity policies is one of the Pirelli Group's pillars and features heavily in the corporate governance model adopted by the Company.

Pirelli's approach to diversity policies is, in fact, based on the fundamental principles of non-discrimination, equal opportunities and inclusion of all forms of diversity, as well as integration and balancing of work with personal and family needs, with a constant focus on respect for and protection of human rights, as also ruled by the Company's Code of Ethics.

Pirelli is characterised by a multinational context in which people express a huge heritage of diversity. Conscious management of this diversity generates competitive advantages, opportunities for the development and enrichment of the business, and shared corporate values.

Respect for these values has always been guaranteed by the shareholders during the renewal of the Board of Directors - including the renewal at the Shareholders' Meeting held on 31 July 2023 - in terms of age, gender, nationality, seniority in office, education and professional background and experience. This enables the Board to perform its duties in the most effective way, making use of the contributions made from different points of view, and to analyse individual situations from multiple perspectives.

On 3 August 2023, the Board of Directors confirmed the adoption of a statement on diversity and independence, adopted for the first time by the Company's Board of Directors on 14 February 2019 on the proposal of the Audit, Risks, Sustainability and Corporate Governance Committee[167] and following the favourable opinion of the Appointments and Successions Committee. The same statement was updated on 17 March 2022 in connection with the members of the Board itself and the Board of Statutory Auditors (the "**Diversity and Independence Statement**") and is available on the Website.

In line with current regulations, the Diversity and Independence Statement reflects the Company's aim of guaranteeing integration of different professional profiles in the Board of Directors and the Board of Statutory Auditors, which also takes into account the importance of a balanced presence of independent members and a fair representation of genders. This Diversity and Independence Statement lists the criteria that the Board of Directors recommends be observed in the composition of the Board of Directors and the Board of Statutory Auditors:

- age and seniority of office;
- training and professional background;
- nationality and ethnic origin;

[167] It is noted that the Audit, Risks, Sustainability and Corporate Governance Committee has, since 3 August 2023, operated as the "Audit, Risks and Corporate Governance Committee".

- representation of gender and independence.

Having consulted the Audit, Risks and Corporate Governance Committee and the Appointments and Successions Committee, the Board of Directors is responsible for any update and amendment of the Diversity and Independence Statement.

In compliance with the Corporate Governance Code, the Board of Directors, which is also responsible for the qualitative and quantitative assessment of the Board members, and also taking into account the results of the self-assessment carried out by the Board during its three-year term of office, draws up a guideline on the size and composition of the administrative body to be submitted to Shareholders in view of the submission of the slates of candidates for the appointment of the Company's new Board of Directors. The board guidelines are published on the Website before the publication of the notice of the Shareholders' Meeting convened for the board's renewal. The outgoing Board of Directors invites the shareholders who intend to submit slates for the renewal of the Board of Directors to take the guidelines into consideration.

In addition to the administration, management and control bodies, the value of diversity is upheld by the entire corporate organisation.

For more details in accordance with the CSRD Decree and ESRSs, refer to the Consolidated Sustainability Reporting.

4.3.2 LIMITATIONS ON THE NUMBER OF OFFICES HELD

The guidelines to the maximum number of offices, confirmed by the Board of Directors on 3 August 2023 and adopted for the first time on 14 February 2019, following the favourable opinion of the Audit, Risks, Sustainability and Corporate Governance Committee[168] and the Appointments and Successions Committee, and subsequently amended on 17 March 2022, state that it is not compatible with the duties of a Company director to be a director or statutory auditor of more than 4 (four) other companies other than those subject to the direction and coordination of the Company, or its subsidiaries or affiliates, in the case of: (i) companies listed on the FTSE/MIB index (or equivalent foreign index); or (ii) Italian or foreign companies, subject to the supervision of the competent authorities, that carry out financial, banking or insurance activities. Furthermore, it is not considered compatible for the same director to hold more than 3 (three) executive positions in companies of the types indicated in points (i) and (ii) above.

Positions held in several member companies of the same group are considered to be a single position and an executive position prevails over a non-executive position.

[168] It is noted that the Audit, Risks, Sustainability and Corporate Governance Committee has, since 3 August 2023, operated as the "Audit, Risks and Corporate Governance Committee".

The Board of Directors is entitled to make a different assessment, properly motivated, to be published in the Report and explained appropriately therein.

Following review by the Audit, Risks and Corporate Governance Committee, at the time of appointment and thereafter once a year during a board meeting (the last being that held on 16 April 2026), the Board of Directors examines the positions held by each Director (based on the information provided by that person and/or on the other information available to the Company). At the Report Date, no Director holds a number of positions higher than the number set out in the policy adopted by the Company.

Annex A indicates the principal appointments held by the Directors in companies that do not belong to the Group at the Report Date.

4.3.3 INDUCTION PROGRAMME

The Directors perform their duties autonomously and with competence, pursuing the priority objective of creating sustainable value over the medium-long term. They are aware of the responsibilities pertaining to their role and, like the Statutory Auditors, they are kept periodically informed by the competent business functions about the principal regulatory and self-regulatory changes affecting the Company and the performance of their duties.

Also during the Financial Year, induction initiatives were carried out, aimed at providing, also with the support of management, through specific sessions or the work of the Committees, presentations and in-depth analyses concerning the main areas of activity or aspects relating to Pirelli and its Group, the applicable regulatory framework, as well as the specific procedures and rules of the Company and the Group.

In particular, it is noted that on 17 March 2025, a training session was held for the benefit of the members of the Board of Directors and the Board of Statutory Auditors, organised by the Company and delivered by the relevant managers, supported by external expert advisors, focusing on the review of regulatory developments in sustainability reporting and the results of the double materiality analysis, with particular attention to the key IROs material for Pirelli in the environmental, social and governance areas.

In addition, the Audit, Risks and Corporate Governance Committee received detailed briefings and regular updates from the relevant Company departments in relation to: (i) the reporting and compliance process concerning the consolidated sustainability reporting pursuant to Legislative Decree No. 125/2024; and (ii) the activities carried out pursuant to Legislative Decree No. 138/2024 in the field of cybersecurity.

These initiatives contribute to the development of adequate capabilities and expertise for the purposes of control and monitoring of sustainability matters in relation to the IROs relevant to Pirelli.

For more details on the competences and capacity of the administrative, management and control bodies on matters of sustainability in accordance with the CSRD Decree and ESRSs, refer to the Consolidated Sustainability Reporting.

Given that the Board of Directors will conclude its term with the approval of the financial statements as of 31 December 2025, the Company will, with the support of management and, where appropriate, external expert advisors, conduct, following the renewal of the administrative body, induction initiatives aimed at providing the new Board with presentations and in-depth analyses concerning the main features of Pirelli's and its Group's activities and organisation, as well as the applicable regulatory framework and the specific procedures and rules adopted by the Company. The programme will also include induction initiatives dedicated to the area of cybersecurity.

4.4 FUNCTIONING OF THE BOARD OF DIRECTORS

Pursuant to the Bylaws, meetings of the Board of Directors are called by the Chairman or his deputy and held at the registered offices, or in any other location specified in the notice of call, whenever deemed appropriate by the Chairman in the interests of the Company, or when requested in writing by the Chief Executive Officer or by one-fifth of the appointed Directors. Meetings of the Board of Directors may also be called by the Board of Statutory Auditors, or by each Standing Auditor, following notification sent to the Chairman of the Board of Directors.

During the year, the Board of Directors met nine times. The average duration of each meeting was approximately 140 minutes, with attendance by around 98% of the Directors and around 98% of the Independent Directors. In accordance with the provisions of the Bylaws and regulations, meetings were predominantly conducted in hybrid format, using audio/video links.

For the financial year and for the current year, Pirelli disclosed a calendar of the main corporate events to the market (also available on the Website)[169]. For the 2026 financial year, as per the Board Regulations, the Board is scheduled to meet at least 6 times (at the Date of the Report 2 meetings had already been held), including the inaugural meeting of the new Board of Directors to be held following the Shareholders' Meeting scheduled for 25 June 2026.

The means of organisation and the internal functioning of the Board of Directors are governed by the Board Regulations, available on the Website, which, *inter alia*, establish the deadlines for the prior submission of information and procedures for protecting the confidentiality of the data and information provided so as not to compromise the timeliness and completeness of the information flows.

[169] Annually – under the terms established by the Rules of the Markets organised and managed by Borsa Italiana S.p.A. - the Company publishes the calendar of principal corporate events for the next financial year and promptly updates this calendar in the event of subsequent amendments.

In line with the provisions of the Board Regulations, the Directors and the Statutory Auditors received, with notice deemed by them to be timely and adequate (see the results of the self-assessment process described in paragraph 4.4.2 of the Report), the documents and information necessary to enable them to make informed decisions on the matters submitted for their consideration. In particular, during the Financial Year, the documentation was, as a rule, sent to the Board within 10 days prior to the meeting date, with the exception of isolated cases, also taking into account the specific characteristics of the transaction under review by the Board of Directors. This was in line with the provisions of the Board Regulations, which provide that, in exceptional cases justified by urgency where it is not possible to circulate the documentation within the aforementioned time-frame (including in order to take into account the work of the Committees), full information on the matters under consideration shall be provided as soon as possible or directly during the meeting, ensuring appropriate and timely in-depth analysis and thereby enabling the Directors to take informed decisions. Particular attention is paid to ensuring that information remains confidential, by sending the documentation relating to the activities of the board and its Committees using specific software that guarantees that access is reserved to the directors and statutory auditors only. This is in line with best practice and with the recommendations of the Corporate Governance Committee.

Taking account of the international composition of the Board of Directors, with the presence of multiple nationalities, it is also the Company's practice to proceed to send the documents to be considered by the Board and its Committees in the three languages (Italian, English and Chinese) commonly spoken by the Directors. Furthermore, for each meeting of the Board of Directors and Committees, participants are able to use a simultaneous translation of interventions made into the languages commonly spoken by the participants.

In order to facilitate minute taking, the Board meetings may be recorded; said recordings shall then be destroyed once the minutes have been transcribed into the applicable corporate register.

If the Chairman is absent or unavailable, upon request by the Chairman, the meeting may be chaired by the Vice Chairman or Chief Executive Officer; should the latter also be absent or unavailable, another Director, appointed by the majority of the attendees, may assume the Chair.

For resolutions passed by the Board of Directors to be valid, the majority of members must be in attendance and the majority of votes cast must be in favour, save for the specific matters governed by the Bylaws, for which a qualified majority is required, and the requirements of the Golden Power Decree.

The Directors' growing awareness of the business reality and dynamics of the Company and the Group is enhanced by the attendance of management at their meetings, which allows them to explore the matters on the agenda in appropriate depth.

Key Managers always attended the meetings of the Board of Directors during the Financial Year, thus contributing to periodic and up-to-date reporting to the Board of Directors. The Key Managers do not attend any meetings in which matters relating to them are discussed or that do not require them to be present.

Other managers and persons external to the Company may also be invited to attend the meetings in connection with specific items on the agenda.

It is understood that all such subjects are in any case required to comply with the confidentiality obligations set out in the Board Regulations.

The Bylaws establish that, until decided differently at a Shareholders' Meeting, the Directors are not bound by the prohibition contained in art. 2390 of the Civil Code.

4.4.1 SECRETARY OF THE BOARD

In line with the recommendations of the Corporate Governance Code and in compliance with the provisions of the Bylaws, the Board Regulations allow the Board of Directors to appoint a Secretary by assessing that the appointee satisfies the necessary professional requirements (the "**Board Secretary**"). The Board Secretary supports the activities of the Chairman and/or Vice Chairman and/or Chief Executive Officer and provides impartial assistance and advice to the Board of Directors on all aspects relevant to the proper functioning of the corporate governance system. More specifically, and in accordance with the Board Regulations, the Board Secretary ensures that:

a) the pre-meeting information is accurate, complete and clear and the additional information provided during the meetings is suitable to allow the directors to act in an informed manner in compliance with the provisions of the "Golden Power" Prime Ministerial Decree on information of strategic importance;

b) the activities of the board committees are coordinated with the activities of the Board of Directors;

c) the top management of the Company and of companies of the same Group may participate in board meetings, as well as the heads of the company departments in order to provide appropriate updates on the items on the agenda;

d) after their appointment and during the mandate of the board, all Directors may participate in specific induction activities;

e) the board evaluation is adequate and transparent.

The Board Secretary shall provide Directors with independent legal advice and assistance on corporate governance matters and in relation to their rights, powers, duties and obligations to ensure the regular performance of their duties.

The Board Secretary, in performing the duties of this role, shall have an organisational structure and personnel fit to perform the assignment.

It is specified that under the appointment held, in accordance with the Bylaws, the Board Secretary is classified as a Key Manager.

4.4.2 BOARD OF DIRECTORS SELF-ASSESSMENT PROCESS

As indicated in the Board Regulations, the Board of Directors starts an annual process to evaluate its size, composition and concrete operation and the operation of its Committees (board performance evaluation) for the reference financial year. The aim of this work - appreciated by the Directors - is to perform a structured annual survey of the efficiency of the Board of Directors at operational level and to identify, if needed, opportunities for improvement so that it can best perform its role of managing and controlling a complex and continuously evolving company like Pirelli, operating in several geographical areas.

During the Financial Year, the Board of Directors - in its third and last year of mandate - started the process, assisted, as usual, by a primary consulting firm specialised in this area (SpencerStuart). The self-assessment process was carried out through individual interviews held by the appointed consulting firm, with questions about the effectiveness, size, composition and operation of the Board of Directors. All members of the Board of Directors made themselves available and showed a strong interest in the self-assessment process, which provided an opportunity not only to formulate specific reflections on what had been achieved during 2025, but also to undertake an organic and comprehensive review of the entire term of office.

The analyses show a picture characterised by progressively greater participation in Board discussions, which became more intense over the course of the entire term, of office, thanks to the exchange of different viewpoints on matters relevant to the Group, such as corporate governance issues, which engaged the Board, fostering constant and informed participation, constructive debate and ensuring that each Director had the opportunity to fully express his or her views within the framework of the collective decision-making process.

As it reached the third year of its term of office, the Board overall showed a progressive strengthening of its own maturity, operating with an increasing degree of procedural rigour and ensuring an orderly, structured decision-making environment open to the contribution of all its members.

The review revealed limited opportunities for interaction outside formal Board meetings and, accordingly, the hope was expressed for the future Board of Directors to increase opportunities for meetings, including informal ones, in order to establish and strengthen interpersonal relationships among Directors, an essential factor in optimising the effectiveness of Board dynamics. The review also highlighted, looking ahead, the opportunity to further strengthen certain strategic and business-related matters, such as industrial and geopolitical issues, which are regarded as increasingly critical to a proper understanding of the global context in which Pirelli operates.

In this context, the analysis of the results confirmed the Directors' satisfaction with and appreciation of the size of the Board of Directors and of its diversity in terms of gender, age and seniority.

The Directors also emphasised the efficiency and quality of the organisation of the Board of Directors' work and of all the functional support required for its optimal operation.

Overall, there was a clear recognition by all Directors of the Company's value, a strong commitment to participating as effectively as possible in the Group's guidance and oversight activities, as well as a positive assessment of the quality of the results achieved and complete confidence in management.

4.4.3 MATTERS WITHIN THE COMPETENCE OF THE BOARD OF DIRECTORS

Pursuant to the Bylaws, and without prejudice to the provisions of the Golden Power DPCM, the authorisation of the Board of Directors to carry out the following acts is subject, in accordance with Article 2364, paragraph 1, no. 5, of the Italian Civil Code, to the approval of the Shareholders' Meeting by qualified majority (i.e. the favourable vote of shareholders representing at least 90% of the Company's share capital):

- transfer of the operational and administrative headquarters outside of the municipality of Milan;
- any transfer and/or act of disposition of Pirelli's Know How, under any form (including the grant of licenses), pursuant to the provision of article 3.2 of the Bylaws.

More specifically, in addition to the matters reserved to the Board of Directors in accordance with the law and the Bylaws and without prejudice to the requirements of the Golden Power DPCM, on 3 August 2023, the Board of Directors established that all resolutions regarding the following matters, proposed by Pirelli and/or by any other company subject to direction and coordination by Pirelli (excluding intergroup transactions), must be approved by the Board of Directors of the Company:

(i) assumption or concession of loans worth more than 200,000,000 euros and with a term of more than 12 months;

(ii) issue of financial instruments for listing on a European or non-European stock market for a value in excess of 100,000,000 euros and revocation from listing of such instruments;

(iii) concession of guarantees in favour of third parties for amounts in excess of 100,000,000 euros. For the sake of completeness, please note that the concession of guarantees in the interests of third parties other than the Company, its subsidiaries and joint ventures, must be subject, in any case, to the approval of the Pirelli Board of Directors;

(iv) signing derivative contracts (a) with a notional value higher than 250,000,000, euros and (b) except for those having the sole object and/or effect of hedging corporate risks (e.g. interest-rate risk, exchange-rate risk, commodity market risk). For the sake of completeness, please note that the stipulation of speculative derivative contracts is in any case subject to the approval of the Pirelli Board of Directors;

(v) purchase or sale of equity investments in subsidiary and affiliates for an amount higher than 40,000,000 euros, which involve entering into (or exiting from) geographical and/or commodity markets;

(vi) purchase or sale of equity investments other than those described at point (v) above for an amount higher than 40,000,000 euros;

(vii) purchase or sale of businesses or business units that have strategic importance or, in any case, a value of more than 40,000,000 euros;

(viii) purchase or sale of fixed and other assets that have strategic importance or, in any case, a value of more than 40,000,000 euros;

(ix) investment in fixed assets with a total value of more than 40,000,000 euros;

(x) carrying out transactions of greater significance with related parties, using the term "related party transactions" to mean those satisfying the conditions envisaged in Annex 1 to the Related Party Transactions Procedure ("**RPT procedure"**), available on the Website;

(xi) definition of Pirelli's remuneration policy;

(xii) determination, in compliance with Pirelli's internal policies and the applicable regulations, the remuneration of the managing directors and the directors with specific responsibilities and, where required, allocating the total remuneration authorised by the Shareholders' Meeting among the members of the Board of Directors;

(xiii) approval of the strategic, industrial and financial plans of Pirelli and the group;

(xiv) adoption of corporate governance rules for Pirelli and defining guidelines for the corporate governance of the group;

(xv) definition of guidelines for the internal control system, including the appointment of a Director responsible for overseeing the internal control system, determining the related powers and duties;

(xvi) any other matter deemed to be responsibility of the Board of Directors of a listed company by the Corporate Governance Code, as amended from time to time.

It being understood that the approval of the transactions listed above is reserved solely to the Board of Directors not only if the threshold indicated for each matter has been reached, but also if the matters listed from (i) to (ix) – whether considered a single action or as a series of coordinated actions (carried out in the context of a common executive programme or a strategic project) – exceed the amounts indicated in the annual budget/business plan or (solely for the matters listed from (i) to (viii) above) if they were not included, listed or envisaged in the annual budget/business plan.

Furthermore, in accordance with the Bylaws and the Golden Power DPCM, the Board of Directors is competent also in connection with board resolutions relating to:

(i) the Company's assets of strategic importance, as identified by the Decision[170]; and

(ii) the appointment and revocation from office of Key Managers[171].

In accordance with the provisions of the Bylaws and the Golden Power DPCM, the proposal relating to such matters is reserved to the Chief Executive Officer and any decision to the contrary can only be made with the vote of at least 4/5 of the Board of Directors (for more information on the powers assigned to the Chief Executive Officer, see section 4.5.2 of the Report).

Decisions relating to Significant Matters and in particular the approval and/or amendment of Pirelli's and the Group's budget and/or business plan are also reserved to the competence of the Board of Directors (and/or Shareholders' Meeting, as applicable), on the proposal of the Chief Executive Officer. With reference to the Significant Matters, any possible decision adopted by the Pirelli Board of Directors against the relative proposal submitted by the Chief Executive Officer must be motivated and, in any case, must consider the best interests of Pirelli.

As required by the Corporate Governance Code[172], the Board of Directors gave a positive assessment of the adequacy of the organisational, administrative and accounting systems and structure of the Company and the Group, with particular reference to the system of internal control and risk management, also referring to the analytical work carried out by the Audit, Risks and Corporate Governance Committee.

The Board of Directors has also evaluated the general results of operations, taking into particular account the information received from delegated bodies and comparing periodically, at least every quarter, the results obtained with those planned.

The Board of Directors – also in light of the considerations set out in the Letter from the Chairman of the Borsa Italiana Corporate Governance Committee (for further details, please refer to paragraph 18 of the Report) – deemed the Company's current Bylaw provisions and practices to be adequate for effective governance of the Company and for achieving the Company's interests.

[170] Art. 3.3 of the Company Bylaws.

[171] Art. 11.12 of the Bylaws.

[172] See Recommendation 33 (a).

4.5 EXECUTIVE DIRECTORS

The Executive Vice Chairman Marco Tronchetti Provera and the Chief Executive Officer Andrea Casaluci are classified as executive Directors of the Company.

4.5.1 EXECUTIVE VICE CHAIRMAN

Also in compliance with the provisions of the Golden Power DPCM, on 3 August 2023, the Board of Directors assigned the Executive Vice Chairman the following powers:

a) legal representation of the Company;

b) powers related to the general strategies of the Company (also referring to the Significant Matters);

c) supervisory power over implementation of the business plan, the annual budget, by the Chief Executive Officer of Pirelli, of the General Manager and management;

d) powers related to relations with shareholders, institutions and the media;

e) the power to propose to the Pirelli Board of Directors revocation from the position of Chief Executive Officer designated and his/her replacement with a new CEO (or appointment of a new CEO if the previous CEO should cease to hold office for any reason);

f) the power to appoint and revoke other senior figures in the organisation.

On the same date, in compliance with the provisions of the Golden Power DPCM, the Board of Directors also conferred upon the Executive Vice Chairman the exclusive delegation on the autonomous security organisational unit to manage all Pirelli's assets and businesses considered to be of strategic relevance to the protection of national interests.

4.5.2 CHIEF EXECUTIVE OFFICER

Also in compliance with the provisions of the Golden Power DPCM, on 3 August 2023 the following powers were assigned to the Chief Executive Officer Andrea Casaluci:

a) legal representation of the Company;

b) all the powers necessary to carry out deeds relating to all aspects of corporate activity, without any exceptions aside from those that the law or the Bylaws reserve to the Board of Directors; all with the power to grant special and general powers of attorney that give the representative the right to sign on behalf of the Company, either separately or together with others, and all other

powers deemed appropriate by him in the best interests of the Company, including the right to sub-delegate;

c) the power to propose to the Board of Directors, coordinating with the Executive Vice Chairman, adoption of the following resolutions (together, the "**Significant Matters**"):

   (i) approval of the business plan and the annual budget of Pirelli and its Group, as well as all significant changes to those documents. The annual budget and business plan must (I) regard the operational and financial areas of Pirelli's business, including, merely by way of example, the sources of finance and the decisions on the industrial initiatives underlying the annual budget and business plan; and (II) be complete and supported by suitable, appropriate annexes that explain the items of the annual budget and business plan;

   (ii) to carry on monitoring the opportunities offered by the market to create value, in the interest of all Pirelli stakeholders;

   (iii) any resolution concerning industrial partnerships or strategic joint ventures of Pirelli and/or any subsidiary, parent company or subject to the joint control of Pirelli, in any case following examination and discussion in the Pirelli Strategies Committee.

d) together with the General Manager of Pirelli the power to (i) implement the business plan and the budget – under Executive Vice Chairman supervision – and (ii) the ordinary management of Pirelli and the Pirelli Group, except for the powers the matters reserved for the Pirelli Board of Directors;

e) the power to appoint and revoke other senior figures in the organisation.

In accordance with Art. 11.12 of the Bylaws and the Golden Power DPCM, the Chief Executive Officer also has the power to propose the appointment and revocation from office of Key Managers of Pirelli to the Board, and any decision contrary to such a proposal may only be adopted with the approval of at least four-fifths of the Board of Directors.

In accordance with Art. 3.3 of the Bylaws and the Golden Power DPCM, the Chief Executive Officer also has the power to propose board resolutions relating to the Company's assets of strategic importance, as identified by the Decision.

The Chief Executive Officer reports at least once a quarter and, in any case, at the first available meeting, on the activities carried out during the board meetings.

4.5.3 CHAIRMAN OF THE BOARD OF DIRECTORS

The office of the Chairman of the Board of Directors does not qualify as 'executive' given the governance structure and powers granted to the Executive Deputy Chairman and Chief Executive

Officer. The Chairman of the Board of Directors is assigned the legal representation of the Company and the other powers envisaged by the Bylaws.

4.5.4 OTHER EXECUTIVE DIRECTORS

At the Report Date, in addition to the Executive Vice Chairman and the Chief Executive Officer, Pirelli classifies as executive directors those directors who at the same time qualify as Key Managers of the Company with strategic responsibilities, if there should be such Directors, or Directors who also hold office as Chief Executive Officer or Executive Chairman of the principal subsidiaries of Pirelli.

At the Report Date, there were no other executive directors apart from the Executive Vice Chairman and the Chief Executive Officer within the Company's Board of Directors.

A list of the Company's Key Managers is available on the Website.

4.6 INDEPENDENT DIRECTORS

Since 2006[173], Pirelli's Board of Directors has been characterised by a number of independent directors who usually make up the absolute majority of its members, with a more rigorous approach, not only than the law, but also than the new Corporate Governance Code (and previously the old Corporate Governance Code).

At the Report Date, nine of the fifteen members - and therefore 60% of the Board of Directors - satisfied the requirements to qualify as independent pursuant to the Corporate Governance Code and the TUF, namely: Paola Boromei, Domenico De Sole, Roberto Diacetti, Giovanni Lo Storto, Marisa Pappalardo, Fan Xiaohua, Grace Tang, Michele Carpinelli and Alberto Bradanini. Upon appointment and thereafter on at least an annual basis, the Board evaluates whether or not members meet and/or retain the requirements of independence specified in the Corporate Governance Code and the TUF for non-executive directors who qualify as independent, disclosing the outcome of the assessment through a press release and/or on the occasion of the annual publication of the Report. This check – which takes account not only of the information provided by the directors themselves but also further information that might be available to the Company, referring to the requirements set out in the TUF, as well as to those recommended in the Corporate Governance Code – was most recently carried out during the board meeting on 16 April 2026.

In making its assessments, the Board did not derogate from any of the independence criteria prescribed by the Corporate Governance Code.

[173] With the exception of the period between the delisting of the Company (in late 2015) and its relisting (on 4 October 2017).

Concurrently with the assessments made by the Board of Directors, on 16 April 2026, the Board of Statutory Auditors, in line with the recommendations of the Corporate Governance Code, verified the proper application of the criteria and assessment procedures adopted by the Board of Directors to evaluate the continued fulfilment by the Directors of the independence requirements pursuant to the "Independence Criteria", and disclosed to the market the outcome of the checks performed in the Report on the Corporate Governance and Share Ownership for the relevant financial year or in its annual report to the Shareholders' Meeting of the Company.

On 25 February 2021, in fact, the Board of Directors – upon the proposal of the Audit, Risks, Sustainability and Corporate Governance Committee[174] – approved the "Independence Criteria" to pre-establish the qualitative and quantitative criteria to be used in assessing the independence of Directors and Statutory Auditors, which was subsequently confirmed by the Board of Directors on 3 August 2023.

Said document, available on the Website: (i) establishes the qualitative and quantitative criteria used to assess the independence of directors for the purposes of the Corporate Governance Code and, in particular, the parameters of significance of any economic, professional or financial relationships pertaining to directors whose independence is being assessed; and (ii) explains in detail certain interpretative criteria relating to the other cases of independence referred to in the Corporate Governance Code, including the notion of "significant additional remuneration".

In particular, the Company's Board of Directors has set the following thresholds of significance for the relationships under examination in respect of the independence requirements:

- with reference to the concept of "significant business, financial or professional relationship" as per letter c) of Recommendation no. 7 of the Corporate Governance Code, this includes advisory roles or any other role – with the exception of non-executive corporate offices held within the Group, relevant for the significant additional remuneration according to the criteria indicated below – that has led, for the director or statutory auditor whose independence is being examined, or their close family members, to economic compensation in the calendar year greater than (i) 300 thousand euros in the case of relationships held with undertakings or organisations, over which the director, statutory auditor or close family member has control or is a relevant member, or of the professional firm or association or advisory company where such individuals are a partner, shareholder or associate, in the case of a relationship held with these undertakings, organisations, advisory companies or professional firms and associations; (ii) 100 thousand euros for relationships held directly with natural persons. In the case of a partnership in a professional firm or consulting company, the possible impacts on the position and role of the person under examination should be assessed;

- with regard to the concept of "additional significant remuneration" referred to in Recommendation 7(d) of the Corporate Governance Code, this includes all remuneration paid for whatever reason during the calendar year, by the Company, by a (direct or indirect)

[174] The Audit, Risks, Sustainability and Corporate Governance Committee has, since 3 August 2023, operated as the "Audit, Risks and Corporate Governance Committee".

subsidiary or parent company of the Company, that cumulatively exceeds the total amount of remuneration for the office or remuneration for participation in board committees paid to the director, and of remuneration for the office of member of the Board of Statutory Auditors, whose independence is being assessed.

At the Report Date, no consultancy relationships of any kind were ongoing with directors qualified as independent.

None of the directors qualified as independent at the date of their appointment had lost this status during their term of office.

Considering the above, the powers system, the share ownership structure and the provisions on this subject set out in the Corporate Governance Code, independent directors have not yet deemed it necessary to make a proposal to the Board of Directors to appoint a lead independent director.

The independent and non-executive directors contribute to the Board and committee discussions, bringing their specific skills, and, given their number, have a decisive weight in the decision-making process of the Board of Directors and the committees in which they take part.

During the Financial Year, the independent directors met for the induction session arranged by the Company (referred to in section 4.3.3 of the Report).

Also taking into account the frequency of Board meetings and the matters already noted in paragraph 4.4.2 of the Report, the independent Directors did not have specific opportunities for informal meetings to exchange views and reflections in the absence of the other Directors.

5. PROCESSING OF CORPORATE INFORMATION

Pirelli has adopted and consolidated over time a compendium of rules and procedures for the proper management of corporate information, in compliance with the regulations applicable to the various types of data and information.

With reference to the prevention of market abuses, the Board of Directors of Pirelli has adopted the Market Abuse Procedure for defining the principles and rules for preventing such abuses by Pirelli, Group companies and their related parties.

In particular, the Market Abuse Procedure governs: (a) the management of “significant information”, meaning information that may become “inside information” pursuant to art. 7 of Regulation (EU) 596/2014 (“**Inside Information**”); (b) the management and communication to the public of Inside Information; (c) the creation, keeping and updating of the register of persons who, in view of their working or professional activities or the functions they perform, have access to Inside Information; (d) the obligations regarding transactions in the shares of the Company, credit instruments issued by the Company and the derivative or other financial instruments linked to them, by parties deemed to be senior decision-makers (“internal dealing”); (e) the operational procedures and scope of

application of the prohibition imposed on the Company and the persons who perform administrative, control or management functions for the Company regarding the execution of transactions in Pirelli shares, credit instruments issued by Pirelli and the derivative or other financial instruments linked to them during predetermined periods ("black out periods"); (f) any market soundings carried out or received in compliance with art. 11 of Regulation (EU) 596/2014 and the related enabling regulations.

The Market Abuse Procedure envisages a black-out period of 30 calendar days prior to the announcement by the Company of the data contained in the annual financial report, the half-yearly financial report and the other periodic financial reports whose publication is mandatory in accordance with legislation in force at the time[175], during which the relevant persons referred to in the procedure are expressly forbidden from carrying out transactions on such financial instruments.

The Market Abuse Procedure is available on the Website, in the version most recently approved by resolution passed by the Board of Directors on 7 November 2024, in order to standardise its contents with the changes made with the coming into force of Law no. 21 of 5 March 2024, which abrogated certain regulatory provisions.

6. BOARD COMMITTEES

The role of the board committees is to offer support to the Board in relation to matters deemed worthy of further investigation, in order to ensure that there is an effective and informed exchange of opinions about them.

Also taking into account the recommendations and principles contained in the Corporate Governance Code, in its meeting held on 3 August 2023, the Company's Board of Directors (i) confirmed the establishing of the following board Committees: Strategies Committee, Related-Party Transactions Committee, Appointments and Successions Committee, Remuneration Committee, Audit, Risks and Corporate Governance Committee and (ii) established the Sustainability Committee.

On that same date, the Board of Directors adopted a regulation defining the functions and rules of operation of its committees, also available on the Website. The main contents of the regulation are summarised in section 6.1 of the Report.

The composition of committees during the year is detailed in Table 3. When choosing the Committee members, the Board of Directors considered as a priority the skills and experience acquired by each director in the subjects under discussion, distributing the appointments in order to avoid an excessive

[175] Annually - under the terms established by the Rules of the Markets organised and managed by Borsa Italiana S.p.A.- the Company publishes the calendar of principal corporate events for the next financial year and promptly updates this calendar in the event of subsequent amendments.

concentration of appointments being held by a limited number of people and to encourage the exchange of multiple viewpoints and perspectives.

In addition, several management committees have the task of overseeing specific decision-making processes and relevant topics to foster coordination between the various corporate structures and assure a shared approach to the Company's and Group's strategic and operational decisions.

6.1 FUNCTIONING OF COMMITTEES

The board Committees are appointed by the Board of Directors (which also indicates the relevant Chairman) and remain in office for the entire mandate of the Board, meeting whenever deemed appropriate by the Committee Chairman, or when requested by at least one member, by the Chairman of the Board of Directors or, if appointed, the Vice Chairman, the Chief Executive Officer and, in any case, with the frequency necessary in order to properly carry out their functions.

The Secretary of each Committee is the Secretary of the Board.

The meetings of the Committees shall be convened by notice sent to the participants by its Chairman or by the Secretary of the relevant Committee by the relevant Chairman.

The documentation and information available is sent out to all members of the relevant Committee in multiple languages, taking into account the members' nationalities and sufficiently ahead of time to allow them to attend in an informed manner and express opinions in the meeting (as a rule 10 days in advance).

For each Committee meeting participants shall have access to a simultaneous translation of the interventions in the languages commonly used by the members of the Committees.

Committee meetings are quorate when attended by the majority of appointed members and resolutions are adopted by the majority of those present. With regard to meetings of the Appointments and Successions Committee, in the event of a tie, the vote of the Executive Vice Chairman prevails (i.e. the "casting vote").

Committee meetings may be held by conference call; their minutes are taken by the Committee Secretary and recorded in the related minute book.

Committees - which may make use of external advisers in carrying out their functions - are granted adequate financial resources to perform their tasks with spending autonomy.

Committees are entitled to access relevant business information and company departments in the performance of their tasks, with support from the Secretary of the Board for this purpose.

The Committee members' growing awareness of the business reality, dynamics of the Company and the Group and of specific issues relevant to Pirelli is enhanced by the regular attendance of Company

management and external experts at their meetings, who may be invited for training and/or in-depth analysis.

The entire Board of Statutory Auditors is entitled to participate in the activities of the Audit, Risks and Corporate Governance Committee, Remuneration Committee and Related-Party Transactions Committee.

One member of the Board of Statutory Auditors is invited to attend the meetings of the Appointments and Successions Committee, the Sustainability Committee and the Strategies Committee (usually the Chairman). Further information about the number of meetings held by each Committee during the Year and about the attendance of each member at those meetings can be found in Table 3 annexed to the Report.

6.2 STRATEGIES COMMITTEE

At the Report Date, the Strategies Committee is made up of 8 Directors (including 2 executives and 3 independent directors) as follows:

STRATEGIES COMMITTEE
Chairperson of the committee: Marco Tronchetti Provera

	NAME AND SURNAME	OFFICE
	Jiao Jian	Chairman of the Board of Directors
	Marco Tronchetti Provera	Executive Vice Chairman
	Andrea Casaluci	Chief Executive Officer
	Chen Qian	Director
	Zhang Haitao	Director
	Domenico De Sole	Independent Director
	Roberto Diacetti	Independent Director
	Alberto Bradanini	Independent Director

The Strategies Committee supports the Board of Directors in examining the “Significant Matters” (for more information in this regard, see section 4.5.2) and, in particular, in examining:

- business plan and annual budget;
- industrial partnerships and strategic joint ventures of Pirelli and/or any of its subsidiaries.

It is required that the Strategies Committee be the recipient of a specific and continuous flow of information from the Chief Executive Officer, assisted by the Secretary of the Board for such purposes.

6.3 RELATED-PARTY TRANSACTIONS COMMITTEE

At the Report Date, the Related-Party Transactions Committee consists of three non-executive and independent directors, as follows:

RPT COMMITTEE
Chairperson of the committee: Marisa Pappalardo

	NAME AND SURNAME	OFFICE
	Marisa Pappalardo	Independent Director
	Michele Carpinelli	Independent Director
	Giovanni Lo Storto	Independent Director

The Related-Party Transactions Committee advises and makes recommendations to the Board of Directors on related-party transactions. In accordance with the provisions of the Related Parties Regulation and the RPT Procedure, the Committee expresses reasoned opinions on the Company's interest in carrying out related parties transactions, as well as on the appropriateness and substantive fairness of the related conditions. Additionally, it has the power to request information from and make comments to the delegated bodies and persons authorised to conduct negotiations or the due diligence for related-party transactions of greater significance (see section 10).

During the year, it was noted that management attended the Related-Party Transactions Committee meetings in order to provide adequate information support for the adoption of the relevant resolutions.

The Related-Party Transactions Committee is also entitled to obtain assistance, at the expense of the Company, from one or more independent experts selected by the Committee.

6.4 SUSTAINABILITY COMMITTEE

At the Report Date, the Sustainability Committee is made up of 4 Directors (including 2 executives and 1 independent director) as follows:

SUSTAINABILITY COMMITTEE
Chairperson of the committee: Marco Tronchetti Provera

	NAME AND SURNAME	OFFICE
	Jiao Jian	Chairman of the Board of Directors
	Marco Tronchetti Provera	Executive Vice Chairman
	Andrea Casaluci	Chief Executive Officer
	Giovanni Lo Storto	Independent Director

The Sustainability Committee supports the Board of Directors in the analysis of sustainability issues related to business operations, corporate social responsibility and the analysis of issues relevant to the creation of long-term value.

7. APPOINTMENTS AND SUCCESSIONS COMMITTEE

At the Report Date, the Appointments and Successions Committee is made up of 4 members (including 1 executive and 1 independent director) as follows:

APPOINTMENTS AND SUCCESIONS COMMITTEE
Chairperson of the committee: Marco Tronchetti Provera

	NAME AND SURNAME	OFFICE
	Marco Tronchetti Provera	Executive Vice Chairman
	Zhang Haitao	Director
	Chen Aihua	Director
	Domenico De Sole	Independent Director

Taking into account the fact that the Appointments and Successions Committee in question deals not only with aspects relating to appointments but also the succession of company senior management, by way of derogation from the Corporate Governance Code, a majority of non-executive directors (even if not independent) has been appointed as members of such committee.

The Appointments and Successions Committee supports the Board of Directors on appointments and succession matters, and in particular:

- assists the Board of Directors in identifying candidates for the office of director in the event of co-optation;

- provides the Board of Directors with opinions on the adoption and/or amendment by the Board of its orientation towards the number of appointments considered compatible with the effective performance of the role of director.

It should be noted that the oversight of the self-assessment process of the administrative body and control body has been assigned to the Audit, Risks and Corporate Governance Committee, while the Appointments and Successions Committee's duties do not include assisting the outgoing Board of Directors in the possible presentation of its own slate, since this is not envisaged by the Bylaws.

7.1 SUCCESSION PLANS

The plan for the succession of Pirelli's Chief Executive Officer, as provided for in the Shareholders' Agreement, was completed and implemented with the appointment of Andrea Casaluci as Chief Executive Officer by the Board of Directors on 3 August 2023.

Considering the Company's governance structures and the provisions of the Shareholders' Agreement Renewal, as well as the provisions of the Golden Power DPCM, it is specified that the Chief Executive Officer was designated by the shareholder Camfin.

The Executive Vice Chairman also has the power to propose to the Pirelli Board of Directors the revocation of the designated Chief Executive Officer and his/her replacement with a new CEO (or appointment of a new CEO if the previous CEO should cease to hold office for any reason).

As Executive Vice Chairman, Marco Tronchetti Provera maintains a key role in directing top management and guaranteeing continuity in Pirelli's business culture.

In order to assure complete information, note that the Company has adopted a contingency plan and a method by which to identify successors to Key Managers and senior management positions.

8. REMUNERATION COMMITTEE AND DIRECTORS' REMUNERATION

At the Report Date, the Remuneration Committee is composed of 5 directors (all non-executive, of whom 4 are independent) as follows:

REMUNERATION COMMITTEE
Chairperson of the committee: Grace Tang

	NAME AND SURNAME	OFFICE
	Grace Tang	Independent Director
	Chen Aihua	Director
	Paola Boromei	Independent Director
	Alberto Bradanini	Independent Director
	Michele Carpinelli	Independent Director

For information on the 2026 remuneration policy, the compensation paid in 2025 and the duties performed by the Remuneration Committee, reference is made to the Remuneration Report. It should be noted that said document also includes the information required by Article 123-*bis*, paragraph 1, letter i) of the TUF. For a focus on the sustainability targets in the incentive plans adopted by the Company, reference is also made to the Consolidated Sustainability Reporting.

Management - and in particular, the EVP & Chief Human Resources Officer, the Head of Compensation & Benefits and the Head of International Mobility & HR Administration - regularly and diligently attended the meetings of the Committee during the Financial Year, thereby contributing to periodic and up-to-date reporting to the Committee.

9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - CONTROL, RISK AND CORPORATE GOVERNANCE COMMITTEE

In compliance with Recommendation 32 of the Corporate Governance Code, the Company has implemented an internal control and risk management system that envisages the involvement of multiple players with different roles and duties, who act in a coordinated, complementary manner in order to guarantee the adequacy and efficiency of the system.

The Company's internal control and risk management system is designed to contribute to the operation of a healthy and proper business, consistent with its strategies, by identifying, managing and monitoring the main risks that may impact the Company. The internal control and risk management system allows the principal risks, and the reliability, accuracy, trustworthiness and timeliness of financial and sustainability reporting to be identified, measured, managed and monitored.

Responsibility for the adoption of an adequate internal control and risk management system lies with the Board of Directors which, with the support of the Audit, Risks and Corporate Governance Committee, carries out the tasks assigned to it in the Corporate Governance Code (as more fully described in paragraph 9.3 of the Report in relation to such Committee). Among other things, after consulting with the Audit, Risks and Corporate Governance Committee, the Board of Directors:

(i) analyses and approves the compliance and audit plans scheduled for the following financial year;

(ii) supervises the risk management process to ensure that the risks assumed in the course of business are in line with the Company's strategies; to this end, it establishes a risk appetite and sets guidelines for managing risks that may jeopardise the achievement of the Company's objectives, assessing their adequacy at least once a year;

(iii) takes note of the risk analysis carried out by the Company's offices on a quarterly basis and of the risk assessment at least on the launch of the annual business plans and budgets;

(iv) takes note of the progress of the tax risk monitoring and mitigation activities, as well as (at least annually) the tax operating plan and (every three years) the strategic tax plan.

The implementation of the strategies and guidelines adopted by the Board of Directors is then ensured by a pyramid structure of the departments involved in drafting the plans and activities mentioned above, thanks to constant interaction between the Board itself and the Company's top management which directs its work.

Pirelli's internal control system has been developed in a bid to pursue the values of substantive and procedural fairness, transparency and accountability, assuring: (i) efficiency, transparency and traceability of the transactions and, more in general, of management related activities, (ii) the dependability of the accounting and management data and of the information on finance and

sustainability, (iii) compliance with the applicable laws and regulations and (iv) protecting the Company's integrity, also for the purpose of preventing fraud to the detriment of the Company and the financial markets.

During the Financial Year, once every six months and most recently on 25 February 2026, the Company's Board of Directors, with the support of the Audit, Risks and Corporate Governance Committee and in compliance with the Corporate Governance Code[176], acknowledges that the internal control, risk management and corporate governance system of the Company and Group is suitable in respect of the nature, dimension and characteristics of the business, expressing its positive assessment of its effectiveness and effective operation.

It is also reported that, with reference to the other company departments involved in the controls, on 28 April 2025 and most recently on 16 April 2026, the Board of Directors acknowledged that no measures were necessary to guarantee the effectiveness and impartiality of the company departments involved in the internal control and risk management system, notably, the Internal Audit Department, the Compliance & Rules Department, the Information Security, the Enterprise Risk Management and the Tax Risk Officer. For more details on the company departments involved in the internal control and risk management system, refer to paragraphs 9.4 and 9.7 of the Report.

A more complete description of Pirelli's internal control system can be found in the directors' report on operations at 31 December 2025, within the 2025 annual financial report.

For more details on sustainability reporting within the scope of the internal control and risk management system in accordance with the CSRD Decree and ESRSs, refer to the Consolidated Sustainability Reporting.

9.1 ROLE OF THE DIRECTOR RESPONSIBLE FOR THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In its meeting of 3 August 2023, the Board of Directors appointed, in continuity with the previous mandate, the Chief Executive Officer as the person in charge of setting up and maintaining the internal control and risk management system.

The Chief Executive Officer is tasked with supervising the functioning of the system of internal control and risk management and implementing the related guidelines formulated by the Board of Directors, with support from the Audit, Risks and Corporate Governance Committee, ensuring that all actions

[176] Recommendation no. 33, lett. a).

necessary for the implementation of the system are taken. In particular, in line with the recommendations of the Corporate Governance Code, the Chief Executive Officer:

- ensures that the principal business risks are identified, taking account of the characteristics of the activities carried out by the Company and its subsidiaries, and submits them periodically to the Board of Directors for review;

- authorises execution of the guidelines formulated by the Board of Directors, supervising the design, implementation and management of the internal control and risk management system and constantly monitoring its adequacy and effectiveness;

- ensures that this system is adapted to any changes in operating conditions and the legislative and regulatory framework;

- may ask the Internal Audit Department to carry out checks on specific operational areas and on compliance with internal rules and procedures in the execution of corporate transactions, while simultaneously notifying the Chairman of the Board of Directors, the Executive Vice Chairman, the Chairman of the Audit, Risks and Corporate Governance Committee and the Chairman of the Board of Statutory Auditors; and

- reports promptly to the Audit, Risks and Corporate Governance Committee on issues and critical situations identified during his work or otherwise brought to his attention, so that the Audit, Risks and Corporate Governance Committee can take appropriate action.

9.2 DIRECTOR RESPONSIBLE FOR SUSTAINABILITY ISSUES

On 3 August 2023, in continuity with the previous mandate, the Board of Directors identified the Chief Executive Officer as being the Director in charge of sustainability topics.

In that role, he will be responsible for supervising sustainability issues associated with the conduct of the activities of the company, and its dynamics of interaction with all the stakeholders, and for implementing the guidelines defined by the Board of Directors. For more details on the Group’s sustainability governance and the internal control and risk management process in respect of sustainability in accordance with the CSRD Decree and ESRSs, refer to the Consolidated Sustainability Reporting.

9.3 AUDIT, RISKS AND CORPORATE GOVERNANCE COMMITTEE

At the Report Date, the Audit, Risks and Corporate Governance Committee was made up of 5 Directors (all non-executive, of whom 4 are independent) as follows:

ARCGC
Chairperson of the committee: Fan Xiaohua

	NAME AND SURNAME	OFFICE
	Fan Xiaohua	Independent Director
	Chen Aihua	Director
	Roberto Diacetti	Independent Director
	Giovanni Lo Storto	Independent Director
	Michele Carpinelli	Independent Director

All members have adequate experience in accounting and finance or in risk management.

The Audit, Risks and Corporate Governance Committee, which incorporates the functions of the "control and risks committee" as per the Corporate Governance Code, helps the Board of Directors to assess and make decisions relating to the internal control and risk management system, as well as the approval of periodic financial and sustainability reports.

More specifically, in compliance with the Corporate Governance Code, the Audit, Risks and Corporate Governance Committee:

- assists the Board of Directors with:

  a) defining guidelines for the internal control and risk management system, in keeping with the Company's strategies;

  b) evaluating, at least once a year, the adequacy of the internal control and risk management system with respect to the characteristics of the business and the risk profile assumed, as well as its effectiveness;

c) appointing and removing the head of the Internal Audit department, defining the remuneration of this figure in line with the company's policies, ensuring that the same has adequate resources to perform its duties;

d) approving, at least once a year, the work plan prepared by the head of the Internal Audit department, having consulted the supervisory body and the Chief Executive Officer, and by the head of the Compliance & Rules department;

e) assessing the adoption of measures aimed to ensure the effectiveness and impartiality of judgement of the other company departments involved in the controls, checking that they have adequate professionalism and resources;

f) assessing, having consulted the Board of Statutory Auditors, the results presented by the external auditor in any letter of recommendations and in the additional report addressed to the Board of Statutory Auditors;

g) describing, in the report on corporate governance, the main characteristics of the internal control and risk management system and the methods used to coordinate the various parties involved in said system, indicating the models and best national and international practices of reference, expressing its opinion on the overall adequacy of the same;

- having consulted the manager responsible for the preparation of the corporate financial documents as well as the firm appointed to undertake the external audit of the accounts and the Board of Statutory Auditors, it assesses the proper and consistent application of the accounting standards within the Group when preparing the consolidated financial statements;

- assesses the suitability of the periodic, financial and sustainability information, correctly representing the business model, the Company's strategies, the impact of its activities and the performances achieved in coordination with the Strategies Committee;

- examines the content of the periodic sustainability information relevant for the internal control and risk management system;

- expresses opinions on specific aspects concerning identification of the main company risks and supporting the assessments and decisions of the Board of Directors on the management of risks deriving from adverse facts that have come to the attention of the Committee;

- examines the periodic reports prepared by the Internal Audit manager and the manager of the Compliance & Rules department;

- monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit function;

- requesting that the Internal Audit department, if deemed appropriate, perform checks in specific operational areas, notifying the Chairman of the Board of Statutory Auditors at the same time;

- reporting to the Board of Directors on the work performed and on the adequacy of the internal control and risk management system, at least at the time of approving the annual financial statements and the half-year report;

- monitoring compliance with and the periodic update of corporate governance rules, as well as compliance with any codes of conduct adopted by the Company and its subsidiaries; in particular, it is responsible for proposing the procedures and timeframes for the Board of Directors' annual self-assessment;

- defines the optimum composition of the Board of Directors and its Committees, providing opinions for the Board of Directors on the size and composition of the Board, and makes recommendations about the professional roles whose presence on the Board of Directors is deemed appropriate.

During the Financial Year, it was noted that the management - and, in particular, the Head of Compliance & Rules, the Manager responsible for the preparation of the corporate financial documents, the Head of Financial Statements and Administration, the Executive Vice President Sustainability, New Mobility and Motorsport, the Head of Sustainability and Future Mobility, the Head of ESG Rating & Reporting, the Head of Internal Audit, the Corporate General Manager, the Chief Digital Officer, the Head of Information Security, the Head of Finance, M&A and Risk Management, the Risk Manager; Head of Tax, Tax Risk Officer and Head of Corporate Security - assiduously attended the meetings of the Audit, Risks and Corporate Governance Committee, contributing to the Committee's periodic and updated reporting.

For more details on the work of the Audit, Risks and Corporate Governance Committee in drafting the regular sustainability reports, refer to Consolidated Sustainability Reporting.

9.4 INTERNAL AUDIT DEPARTMENT

The Company has established an Internal Audit Department, in compliance with the provisions of the Corporate Governance Code.

More specifically, the Internal Audit Department is tasked with assessing the adequacy and functioning of the audit, risk management and corporate governance processes, by providing independent and objective assurance and advice.

The Internal Audit Department also:

- audits, both on a continuous basis and in relation to specific needs and in accordance with international standards, the effective operation and suitability of the internal control and risk management system - suggesting any corrective actions required - by implementing an audit plan approved by the Board of Directors, based on an ongoing structured process of analysis and prioritisation of the principal risks;

- carries out audits, also at the request of the Audit, Risks and Corporate Governance Committee, of the Board of Statutory Auditors, the Supervisory Body and the Director responsible for the internal control system of specific operating areas, to verify compliance with the internal procedures and rules in the execution of business operations;

- prepares periodic reports containing adequate information on its activity, on the ways in which risk management is conducted, as well as on compliance with the plans defined for the containment of risks and the assessment of the suitability of the internal control and risk management system. These reports are sent, at least quarterly, to the Board of Statutory Auditors, the Control, Risk and Corporate Governance Committee, as well as to the Director in charge of the internal control system and the Board of Directors, which assesses the adequacy of the internal control and risk management system with respect to the characteristics of the Company and the risk profile assumed, as well as its effectiveness;

- receives and analyses incoming reports arriving in line with the Group's Whistleblowing procedure and relating to any corruption/breach of internal control principles and/or precepts set out in the Ethical Code, corporate standards and regulations, or any other acts or omissions that may directly or indirectly lead to an economic-equity or even reputational loss for the Group and/or for its companies;

- provides adequate support to the Supervisory Bodies of the Group companies established pursuant to art. 6 of Decree 231/2001;

- provides advice and support to the relevant Company departments – without exercising any decision-making or authorisation responsibilities – regarding inter alia: (i) the reliability of the systems safeguarding the Company's assets; (ii) the adequacy of the accounting, control and reporting procedures for administrative operations.

As mentioned in section 9.3 of the Report, it should be noted that, in line with the Corporate Governance Code, the Audit, Risks and Corporate Governance Committee expresses an opinion on proposals concerning the appointment, revocation, assignment of duties and determination of the remuneration, consistent with Company policies, of the head of the Internal Audit Department, as well as on the adequacy of the resources allocated to the department in order to carry out the assigned functions.

The Head of the Internal Audit Department reports hierarchically to the Executive Vice President of Corporate Affairs, Audit, Compliance, Corporate Security and Company Secretary and functionally to the Audit, Risks and Corporate Governance Committee and the Board of Statutory Auditors.

During the meeting held on 16 April 2026, after considering the positive assessments of the Audit, Risks and Corporate Governance Committee and of the Board of Statutory Auditors, the Board of Directors approved the internal audit plan for FY 2026.

9.5 EXTERNAL AUDITOR

The firm engaged to perform the external audit of the Company accounts is PricewaterhouseCoopers S.p.A., with registered and administrative offices at Piazza Tre Torri 2, Milan, recorded on the Register of Auditors established pursuant to arts. 6 et seq. of Legislative Decree no. 39 of 27 January 2010 ("**Legislative Decree No. 39/2010**").

Pirelli's Ordinary Shareholders' Meeting held on 1 August 2017 confirmed the firm's appointment to perform the external audit of the accounts (originally made for three financial years on 27 April 2017), establishing that, with effect from the admission of Pirelli shares to trading on the MTA (now Euronext Milan), which occurred on 4 October 2017, such appointment would entail: (i) the external audit of the accounts (including verification that the accounting records are properly kept and that the results of operations are properly reflected in the accounting entries) pursuant to articles 13 and 17 of Legislative Decree 39/2010 for the financial years 2017-2025, in relation to the separate financial statements of the Company, the consolidated financial statements of the Group and the additional related activities; and (ii) the limited examination of the condensed half-year consolidated financial statements of Pirelli for the six-month periods ending on 30 June 2018-2025.

In addition to carrying out the statutory audit, the Auditing Firm is also responsible for the limited audit of the Consolidated Sustainability Reporting, which forms an integral part of the directors' report on operations, in accordance with the criteria set out in the CSRD Decree and as defined by the Standard on Assurance Engagements on Sustainability Reporting: Standard on Sustainability Assurance Engagement - SSAE (Italy) issued with State Accountant General decision dated 30 January 2025, which stipulates that it should be used in conjunction with International Standard on Assurance Engagements (ISAE) 3000 (Revised)[177].

For the sake of completeness, it should be noted that the Company has adopted Internal operating rules to assign tasks to the Auditing Firm[178] which concerns – among other things – the procedures for assigning tasks other than the statutory audit to the Auditing Firm and members of its network ("**Other Engagements**"; i.e. other audit services, audit-related services and non-audit services). The operating procedure establish a detailed procedure that requires prior approval of the Board of Statutory Auditors for the assignment of Other Engagements. In compliance with the provisions of Article 17 of Legislative Decree No. 39/2010 on the independence of the Auditing Firm, the Company also has a procedure in place to ensure compliance with the thresholds set out in art. 4, paragraph

[177] International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board. For further information, please refer to the relevant Auditor's Report attached to the Annual Financial Report for the Year.

[178] Operating Procedure "Engagement of Auditing Firms" adopted pursuant to Directive 2006/43/EC, as amended by Directive 2014/56/EU, and EU Regulation 537/2014. Directive No. 2014/56 was transposed by Legislative Decree No. 135/2016, which amended Legislative Decree No. 39/2010.

2 of EU Regulation 537/2014[179]. In that regard, during the meetings of the Board of Statutory Auditors regarding the approval of Other Engagements, specific documentation is provided to certify compliance with said thresholds. Details of the remuneration assigned during the financial year to which the financial statements refer to the auditing firm in charge of the statutory audit and its network are disclosed to the Audit, Risks and Corporate Governance Committee and the Board of Statutory Auditors at least once a year, and reported in the notes to Pirelli's annual financial statements.

With the approval of the financial statements relative to the Financial Year, the statutory auditing appointment conferred upon the independent Auditing Firm will reach its expiry; in order to guarantee a liaison period between the current and new statutory auditor, appropriate to the dimensions and complexity of the Group, also taking into account the cooling-in period envisaged by EU Regulation No. 537/2014, in compliance with national best practices, the Shareholders' Meeting of 28 May 2024, on the basis of the proposal prepared by the Board of Statutory Auditors, appointed KPMG S.p.A. as statutory auditors for the nine-year period 2026-2034.

9.6 MANAGER IN CHARGE

In its meeting of 3 August 2023, with the favourable opinion of the Board of Statutory Auditors, the Board of Directors confirmed Fabio Bocchio as Executive Vice President and Chief Financial Officer, who is responsible for the Administration, Budget and Control departments, as well as being the Manager responsible for the preparation of the corporate financial documents pursuant to art. 154-*bis* of the TUF (the "**Manager Responsible**"). The appointment of the Manager Responsible has the same term as the mandate of the Board of Directors, which also verified that the Manager Responsible met the requirements of professionalism and integrity that are necessary for the assignment pursuant to Article 11, of the Bylaws.

In regard to this task, the Manager Responsible puts suitable administrative and accounting procedures in place for the preparation of the separate and consolidated financial statements, as well as of all other financial communications. The Board of Directors ensures that the Manager Responsible avails of the proper means and powers to exercise the duties conferred, and ensures effective compliance with administrative and accounting procedures.

The Manager Responsible is endowed with all the organisational and management powers that are essential to exercise the powers attributed by current legislation, the Bylaws and the Board of Directors. The Manager responsible also puts suitable administrative and accounting procedures in

[179] "*Where the statutory auditor or auditing firm supplies the entity being audited, its parent company or companies it controls – for a period of three or more consecutive financial years – with non-audit services other than those referred to in art. 5, paragraph 1 herein, the total fees for said services shall be limited to 70% of the average fees paid during the preceding three consecutive financial years for the statutory audit of the entity being audited and, where applicable, its parent company, controlled companies and the consolidated financial statements of said group of companies. For the purposes of the limitations set out in the first paragraph of this section, certification of conformity of the sustainability reporting and non-audit services other than those referred to in art. 5, paragraph 1 required by EU or Italian law are excluded*".

place for the preparation of the separate and consolidated financial statements, as well as of all other financial communications.

With the coming into force of the CSRD Decree, during the meeting held on 7 November 2024, after obtaining the express favourable opinion, for all intents and purposes, of the Board of Statutory Auditors, the Board of Directors included amongst the tasks of the Manager Responsible, Fabio Bocchio - starting from approval of the financial statements as at 31 December 2024 and without prejudice to the duties assigned him on 3 August 2023 - that of certifying, by means of a specific report prepared in accordance with the model envisaged by the Issuers' Regulation, that the consolidated sustainability reporting included in the management report has been prepared in accordance with the reporting standards 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 Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020. This task was assigned to the Manager Responsible, already appointed to oversee the financial reporting preparation processes, to guarantee an increasing integration between the Consolidated Sustainability Reporting and the financial reporting.

With reference to this duty, the Manager in Charge:

- is expected to refer without delay to the delegated administrative body and Board of Directors, also via the internal board committee competent on the matter, on any aspects of significant importance which he believes, if not correct, must be stated in the declaration required by art. 154-*bis*, paragraph 5-ter, of the Consolidated Law on Finance;

- has direct access to all the information necessary for the production of relevant sustainability data pursuant to the CSRD Decree, without the need for any authorisation; participates in internal flows pertaining to Consolidated Sustainability Reporting and approves all the corporate procedures that have an impact on the Consolidated Sustainability Reporting.

It is specified that under the appointment held, in accordance with the Bylaws, the Manager in Charge is classified as a Key Manager.

For the sake of offering a complete overview, note that on 12 December 2024, the Shareholders' Meeting approved a proposal to amend Art. 11 of the Bylaws, introducing the provision that the Board of Directors may appoint a manager other than the Manager Responsible to certify the sustainability reporting (the "**Attesting Manager**"), after consulting with the Board of Statutory Auditors. It was also clarified that the term of office of the Attesting Manager expires with the Board of Directors that appointed him/her and that the Attesting Manager must have specific expertise in sustainability reporting and meet the integrity requirements established for directors.

9.7 OTHER CORPORATE ROLES AND DEPARTMENTS INVOLVED

9.7.1 COMPLIANCE & RULES DEPARTMENT

Operating within the Corporate Affairs, Compliance & Rules, Audit, Compliance, Corporate Security and Company Secretary Department, the Pirelli Compliance Department works with the Legal departments and other competent company departments to ensure that the company's internal regulations, processes and activities are constantly aligned with the applicable regulatory framework, playing an active role in identifying any non-compliance risks that might give rise to judicial or administrative penalties, resulting in reputational damage.

9.7.2 ENTERPRISE RISK MANAGEMENT & INSURANCE DEPARTMENT

Pirelli adopts a "proactive" risk governance model, which, in a systematic and structured manner, enables the identification, analysis and assessment of the risk areas that may compromise the achievement of strategic objectives and that, at the same time, provides the Board of Directors and top management with the tools they need to make decisions aimed at anticipating and handling the effects of such risks, as well as proactively making the most of business opportunities as they arise.

In this context, the Enterprise Risk Management & Insurance Department is also appointed to: (i) ensure that the policy guidelines of the risk management system are defined in such a way that the principal risks of the Company and its subsidiaries are effectively and efficiently identified, measured, managed and monitored and (ii) make it possible to verify the compatibility of the considered risks with company management that is consistent with the strategic objectives identified during the approval of the Business Plan.

9.7.3 INFORMATION SECURITY FUNCTION

The number of cyber-attacks is increasing globally and Pirelli aims to provide suitable levels of protection to safeguard data and continuity of operational processes.

To this end, Pirelli has established an Information Security Department with the task of paying particularly close attention to assessing the risks linked to cybersecurity, including in respect of the supply chain, and of guaranteeing the preparation of adequate, effective organisational and technical measures to mitigate the risks and handle any critical events.

More specifically, the Information Security Department supports the Company in:

- pursuing the corporate strategy by making information security an enabling factor for its business;

- safeguarding the Group's asset;
- ensuring compliance with internal and external information security regulations;
- responding proactively and effectively to the increase in cyber threats, also providing training and raising awareness amongst employees to strengthen the internal prevention and response capacity;
- assessing risks, significant events, updating the Information Security strategy of the Group accordingly.

9.7.4 TAX RISK CONTROL SYSTEM

The Group's management of and approach to the tax risk are defined and indicated in the principles and values of its Global Tax Policy, the document approved by the Board of Directors and made public on the website. The Board of Directors is periodically informed, through the Audit, Risks and Corporate Governance Committee, about the progress of the monitoring, management and mitigation of the tax risks identified as part of the business activities carried out by the Group.

Since 2017, the Company has adopted a Tax Control Framework ("**TCF**") in line with international best practice and the Principles dictated by the OECD, i.e. a system for the detection, management, mitigation and control of tax risks based on rules, principles and processes, which reaffirms the Group's commitment to strict compliance with tax regulations.

The solidity of the Company's TCF has been endorsed by the Italian Revenue Agency and certified with its admission, starting 2017, to the "Cooperative Compliance" system.

The results of the risk management, control and mitigation activities, and the progress of dialogue with the Italian tax authorities are periodically reported through the Tax Risk Officer – a position provided for under the Collaborative Compliance scheme, who is responsible for implementing and overseeing the TCF for the purpose of controlling and mitigating tax risks – and the Tax Affairs Department to the Audit, Risks and Corporate Governance Committee which, in turn, reports to the Board of Directors.

9.8 MODEL 231, CODE OF ETHICS AND CODE OF CONDUCT

The Company has adopted the organisation, management and control model envisaged by Decree 231/2001, as subsequently amended from time to time (the "**Model 231**"), in order to create a system of rules designed to prevent unlawful conduct that might be significant for the purposes of applying the above regulations and, as a consequence, has established the Supervisory Body.

Model 231 – periodically updated by the Company in light of legislative developments – is made up of: (a) a general part covering topics relating, inter alia, to the applicability and application of Decree 231/2001, the composition and functioning of the Supervisory Body, and the system of penalties applicable in the event of breaches of the standards of conduct specified in Model 231, and (b) a special part containing the general principles of conduct and the control protocols for each type of identified offence deemed significant for the Company.

The Supervisory Body in office was appointed by the Board of Directors on 3 August 2023, in continuity with the previous body. Currently, the Supervisory Body consists of 3 members, specifically: Carlo Secchi (Chairman), Maura Campra (Standing Auditor, appointed by the Board of Directors on 1 August 2024 to replace Antonella Carù, who ceased to be a Standing Auditor following the completion of her term of office) and Alberto Bastanzio (by virtue of the office held as Executive Vice President of Corporate Affairs, Audit, Compliance, Corporate Security and Company Secretary). The Supervisory Body satisfies the autonomy, independence, professionalism and continuity of action requirements specified by law for that body.

The Supervisory Body will remain in office until expiry of the mandate of the Board of Directors and, therefore, until Shareholders' Meeting approval of Pirelli's annual financial statements at 31 December 2025.

Pirelli has adopted a Code of Ethics that sets out principles for the required conduct of directors, statutory auditors, managers and employees of the Group and, in general, all those working in Italy and abroad on behalf or for the benefit of the Group, or engaging in business relations with the Group, each in the context of their own functions and responsibilities. This includes any conduct with reference to the sustainability issues as described in more detail in the Consolidated Sustainability Reporting.

For the sake of completeness, note that the Company has adopted a Code of Conduct governing the operative structure of the Code of Ethics and which represents a guideline to good practices in business conduct, in compliance with the laws and regulations in force in the countries in which Pirelli operates, and in order to avoid the arising of environmental situations favourable to the perpetration of offences. The Code of Conduct applies in reference to three areas: (i) in relations with the Public Administration; (ii) in corporate matters and market disclosures; and (iii) in relations with internal subjects and third parties to the Company.

An extract of Model 231, the Code of Ethics and the Code of Conduct are available on the Website.

9.9 SYSTEM OF RISK MANAGEMENT AND CONTROL OVER FINANCIAL INFORMATION

Pirelli has implemented a specific and structured risk management and internal control system supported by a dedicated IT application, in relation to the process to prepare the consolidated half-yearly and annual financial reports. In particular, the financial reporting process is carried out by

applying appropriate administrative and accounting procedures created in accordance with the criteria established by the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

The administrative/accounting procedures adopted for the preparation of financial statements and all other financial disclosures are created under the responsibility of the Manager Responsible (as defined in section 9.6 of the Report), who – with support from the Compliance & Rules Department – periodically (and in any case, at least when the separate/consolidated financial statements are drawn up) checks their adequacy and proper application.

In order to allow certification by the Manager in charge, the companies and the significant processes that feed into and generate information of an economic and financial nature have been mapped. These maps are updated on an annual basis taking account of quantitative and qualitative criteria. Quantitative criteria consist in identifying those Group companies which, in relation to the selected processes, represent an aggregate value above a certain materiality threshold. Qualitative criteria, on the other hand, involve reviewing those processes and companies that, according to the Manager in charge's final assessment, may present potential areas of risk despite not falling within the quantitative parameters described above.

Risks/control objectives have been identified for each selected process involved in the preparation of the financial statements and related disclosures, as well as with regard to the effectiveness/efficiency of the internal control system in general.

Detailed verification work has been planned, and specific responsibilities have been defined for each control objective.

A half-yearly system for supervising the verification work undertaken has been implemented through a chain-of-certifications mechanism, which is traced back to the Chief Executive Officers or alternative person of equal management responsibility of each Group company identified as "relevant" according to the criteria set out above; any problems emerging during the assessment process are subject to action plans whose implementation is monitored within the following half year.

Moreover, the Chief Executive Officers or alternative person of equal management responsibility and Chief Financial Officers of subsidiaries issue half-yearly statements attesting the reliability and accuracy of the data submitted for the preparation of the Group's consolidated financial statements.

Shortly before the Board meetings held to approve the consolidated data as of 30 June and 31 December, the results of the verification work are shared with the Group's Manager in charge, who then reports to the Audit, Risks and Corporate Governance Committee and, subsequently, to the Board of Directors.

Finally, the Internal Audit Department periodically verifies the adequacy of the design and the effective operation of the controls carried out on samples of companies and processes, selected applying materiality criteria.

9.10 COORDINATION BETWEEN THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

As part of the internal control and risk management system, the Company provides for and promotes close coordination between the parties involved in the system, scheduling meetings at least once every six months for the Audit, Risks and Corporate Governance Committee, during which Committee members are able to interact directly with the managers of the departments involved (Compliance & Rules, Internal Audit, Enterprise Risk Management, Information Security and Tax Risk Officer). The results of the Committee meetings are reported directly to the meetings of the Board of Directors on a regular basis.

In order to ensure coordination between the Company's control systems, the meetings of the Audit, Risks and Corporate Governance Committee are held periodically jointly with the Supervisory Board and the Board of Statutory Auditors.

For further information, please refer to the dedicated section in the directors' report on operations at 31 December 2025, within the 2025 annual financial report.

10. INTERESTS OF THE DIRECTORS AND RELATED-PARTY TRANSACTIONS

In compliance with the provisions of art. 2391-*bis* of the Italian Civil Code and the Related Parties Regulation, on 09 May 2024, as part of its regular checks on the adequacy of the procedure adopted by the Company and after seeking the opinion of the Related Party Transactions Committee given unanimously, with the participation of all members in office, the Board of Directors updated the RPT Procedure with formal interventions mainly referring to the changes made to the Company's organisational structure since the last revision.

The latest update of the RPT Procedure is available for consultation on the Website.

The RPT Procedure establishes rules for the approval and execution of the related-party transactions arranged directly by Pirelli or by its subsidiaries.

Periodically and at least every three years, the Board of Directors - having received the opinion of the Related-Party Transactions Committee - considers the need to revise the RPT Procedure.

The substantial changes to the RPT Procedure are approved by the Board of Directors after obtaining the favourable opinion from the Related Party Transactions Committee. The Executive Vice Chairman and/or Chief Executive Officer may supplement and/or make changes to the RPT Procedure, informing the Related Party Transactions Committee in advance, if purely formal

adjustments should be appropriate, including those to incorporate changes to the Company's organisational structure.

A special section of the financial statements shows the principal transactions with related parties undertaken by the Company.

Every six months, a report on the application of the RPT Procedure, drawn up by the Compliance & Rules Department, is submitted to the Related-Party Transactions Committee and subsequently the Board of Directors. The analyses carried out to date have shown, also for financial year 2025, due compliance with and the correct application of the aforementioned procedure in all cases falling within its scope of application.

For more information on the Related-Party Transactions Committee, see section 6.3 of the Report.

By virtue of the existing measures under the provisions of art. 2391 of the Italian Civil Code and the RPT Procedure, the Board of Directors did not hold it to be necessary to adopt any additional operative solutions to identify and suitably manage situations in which a Director has an interest on his/her own behalf or that of third parties.

11. BOARD OF STATUTORY AUDITORS

11.1 APPOINTMENT, REPLACEMENT AND DURATION IN OFFICE

At the Report Date, the Board of Statutory Auditors is composed of five standing auditors and three alternate auditors who all satisfy current legislative and regulatory requirements; in this regard the activities indicated in the corporate purpose, with particular reference to companies or entities operating in the financial, industrial, banking, insurance and real estate fields and services in general, are qualified as subjects and sectors of activity closely related to those of the company.

In accordance with Art. 16, paragraph 2 of the Bylaws, the Ordinary Shareholders' Meeting appoints the Board of Statutory Auditors and determines its remuneration.

The statutory auditors act with autonomy and independence, also with regard to the shareholders that elected them.

In order to enable the minority to elect a standing auditor (who will be the Chairman of the Board of Statutory Auditors) and an Alternate Auditor, the Board of Statutory Auditors is appointed on the basis of slates presented by the shareholders, in which each candidate is listed with a sequence number. Each slate contains a number of candidates that does not exceed the number of members to be elected.

Shareholders are only entitled to present a slate if, alone or together with other shareholders, they hold at least 1% of the shares entitled to vote at an Ordinary Shareholders' Meeting, or any lower amount required by a regulation issued by Consob for the presentation of slates of candidates for appointment to the Board of Directors. Each shareholder may present or contribute to the presentation of just one slate.

The slates of candidates, signed by those presenting them, must be filed at the registered offices of the Company at least twenty-five days prior to the date fixed for the Meeting called to appoint the members of the Board of Statutory Auditors, without prejudice to any extension in the cases envisaged by the applicable legislation. These slates are made available to the public at the registered offices, on the Website and in other ways prescribed by Consob regulation, at least twenty-one days prior to the date of the Meeting.

Each candidate may be included on just one slate, subject otherwise to becoming ineligible.

Each slate comprises two sections: one for candidates for the office of standing auditor and the other for candidates to the position of alternate auditor. The first candidate in each section shall be selected from among those registered in the Register of Chartered Accountants who has worked on external audits for a period of not less than three years. In order to ensure gender balance, slates that - taking account of both sections - present a number of candidates equal to or exceeding three, must include candidates of each gender at least to the minimum extent required by law and / or *pro tempore* regulations in force, as specified in the notice of call of the Shareholders' Meeting, both in the section for standing auditors and in the section for alternates.

Each party entitled to vote may only vote for one slate. The members of the Board of Statutory Auditors are elected as follows:

1) four standing auditors and two alternate auditors are drawn, in the sequence listed, from the slate that obtained the largest number of votes (the majority slate);

2) the remaining standing auditor and alternate auditor are drawn, in the sequence listed, from the slate that obtained the second largest number of votes (the minority slate); should several slates obtain the same number of votes, a new vote limited to just those slates is held by all those entitled to vote that are present at the Shareholders' Meeting, and the candidates on the slate which obtains the simple majority of the votes will be elected.

The Chairman of the Board of Statutory Auditors shall pertain to the standing member listed as the first candidate on the minority slate.

Should application of the slate voting mechanism not obtain, considering the standing and alternate auditors separately, the minimum number of statutory auditors belonging to the less represented gender envisaged by the regulations in force at the time, the candidate belonging to the most represented gender and elected, indicated with the highest sequential number of each section from the slate that obtained the largest number of votes, will be replaced by the candidate belonging to the less represented gender not already elected from the same section of that slate, according to the sequential order of presentation.

An auditor is replaced, in the event of death, resignation or forfeiture, by the first alternate auditor drawn from the same slate. If this replacement does not allow the Board of Statutory Auditors to be reconstructed in compliance with current regulations, including those governing gender balance, recourse is made to the second alternate auditor drawn from the same slate. If, subsequently, it becomes necessary to replace another Auditor drawn from the slate that obtained the largest number of votes, recourse is made to the other alternate auditor drawn from the same slate. Should it be necessary to replace the Chairman of the Board of Statutory Auditors, the chair is taken by the second auditor on the same slate as the Chairman to be replaced, following the order of that slate, always provided that the replacement satisfies the requirements for the position established by law and/or the Bylaws and complies with the gender balance requirements envisaged by the regulations in force; if it is not possible to make replacements in accordance with the above criteria, a Shareholders' Meeting will be called to supplement the Board of Statutory Auditors with resolutions adopted by a relative majority of the votes cast.

When the Shareholders' Meeting must appoint the standing and/or alternate auditors necessary for the supplementing of the Board of Statutory Auditors, the procedure is the following: if it is necessary to replace auditors elected from the majority slate, the appointment is made by a relative majority of the votes cast, without any slate requirements and without prejudice, in all cases, to compliance with the gender balance requirements envisaged by the regulations in force; if, on the other hand, it is necessary to replace auditors elected from the minority slate, the Shareholders' Meeting replaces them by a relative majority of the votes cast, choosing them - where possible - from among the candidates indicated on the slate from which the auditor to be replaced was drawn and, in all cases, in compliance with the principle guaranteeing representation for the minorities that, pursuant to the Bylaws, are entitled to participate in the appointment of the Board of Statutory Auditors, without prejudice in all cases to compliance with the gender balance requirements envisaged by the regulations in force. The principle guaranteeing representation for the minorities is respected if the auditors elected were previously candidates on the minority slate or on slates other than that which, at the time of appointing the Board of Statutory Auditors, obtained the largest number of votes.

If only one slate is presented, the Shareholders' Meeting votes on it; if the slate obtains a relative majority of the votes cast, the candidates named in the respective sections of the slate are elected as standing auditors and alternate auditors; the person named first on the above slate becomes the Chairman of the Board of Statutory Auditors.

For the appointment of statutory auditors who, for any reason, were not appointed in accordance with the above procedure, the Shareholders' Meeting adopts resolutions with the majorities required by law, without prejudice in all cases to compliance with the gender balance requirements envisaged by the regulations in force. Outgoing Statutory Auditors may be re-elected.

11.2 COMPOSITION

The Board of Statutory Auditors in office at the Report Date was appointed by the Ordinary Shareholders' Meeting on 28 May 2024 - and until the date of the Shareholders' Meeting convened

to approve the financial statements for the financial year ended at 31 December 2026 - with the following members: Riccardo Foglia Taverna (Chairman of the Board of Statutory Auditors, appointed by the minorities), Maura Campra, Francesca Meneghel, Teresa Naddeo and Riccardo Perotta as standing auditors and Franca Brusco (appointed by the minorities), Roberta Pirola and Enrico Holzmiller as alternate auditors.

In compliance with rule Q.1.5 of the Rules of Conduct of the Board of Statutory Auditors of Listed Companies published by the Italian national association of chartered accountants and auditors, most recently updated in December 2024 (the "**Rules of Conduct**"), the outgoing Board of Statutory Auditors makes available to the Company's shareholders, with reasonable notice and in advance of the Shareholders' Meeting, a complete picture of the activities that the next Pirelli Board of Statutory Auditors will be required to perform and, in addition to this, a summary of its assessments regarding the optimum qualitative/quantitative composition of the control body (in addition to the regulatory or statutory requirements) for the purposes of the effective operation of that same Board and in sufficient time to allow the shareholders to take it into account when selecting the candidates to be included in the lists for the Board of Statutory Auditors' renewal to be presented to the Shareholders' Meeting.

The professional profiles of the members of the incumbent Board of Statutory Auditors are summarised on the Website.

The Ordinary Shareholders' Meeting also determined the gross annual fees due to Statutory Auditors, in respect of which reference is made to the Report on Remuneration for further details.

All Statutory Auditors may be qualified as independent based on the criteria specified for Directors as set out in the Corporate Governance Code and regulations in force at the time, as expressly ascertained by the Board of Statutory Auditors based on the information provided by the Statutory Auditors and the information available thereto. This verification was performed at the time of appointment (as on 27 June 2024) and is carried out once a year and most recently during the meeting held on 23 March 2026 of the Board of Statutory Auditors, during which compliance to the independence requirements, in accordance with the TUF and the Corporate Governance Code, has been verified, also taking into account the "Diversity and Independence Statement" and the "Independence Criteria" adopted by the Board of Directors.

As concerns the limit to appointments held by members of the Board of Statutory Auditors, the Company checked that such limit was respected both at the time of appointment by the Pirelli Shareholders' Meeting and once a year, on the basis of the declarations made by the individual members of the Board of Statutory Auditors, in accordance with Annex 5-*bis* of the Issuers' Regulation. The results of the check for the Financial Year are given in Table 4 of the Report.

During the Year, the Board of Statutory Auditors of Pirelli met 16 times, with each meeting having an average duration of about 98 minutes and attendance being 91% of Standing Auditors. The percentage attendance by Auditors of the meetings of the Board of Directors and Shareholders during the Financial Year was, respectively, 93% and 100%. For more information on the activities of the Board of Statutory Auditors during the FY, please refer to the report of the Board of Statutory

Auditors to the Shareholders' Meeting pursuant to Article 153 TUF and Article 2429, Paragraph 2 of the Italian Civil Code, within the 2025 Annual Financial Report.

The members of the Board of Statutory Auditors present such characteristics as to ensure an adequate level of diversity with regard to aspects such as age, gender composition and educational and professional background. In particular, at the Report Date, in compliance with "gender equality" regulations, of the eight members of the Board of Statutory Auditors (five standing auditors and three alternate auditors), approximately 63% were female (the percentage is 60% of the standing Auditors only). The average age of the current members of the Board of Statutory Auditors is approximately 66 years. For more details on the competences and capacity of the administrative, management and control bodies on matters of sustainability in accordance with the CSRD Decree and ESRSs, refer to section 4.3.3 of the Report and the Consolidated Sustainability Reporting.

During the course of the Year, the Board of Statutory Auditors, like the Board of Directors, has again carried out the process for assessing its performance, with assistance from the independent consulting firm SpencerStuart, in line with what was done in the previous year and in compliance with the Rules of Conduct. That self-assessment process, like the process in place for the Board of Directors, 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 results of the board review process of the Board of Statutory Auditors are highlighted in the report of the Board of Statutory Auditors to the Shareholders' Meeting pursuant to Article 153 of the TUF and Article 2429, Paragraph 2 of the Italian Civil Code, within the 2025 Annual Financial Report.

The relevant information about each member of the Board of Statutory Auditors is summarised in Table 4 of the Report.

11.3 ROLE OF THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors monitors compliance with the law and the Bylaws, as well as adherence to the principles of proper management and, in particular, the adequacy of the organisational structure, the internal control and risk management system and the administrative-accounting system adopted by the Company and their actual functioning. In addition, it verifies the procedures to implement effectively the corporate governance rules envisaged by the rules of conduct to which the Company adheres. The Board of Statutory Auditors also monitors the adequacy of the instructions issued by the Company to its subsidiaries pursuant to Article 114, paragraph 2 of the TUF and compliance with the applicable regulations on transactions with related parties.

The Board of Statutory Auditors also acts as "internal control and accounts auditing committee" in accordance with Directive 2006/43 EC and EU Regulation No. 537/2014.

In accordance with Italian Legislative Decree 39/2010, the Board of Statutory Auditors monitors the statutory auditing process of the annual financial statements and the consolidated financial

statements, the results of which it then discloses to the Board of Directors, to which it also submits the additional report by the independent auditor pursuant to Art. 11 of EU Regulation No. 537/2014 and also verifies the independence of the independent auditing firm, also with reference to non-audit services.

In addition, in accordance with the CSRD Decree, the Board of Statutory Auditors monitors to ensure that the consolidated sustainability reporting is drafted and published in compliance with the provisions of reference legislation. It also oversees the adequacy of the organisational, administrative, reporting and control system adopted to ensure a correct, complete representation in the sustainability reporting of all information necessary to understanding both the business impact on sustainability matters and the manner in which sustainability aspects impact the company's performance, its results and position. A detailed description of the supervisory activities of the Board of Statutory Auditors in regard to consolidated sustainability reporting is included in its report to the Shareholders' Meeting.

Finally, one Auditor is called to be part of the Supervisory Body, as detailed in section 9.8 of the Report.

The Board of Statutory Auditors carries out its duties by exercising all the powers conferred on it by law and by being able to rely on a constant and detailed information flow from the Company, also outside the periodic meetings of the Board of Directors and the Committees.
In going about its duties, the Board of Statutory Auditors not only attends all meetings of the Board of Directors and Shareholders' Meetings, but also has the faculty to take part in the work of the Audit, Risks and Corporate Governance Committee, the Related-Party Transactions Committee and the Remuneration Committee. One member of the Board of Statutory Auditors is invited to attend the meetings of the Appointments and Successions Committee, the Strategies Committee and the Sustainability Committee, (usually the Chairman). Under the scope of the constant information flow in place between the Group's subsidiaries and Pirelli - also in accordance with Art. 151, paragraphs 1 and 2 of the TUF, as well as the Rules of Conduct and best practices - the Board of Statutory Auditors meets with the Chairpersons of the Boards of Statutory Auditors of the major Italian subsidiaries once a year.

As part of the monitoring of compliance with the provisions of the Golden Power DPCM by the Company, it is envisaged that the Board of Statutory Auditors shall draft an explanatory report of the measures adopted in compliance with the Decision and any other relevant corporate or business measure in relation to such, to be sent to the MIMIT. The 2026 Golden Power DPCM has assigned the role of monitoring compliance with the requirements set forth therein to the Board of Directors, effective as of the approval of the 2026 financial statements.

During the Financial Year, the Board of Statutory Auditors performed its supervisory duties in accordance with the terms set forth above (for more details, refer to the report by the Board of Statutory Auditors to the Shareholders' Meeting pursuant to article 153 TUF and article 2429, subsection 2 of the Italian Civil Code, within the 2025 annual financial report).

For a detailed explanation of the role of the Board of Statutory Auditors in the management of sustainability matters in accordance with the CSRD Decree and ESRSs, refer to the Consolidated Sustainability Reporting.

12. CORPORATE GENERAL MANAGEMENT

It is noted that, also in compliance with the provisions of the Golden Power DPCM, on 3 August 2023 the Corporate General Management was established, entrusted to Mr Francesco Tanzi, who, as a result, the Bylaws have also classified as Key Manager. The Board of Directors conferred appropriate responsibilities and operational powers to perform the assignment on the Corporate General Manager.

13. INFORMATION FLOWS TO THE DIRECTORS AND STATUTORY AUDITORS

On 3 August 2023, the Board of Directors of Pirelli confirmed the adoption of the procedure governing information flows to Directors and Statutory Auditors (the "**Information Flows Procedure**") in order to: (i) guarantee the transparent management of the business, (ii) establish conditions for the effective and efficient management and control of the activities of the Company and the operations of the business by the Board of Directors, and (iii) provide the Board of Statutory Auditors with the sources of information needed for the efficient performance of its supervisory role.

The flow of information to the Directors and Statutory Auditors is assured, preferably, by the transmission of documents on a timely basis and, in any case, with sufficient frequency to ensure compliance with the disclosure requirements, and in accordance with deadlines consistent with the timetables set for each board meeting. These documents may be supplemented by explanations provided in the context of the board meetings, or at specific informal meetings organised to examine topics of interest relating to the management of the company.

When the information flows relate to Inside Information and/or Significant Information, they must take place in accordance and compliance with the procedures indicated in the Market Abuse Procedure.

The Information Flows Procedure is available on the Website; you are referred to it for more information.

14. RELATIONS WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS

Pirelli attributes strategic importance to financial reporting. In accordance with the Group's values and Code of Ethics, Pirelli maintains constant dialogue with shareholders, bondholders, institutional and individual investors, analysts from major investment banks as well as financial market stakeholders and other relevant stakeholders, through the designated departments and the Group's top management in order to promote fair, transparent, timely and accurate reporting.

In line with international best practice, the "Investors" section of the website is constantly updated with content of interest to the financial market, including: strategy ("Equity Story"), economic-financial data on previous years, analysts' opinions of Pirelli, and their estimates for the principal economic-financial indicators ("Consensus"), monthly developments in the principal automotive tyre market ("Tyre Market Watch"), as well as the Company's positioning in the principal sustainability ratings and indices ("ESG Ratings & Indexes"). The Investor Relations Department also promotes periodic meetings with Shareholders and Investors in Italy and abroad.

For further details on relevant stakeholder relations in respect of sustainability topics, refer to the Consolidated Sustainability Reporting.

14.1 POLICY FOR MANAGING DIALOGUE WITH SHAREHOLDERS AND THE MAIN FINANCIAL MARKET STAKEHOLDERS

Pirelli believes that an ongoing dialogue with shareholders and, more generally, the main Financial Market Stakeholders contributes to creating sustainable value for the Company. When conducting those relations, the Company is inspired by international best practices, guaranteeing equal, transparent, timely and accurate communication, compliant with market abuse regulations in force. Over the years, the Company has developed several communication channels with shareholders and financial market stakeholders ("**Stakeholders**").

On 3 August 2023, the Board of Directors confirmed a policy[180] which governs the rules for managing the dialogue held by the Board of Directors with the Persons, through the Executive Vice Chairman and with the assistance of the departments concerned (primarily Investor Relations, Corporate Affairs and Sustainability and New Mobility Department) ("**Engagement Policy**").

[180] Adopted for the first time on 23 February 2022, following the favourable opinion of the Audit, Risks, Sustainability and Corporate Governance Committee, changing the existing practices and in compliance with Recommendation 3 of the Corporate Governance Code.

This policy covers – *inter alia* – the following issues:

- business and financial strategies and performance;
- corporate governance (e.g. appointment and composition of the administrative body, even in size, professional aspects, respectability, independence and diversity, and of board committees, etc.);
- social and environmental sustainability;
- policies on the remuneration of directors and Key managers and on their implementation; and
- system of internal control and risk management.

The Engagement Policy sets out the criteria for identifying the Stakeholders involved, assigning the Executive Vice Chairman the task of managing the dialogue, with the support – for carrying out the preparatory and organisational activities necessary for establishing and conducting the dialogue, as well as for matters falling within the remit of each party – of the Company Secretary and the Head of Investor Relations. Dialogue may also take place through the involvement, on the basis of their expertise, of other parties and, in particular, the relevant company departments, the chairmen of the relevant board committees and top management.

In accordance with the Engagement Policy, the Board of Directors is promptly informed of the development and significant content of the dialogue with the Stakeholders and also receives six-monthly updates on requests for meetings or important information and the related outcomes. The Board of Directors directs and monitors the dialogue.

The Audit, Risks and Corporate Governance Committee submits the Engagement Policy to the Board of Directors each time it is deemed necessary or appropriate, and in any case at least every three years, to guarantee it is in line with applicable regulations and the evolution of best practices.

It is noted that during the Financial Year, a request was made for dialogue, in accordance with the Engagement Policy, by an institutional investor, with a view to analysing specific topics on the Company’s corporate governance system.

For further information on the Engagement Policy, please refer to the Website.

During the Financial Year and at the Report Date, it is also noted that the Investor Relations department, under the scope of the ordinary financial communication activities, carried out engagement activities with the main Proxy Advisors, the main institutional investors in the Company’s share capital and the financial market stakeholders on the following topics: the Company’s corporate governance system, business model, financial results and implementation of the sustainability plan.

15. SHAREHOLDERS' MEETINGS

Pursuant to art. 7 of the Bylaws, ordinary and extraordinary Shareholders' Meetings of the Company are held in single call. Their resolutions are adopted with the majority required by law, with the sole exception of the authorisation (pursuant to Article 2364, paragraph 1, no. 5 of the Italian Civil Code) of the Board of Directors to carry out the deeds listed below, which requires a qualified majority (votes in favour of shareholders representing at least 90% of the share capital of the Company):

- transfer of the operational and administrative headquarters outside of the municipality of Milan;
- any transfer and/or act of disposition of Pirelli's Know How, under any form (including the grant of licenses), pursuant to the provision of article 3.2 of the Bylaws.

Parties entitled to vote may be represented by proxy, given in accordance with the procedures envisaged by law and the regulations in force and specified in the call notice.

The Bylaws do not provide for the possibility of increased voting rights or the issue of shares with multiple voting rights.

The Company designates, for each Shareholders' Meeting, one person who may be appointed as a proxy holder by those entitled to vote, with voting instructions for all or some of the items on the agenda ("**Designated Representative**"). The proxy has no effect with respect to the items for which no voting instructions have been given. The Designated Representative, the method and time limits for the issue of proxies are set out in the notice of call.

Where allowed by applicable laws and/or regulations, the Board of Directors may specify in the call notice that participation and the exercise of voting rights at the Shareholders' Meeting may occur exclusively through a proxy (or sub-proxy) granted to the Designated Representative. If the Board of Directors opts to exercise this faculty, and where permitted by applicable laws and/or regulations, the Board may also indicate in the call notice that participation in the Shareholders' Meeting by entitled persons may occur exclusively via telecommunications, provided that the conditions set forth in Article 7, paragraph 5 of the Bylaws are met.

The ordinary Shareholders' Meeting must be called in accordance with the law within a maximum of 180 days after the end of the Company's financial year.

In the situations envisaged by law and in accordance with the related procedures, the directors must call a Shareholders' Meeting without delay when requested by shareholders representing at least one-twentieth of share capital.

The shareholders requesting the Meeting must prepare a report on their proposals regarding the matters to be discussed. At the time of publishing the notice of call for the Meeting and in accordance with the procedures envisaged by law, the Board of Directors must make the report prepared by the shareholders available to the public, together with its considerations, if any.

In the cases, in the manner and with the timing envisaged by law, shareholders that, individually or together, represent at least one-fortieth of share capital may request the integration of the items of the agenda, indicating in their request the additional topics proposed by them, or proposing resolutions on matters already on the agenda.

A notice is published about the addition of items to the agenda or the presentation of additional proposed resolutions on matters already on the agenda, by the legal deadlines, in the manner established for publication of the notice of call.

Shareholders requesting additions to the agenda must prepare and send to the Board of Directors, by the final deadline for the presentation of requests for additions, a report explaining their reasons for the proposed resolutions on the matters they wish to discuss, or their reasons for the additional proposed resolutions presented in relation to matters already on the agenda. At the time of publishing the notice about the additions to the agenda and in accordance with the procedures envisaged by law, the Board of Directors must make the report prepared by the shareholders available to the public, together with its considerations, if any.

The right to attend Meetings and vote is governed by the relevant current legislation and is certified by a communication sent to the Company, by an authorised intermediary with reference to its accounting records, on behalf of the party entitled to vote. This certification is based on the evidence existing at the end of the accounting day on the seventh trading day prior to the date fixed for the Meeting. The additions and deductions recorded on those counts subsequent to that deadline are not relevant when determining the legitimacy of the right to vote at the Meeting. The communication must be received by the Company by the end of the third trading day prior to the date fixed for the Meeting, or by any different deadline established by the applicable regulations. Shareholders are still entitled to attend and vote if the communication is received by the Company after the above deadlines, on condition that it is received before business commences at the Meeting.

Ordinary and extraordinary Shareholders' Meetings shall be chaired by the Chairman of the Board of Directors, or, in case the Chairman is absent or unable to perform his/her duties, in turn by the Vice Chairman or by the CEO. If the above persons are absent, the chair is taken by another person appointed by a majority of the share capital represented at the Meeting.

The Chairman of the Meeting is assisted by a Secretary, appointed by a majority of the share capital represented at the Meeting, who does not need to be a shareholder; assistance from the Secretary is not necessary when the minutes of the Meeting are taken by a Notary.

The Chairman of the Shareholders' Meeting shall chair the meeting and govern its proceedings in compliance with the law and the Bylaws. For this purpose, the Chairman - inter alia - verifies that the Meeting has been properly convened, verifies the identity of those attending and their right to attend, directly or by proxy; verifies the legal quorum for voting; directs the proceedings, with the right to change the order of discussion of the items indicated in the notice of call. The Chairman also adopts suitable measures to ensure orderly discussions and voting, determining the related procedures and checking the results.

Meeting resolutions are evidenced by the minutes signed by the Chairman of the Meeting and by the Secretary of the Meeting or the Notary. The minutes of Extraordinary Meetings must be taken by a Notary designated by the Chairman of the Meeting. All copies of and extracts from minutes not prepared by a Notary are certified true by the Chairman of the Board of Directors.

The organisation of Shareholders' Meetings is regulated not only by the law and the Bylaws but also by the Shareholders' Meeting Regulation, of which the latest version was approved by the Shareholders' Meeting on 12 December 2024, in order to govern the orderly, regular conduct of meetings, consequent to the amendments of the Bylaws relating to the possibility that intervention in Shareholders' Meetings and the exercise of voting rights may, following resolution passed by the Board of Directors, happen exclusively through the Designated Representative. Said regulations are available on the Website.

The Board of Directors has taken action to ensure that shareholders receive suitable information about the elements necessary for them to make informed decisions where they come under the shareholders' meeting's competence.

During the Financial Year, one Shareholders' Meeting was held on 12 June 2025. Reference is made to the minutes of the Shareholders' Meeting, available on the Company's website, for further details regarding the attendance of the Directors and Statutory Auditors.

For the sake of completeness, note that in compliance with current regulations and statutory provisions, the Company expressed its right, amongst others, to (i) envisage the intervention and exercise of voting rights in the Shareholders' Meeting - in compliance with the provisions of Article 135-*undecies*.1 of the TUF - exclusively by means of the conferral of a proxy (or sub-proxy) on the Designated Representative and (ii) allow for the participation in the meeting by those entitled to attend, exclusively using telecommunication means.

16. CHANGES SINCE THE END OF THE YEAR

There have not been any changes to the structure of corporate governance since the end of the Year, except as already indicated in the previous sections, if applicable.

17. THE PIRELLI WEBSITE

For Pirelli, the Website - in English and in Italian - represents a fundamental tool to ensure the prompt and total dissemination of information about the Company and the Group to all stakeholders.

Pirelli ensures that it is promptly and thoroughly updated, so as to guarantee the transparency of information and compliance with the current laws and regulations applicable to companies with shares listed on regulated markets.

The Company's objective is to provide simple and clear information for investors and, in general, all its Stakeholders, through the Site, in line with common practice. For this reason, also taking account of the periodic results of assessments by independent agencies and in line with the Stakeholders' expectations, the Company uses its best endeavours to constantly implement the Website.

18. CONSIDERATIONS ON THE LETTER BY THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

With a letter of 18 December 2025 (the "**Chairman's Letter**"), in the context of the usual monitoring of the application of the provisions of the Corporate Governance Code, the Chairman of the Corporate Governance Committee has provided listed companies with further recommendations (the "**Committee Recommendations for 2026**") listed below:

1. regarding the measurability of the components of the remuneration policy, examine the remuneration policies that will be submitted to the shareholders' vote from 2026 onwards, in order to (i) verify the existence of provisions concerning possible extraordinary payments and/or potential end-of-term indemnities for executive directors, and (ii) assess the adequacy of such provisions with respect to the principle of measurability set out in Recommendation 27 of the Corporate Governance Code and, in the event of a negative assessment, supplement such provisions with maximum limits and clear reference parameters. In carrying out the aforementioned analyses, take into account any explicit requests submitted on these matters by relevant investors on the occasion of the shareholders' vote on the policies and/or during opportunities for dialogue outside of Shareholders' meetings;

2. regarding the development of dialogue with other relevant stakeholders, adopt, during FY 2026, a policy for engagement with other stakeholders relevant to the Company (either combined with or separate from the policy directed to the generality of shareholders), which (i) identifies the criteria for determining the categories of other stakeholders relevant to the Company, defining the methods of communication with them, (ii) identifies the persons and company departments responsible for managing the dialogue, (iii) identifies the thematic areas of greatest relevance for dialogue with other stakeholders relevant to the Company, and (iv) assigns to the Chairman of the administrative body the responsibility to ensure that the latter is adequately informed on the development and the significant content of the dialogue conducted with other stakeholders relevant to the Company.

The Chairman of the Corporate Governance Committee invites the administrative bodies to provide, in the report on the corporate governance and share ownership, (i) the results of the verification carried out in accordance with the first recommendation and any initiatives undertaken to amend the remuneration policy, and (ii) information regarding the initiatives undertaken in respect of the second recommendation.

In addition, the Chairman of the Corporate Governance Committee invites the administrative bodies to provide, in the report on the corporate governance and share ownership to be published in 2027, adequate information on the policy of engagement with other stakeholders relevant to the Company adopted, and on the actual dialogue activities conducted with such stakeholders, reporting the topics addressed in the dialogue and the initiatives undertaken by the issuer as a result thereof.

The Committee's Recommendations for 2026 were, as usual, brought to the attention of (i) the Audit, Risks and Corporate Governance Committee and Board of Statutory Auditors on 14 April 2026 and (ii) the Board of Directors on 16 April 2026.

As at the date of this Report, taking into account the Committee's Recommendations for 2026:

- with regard to the measurability of the components of the remuneration policy for the benefit of Pirelli's executive directors, following an analysis conducted - also with the support of Pirelli's Remuneration Committee, within its remit - on the remuneration policy to be submitted to the Shareholders' Meeting for approval in 2026, and examined also in light of (i) the guidance set out in the Chairman's Letter and (ii) the outcome of the shareholders' vote and the feedback received from shareholders and the main proxy advisors, it emerged that, overall, the extraordinary disbursements and/or possible severance indemnities in favour of Pirelli's executive directors, as set out in the Company's remuneration policy for FY 2026, comply with measurability criteria in terms of maximum limits and clear benchmarks. This is also in light of the significant changes introduced compared with the remuneration policy for the FY 2025, under which the office termination payment was eliminated and severance arrangements were standardised, in particular through the introduction of a maximum cap of 24 months' remuneration; furthermore, the possibility of granting discretionary bonuses was removed;

- with regard to the development of dialogue with other relevant stakeholders, as disclosed in earlier reports on corporate governance and share ownership, and reiterated in paragraph 14 of this Report (to which reference should be made for further details), Pirelli, in line with international best practice, has already taken initiatives in this area by formalising its Engagement Policy and through dialogue, interaction and engagement with relevant stakeholders, particularly in relation to sustainability. Information on these initiatives, in line with the Committee's Recommendations for 2026, is provided most recently in the Report and in the "Stakeholder Engagement" section of the Consolidated Sustainability Report, to which reference is expressly made.

  In any event, in light of the aforementioned recommendation and taking into account the forthcoming renewal of the Board of Directors, which will also be called upon to carry out the three-yearly review of the Engagement Policy, the new Directors will assess the appropriateness of supplementing the Engagement Policy with a dedicated section addressing other stakeholders relevant to the Company or of adopting a policy specifically dedicated to such stakeholders, separate from the Engagement Policy.

The Company's Board of Directors – having also taken into account the favourable opinions expressed on the matter by the members of the Audit, Risks and Corporate Governance Committee and the Board of Statutory Auditors, and with the support of the Remuneration Committee, within the scope of its remit – considers that, as clearly highlighted in the Report, its system of corporate governance rules is substantially in line with the Committee's Recommendations for 2026, provided that, with reference to Recommendation No. 2, Pirelli will consider the advisability of formalising the Company's established practices relating to dialogue with other relevant stakeholders in a dialogue policy that is either combined with or separate from the policy addressed to shareholders in general.

TABLE 1: SIGNIFICANT SHAREHOLDINGS OF CAPITAL

The subjects who, according to the information published by Consob at the date of Board of Directors meeting of 16 April 2026 and/or according to further information available to the Company, possess shares with voting rights at the Ordinary Shareholders' Meeting that represent more than 3% of the ordinary share capital are listed below.

SIGNIFICANT SHAREHOLDINGS OF CAPITAL			
Declaring party	**Direct Shareholder**	**% of ordinary capital**	**% of voting capital**
SINOCHEM HOLDINGS CORPORATION LTD	MARCO POLO INTERNATIONAL ITALY S.R.L.	34.119	34.119
TRONCHETTI PROVERA MARCO	CAMFIN S.P.A.	15.531	15.531
	LONGMARCH HOLDING S.R.L.	3.391	3.391
	CAMFIN ALTERNATIVE ASSETS S.R.L.	7.261	7.261
		26.183	26.183

Note: The data relating to shareholders who, directly or indirectly, hold ordinary shares representing more than 3% of the share capital with voting rights in ordinary meetings of the Company, are also taken from Consob's website. In this regard, it is deemed useful to point out that the information reported herein is taken from the information published by Consob on its website, pursuant to the notifications made by the entities required to comply with the obligations ex Article 120 of the TUF, and from the information published on the issuer's website in relation to the obligations ex Article 122 of the TUF and Article 130 of the Issuers' Regulation and the regulations on market abuse. It should be noted that the information may differ appreciably from the real situation, because the obligations to communicate changes in the percentages of holdings arise not when there is a simple change in this percentage but only when the holdings exceed or fall below predetermined thresholds (3%, 5%, and subsequent multiples of 5% up to a 30% threshold and, beyond this threshold, 50%, 66.6% and 90%). It follows, for example, that a shareholder (i.e. a declaring subject) that has declared ownership of 5.1% of the share capital with voting rights may increase their stake up to 9.9% without thereby having any obligation to notify Consob under Article 120 of the TUF.

It is further specified that the Company's Bylaws do not provide for enhanced voting rights or for the issuance of shares carrying multiple voting rights.

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR

Board of Directors												
Office	**Components**	**Year of birth**	**Date first appointed (*)**	**In office since**	**In office until**	**Slate (**)**	**Exec.**	**Non exec.**	**Indep. Code**	**Indep. TUF**	**No. other offices (***)**	**(****)**
Chairman	Jiao Jian	1968	31 July 2023	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**			Cf. Annex A	**7/9**
Executive Vice Chairman	Marco Tronchetti Provera	1948	7 May 2003[181]	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M(C)**	**X**				Cf. Annex A	**9/9**
CEO •	Andrea Casaluci	1973	31 July 2023	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M(C)**	**X**				Cf. Annex A	**9/9**
Director	Chen Qian	1971	31 July 2023	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**			Cf. Annex A	**9/9**
Director	Chen Aihua	1972	31 July 2023	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**			Cf. Annex A	**9/9**
Director	Zhang Haitao	1971	18 June 2020[182]	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**			Cf. Annex A	**9/9**
Director	Grace Tang	1959	31 July 2023	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Director	Paola Boromei	1976	18 June 2020	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**m**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Director	Domenico De Sole	1944	1 August 2017	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M(C)**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Director	Roberto Diacetti	1973	18 June 2020	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**m**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Director	Giovanni Lo Storto	1970	15 May 2018	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**m**		**X**	**X**	**X**	Cf. Annex A	**8/9**
Director	Marisa Pappalardo	1960	1 August 2017	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Director	Michele Carpinelli	1948	31 July 2023	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M(C)**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Director	Fan Xiaohua	1974	1 August 2017	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Director	Alberto Bradanini	1950	31 July 2023	31 July 2023	Shareholders' meeting to approve financial statements at 31 Dec. 2025	**M**		**X**	**X**	**X**	Cf. Annex A	**9/9**
Number of meetings of the Board of Directors held during the year: 9												
Indicate the quorum required for minority shareholders to submit a slate for the election of one or more directors (pursuant to art. 147-*ter* TUF): 1% of the share capital with the right to vote in ordinary shareholders' meetings.												

NOTES

The following symbols must be inserted in the "Office" column:

• This symbol indicates the director responsible for the internal control and risk management system.

○ This symbol indicates the Lead Independent Director (LID).

* The date of first appointment of each director means the date on which the director was appointed for the first time (in absolute terms) to the BoD of the Issuer.

(**) This column indicates whether the slate from which each director was drawn is a majority slate ("M"), or minority slate ("m"). For Directors co-opted or appointed by the Shareholders' Meeting without application of the slate voting mechanism, "-" is indicated.

(***) This column shows the number of offices as director or statutory auditor held by the person in question in other listed companies or companies of significant size. The offices are shown in full in the Report on Corporate Governance.

(****) This column shows the directors' attendance at Board of Directors meetings (specify the number of meetings the person attended out of the total number of meetings he or she could have attended, e.g. 6/8, 8/8, etc.).

(C) This symbol indicates the Directors designated by Camfin S.p.A., included on the slate submitted by Marco Polo International Italy S.r.l.

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[181] Marco Tronchetti Provera assumed the office of General Partner of Pirelli & C. Accomandita per Azioni on 29 April 1986. On 7 May 2003 it was resolved to transform the Company from a "joint stock partnership" to a "limited liability company", and in consequence, there no longer being the role of general partner, directors were appointed.

[182] Zhang Haitao was a Director of Pirelli from 15 March 2016 to 31 August 2017.

TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR

BoD		Strategies Committee		RPT Committee		Audit, Risks and Corporate Governance Committee		Remuneration Committee		Appointments and Successions Committee		Sustainability Committee	
Office/Qualification	**Components**	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman of the BoD non-executive - non-independent	Jiao Jian	2/2	**M**									(-)	**M**
Executive Vice Chairman	Marco Tronchetti Provera	2/2	**C**							(-)	**C**	(-)	**C**
CEO	Andrea Casaluci	2/2	**M**									(-)	**M**
Non-executive director - non-independent	Chen Aihua					5/5	**M**	1/1	**M**	(-)	**M**		
Non-executive director - non-independent	Chen Qian	2/2	**M**										
Non-executive director - non-independent	Zhang Haitao	2/2	**M**							(-)	**M**		
Non-executive Director – independent as per the TUF and Code	Grace Tang							1/1	**C**				
Non-executive Director – independent as per the TUF and Code	Paola Boromei							1/1	**M**				
Non-executive Director – independent as per the TUF and Code	Domenico De Sole	1/2	**M**							(-)	**M**		
Non-executive Director – independent as per the TUF and Code	Roberto Diacetti	2/2	**M**			5/5	**M**						
Non-executive Director – independent as per the TUF and Code	Giovanni Lo Storto			1/1	**M**	4/5	**M**					(-)	**M**
Non-executive Director – independent as per the TUF and Code	Marisa Pappalardo			1/1	**C**								
Non-executive Director – independent as per the TUF and Code	Michele Carpinelli			1/1	**M**	5/5	**M**	1/1	**M**				
Non-executive Director – independent as per the TUF and Code	Fan Xiaohua					5/5	**C**						
Non-executive Director – independent as per the TUF and Code	Alberto Bradanini	2/2	**M**					1/1	**M**				
No. of meetings held:		**2**		**1**		**5**		**1**		**(-)**		**(-)**	

NOTES

(*) This column shows the directors' attendance at committee meetings (specify the number of meetings the person attended out of the total number of meetings he or she could have attended, e.g. 6/8, 8/8, etc.).

(**) The office held by the person on the Committee is indicated in this column: "C": chairman; "M": member.

(-) This symbol indicates that no committee meetings were held during the reporting period.

TABLE 4: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors																
Office	**Components**	**Year of birth**	**Date first appointed (*)**	**In office since**	**In office until**	**Slate (**)**	**Indep. Code**	**Attendance at meetings of the Board of Statutory Auditors (***)**	**Attendance at meetings of the BoD**	**Attendance at meetings of the ARCGC**	**Attendance at meetings of the Remuneration Committee**	**Attendance at meetings of the Appointments Committee[183]**	**Attendance at meetings of the Strategies Committee**	**Attendance at meetings of the RPT Committee**	**Attendance at meetings of the Sustainability Committee[184]**	**No. other offices (****)**
Chairman	Riccardo Foglia Taverna	1966	15 June 2021	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**m**	**X**	16/16	9/9	5/5	1/1	-	2/2	0/1	-	Cf. Annex A
Standing auditor	Maura Campra	1961	28 May 2024	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**M**	**X**	14/16	8/9	4/5	0/1	-	-	0/1	-	Cf. Annex A
Standing auditor	Francesca Meneghel	1961	15 June 2021	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**M**	**X**	15/16	8/9	5/5	1/1	-	-	1/1	-	Cf. Annex A
Standing auditor	Teresa Naddeo	1958	15 June 2021	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**M**	**X**	14/16	8/9	4/5	1/1	-	-	1/1	-	Cf. Annex A
Standing auditor	Riccardo Perotta	1949	28 May 2024	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**M**	**X**	14/16	7/9	5/5	1/1	-	-	0/1	-	Cf. Annex A
Alternate auditor	Franca Brusco	1971	15 May 2018	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**m**	**X**	-	-	-	-	-	-	-	-	Cf. Annex A
Alternate auditor	Roberta Pirola	1971	28 May 2024	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**M**	**X**	-	-	-	-	-	-	-	-	Cf. Annex A
Alternate auditor	Enrico Holzmiller	1968	28 May 2024	28 May 2024	Shareholders' meeting to approve financial statements at 31 December 2026	**M**	**X**	-	-	-	-	-	-	-	-	Cf. Annex A
Number of meetings of the Board of Statutory Auditors held during the year: 16																
Indicate the quorum required for minority shareholders to submit a slate for the election of one or more directors (pursuant to art. 148 TUF): 1% of the shares with the right to vote in ordinary shareholders' meetings.																

NOTES

* The date of first appointment of each auditor means the date on which the auditor was appointed for the first time (in absolute terms) to the Board of Statutory Auditors of the issuer.

** Slate from which each auditor was elected ("**M**": majority slate; "**m**": minority slate).

*** This column shows the attendance of the auditors at meetings of the Board of Statutory Auditors (number of meetings the person attended out of the total number of meetings he or she could have attended, e.g. 6/8, 8/8, etc.).

**** The number of offices as director or statutory auditor held by the person in question pursuant to art. 148-*bis* TUF and its implementing provisions in the Consob Issuers' Regulation and the Code of Corporate Governance. The complete list of offices is published by Consob on its website, pursuant to art. 144-*quinquiesdecies* of the Consob Issuers' Regulation. The Consob reporting obligation does not apply if the statutory auditor is a member of the control body of only one issuer pursuant to Article 144-*quaterdecies* of the Consob Issuers' Regulation.

[183] No meetings of the Appointments and Successions Committee were held during the financial year.

[184] No meetings of the Sustainability Committee were held during the financial year.

ANNEX A

SECTION I: LIST OF PRINCIPAL OFFICES HELD BY DIRECTORS, AT THE REPORT DATE, IN OTHER COMPANIES THAT ARE NOT PART OF THE PIRELLI GROUP

First and last name	Company	Office held in the company
Jiao Jian	• Sinochem Holdings Corporation Ltd. • Sinochem Group Co., Ltd. • Sinochem Corporation Ltd. • Syngenta Group Co. Ltd.	Director, President Director, President Director, President Vice Chairman of the Board
Marco Tronchetti Provera	• Marco Tronchetti Provera & C. S.p.A. • Camfin S.p.A. • Camfin Alternative Assets S.r.l. • Longmarch Holding S.r.l. • RCS MediaGroup S.p.A.	Chairman of the Board of Directors Chairman of the Board of Directors Chairman of the Board of Directors Chairman of the Board of Directors Director
Andrea Casaluci	• Angelini Holding S.p.A.	Director
Paola Boromei	• Intercos S.p.A.	Director
Domenico De Sole	• Ermenegildo Zegna S.p.A. • TOD'S S.p.A. • Thom Browne Inc.	Director Director Director
Roberto Diacetti	• Banca IFIS S.p.A. • Masi Agricola S.p.A.	Director Director
Giovanni Lo Storto	• Banca Mediolanum S.p.A. • ASAPP S.r.l.	Director CEO

First and last name	Company	Office held in the company
Zhang Haitao	• Marco Polo International Italy S.r.l. • TP Industrial Holding S.p.A. • Fourteen Sundew S.à r.l.	Director Director Director
Marisa Pappalardo	-	-
Fan Xiaohua	• Bohai Automotive Systems Co.Ltd. • Beijing PARATERA Technology Co., Ltd.	Director Director
Michele Carpinelli	• Camfin S.p.A. • Fininvest S.p.A.	Director Director
Alberto Bradanini	-	-
Chen Aihua	-	-
Chen Qian	-	-
Grace Tang	• Netease Inc. • Ecarx Holdings Inc. • Brii Biosciences Limited • Elkem Asa	Director Director Director Director

SECTION II: LIST OF OFFICES HELD BY STATUTORY AUDITORS IN OTHER COMPANIES AT THE DATE OF THE REPORT

First and last name	Company	Office held in the company
Riccardo Foglia Taverna	Arec Neprix S.p.A.	Standing Auditor
	B&C Speakers S.p.A.	Chairman of the Board of Statutory Auditors
	Cabeco S.r.l.	Sole Auditor
	Double R S.r.l.	Standing Auditor
	Gamma Topco S.p.A.	Chairman of the Board of Statutory Auditors
	Gamma Bidco S.p.A.	Chairman of the Board of Statutory Auditors
	Jakil S.p.A.	Standing Auditor
	Lampugnani Farmaceutici S.p.A.	Standing Auditor
	Ou(R) Group S.r.l.	Sole Auditor
	Ruffini Partecipazioni Holding S.r.l.	Standing Auditor
	Scrigno S.r.l.	Sole Director
	Sella Fiduciaria S.p.A.	Standing Auditor
	Si Collection S.p.A.	Chairman of the Board of Statutory Auditors
	Sigla S.r.l.	Chairman of the Board of Statutory Auditors
Maura Campra	Co. Ge. Fa Partecipazioni S.r.l.	Sole Auditor
	Intesa Sanpaolo S.p.A.	Director
Francesca Meneghel	Adtech Ventures S.p.A.	Standing Auditor
	Agenzia Libraria Internazionale S.r.l.	Standing Auditor
	Arnoldo Mondadori Editore S.p.A.	Standing Auditor
	Boing S.p.A.	Standing Auditor
	Digitalia ‘08 S.r.l.	Chairman of the Board of Statutory Auditors
	Dolcedrago S.p.A.	Standing Auditor
	Electa S.p.A.	Standing Auditor
	Elettronica Industriale S.p.A.	Standing Auditor
	Fascino S.r.l.	Standing Auditor
	Immobiliare Idra S.p.A.	Chairman of the Board of Statutory Auditors
	Mediamond S.p.A.	Chairman of the Board of Statutory Auditors
	Medusa Film S.p.A.	Chairman of the Board of Statutory Auditors
	MFE Advertising S.p.A.	Standing Auditor
	PBF S.r.l.	Standing Auditor
	Publitalia ‘80 S.p.A.	Chairman of the Board of Statutory Auditors
	RTI S.p.A.	Standing Auditor
	Vacanze Italia S.p.A. in liquidation	Standing Auditor
	Videowall S.r.l.	Standing Auditor

First and last name	Company	Office held in the company
Teresa Naddeo	Webuild S.p.A.	Independent Director
	Banca Mediolanum S.p.A.	Standing Auditor
	Mediolanum Vita S.p.A.	Chairman of the Board of Statutory Auditors
	Mediolanum Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors
Riccardo Perotta	Boing S.p.A.	Standing Auditor
	Cassa Lombarda S.p.A.	Chairman of the Board of Statutory Auditors
	Creset S.p.A.	Chairman of the Board of Statutory Auditors
	FSI Sgr S.p.A.	Chairman of the Board of Statutory Auditors
	Mittel S.p.A.	Independent Director
	Mondadori S.p.A.	Independent Director
	Saipem Offshore Construction S.p.A.	Chairman of the Board of Statutory Auditors
	Servizi Energia Italia S.p.A.	Standing Auditor
Franca Brusco	Absolute Energy S.p.A.	Standing Auditor
	Banor SIM S.p.A.	Standing Auditor
	ENAV S.p.A.	Director
	Garofalo Health Care S.p.A.	Director
	Great Lenghts S.p.A.	Standing Auditor
	Il Sole 24 Ore S.p.A.	Director
	Ulisse S.p.A.	Standing Auditor
Enrico Holzmiller	Axyon Ai S.r.l.	Chairman of the Board of Statutory Auditors
	FHP S.r.l.	Chairman of the Board of Directors
	Synergia Consulting Group S.r.l.	Director
Roberta Pirola	AMH Urban Regeneration S.p.A.	Standing Auditor
	Antonello Manuli Holdings S.p.A.	Standing Auditor
	Banca Santa Giulia S.p.A.	Standing Auditor
	Borgo del Sole S.p.A.	Chairman of the Board of Statutory Auditors
	Cordusio Fiduciaria S.p.A.	Standing Auditor
	Esse Immobiliare S.p.A.	Standing Auditor
	Fin Borgo S.p.A.	Chairman of the Board of Statutory Auditors
	Manuli Ryco S.p.A.	Standing Auditor
	Mettler Toledo S.p.A.	Standing Auditor
	Rovagnati S.p.A.	Standing Auditor
	Olon S.p.A.	Standing Auditor
	P. & R. Principi Attivi S.p.A.	Standing Auditor
	VHV Italia Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors

REPORT ON THE REMUNERATION POLICY AND COMPENSATION PAID

INTRODUCTION

This report on the remuneration policy and the compensation paid (the "**Report**" or the "**Remuneration Report**"), approved by the Board of Directors on 16 April 2026, on a proposal from the Remuneration Committee, subject to the opinion of the Board of Statutory Auditors, is divided into two sections:

- Section I: "Remuneration Policy" for FY 2026 (the "**2026 Policy**" or the "**Policy**") and
- Section II: "Report on Compensation Paid" in FY 2025 (the "**2025 Compensation Report**" or the "**Compensation Report**").

The Report is prepared in accordance with Art. 123-*ter* of the Consolidated Law on Finance ("**TUF**"), as well as art. 84-quater and Scheme 7-*bis* of Annex 3A to the Consob regulation no. 11971 of 14 May 1999 on issuers, as subsequently amended and supplemented (the "**Issuers' Regulation**").

For the purposes of the Report, due consideration was given to the European Commission recommendations on the remuneration of directors of listed companies, as well as to the recommendations on remuneration adopted by the Corporate Governance Code, to which Pirelli adheres, as well as the more recent recommendations of the Corporate Governance Committee on remuneration.

The Policy has also been drafted in accordance with Consob Regulation No. 17221/2010 on related-party transactions (the "**RPT Regulation**"), pursuant to and for the purposes of Article 5, paragraph 5, letter (b) of the Pirelli Related Party Transactions Procedure (the "**RPT Procedure**").

The Policy also takes into account that the Shareholders' Meeting to be convened for the approval of the financial statements as at 31 December 2025 will also be called upon to resolve on the appointment of the entire Board of Directors, following the expiry of the current governing body.

The 2026 Policy, submitted for the binding vote to the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2025, pursuant to art. 123-*ter*, subsection 3-*bis* and 3-*ter*, TUF, defines the principles and guidelines for the 2026 financial year:

- for determining the remuneration of the Directors of Pirelli & C., in particular Directors holding specific offices, General Managers and KMs, as well as, without prejudice to the provisions of art. 2402 of the Italian Civil Code, for determining the remuneration of members of the control body;
- to which Pirelli refers in defining the remuneration of Group Executives.

The 2026 Policy: (i) contributes towards the company strategy, the pursuit of long-term interests and the sustainable success of Pirelli & C., understood as the creation of long-term value to the benefit of shareholders, taking into account the other relevant stakeholders of the Company; (ii) also takes account of the need to attract, engage, retain and motivate people with the expertise and professional standing required for the role they are called upon to perform within the Company; and (iii) indicates the purposes, methods of operation and the beneficiaries of the remuneration, as well as the bodies involved and the procedures used for its adoption and implementation.

The 2025 Report on Compensation Paid, submitted for the advisory and non-binding vote of the Shareholders' Meeting in accordance with art. 123-*ter*, paragraph 6, TUF, provides, by name, for the Directors, Statutory Auditors and General Managers and, in aggregate form, for the KMs:

- adequate information about each component of their remuneration, including payments prescribed in the event of resignation from office or termination of employment, pointing out their compliance with the remuneration policy adopted by the Company for the 2025 financial year;

- an analytical indication of the sums paid in respect of the 2025 financial year for any reason and in any form by the Company and its subsidiaries or affiliates, indicating any components of payments that are referable to activities undertaken in years preceding 2025 (and also highlighting the payments to be made in one or more subsequent years for activity undertaken in the 2025 financial year, providing, if applicable, estimates for the components that cannot be objectively quantified in the 2025 financial year);

- an illustration of how the Company took account of the votes cast by the Shareholders' Meeting in 2025.

This Report is made available to the public at the company's registered office (Viale Piero e Alberto Pirelli, 25, Milan), at the authorised storage mechanism (www.emarketstorage.com) and on the website of Pirelli & C. S.p.A at www.pirelli.com.

GLOSSARY

Director(s): refers to members of the Board of Directors of Pirelli & C..

Directors holding specific offices: these are the Directors of Pirelli & C. holding the office of Chairman, Executive Vice Chairman and Chief Executive Officer. The Directors holding specific offices in other Group companies, who are also managers, are, for the purpose of the Policy, Executives, unless otherwise resolved by the Board of Directors of Pirelli & C. which classifies them as KMs.

Directors holding specific offices granted specific duties: are the Directors of Pirelli & C. qualified as such by the Board of Directors. At the date of this Report, these are the Executive Vice Chairman and the Chief Executive Officer; this definition does not refer to the Chief Executive Officer when the economic treatment attributed to the same is expressly indicated.

Directors not holding specific offices: are all the Directors of Pirelli & C. other than the Directors holding specific offices.

Annual Total Direct Compensation on-Target: means the sum total of the following components, regardless of whether they were paid by Pirelli & C. or by another Group company:

- gross annual base salary of the remuneration;
- annual variable short-term incentive (STI), if target objectives are achieved;
- medium-long term variable component upon achievement of performance targets.

Annual Total Direct Compensation: means the sum total of the following components, regardless of whether they were paid by Pirelli & C. or by another Group company:

- gross annual base salary of the remuneration;
- annual variable component STI actual;
- current medium-long term variable component (LTI).

Shareholders' Meeting: means the meeting of the shareholders of Pirelli & C..

Bad Leaver: when the relationship with the Company is terminated due to a case other than those listed in the definition of Good Leaver.

Corporate Governance Code: refers to the Corporate Governance Code of listed companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A. in January 2020, to which the Company adheres.

Remuneration Committee or **Committee**: the Remuneration Committee of Pirelli & C..

Board of Directors: the Board of Directors of Pirelli & C..

General Manager(s): the persons chosen by the Pirelli & C. Board of Directors to be assigned extensive powers of business segment management.

KMs: indicates the persons identified pursuant to the Bylaws of Pirelli & C., i.e. Pirelli's managers who, by reason of the tasks and powers attributed to them, have the power and responsibility, directly or indirectly, of planning, directing and controlling the Company's activities and of adopting decisions that may affect its development and future prospects (key manager).

Executives: managers of the Italian companies or employees of the Group's foreign companies with a position or role that is comparable to that of an Italian manager.

Good Leaver: when the relationship with the Company is terminated by mutual termination, retirement, death or resignation for good cause.

Grade*:* weight assigned to each organisational position based on factors such as the level of knowledge and skills required, the complexity of the problems the role must address, the degree of responsibility and the impact of decisions made. The grade system is used to determine appropriate salary ranges at each level, ensuring internal equity within the organisation. It also allows for an objective comparison of different roles within the company or across different companies.

Pirelli Group or **Pirelli** or **Group**: all the companies included in the consolidation scope of Pirelli & C..

LTI: refers to the medium/long-term variable component of remuneration that may be achieved if the predefined corporate objectives are achieved, as described in paragraphs 2, 3, 4 and 5.

Management: collectively means Directors holding specific offices granted specific duties, the General Manager and the KMs.

2023-2025 LTI Plan: refers to the LTI plan relating to the 2023-2025 three-year cycle, approved by the Board of Directors on 05 April 2023 and, subsequently, by the Shareholders' Meeting held on 31 July 2023.

2024-2026 LTI Plan: refers to the LTI plan relating to the 2024-2026 three-year cycle, approved by the Board of Directors on 06 March 2024 and, subsequently, by the Shareholders' Meeting held on 28 May 2024.

2025-2027 LTI Plan: refers to the LTI plan relating to the 2025-2027 three-year cycle, approved by the Board of Directors on 28 April 2025 and, subsequently, by the Shareholders' Meeting held on 12 June 2025.

2026-2028 LTI Plan: refers to the LTI plan relating to the 2026-2028 three-year cycle, approved by the Board of Directors on 16 April 2026.

Pirelli & C. or **Company** means Pirelli & C. S.p.A.

2022 Policy: refers to the Remuneration Policy for the year 2022 approved by the Board of Directors on 17 March 2022 and, subsequently, by the Shareholders' Meeting held on 18 May 2022.

2023 Policy: refers to the Remuneration Policy for the year 2023 approved by the Board of Directors on 05 April 2023 and, subsequently, by the Shareholders' Meeting held on 31 July 2023.

2024 Policy: refers to the Remuneration Policy for the year 2024 approved by the Board of Directors on 06 March 2024 and, subsequently, by the Shareholders' Meeting held on 28 May 2024.

2025 Policy: refers to the Remuneration Policy for the year 2025 approved by the Board of Directors on 28 April 2025 and, subsequently, by the Shareholders' Meeting held on 12 June 2025.

GAR: means the gross annual base remuneration of the compensation for those employed by a Pirelli Group company.

Consolidated Sustainability Reporting: refers to the reporting of information related to sustainability issues, as regulated by Legislative Decree No. 125 of 6 September 2024, included in the Directors' Report on Operations, which is part of the 2025 Annual Financial Report published on the Company's website.

Statutory Auditors: refers to the members of the Board of Statutory Auditors of Pirelli & C.

STI: means the annual variable component of remuneration that can be achieved if the predefined corporate objectives are achieved, as described in paragraphs 2, 3, 4 and 5.

Total Shareholder Return or **TSR**: is a measure of the performance of the Pirelli share over time. It combines share price appreciation and dividends paid to show the total return to the shareholder expressed as an annualised percentage.

EXECUTIVE SUMMARY

Purposes and principles of the Policy	The Policy is designed to promote the long-term interests of Pirelli & C., thus contributing to the achievement of the Company's and the Group's strategic objectives and sustainable success, in order to create lasting value for shareholders while also taking into account the interests of other key stakeholders.		
	PURPOSE	**HOW IT OPERATES**	**BENEFICIARIES**
Fixed Remuneration	Rewards managerial and professional competence and experience, and the contribution made to the office held.	It is defined in relation to the characteristics, responsibilities and any powers assigned to the role, taking into account market references (determined on the basis of periodic benchmarks) in order to ensure its competitiveness.	**Directors holding specific offices granted specific duties**: up to a maximum of € 1,900,000 for each beneficiary **Chief Executive Officer**: up to € 1,400,000 **General Manager:** € 750,000 **KMs:** determined according to the responsibility assigned and the skills required by the role held.
Annual variable remuneration (STI)	Motivates Management to achieve the Company's annual objectives, maintaining a strong alignment with the company's medium-long term strategy, KPIs associated with the 2026 budget, medium-long term interests and sustainability of the business, also through ESG objectives and partial corporate deferral/matching mechanisms.	Directly linked to the achievement of performance objectives, assigned to each beneficiary in coherence with the role they cover: • Group adjusted EBIT • Net Cash Flow (before dividends) Group • Group Net Income • three sustainability objectives There will be a minimum level for each objective, below which the related pro-quota of the incentive is not accrued. There is also a maximum cap to the incentive that can be achieved (if all maximum performance objectives are achieved), equal to twice the incentive that can be achieved at target performance. Finally, for the General Manager and the KMs, with a view to retention, a portion of the incentive accrued ranging from a minimum of 25% to a maximum of 50% is subject to three-year deferral. The relative payment, together with a corporate matching component, is subject to the continuation of employment at the company at the end of this period. For Directors holding specific offices granted specific duties, on the other hand, 25% of the incentive accrued is deferred and its payment, along with any corporate matching, is contingent upon achieving the following year's STI Plan objectives.	**Directors holding specific offices and granted specific duties:** • *minimum: 80%* • *target*: 125% • *cap*: 250% **Chief Executive Officer: up to** • *minimum: 80%* • *target*: 125% • *cap*: 250% **General Manager:** • *minimum: 50%* • *target*: 75% • *cap*: 150% **KMs:** • *minimum: 40%* • *target*: 60% • *cap*: 120%

Medium-long term variable remuneration (LTI)	Promotes the creation of long-term sustainable success and the achievement of the objectives of the Company's strategic plans, through business, market and ESG KPIs, while at the same time promoting beneficiaries retention and engagement.	**2026-2028 LTI Plan**: an incentive dependent on the achievement of the following, independent long term objectives: • Relative Cash Conversion versus TIER1 peers (Continental, Nokian, Michelin, Goodyear and Bridgestone) • Relative TSR versus TIER1 peers (Continental, Nokian, Michelin, Goodyear and Bridgestone) • two sustainability objectives: Dow Jones Sustainability World Index (ATX Auto Component Sector) and CO_2 Emissions Reduction. There will be a minimum level for each objective, below which the related pro-quota of the incentive is not accrued. There is also a maximum cap to the incentive that can be achieved, if all maximum performance objectives are achieved. The plan is rolling and has a vesting period of 3 years.	**Directors holding specific offices granted specific duties** are not beneficiaries of the LTI Plan. **CEO:** • *minimum: 49%* • *target*: 65% • *cap*: 180% **General Manager:** • *minimum: 45%* • *target*: 60% • *cap*: 160% **KMs:** • *minimum: 41%* • *target*: 55% • *cap*: 145%
Other tools	Assure organisational stability and the contribution made to the implementation of the Company's strategic plans, also for the purpose of promoting sustainable success over the long-term. Safeguard company know-how and protect it from competitors. Promote attractiveness of the Company and loyalty of managerial staff.	• **Non-competition agreements**: restriction applicable to the product sector and the territory in which the Group operates. • **Benefit:** non-monetary benefits currently assigned on the basis of market practices. • **Allowance in the event of termination of office:** provided for in specific events of leaving office or termination of employment. • ***Claw-backs***: contractual agreements that enable the Company to recover all or part of the incentives that were accrued and paid, in cases where fraudulent behaviour or significant errors are proven.	**Non-competition agreements:** Compensation for the two-year term of the restriction, based on the role held, technical skills, specialised know-how and the reason for leaving. • **CEO**: 170% if good leaver, 70% if bad leaver • **General Manager:** 170% if good leaver, 70% if bad leaver. • **KM**: 130% to 170% if *good leaver,* 50% to 70% if *bad leaver*. **Allowance in case of departure:** • **Directors holding specific offices granted specific duties:** 24 months of gross remuneration. • **General Manager, KMs:** Maximum attributable value: 24 months' remuneration.

REMUNERATION POLICY FOR THE 2026 FINANCIAL YEAR

1. STAKEHOLDERS IN THE PROCESS OF POLICY PREPARATION, ADOPTION AND IMPLEMENTATION

STAKEHOLDERS IN THE PROCESS

The definition of the remuneration policy and any amendments made thereto are the result of a clear and transparent process in which the Remuneration Committee and the Board of Directors play a central role. It is adopted and approved by the Board of Directors annually – based on a proposal by the Remuneration Committee – and the Board then submits it to the Shareholders' Meeting for a vote.

The Board of Statutory Auditors expresses its opinion on the policy, including the part regarding the remuneration of Directors holding specific offices.

The Remuneration Committee, the Board of Statutory Auditors and the Board of Directors supervise the application and correct implementation of the policy. To this end, at least once per year, when the second section of the report on compensation paid for the respective year is submitted, the Head of the Human Resources & Organisation Department reports on the application of the remuneration policy to the Board of Statutory Auditors and the Remuneration Committee, the chairman of which in turn reports to the Board of Directors.

For the sake of completeness, it should be noted that, in accordance with current legislation, it is the role of the Board of Directors to propose to the Shareholders' Meeting the adoption of incentive mechanisms for members of the board of directors, employees or collaborators based on financial instruments, which, if approved, are later made public by the legal deadline (without prejudice to any further transparency requirements laid down in the applicable regulations)[185].

As at the date of this Report, the Company has no incentive plans in place that provide for the allocation of financial instruments or options on financial instruments.

In preparing the 2026 Policy, the Company was assisted by the independent consultancy firms Willis Towers Watson and Korn Ferry for the preparation of national and international benchmarks used to define the structure of the remuneration of the Directors holding specific offices, the General Manager and KMs.

[185] Note that the Board of Directors' meeting of 16 April 2026 established the objectives of the 2026-2028 LTI Plan. Such LTI plan will be submitted for approval of the Shareholders' Meeting as regards the part establishing determination of the incentive on the basis of a Total Shareholder Return objective, calculated as the performance of the Pirelli & C. share, compared to the Tier 1 peers. For a more extensive description, reference is made to paragraphs 2, 3, 4 and 5 below.

Amongst the measures aimed at avoiding or managing conflicts of interest, in compliance with the recommendations of the Corporate Governance Code, no member of the Board of Directors shall attend meetings of the Remuneration Committee during which proposals are made to the Board of Directors regarding their remuneration.

Below is a list of the activities carried out by the parties involved in the process of devising, adopting and implementing the policy:

BODY	ROLE AND COMPETENCE ACTIVITIES
Shareholders' Meeting	- determines at the time of appointment the gross annual remuneration to be paid to members of the Board of Directors, except for the remuneration to be attributed, by the Board, to Directors holding specific offices; - determines at the time of appointment the gross annual remuneration to be paid to the members of the Board of Statutory Auditors; - approves the first section of the remuneration report; - issues an advisory vote on section 2 of the remuneration report; - approves the adoption of the 3-year monetary incentive plan (LTI plan); - decides, upon the proposal of the Board of Directors, on any incentive mechanisms based on the attribution of financial instruments;
Board of Directors	defines: - the breakdown of the total remuneration defined for Directors by the Shareholders' Meeting; - the policy on remuneration of members of the Board of Directors, General Manager, KMs and, without prejudice to the provisions of Art. 2402 of the Italian Civil Code, members of the Board of Statutory Auditors; - the remuneration of Directors holding specific offices in accordance with Art. 2389, paragraph 3 of the Italian Civil Code, and that of General Manager; - the performance objectives related to the variable part of the remuneration of Directors holding specific offices to whom specific duties are also delegated, General Manager and KMs.

REMUNERATION COMMITTEE

The Remuneration Committee is appointed by the Board of Directors (which also appoints the chairman thereof) and remains in office for the entire duration of the mandate granted by the Board of Directors.

As at the date of this Report, the Committee, consistently with the recommendations of the Corporate Governance Code, is composed of five members, all of whom are non-executive and the majority of whom are independent. The Chairman of the Committee is an independent director.

As at the date of this Report, the Committee members are as follows:

REMUNERATION COMMITTEE
Chairman of the Committee: Grace Tang

	NAME AND SURNAME	OFFICE
	Grace Tang	Independent Director
	Chen Aihua	Director
	Paola Boromei	Independent Director
	Alberto Bradanini	Independent Director
	Michele Carpinelli	Independent Director

Chairman Grace Tang and Director Paola Boromei were deemed by the Board of Directors on 3 August 2023 as having sufficient knowledge and experience in matters of finance and remuneration policies.

The entire Board of Statutory Auditors is entitled to participate in the work of the Remuneration Committee.

The Secretary to the Board of Directors acts as the Secretary to the Remuneration Committee.

The Committee has support functions to ensure the definition and application within the Group of remuneration policies aimed at, on the one hand, pursuing the sustainable success of the Company and the Group and aligning the interests of Management with those of the shareholders (taking into account the interests of the other relevant stakeholders) and, on the other hand, at attracting, having, retaining and motivating human resources with the expertise and professional standing required by the role held in the Company.

In particular, at the date of this Report, the Remuneration Committee:

- assists the Board of Directors with preparing the Group remuneration policy, assessing its overall consistency;
- with regard to the Executive Directors, other Directors holding specific offices and General Managers, it expresses opinions to the Board of Directors:
    - about their remuneration, in compliance with the remuneration policy;

  - about setting performance objectives linked to the variable component of that remuneration;
  - about the definition of any no-competition agreements;
  - about the definition of any agreements for the termination of working relationships, on the basis of the principles established in the remuneration policy;

- monitors the correct application of the remuneration policy and checks the actual achievement of performance objectives;
- checks the conformity of the remuneration of the Executive Directors, other Directors holding specific offices, General Managers and KMs with the remuneration policy and expresses an opinion on this, where required by the relative procedure adopted within the company, also in accordance with the RPT Procedure;
- helps the Board of Directors to examine proposals to the Shareholders' Meeting for the adoption of compensation plans based on financial instruments;
- monitors application of the decisions adopted by the Board of Directors, checking in particular the effective achievement of the established performance objectives;
- examines and submits the remuneration report to the Board of Directors;
- in any case, provides opinions in relation to transactions with related parties on matters concerning the remuneration of Executive Directors, including Directors holding specific offices, General Managers and KMs, within the limits and according to the criteria allowed by the RPT Procedure;
- assesses whether there are exceptional circumstances that allow for a derogation from the remuneration policy.

The cycle of the Remuneration Committee's main activities in 2026 is shown below, along with the relevant events that are relevant to the Policy.

2026	SUBJECT	ACTIVITY
1Q	2026 Policy and Variable Incentive plans	Presentation of the timetable. Draft 2026 Policy. Approval of incentive plans: • 2025 STI finalisation and 2026 STI plan objective setting; • 2023-2025 LTI finalisation and 2026-2028 LTI Plan objective setting. Analysis of market remuneration benchmarks.
2Q	Shareholders' Meeting and publication of 2026 Policy	Binding vote on the 2026 Policy and advisory vote on the 2025 Report on Compensation Paid. Shareholders' Meeting vote on the 2026-2028 LTI plan.
3Q	Analysis of votes received from Shareholders and review of Governance	Analysis of votes received from Shareholders. Analysis of 2026 Policy and quality benchmark. Analysis of 2026 Policy and assessment of potential changes.

In relation to the operating methods of the Remuneration Committee, see the Report on the Corporate Governance and Share Ownership for the year ended 31 December 2025.

2. PURPOSES AND PRINCIPLES OF THE 2026 REMUNERATION POLICY

PURPOSES OF THE 2026 POLICY AND CONTRIBUTION TO CORPORATE STRATEGIES

The purpose of the Policy, established in line with the corporate governance framework adopted by the Company and in accordance with the principles and recommendations of the Corporate Governance Code, is to attract, motivate and retain individuals with the professional qualities necessary to achieve the Company's objectives. In addition, through the multi-year variable components assigned, in particular, to Directors holding specific offices granted specific duties, the General Manager and KMs, it aims to achieve long-term interests and the sustainable success of the Company.

As shown below, the Policy seeks to reinforce the "pay for performance" connection by setting clear performance goals – predefined, measurable, and focused on the long-term – that determine the allocation of variable components. It helps drive the achievement of corporate objectives through incentive plans tied to both financial and sustainability targets, all aligned with the Company's strategic goals and designed to foster sustainable success.

The Policy is valid for one year and in any case until the Shareholders' Meeting approves a new remuneration policy.

The Policy is defined taking into account various factors such as remuneration, which in turn is defined on the basis of market benchmarks aiming at a level of attractiveness differentiated according to the company role and skills, the compensation mix and the working conditions of Company employees. Moreover, Pirelli:

- applies and respects any existing and applicable national collective bargaining agreements to which it adheres;

- adopts for all the Group's managers and the remaining employees meritocratic policies, variable incentive systems, welfare initiatives and services to benefit employees and their families, as well as, in order to protect the company assets, non-competition agreements for specific individuals;

- is committed to ensuring respect for equal opportunities in the work environment, in accordance with the Group's *Diversity, Equity & Inclusion Policy*, endeavours to manage and reduce potential risks of human rights violations, to avoid producing - or contributing to producing - negative effects on these rights in the international, multi-ethnic, socially and economically diversified context in which it operates, in accordance with the Group's *Human Rights Policy*. For more information, see the Consolidated Sustainability Reporting;

- is attentive to pay equity, in the context of gender diversity and evolving regulations in such area (such as the recent EU pay transparency directive), continuously monitoring it and publishing the relevant metrics for more than 10 years and as highlighted in more detail in the Consolidated Sustainability Reporting. Specifically, pay gaps between men and women are calculated for each country by considering the value assigned to each organisational position based on various factors, an approach that allows for an analysis that highlights pay disparities for comparable roles and jobs. This methodology of data collection allows for an objective investigation and assessment, taking into account the structural differences of the various local markets and their specific remuneration logic. For 2025, the pay gap for the Group's white-collar employees is calculated at 0.2% in favour of women based on basic pay. When factoring in Annual Total Direct Compensation, the gap shifts to 2.8% in favour of men. Across the entire Group population, the pay gap stands at 2.0% in favour of men when calculated on base salary, and 4.5% in favour of men when considering Annual Total Direct Compensation. For more information, see the 2025 Consolidated Sustainability Reporting.

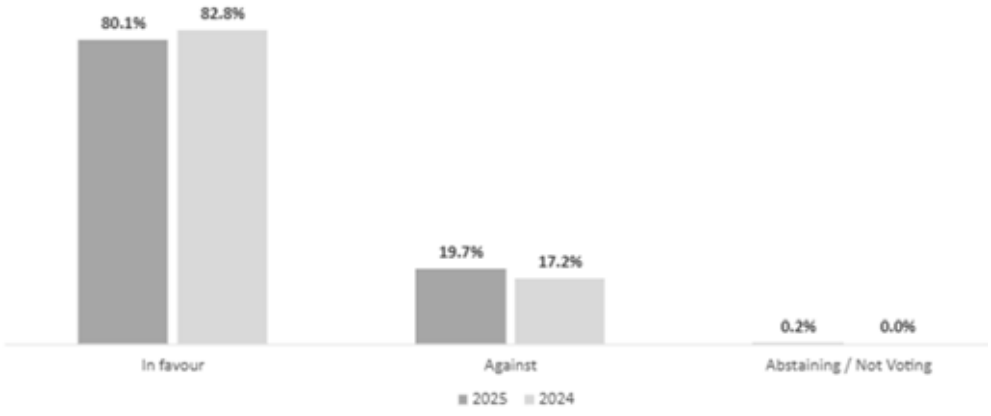
SHAREHOLDER ENGAGEMENT, RESULTS OF THE VOTING AND FEEDBACK FROM INVESTORS

Pirelli & C. believes that an ongoing dialogue with shareholders and, more generally, the main Financial Market Stakeholders contributes to creating sustainable value for the Company. To further promote dialogue with stakeholders, the Company has adopted a dedicated Engagement Policy, guided by international best practices, reaffirming its commitment to providing communication that is equal, transparent, timely and accurate. In particular, the discussion with its Shareholders on

remuneration issues allows their involvement in the definition of the remuneration policy, aligning the interests of Management with those of the Shareholders and contributing to the achievement of the Company's strategic objectives and sustainable success.

With this in mind, Pirelli & C. makes available to its stakeholders, Shareholders and investors, in a special section of its website, complete and accurate information on remuneration issues and also examines the results of the Shareholders' Meeting vote as a basis for continuous improvement and alignment of its remuneration policy with market best practices.

The 2026 Policy is therefore established taking into account the analysis and investigations made of the results of the Shareholders' Meeting vote and the feedback received from Shareholders and key proxy advisors on the 2025 Policy and the Report on Compensation paid in 2024. The diagram below presents the result of the binding vote expressed by the Shareholders' Meeting on 12 June 2025 compared to the result of the voting in 2024.



Pirelli & C. attaches great importance to analysing this voting result and the feedback received and, following the analysis of the results of the votes cast at the Shareholders' Meeting of 12 June 2025 and the main rationale for the votes against, took the action required to ensure the consistency of the 2026 Policy with the Shareholders' expectations for the future.

DESCRIPTION OF THE CHANGES COMPARED TO THE 2025 REMUNERATION REPORT

Compared with the 2025 Policy, a number of significant changes have been introduced to reflect the voting results and feedback received, as well as the analysis of the main rationales for casting votes against resolutions and the long-term interests of Pirelli & C..

In particular, also in view of the appointment of the new Board of Directors:

- the structure and level of remuneration for Directors holding specific offices granted specific duties have been revised;
- Office Termination Payment ("TFM") has been eliminated;
- severance payments have been standardised, in particular by introducing a maximum limit of 24 months' remuneration;
- the Board of Directors' discretion has been restricted;
- ex-ante disclosure has been introduced with reference to the ESG KPIs in the short-term and long-term incentive plans, in addition to the ex-post disclosure on all KPIs, as provided in the 2025 Compensation Report;
- with regard to the 2026 STI Plan, the weighting of certain KPIs has been adjusted and the on/off condition has been removed;
- with regard to the 2026-2028 LTI Plan, the "Net Cash Flow" KPI has been replaced with the "Relative Cash Conversion" KPI, also to avoid duplicating the same KPI in both the 2026 STI Plan and 2026-2028 LTI Plan;
- the composition of the panel has been revised for the purpose of comparing the Annual Total Direct Compensation on Target of Directors holding specific offices granted specific duties.

MARKET REFERENCES AND PEER GROUP

Pirelli establishes and implements a policy for Annual Total Direct Compensation on-Target which, relative to the reference market, targets a range between the median and the third quartile for Directors holding specific offices, the General Manager and the KMs.

The analysis of the positioning, the make-up and more generally the competitiveness of the remuneration of Directors holding specific offices is conducted by the Remuneration Committee and the Board of Directors with the assistance of companies specialised in executive compensation, on the basis of methodological approaches that allow the full assessment, if within the typical limits of benchmark analyses, of the complexity of their positions from an organisational point of view, any specific duties assigned thereto and the individual's impact on the final business results. In particular, with the assistance of Willis Towers Watson, Pirelli & C. defines:

- a sample of 12 Euronext Milan companies[186] used for the competitiveness analysis and for any review of the remuneration of the Directors of Pirelli & C. holding specific offices to whom specific

[186] Financial companies are excluded from the sample.

duties are not granted (at the date, of this Report, the Chairman of the Board of Directors), composed as follows:

Amplifon; Diasorin; Enel; Eni; Leonardo; Nexi; Poste Italiane; Recordati; Saipem; Snam; Telecom Italia; Terna

- a sample of reference companies defined by taking into account key recommendations on pay for performance, used to analyse competitiveness and potentially revise the remuneration of the Directors holding specific offices granted specific duties (as of the date of this Report, the Executive Vice Chairman and Chief Executive Officer) of Pirelli & C..

With regard to the comparative market, in defining the panel of reference companies analysed annually by the Remuneration Committee, various components are taken into account and pre-established criteria are applied that are consistent with those considered by investors and proxy advisors.

The table below shows the criteria used to define the panel:

Sector	Geography	Dimension
The panel includes direct competitors, automotive manufacturers as well as companies from the Auto Components sector.	The panel consists of multinational companies, based in Italy, major European countries and North America.	The dimension is assessed in relation to the following criteria: - market capitalisation; - revenues; - number of employees.

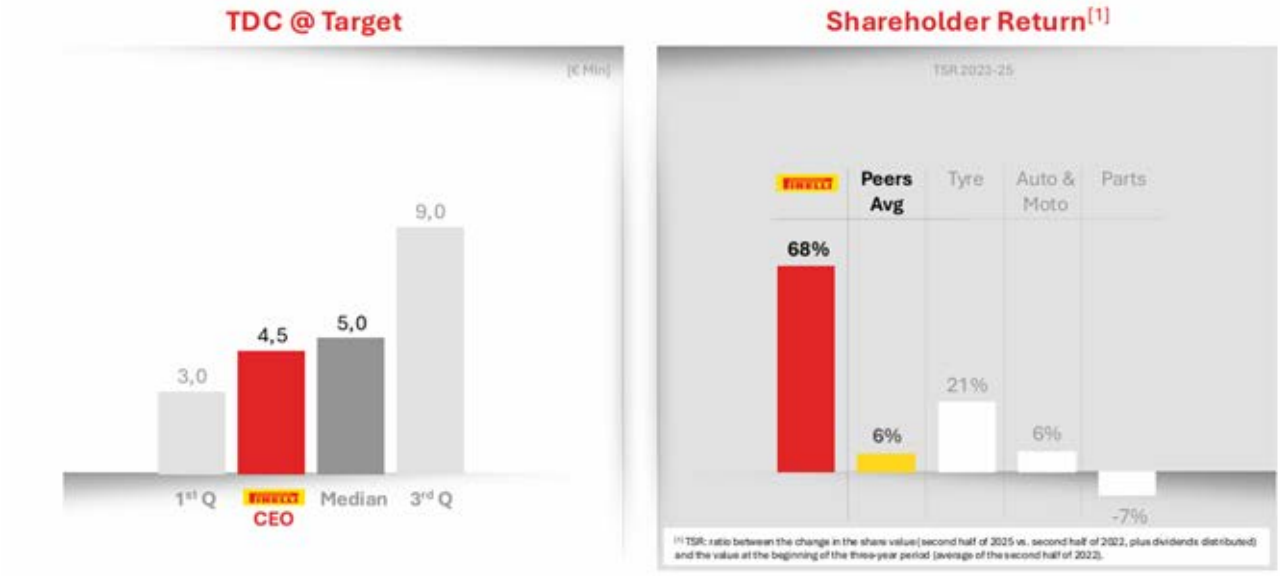
Through the review process conducted over the past few years, the panel has gradually included companies from the Auto Components sector while excluding companies that did not meet the established criteria. The selected companies, listed below, share similar characteristics in terms of

production, technology and market orientation. In terms of size, Pirelli ranks around the median compared with its peer group:

	European Market	Nord America Market
Vehicles	Aston Martin; Ferrari; Trigano	Harley-Davidson
Auto Components	Brembo; CIE Automotive; Hella; OPMobility	Advance Auto Parts; Magna Int.
Tyre	Michelin; Nokian; Continental	Goodyear

Compared with 2025, TI Fluid Systems was removed from the panel as it is no longer listed, while Trigano and Continental A.G., which spun off its automotive division in 2025, were added. As a result, the panel now includes four of Pirelli's direct competitors and, with the inclusion of companies active in both the European and North American markets, provides full coverage of two of the Group's main reference markets.

With reference to this comparison panel, the following figures illustrate the positioning of the Annual Total Direct Compensation on-Target for the Chief Executive Officer, alongside the trend in company performance measured by Total Shareholder Return accrued by Pirelli over the past three years relative to the other companies in the panel.



Finally, the remuneration structure and related analysis for the General Manager and the KMs, shared with the Remuneration Committee and annually reviewed and disclosed in the report on compensation paid, are based on national and European benchmarks, which are prepared annually

by Korn Ferry through a survey that includes over 452 companies. The method used is “Job Grading”, which compares the roles on the basis of three different components (know-how, problem solving and accountability), whereby the weighting of each role is determined within the company.

ELEMENTS OF THE POLICY

In keeping with previous remuneration policies, the 2026 Policy provides for the Management remuneration to consist of various elements:

- gross annual base salary;
- an annual variable component (STI);
- medium-long term variable component (LTI);
- non-monetary benefits.

FIXED COMPONENT

The base salary is established on the basis of the complexity of the position, professional seniority, the skills required to perform in the role, performance over time, and the trend in the comparison remuneration market related to the position held by the individual.

VARIABLE COMPONENTS

The STI and LTI variable components are established - taking account of the benchmarks for each - as a percentage of base salary which increases according to the position held by the beneficiary.

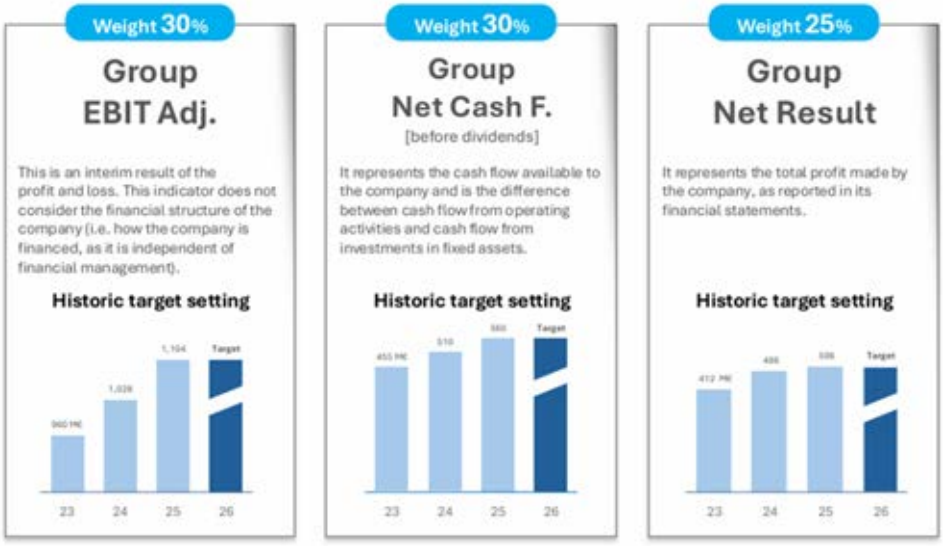
The full cost of the variable incentive plans, both short and medium-long term, is included in the economics of the strategic plans, so that their impact is “self-funded” by achievement of the expected results.

The risk governance process is fully integrated into the strategic planning process in order to ensure that the objectives envisaged for achieving the variable incentive do not expose Pirelli to managerial behaviour inconsistent with an acceptable level of risk (“risk appetite”) as defined by the Board of Directors when approving the Plans.

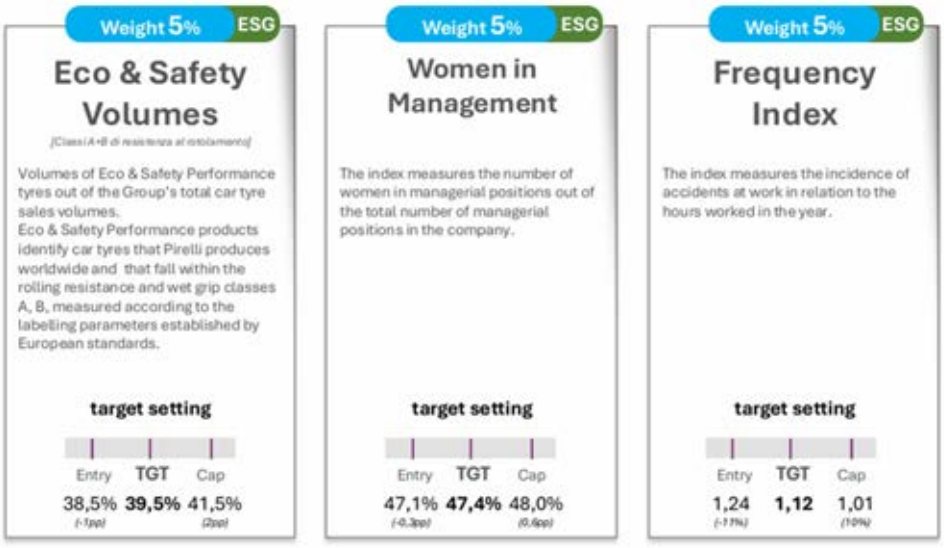
Annual variable component (STI)

The STI component is extended to all Management and is intended to reward the beneficiary's short term performance; moreover, it can be extended to those who become part of the Management of the Group during the year. The 2026 STI Plan objectives for Directors holding specific offices granted specific duties, for the General Manager and for KMs are established by the Board of Directors upon a proposal by the Remuneration Committee (see §3 and §4).

The targets assigned to Management under the 2026 STI Plan are the following:



The economic and financial objectives underlying the STI Plan represent performance consistent with the corresponding objectives disclosed to the market, in particular the objectives for achieving the incentive at "target" level are set as equal to the value disclosed to the market.



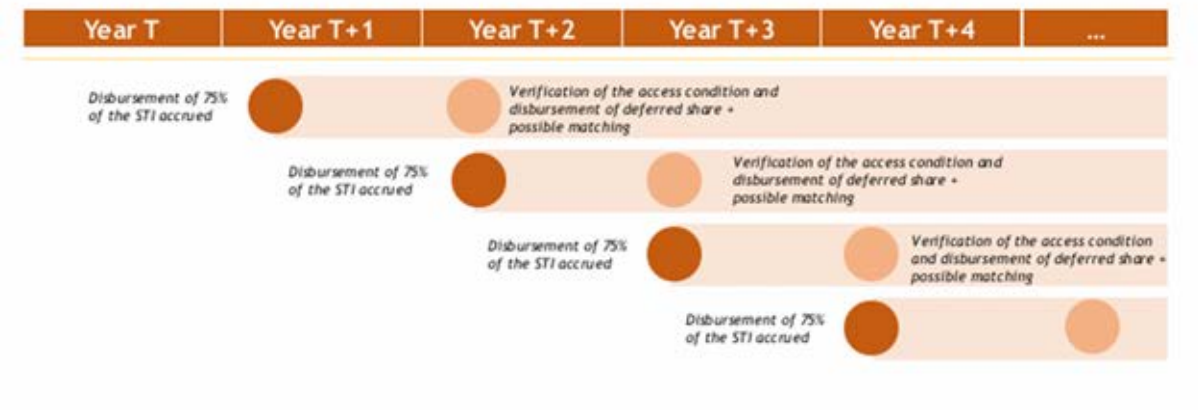
At the end of the year and based on the finalised performance figures (and included in the draft financial statements approved by the Board of Directors), the Department of Human Resources & Organization, with the assistance of the Administration, Planning & Controlling Department, checks the level to which the objectives have been achieved, on which basis the Board of Directors then resolves, after examination by the Remuneration Committee, having obtained the opinion of the Board of Statutory Auditors, on the amount of the variable compensation to be disbursed.

Achievement of the individual objectives will be assessed by the Remuneration Committee, neutralising the effects of any extraordinary decisions that could have impacted the results (either positively or negatively). The Board of Directors resolves on the review proposal potentially submitted for its consideration by the Remuneration Committee.

The 2026 STI Plan stipulates that, for the General Manager and KMs, a portion of the STI remuneration, ranging from 25% to 50%, will be deferred to support retention. This deferred portion, together with a company matching component ranging from 0.8x to 1.2x of the deferred amount, will be paid at the end of a three-year period, provided the individual remains in the Company (see the chart below).

For Directors holding specific offices granted specific duties, on the other hand, a portion of the variable STI remuneration is deferred to support sustained performance over time and, consequently, the creation of medium- to long-term sustainable value for Shareholders. In this case, indeed, 75% of any STI accrued is paid, since the remaining 25% is deferred by 12 months and subject to achievement of the STI objectives for the following year. More specifically (see diagrams below):

STI Year T+1	
No incentive is accrued	The Year T deferred share will be definitively lost
Accrued with a final performance below target	The Year T deferred share will be fully returned
Accrued with a final performance equal to or greater than target	The Year T deferred share will be fully returned along with an additional amount of equal value (*matching*)



Medium-long term variable component (LTI)

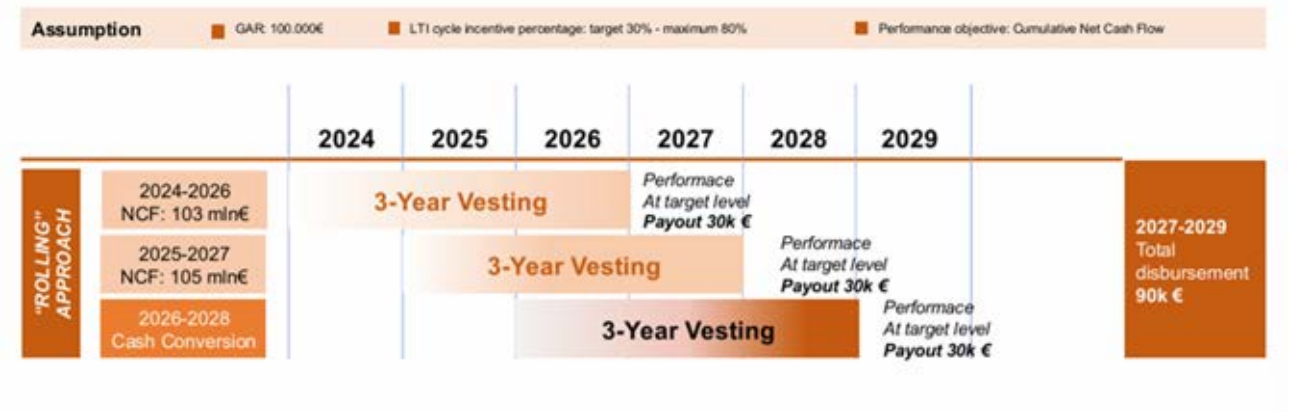
Medium-long term variable remuneration (LTI) is awarded to the Chief Executive Officer, General Managers, and KMs.

The medium-long term incentive plans (LTI) are intended to:

- link remuneration with the medium-long term performance of the Group;
- promote the creation of shareholder value and sustainable success for the Company;
- align the interests of shareholders with those of the plan beneficiaries;
- promote the retention of plan beneficiaries.

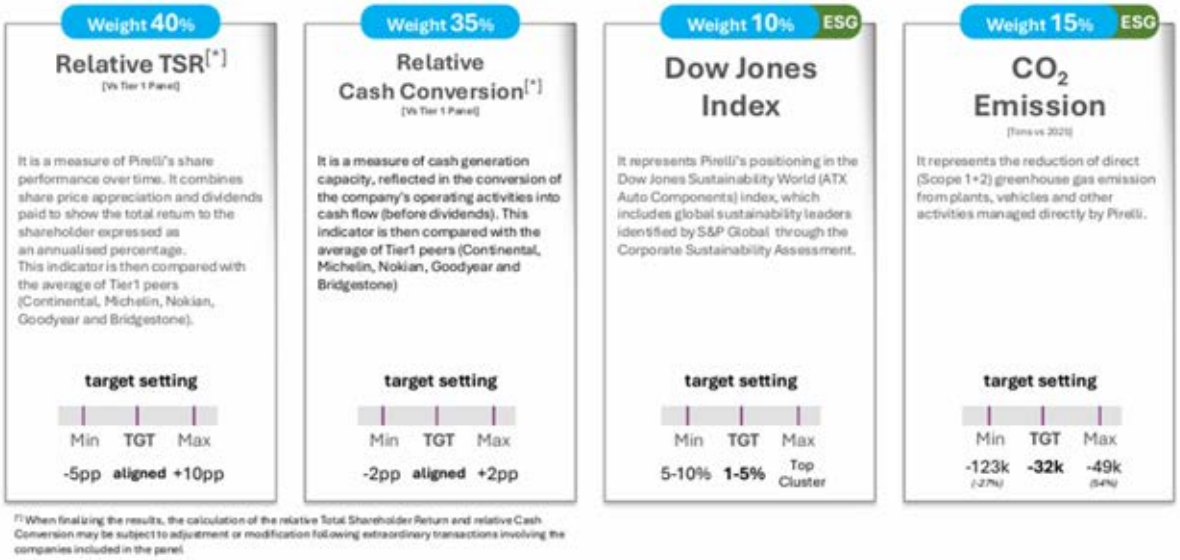
The LTI plans are structured with a “rolling” mechanism which guarantees flexibility by ensuring that, for each new three-year period, the performance indicators are aligned with the evolution of the market and the company and, therefore, the Company’s strategic plans.

Below is an explanatory diagram showing how it works:



The LTI Plans assign each beneficiary an incentive opportunity (the "**LTI Bonus**"), equal to a percentage of the gross annual fixed component in place in the first year of the plan. This incentive percentage increases in relation to the position held and takes into account the benchmarks for each role.

The objectives of the 2026-2028 LTI Plan are the following:



The diagram below shows the link between the corporate strategy and the KPIs of the incentive systems.

Strategic Pillars	STI	LTI
High-end, specialties and EV focus	Net income	Relative TSR
Innovation and connectivity	Group adjusted EBIT	
Cost Transformation & Digitalization		Relative Cash Conversion
	Group Net Cash Flow (before dividends)	
Sustainability	Eco & Safety Volumes DE&I: Women in Management positions HSE: Frequency Index	CO_2 Emissions Reduction DJS Index

Each pillar will be undertaken with an approach based on:

- centrality of environmental sustainability; and
- an increasing push towards innovation and digitisation.

More specifically, through innovation and connectivity and circular economy principles, new technologies will be introduced into products inspired by eco-safety design and efforts will continue on connected tyres capable of improving consumer-perceived performance and generating data that can be used to strengthen data-driven product development and process optimisation. Digitisation and sustainability will be the key drivers for increasing efficiency and quality levels thanks to programmes such as electrification and the Industrial IoT. The electrification of presses, as part of the energy transition, will lead to the gradual decommissioning of steam-generation boilers, thereby reducing carbon emissions. In addition, together with targeted recirculation programmes, this will support the achievement of a 60% reduction in water consumption by 2030 compared with 2015 levels.

The cost transformation programme, which includes automation, predictive maintenance through Industrial IoT, optimisation of the logistics network, and modular product design, among other initiatives, will serve as a comprehensive plan to enhance competitiveness across all company departments.

Insights into the Company's strategy, governance and target, its sustainable management model, along with the materiality of impacts, risks and opportunities, as well as projects and recorded sustainability performance, can be found in the Consolidated Sustainability Report.

NON-MONETARY BENEFITS

Non-monetary elements of remuneration include benefits made available to beneficiaries, based on the role held, pursuant to contractual provisions/company policies.

3. REMUNERATION OF THE BOARD OF DIRECTORS, THE BOARD OF STATUTORY AUDITORS AND THE SUPERVISORY BODY

BOARD OF DIRECTORS

Within the Board of Directors, a distinction can be made between:

i. Directors holding no specific offices;

ii. Directors holding specific offices granted specific duties.

The attribution to Directors of powers for specific matters, that are not covered by the duties delegated under Art. 2381 of the Italian Civil Code, does not per se make them directors granted specific duties.

The Policy states that, for the duration of the current Board's term, the total gross annual compensation of the Board of Directors is that approved by the Shareholders' Meeting[187] and, subsequently, allocated by the Board of Directors on 3 August 2023 as follows:

DIRECTORS' REMUNERATION		
BODY	**OFFICE**	**REMUNERATION**
Board of Directors	Director	75,000 Euro
Audit, Risks and Corporate Governance Committee	Chairman	40,000 Euro
	Member	35,000 Euro
Remuneration Committee	Chairman	40,000 Euro
	Member	35,000 Euro
Strategies Committee	Chairman	50,000 Euro
	Member	35,000 Euro
Appointments and Successions Committee	Chairman	35,000 Euro
	Member	25,000 Euro
Related-Party Transactions Committee	Chairman	65,000 Euro
	Member	45,000 Euro
Sustainability Committee	Chairman	50,000 Euro
	Member	35,000 Euro

In line with best practices and the recommendations of the Corporate Governance Code, Directors not holding specific offices do not receive a variable compensation component. Their remuneration, however, is structured to reflect the skills, professionalism and commitment required by their role. Account is also taken of the commitment required for Directors to participate in individual Board Committees, based on the previous mandate.

Expenses incurred for official reasons are also reimbursed to the Directors.

For the sake of completeness, it is worth noting that no distinction in remuneration is made for independent Directors.

The Shareholders' Meeting convened to approve the financial statements for the year ending 31 December 2025, will also be tasked with, among other matters, appointing the new Board of Directors following the expiry of the current Board's term. The Shareholders' Meeting will therefore be called to resolve on the annual remuneration of the Board of Directors in accordance with Art. 2389, paragraph 1, of the Italian Civil Code, excluding the remuneration to be assigned by the Board of Directors to Directors holding specific offices, as envisaged by Art. 2389, paragraph 3, of the Italian

[187] On 31 July 2023, the Pirelli & C. Shareholders' Meeting resolved to establish, for the years 2023, 2024, 2025, a maximum of 2,500,000 euros as the total annual salary of the Board of Directors in accordance with Art. 2389, paragraph 1 of the Italian Civil Code, excluding the remuneration to be assigned by the Board of Directors to Directors holding specific offices, as envisaged by Art. 2389, paragraph 3 of the Italian Civil Code.

Civil Code, on the proposal of the Remuneration Committee and having heard the opinion of the Board of Statutory Auditors.

Also in line with best practices, a Directors & Officers Liability ("**D&O**") insurance policy is in place to cover the third-party liability of the members of the administrative body. This policy is designed to indemnify the Directors of Pirelli & C. against liabilities arising from the related damages, except in cases of wilful misconduct, and is structured in accordance with standard insurance market terms and conditions.

Lastly, for Directors other than Directors holding specific offices granted specific duties, no additional insurance coverage, social security, or pension benefits beyond compulsory coverage are provided.

DIRECTORS HOLDING SPECIFIC OFFICES

The remuneration of Directors holding specific offices is proposed by the Remuneration Committee to the Board of Directors when they are appointed, or at the first useful meeting thereafter, following consultation with the Board of Statutory Auditors.

Directors holding specific offices not granted specific duties

If a Director has been appointed to a specific office or offices, but no specific duties have been assigned to them (at the date of this Report, this applies to Chairman of the Board of Directors Jiao Jian), the remuneration consists solely of a fixed gross annual component based on the position held, as well as the compensation for the office of Director and any participation in Board Committees. Furthermore, no payment of discretionary bonuses or non-monetary benefits is envisaged.

At the time of appointment, the Board of Directors determines, as indicated above, the remuneration for the Directors holding specific offices not granted specific duties, considering the remuneration assigned during the previous mandate (if the same holder) and the market benchmark (if a different person).

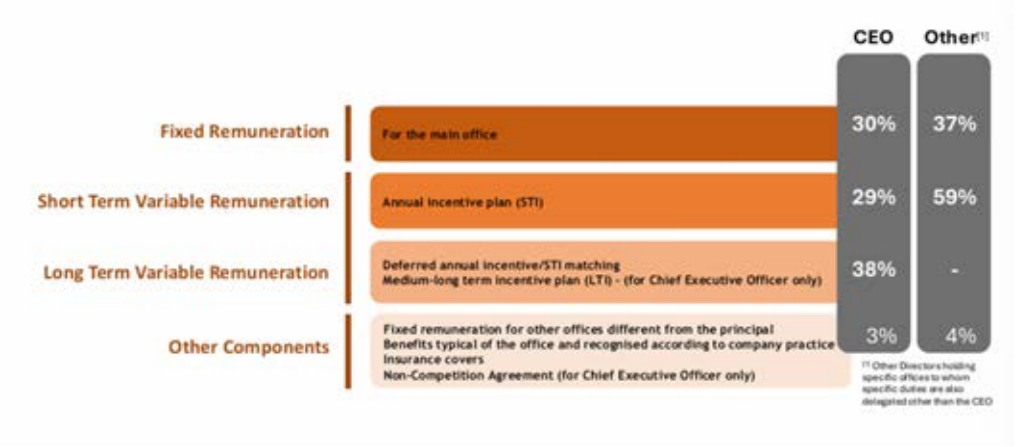
As of the date of this Report, the current Chairman of the Board of Directors, who receives a gross annual remuneration of 400,000 euros for his office, has expressed his wish not to receive any remuneration from the Company for the offices held. Therefore, the Board of Directors' meeting of 13 September 2023 resolved not to allocate any remuneration under the 2023 Policy for the offices held by him[188].

[188] Specifically on 13 September 2023, the Board of Directors, at the request of Chairman Jiao Jian, resolved not to allocate any remuneration for the offices held by him during his term at Pirelli & C., specifically Chairman of the Board of Directors, Director (75,000 euros gross per annum), member of the Strategies Committee (35,000 euros gross per annum), and member of the Sustainability Committee (35,000 euros gross per annum).

In the event that the Board of Directors is called upon to resolve again on the remuneration of the Directors holding specific offices not granted specific duties, the remuneration will be in compliance with the Policy and may be increased by up to 10% of: (i) the value attributed in the previous term of office (if the same person has completed their term and been reappointed); or (ii) the value attributed in the current term of office (if the same person is the same individual); or (iii) the market benchmark (median).

Directors holding specific offices granted specific duties

The remuneration of Directors holding specific offices granted specific duties (as of the date of this Report this applies to the Executive Vice Chairman Marco Tronchetti Provera and the Chief Executive Officer Andrea Casaluci) consists of the following elements:



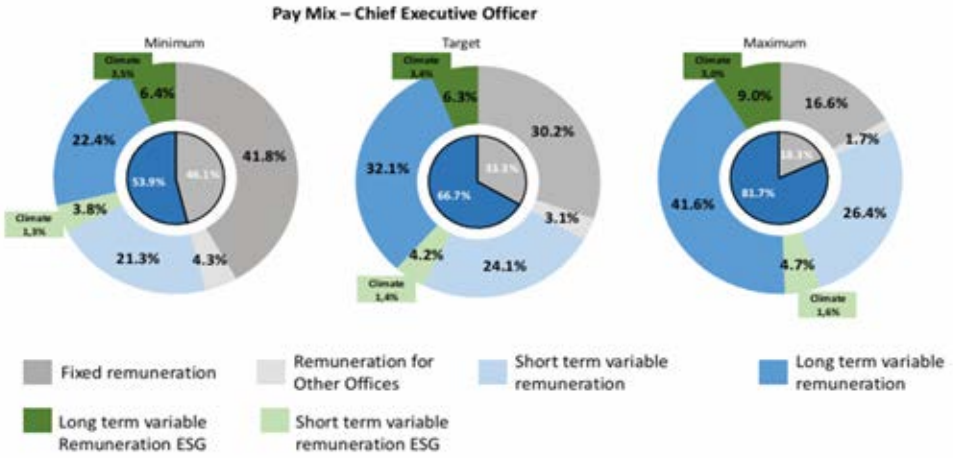
Directors holding specific offices granted specific duties, shall also be due the compensation for the office of Director and any participation in Committees[189].

As shown in the chart above, the pay mix of the Directors holding specific offices granted specific duties shows that the variable components are predominant with respect to the fixed component, in line with the Corporate Governance Code and the pay-for-performance principle. This structure supports the achievement of strategic objectives and the company's sustainable success by aligning their interests with those of stakeholders.

With regard to the incidence of the various components, the structure of the compensation package for the Chief Executive Officer, in the event that the objectives of the 2026 STI Plan and the 2026-

[189] As of the date of this report, the Executive Vice Chairman is also entitled to the remuneration for serving as a Director (75,000 euros gross per annum) and as Chairman of the Strategies Committee (50,000 euros gross per annum), the Appointments and Successions Committee (35,000 euros gross per annum) and the Sustainability Committee (50,000 euros gross per annum). The Chief Executive Officer is entitled to remuneration for serving as Director (75,000 euros gross per annum) and for his role as a member of the Strategies Committee (35,000 euros gross per annum) and the Sustainability Committee (35,000 euros gross per annum).

2028 LTI Plan are achieved at the minimum, target and maximum levels, is shown in detail below, with a particular focus on the impact of the ESG objectives on the pay mix.



As illustrated in the graphs above, with regard to the ESG objectives included in the incentive systems, it should be noted that, in the event of achievement of target performance, the incidence of the relative pay-out on the compensation package is 10.5% for the Chief Executive Officer (of which 4.8% relates to climate change KPIs).

Fixed Remuneration

Fixed remuneration for Directors holding specific offices granted specific duties (at the date of this report, the Executive Vice Chairman and the Chief Executive Officer) is determined at the time of appointment, taking into account the market benchmark in an amount that ensures a balance between the fixed component and the variable component that is adequate and consistent with the strategic objectives and the risk management policy of the Company, taking into account the characteristics of the business and the sector in which the Company operates, in any case establishing that the variable component represents a significant part of the total remuneration.

The gross annual fixed remuneration for the financial years 2023, 2024 and 2025 and until the termination of office of the current administrative body assigned to (i) the Executive Vice Chairman is 2,400,000 euros gross per year and (ii) the Chief Executive Officer is 1,100,000 euros gross per year.

With reference to the mandate for the 2026, 2027 and 2028 financial years and until the termination of office, the Policy provides for each of the Directors holding specific offices granted specific duties a fixed remuneration of up to a maximum of € 1,900,000 gross per annum; for the Chief Executive Officer up to a maximum of € 1,400,000 gross per annum.

Annual variable component (STI)

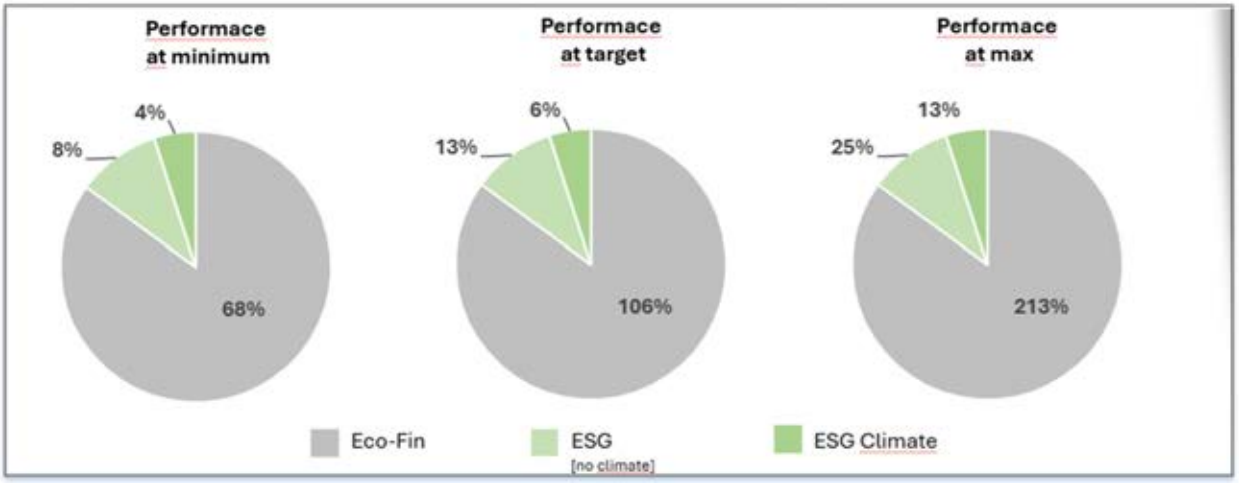
The Directors holding specific offices granted specific duties receive an annual variable component (STI) equal to a percentage of the gross annual fixed remuneration determined at the time of appointment and thereafter when the individual annual plans are launched.

Without prejudice to the provisions in favour of the relevant beneficiaries of the STI plans provided for under the remuneration policies approved by the Shareholders' Meeting in previous financial years (until the deferred portions have been fully paid out), for 2026 the Directors holding specific offices granted specific duties will be beneficiaries of the 2026 STI Plan.

For each objective there is a minimum and a maximum (cap) to the amount of the incentive that can be achieved; for performance below the minimum level, no payment is envisaged.

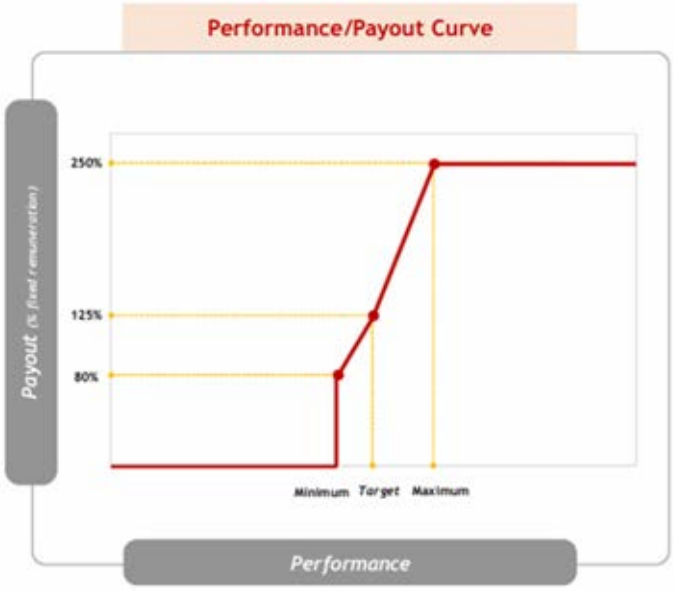
The finalisation of the bonus between the minimum value and target and between the target and maximum is carried out by linear interpolation.

Depending on the level of performance achieved, Directors holding specific offices granted specific duties may be granted an incentive ranging from up to 80% of their fixed remuneration at minimum performance, up to 125% at target performance, and up to 250% at maximum performance.

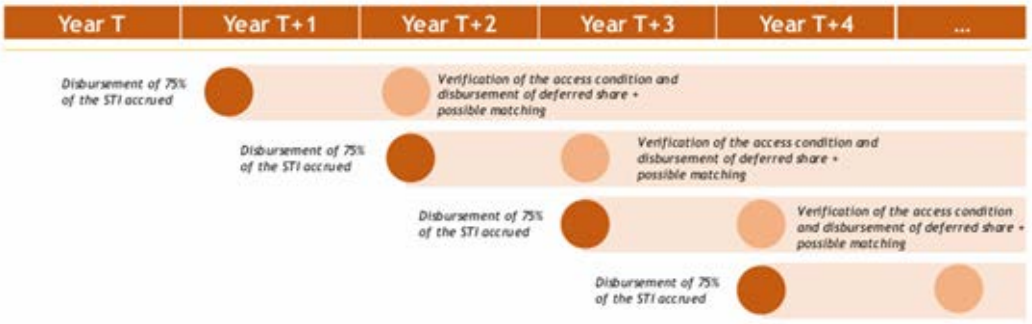


All the objectives envisaged on the STI scorecard shall apply independently, according to the incentive curve shown below. Therefore, according to the performance achieved, each objective will go towards calculating the total payout, on the basis of the weighting shown on the scorecard.

Example curve if all objectives are achieved at minimum, target and maximum level by the Directors holding specific offices granted specific duties.



Part of the variable component accrued as STI is deferred to support the continuity of results over time and, therefore, the creation of sustainable value in the medium to long term for the Shareholders, as stated in paragraph 2 of this Policy. In the event that the payout percentage of the STI accrued in the following year is equal to or higher than target value, the STI share deferred from the previous year is paid, together with an additional amount equal to the portion deferred (matching).



In the event of termination of office, the STI Bonus is paid on a pro-quota basis for the effective months of tenure in office.

Medium-long term variable component (LTI)

In order to contribute to the corporate strategy, the pursuit of the long-term interests and the sustainability of the Company, the Chief Executive Officer is entitled to a medium-long term variable

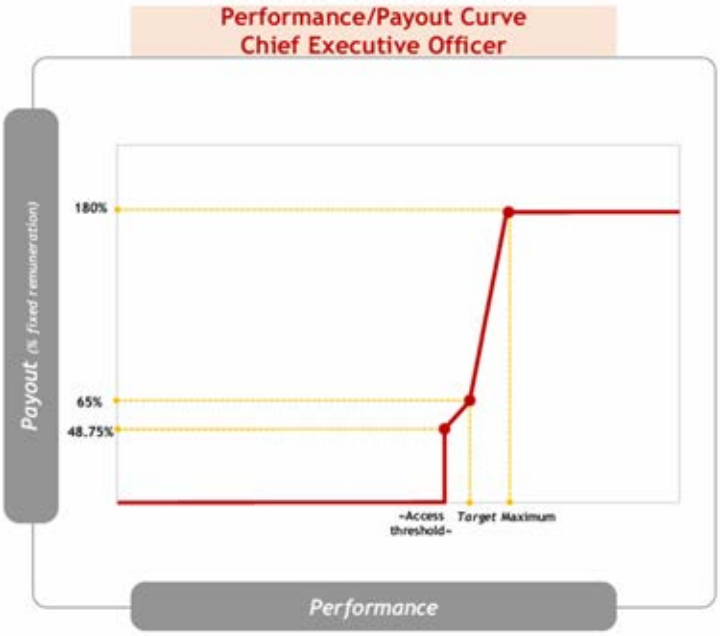
component (LTI) equal to a percentage of the fixed remuneration determined at the time of appointment and thereafter when the individual annual plans are launched.

Without prejudice to the provisions in favour of the relevant beneficiaries of the LTI plans provided for under the remuneration policies approved by the Shareholders' Meeting in previous financial years, for the 2026-2028 three-year period, the Chief Executive Officer will be a beneficiary of the relative LTI Plan.

A minimum level – associated with payment of 75% of the bonus achievable on-target – and a maximum (cap) are envisaged for each objective of the LTI plans.

The performance range for the economic-financial objectives is defined as the more challenging of the target and maximum level with respect to that envisaged between the minimum and target levels. In order to offer an incentive to achieving results above target, the incentive curve is fixed in such a way that the incentive opportunities grow faster between the target and the maximum than in the range between the minimum and the target (see diagram below). All the objectives envisaged on the LTI scorecard shall apply independently, according to the incentive curve shown below. Therefore, according to the performance achieved, each objective will go towards calculating the total payout, on the basis of the weighting shown on the scorecard.

Example curve if all objectives are achieved at minimum, target and maximum level.



For the TSR, relative Cash Conversion and CO_2 Emissions targets, for results falling between the minimum and the target, or between the target and the maximum, performance will be calculated by linear interpolation.

For the Dow Jones Sustainability Index sustainability target, there will be a three-step reporting: minimum, target and maximum, without considering intermediate performance levels.

Under the 2026-2028 LTI Plan, depending on the level of performance achieved, the Chief Executive Officer is granted an annual bonus opportunity of 65% of fixed remuneration for on-target performance, 48.75% if the minimum performance is achieved (75% of the on-target bonus), and 180% (cap) in the event of maximum performance. In the event of termination of office, the LTI Bonus is paid on a pro-quota basis for the effective months of tenure in office.

Other components

Without prejudice to the provisions on Office Termination Payment ("**TFM**") set out in the remuneration policies approved by the Shareholders' Meeting in previous years, for the 2026-2028 mandate the granting of such an instrument is no longer provided for the Directors holding specific offices granted specific duties, who are not bound by managerial employment contracts.

Furthermore, Directors holding specific offices granted specific duties may be assigned:

- a compensation allowance for death from any cause and permanent invalidity following illness as well as a compensation allowance for death from any cause and permanent invalidity following accidents, subject to terms, limits and conditions no more favourable than those provided for in the previous term. With regard to the Chief Executive Officer, the definition by the Board of Directors of a new compensation scheme which, while maintaining a consistent structure, does not in any case exceed the most favourable treatment granted to other Directors holding specific offices granted specified duties, is in line with the Policy;

- additional position-specific benefits that are currently provided within the Group to the General Manager and KMs.

BOARD OF STATUTORY AUDITORS

The remuneration of members of the control body is determined by the Shareholders' Meeting as a fixed annual amount, appropriate to the competence, professionalism and commitment required by the importance of the position held and the size and sector characteristics of the company and its circumstances.

The Shareholders' Meeting of 28 May 2024 approved the renewal of the Board of Statutory Auditors (whose term of office expired upon approval of the financial statements as at 31 December 2023) for the three-year period 2024-2026 and until the approval of the financial statements as at 31 December 2026. The Shareholders' Meeting also determined, in accordance with Article 2402 of the Italian Civil Code, a fixed annual gross remuneration of 135,000 euros for the Chairman of the Board

of Statutory Auditors and 95,000 euros for the other standing members, as better described in the table below.

Board of Statutory Auditors	Chairman	135,000 Euro
	Member	95,000 Euro

Expenses incurred for official reasons are also reimbursed to the Statutory Auditors.

The Shareholders' Meeting of 28 May 2024 also resolved to allocate to the members of the Board of Statutory Auditors, who may be called upon to join the Supervisory Body, the remuneration due to the members of this body, as determined by the Board of Directors. In line with best practices, a D&O insurance policy is envisaged to cover the third party liability of the corporate bodies, including the members of the Board of Statutory Auditors. This policy, consequent to the rules governing mandates, is designed to indemnify the Statutory Auditors of Pirelli & C. against liabilities arising from the related damages, except in cases of wilful misconduct, and is structured according to standard insurance market terms and practices.

SUPERVISORY BODY

On 3 August 2023, the Board of Directors confirmed, in continuity with the previous term of office, the members of the Supervisory Body[190] and resolved to pay the Chairman and the other members of the Supervisory Body the following remuneration for the financial years 2023, 2024 and 2025 and until termination from office:

Supervisory Body	Chairman	70,000 Euro
	Member	40,000 Euro

The Board of Directors, which will be appointed by the Shareholders' Meeting convened to approve the financial statements as at 31 December 2025, will be called upon to appoint a new Supervisory Body, upon expiry of its term of office, and to resolve on the allocation of remuneration to the members of the newly appointed Supervisory Body.

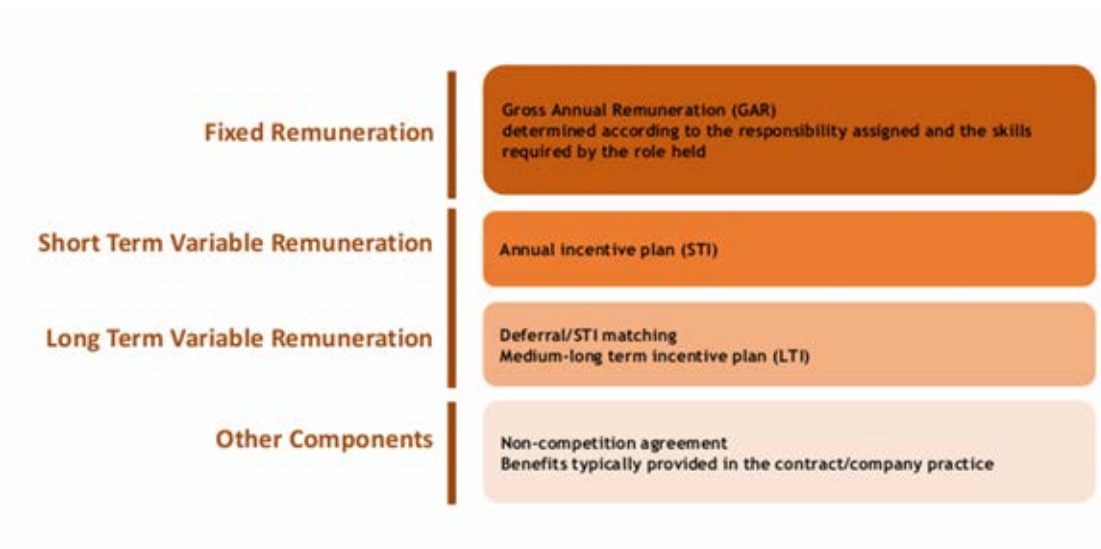
The granting of remuneration of up to +10% compared with that assigned under the current (or previous) term is in line with the Policy.

[190] On 1 August 2024, the Board of Directors resolved to appoint Ms Maura Campra, in her capacity as a member of the Board of Statutory Auditors (appointed by the Shareholders' Meeting of 28 May 2024), to the Supervisory Board, replacing Ms Antonella Carù, who ceased to be a member of the Board of Statutory Auditors following the completion of her term of office.

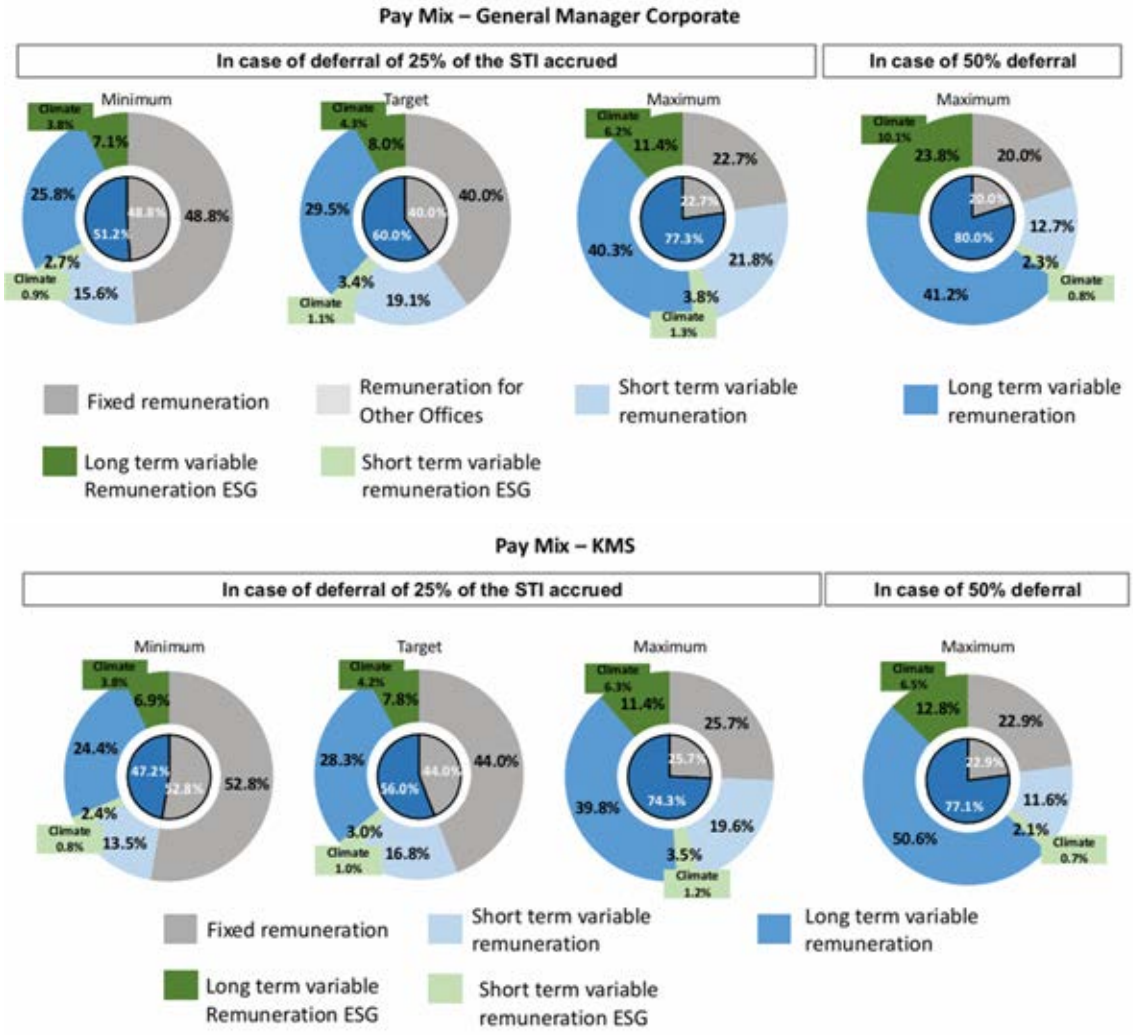
For completeness, it is reported that the remuneration assigned to members of the Supervisory Body is not included in the gross annual remuneration established by the Shareholders' Meeting.

4. REMUNERATION OF THE GENERAL MANAGER AND KEY MANAGERS

The remuneration of General Managers (at the date of this Report the Corporate General Manager is Francesco Tanzi) and the other KMs has the following elements:



With regard to the incidence of the various components, the structure of the remuneration package for the Corporate General Manager and the KMs, in the event of achieving the objectives of the 2026 STI Plan and the 2026-2028 LTI Plan at the minimum, target and maximum levels, is shown below, with a particular emphasis on the impact of the ESG objectives on the pay mix.



In line with best practices, a D&O insurance policy is in place to cover third-party liability for the General Manager and the KMs in the performance of their duties. Consequent to the provisions established on the matter by the applicable National Collective Bargaining Agreement, this policy aims to indemnify the General Manager and the KMs against any expenses deriving from the related compensation, excluding cases of wilful misconduct, and is structured according to standard insurance market terms and practices.

FIXED REMUNERATION

The fixed remuneration of General Managers is determined at the time of appointment by the Board of Directors, subject to the favourable opinion of the Remuneration Committee, in line with the Policy.

The fixed remuneration of KMs is determined by top management, also in accordance with the Policy, assessed by the Remuneration Committee.

If a new General Manager or a new KM is appointed, the Remuneration Committee determines the Grade and benchmark of reference based on their role and responsibilities, with the support of selected external advisors.

For a new General Manager, a gross annual fixed remuneration not exceeding 85% of that of the Chief Executive Officer and an Annual Total Direct Compensation on-Target which, taking into account the annual and medium-long term percentages, does not exceed 80% of the Annual Total Direct Compensation on-Target of the Chief Executive Officer.

If KMs are hired, the Policy allows a gross annual fixed remuneration not exceeding that of the Corporate General Manager and an Annual Total Direct Compensation on-Target not exceeding +20% of the market benchmark (third quartile).

The proposed revisions of the fixed remuneration are carried out with reference to the purpose of the Policy to attract, retain and motivate key resources to achieve the company's objectives. Subject to the above, a review that, considering the annual and medium/long-term incentive percentages, determines an Annual Total Direct Compensation on target equal to at most + 10% of the market benchmark (third quartile), is compliant with the Policy.

ANNUAL VARIABLE COMPONENT (STI)

Without prejudice to the provisions relating to the STI plans provided for under the remuneration policies approved by the Shareholders' Meeting in previous financial years (until the deferred portions have been fully paid out), for 2026 the General Managers and the KMs will be beneficiaries of the 2026 STI Plan, structured in line with the same objectives defined for Directors holding specific offices granted specific duties.

Depending on the level of performance achieved, the table below shows the percentage of the incentive on the gross annual salary:

	Performance	***Payout***	***ESG component***
Corporate General Manager	***Minimum***	**50% of the GAR**	***8% of payout (climate 3%)***
	Targets	**75% of the GAR**	**11% of payout (climate 4%)**
	Maximum	**150% of the GAR**	**23% of payout (climate 8%)**
KMs	***Minimum***	**40% of the GAR**	**6% of payout (climate 2%)**
	Targets	**60% of the GAR**	**9% of payout (climate 3%)**
	Maximum	**120% of the GAR**	**18% of payout (climate 6%)**

In the event of hiring a new General Manager, the Remuneration Committee, having as reference the purpose of the Policy to attract key resources for the achievement of corporate objectives, may set incentive percentages higher than those indicated above, provided that they are not higher than those of the Chief Executive Officer

For the General Manager and KMs a percentage of the STI accrued, from a minimum of 25% to a maximum of 50%, is deferred at the end of the three-year period, as stated in paragraph 2 of this 2026 Policy.

MEDIUM-LONG TERM VARIABLE COMPONENT (LTI)

Without prejudice to the provisions relating to the LTI plans provided for under the remuneration policies approved by the Shareholders' Meeting in previous financial years, until the completion of the relevant three-year cycles, for the 2026–2028 cycle the General Manager and the KMs will be beneficiaries of the 2026–2028 LTI Plan. The LTI plans have the same structure, mechanism and objectives as those set for Directors holding specific offices granted specific duties.

Within the scope of the LTI Plan for the period 2026-2028, depending on the level of performance achieved, the table below shows the percentage of the incentive on the gross annual salary.

	Performance	***Payout***	***ESG component***
Corporate General Manager	***Minimum***	***45% of the GAR***	***11% of payout (climate 7%)***
	Targets	**60% of the GAR**	**15% of payout (climate 9%)**
	Maximum	**160% of the GAR**	**40% of payout (climate 24%)**
KMs	***Minimum***	**41% of the GAR**	**10% of payout (climate 6%)**
	Targets	**55% of the GAR**	**14% of payout (climate 8%)**
	Maximum	**145% of the GAR**	**36% of payout (climate 22%)**

In the event of the appointment of a new General Manager, the Remuneration Committee may set incentive percentages higher than those indicated above, provided that they are not higher than those set for the Chief Executive Officer.

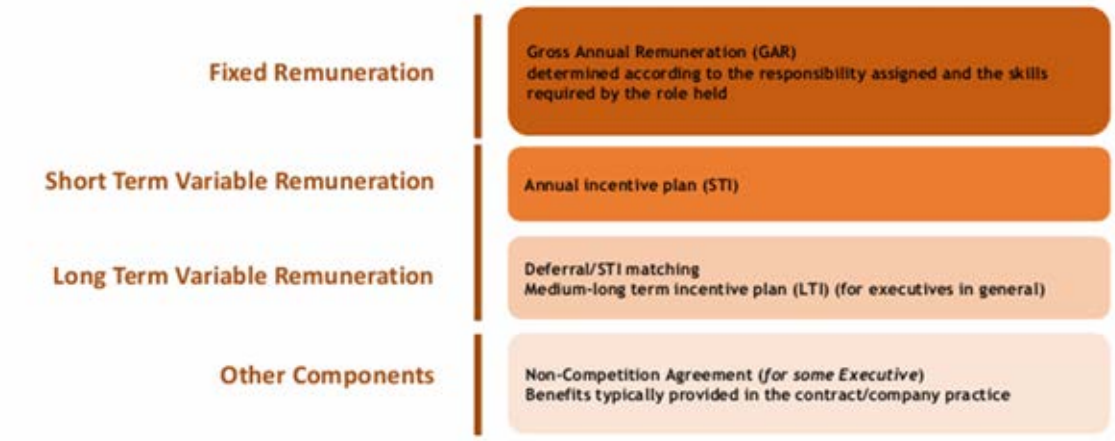
The General Manager and KMs shall cease their participation in the LTI plans and consequently shall not accrue the right to receive bonus payments, not even pro-rata, in the event of (i) termination of employment occurring for any reason before the end of the three-year period and (ii) voluntary resignations or dismissal for just cause /justified subjective reason occurring before the payment date.

OTHER COMPONENTS

Non-monetary elements of remuneration are benefits provided to the General Manager and KMs as a result of contractual provisions/company policies.

5. REMUNERATION OF THE EXECUTIVES

Executive remuneration generally consists of the following elements:



6. CLAW-BACK CLAUSES

In accordance with the recommendations of the Corporate Governance Code, the annual STI and medium-long term LTI incentive plans for Directors holding specific offices granted specific duties, the General Manager and the KMs provide for, among other things, so-called claw-back mechanisms.

In particular, without prejudice to the possibility of any other action permitted by the order to protect the interests of the Company, contractual agreements will be signed with the aforementioned persons, enabling Pirelli to claim back (in whole or in part), within three years of the payment thereof, incentives paid to persons who, due to wilful misconduct or gross negligence, are held responsible for (or are accomplices to) the facts, as indicated below, related to economic and financial indicators included in the annual financial report that involve subsequent comparative information adopted as parameters for the determination of the variable awards in the aforementioned incentive plans:

- proven significant errors resulting in non-compliance with the accounting standards applied by Pirelli, or;

- proven fraudulent conduct aimed at obtaining a specific representation of Pirelli's financial and equity situation, economic result, or cash flow.

7. COMPENSATION IN THE EVENT OF TERMINATION OF OFFICE OR EMPLOYMENT

With reference to the mandate expiring with the approval of the financial statements for the year ended 31 December 2025, details on the severance pay granted to Directors holding specific offices granted specific duties can be found in the 2023, 2024, and 2025 Policies.

With regard to the 2026-2028 Board mandate, the following severance pay scheme is established for Directors holding specific offices granted specific duties, who are not bound by managerial employment contracts:

- early termination of office by the Company for other than just cause;
- early termination by the director for just cause, including but not limited to substantial changes to the role or duties attributed and/or cases of a “hostile” takeover bid;

termination of office due to completion of term of office without a subsequent re-appointment proposal.

This benefit amounts to 24 months of the gross remuneration, meaning the sum of (i) the fixed remuneration for the main office and (ii) the average variable remuneration (STI) received during the previous three years.

As regards General Managers and KMs, the Pirelli Group’s policy is not to enter into agreements that predetermine the financial terms of early termination, whether initiated by the Company or the individual.

Pirelli aims at agreements to “terminate” relations in a consensual manner. Without prejudice to any legal and/or contractual obligations, agreements to end relations with the Pirelli Group are inspired by the benchmarks in the matter and are within the limits laid down in case law and by the practices in the country in which the agreement was signed.

These agreements for consensual termination of employment are submitted to the Remuneration Committee (also acting as the Related-Party Transactions Committee on remuneration) which, after assessing compliance with the Policy, authorises the negotiation and determines the maximum amount payable, including the potential retention of non-monetary benefits for a predetermined period of time.

The amounts are determined with reference to the applicable category national collective bargaining agreements. In Italy, the reference framework is the National Collective Labour Agreement for Managers of Companies Producing Goods and Services (CCNL Dirigenti Industria), which provides, net of mandatory legal entitlements (such as *TFR*, holidays, notice, etc.), compensation calculated based on seniority within the company, up to a maximum of 24 months’ remuneration. This remuneration is defined as the sum of: (i) the gross annual salary and (ii) the average of the variable STI compensation received over the previous three years.

A consultancy (or collaboration) contract may be entered into between Directors holding specific offices granted specific duties, the General Manager and the KMs and a Group company, for a predefined period following the termination of their office and/or employment relationship and subject, also in this case, to evaluation and approval by the Remuneration Committee (also acting as Related-Party Transactions Committee on remuneration).

The remuneration due to the General Manager and the KMs for any positions held on the Board of Directors is not included in the calculation of severance pay.

Finally, as regards the short term incentive (STI) and medium-long term (LTI) incentive system:

- for Directors holding specific offices granted specific duties and who cease to hold office a pro-rata payment of the STI Bonus, and LTI Bonus for the actual months of tenure of the office is provided for;

- for the General Manager and KMs, in the event of termination of employment, the STI Bonus will be paid pro-rata, for the actual months of employment, subject to a minimum period of 9 months in the year, except in the case of dismissal for just cause/justified subjective reason, where no amount will be paid. There is no payment of the LTI bonus, not even pro rata, in the event of termination for any reason before the end of the three-year period; there is also no payment in the event of voluntary resignation or dismissal for just cause /justified subjective reason before the payment date.

8. NON-COMPETITION AGREEMENT

The Group enters into non-competition agreements providing for a payment to the General Manager, KMs and Executives[191] for particularly crucial duties, in proportion to the GAR in relation to the duration and extent of the constraints arising from the agreement itself. The Group also reserves the right, subject to authorisation by the Board of Directors, to enter into non-competition agreements with Directors holding specific offices granted specific duties.

The constraints refer to the market sector in which the Group was operating when the agreement was made and to territorial size. The extent varies according to the role held when the agreement is finalised and may go as far, in certain cases deemed particularly critical, such as in the case of Directors holding specific offices granted specific duties, the General Manager and KMs, as to have a geographical extension covering all the main countries in which the Group operates.

As of the date of this Report, the Executive Vice Chairman is not subject to a non-competition agreement.

[191] Reference is made, in particular, to critical know-how in terms of technical skills in research and development and manufacturing as well as in sales.

In the case of the Chief Executive Officer, the General Manager and KMs, the non-competition agreement has the following characteristics:

- the group of competitors: companies operating in the tyre sector;
- geography: all the main countries in which the Pirelli Group operates;
- the duration of the non-competition agreement: 24 months from the termination of office/contract;
- the fee: from a minimum of 50% to a maximum of 170% of the fixed remuneration on the basis of the role held, the technical skills, the specialised know-how and the reason for leaving, for the period of the restriction, less any portion paid during the contract of employment, amounting to between 10% and 15% of the fixed remuneration per year of validity of the agreement (usually 5 years). When hiring a new General Manager, the consideration for the non-competition agreement may be determined as a percentage also above 170% of the fixed remuneration and in any case not above 200% and, in this case, the annual payment during employment may be a maximum of 20% of the fixed remuneration.

	Bad Leaver Range	***Good Leaver Range***
Fee for the restriction period	**50% - 70%**	**130% - 170%**
Annual payment	**10% - 15%**	

9. EXCEPTIONS TO THE REMUNERATION POLICY

In compliance with Art. 123-*ter* of the TUF and Art. 84-*quater* of the Issuers' Regulation, the Company may adopt any decisions that temporarily make an exception to the Policy.

With reference to parties for whom the Board of Directors defines remuneration in accordance with the Policy, in the presence of exceptional circumstances, it is possible to make a temporary exception to the fixed or variable remuneration criteria indicated in the Policy or the structure of non-competition agreements and the attribution of non-monetary benefits.

Exceptional circumstances are situations in which an exception to the Policy is necessary for the purposes of pursuing the long-term interests and sustainability of the Company as a whole or to ensure its ability to stay on the market, such as, for example (i) the need to replace, due to unforeseen events, the Chief Executive Officer, General Manager or KMs and to negotiate a remuneration package quickly, without limits to the possibility of attracting managers with the most suitable professional skills to manage the business and to ensure that the same levels of sustainable success and market positioning are at least maintained; (ii) significant changes in the scope of the company's business during the term of the policy, such as the sale of a company/business unit or acquisition of a significant business.

The Remuneration Committee assesses the existence of exceptional circumstances that allow for a derogation from the Policy. In exceptional circumstances, derogations to the Policy are approved in

compliance with the procedures adopted by the Company for related party transactions, in implementation of the applicable current Consob regulation *pro-tempore*.

The Company provides information about any derogations to the Policy applied in exceptional circumstances, in accordance with the terms and conditions of current provisions of law and regulations *pro-tempore*.

10. OTHER INFORMATION

Pursuant to Schedule 7-*bis* of Annex 3A of the Issuers' Regulation, note that:

- Pirelli has no shareholder incentive plans in place;
- in defining the 2026 Policy, Pirelli has not used the specific remuneration policies of other companies as a benchmark. The Policy has been prepared on the basis of scheme no. 7-*bis* adopted by Consob and in force as at the date on which the Policy was approved. This scheme establishes that the section of the Report provided for by Art. 123-*ter* with reference to members of the governing bodies, General Manager and KMs, shall contain at least the information set out in the scheme referred to above.

REPORT ON COMPENSATION PAID IN 2025

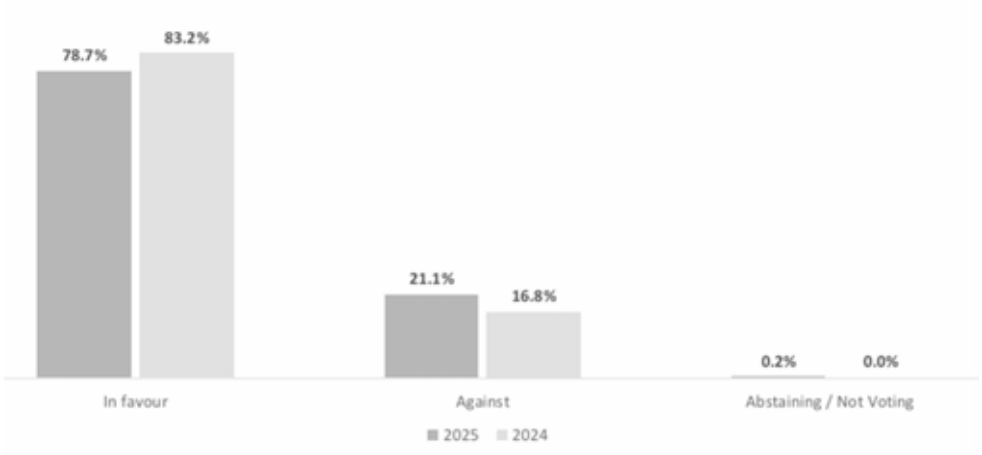
1. ILLUSTRATION OF REMUNERATION COMPONENTS

The 2025 Report on Compensation Paid, which, in accordance with Art. 123-*ter*, paragraph 4 of the TUF, constitutes the second section of this Report, presents the 2025 Policy as applied by the Pirelli Group during the 2025 financial year. In particular, the Report on Compensation Paid provides an overview of the remuneration paid to the different types of stakeholders, in accordance with the transparency obligations of the applicable legal or regulatory provisions.

In accordance with Art. 123-*ter*, paragraph 8-*bis* of the TUF, the person appointed to carry out the external audit of the financial statements verifies that the Directors have prepared the Report on Compensation Paid. The Shareholders' Meeting resolves on the 2025 Report on Compensation Paid with an advisory vote.

As verified by the Remuneration Committee, the compensation paid in FY 2025 – which is illustrated in this section – is compliant with the 2025 Policy and there were no deviations from the forecasts contained therein.

In implementing the 2025 Policy, the Company took into account the vote cast by the Shareholders' Meeting held on 12 June 2025, which voted in favour of the Report on Compensation Paid in 2024. The chart below shows the result of the advisory vote in 2025 on the compensation paid in 2024 and in 2024 on the compensation paid in 2023.



TOTAL REMUNERATION

The following are represented in this Report on Compensation Paid:

- the remuneration paid with reference to the financial year 2025 to the members of the Board of Directors;
- the compensation paid with reference to the 2025 financial year to the Corporate General Manager and – in aggregate form – to the other KMs[192];
- the remuneration paid with reference to the financial year 2025 to the members of the Board of Statutory Auditors.

FIXED REMUNERATION

The fixed remuneration amounts described below are shown in the respective columns of Table 1. For further details, see the 2025 Policy and 2023 Policy.

Directors

In accordance with the 2023 Policy, the Shareholders' Meeting held on 31 July 2023 resolved, pursuant to Article 2389, paragraph 1, of the Italian Civil Code, to set, for the financial years 2023, 2024 and 2025, and in any event until the expiry of the Directors' term of office upon approval of the financial statements as at 31 December 2025, a maximum total gross annual remuneration for Directors of 2,500,000 euros. This amount excludes any remuneration that may be granted by the Board of Directors to Directors holding specific offices pursuant to Article 2389, paragraph 3, of the Italian Civil Code. This total remuneration includes remuneration for the office of Director and the fees due for participation in the board Committees.

On 3 August 2023, the Company's Board of Directors resolved to award each Director a fixed gross annual remuneration of 75,000 euros based on their position, as well as remuneration for their participation in the Board Committees, as detailed in Table 1.

[192] Section II of Scheme 7-*bis* of Annex 3 A of the Issuers' Regulations provides that the Report on Compensation Paid is structured into two parts and nominatively illustrates:
a) the remuneration of members of the administrative and control bodies and the General Managers;
b) the remuneration of any other key managers who have received, in the reporting year, total remuneration (obtained by adding their salary and any remuneration based on financial instruments) that exceeded the highest total remuneration attributed to the persons indicated in point a).
For executives with strategic responsibilities other than those indicated in point b) information is provided at aggregate level in special tables, indicating the number of persons to whom it refers in place of names".

Directors holding specific offices

Chairman Jiao Jian, appointed by the Shareholders' Meeting on 31 July 2023, expressed his willingness not to receive any remuneration from the Company for the offices held. Therefore, the Board of Directors' meeting of 13 September 2023 resolved not to proceed with the allocation of any remuneration as provided for the 2023 Policy for the offices held by him (Director, Chairman of the Board of Directors and member of the Strategies Committee and member of the Sustainability Committee) during his term of office.

In accordance with the 2025 Policy, the Executive Vice Chairman Marco Tronchetti Provera was allocated a gross annual fixed remuneration for the office of 2,400,000 euros, as approved by the Board of Directors on 13 September 2023, as well as the remuneration for the offices of Director, Chairman of the Strategies Committee, Chairman of the Appointments and Successions Committee and Chairman of the Sustainability Committee approved by the Board of Directors on 3 August 2023[193].

In accordance with the 2025 Policy, the Chief Executive Officer Andrea Casaluci was paid a gross annual fixed remuneration for the office of 1,100,000 euros, approved by the Board of Directors on 13 September 2023, as well as remuneration for the offices of Director and member of the Strategies Committee and member of the Sustainability Committee, approved by the Board of Directors on 3 August 2023.

Corporate General Manager and other Key Managers

In accordance with the 2025 Policy, Corporate General Manager Francesco Tanzi was paid a gross annual remuneration for the position of 750,000 euros, approved by the Board of Directors on 3 August 2023, following the opinion of the Remuneration Committee.

In accordance with the 2025 Policy, the other KMs were paid an aggregate gross annual remuneration of 2,665,000 euros[194].

Auditors

The Statutory Auditors appointed by the Shareholders' Meeting of 28 May 2024 were paid remuneration in the amount of 135,000 euros gross per annum for the Chairman and 95,000 euros gross per annum for the Statutory Auditors, as approved by the aforementioned Shareholders' Meeting and without prejudice to the provisions of Article 2402 of the Italian Civil Code. The Statutory

[193] Note that this remuneration was paid to the relevant company.

[194] As of 31 December 2025, in addition to the Corporate General Manager (Francesco Tanzi), 6 KMs were in office.

Auditor appointed to the Supervisory Body – as resolved by the Board of Directors on 1 August 2024 – was also paid a gross annual compensation of 50,000 euros.

VARIABLE REMUNERATION

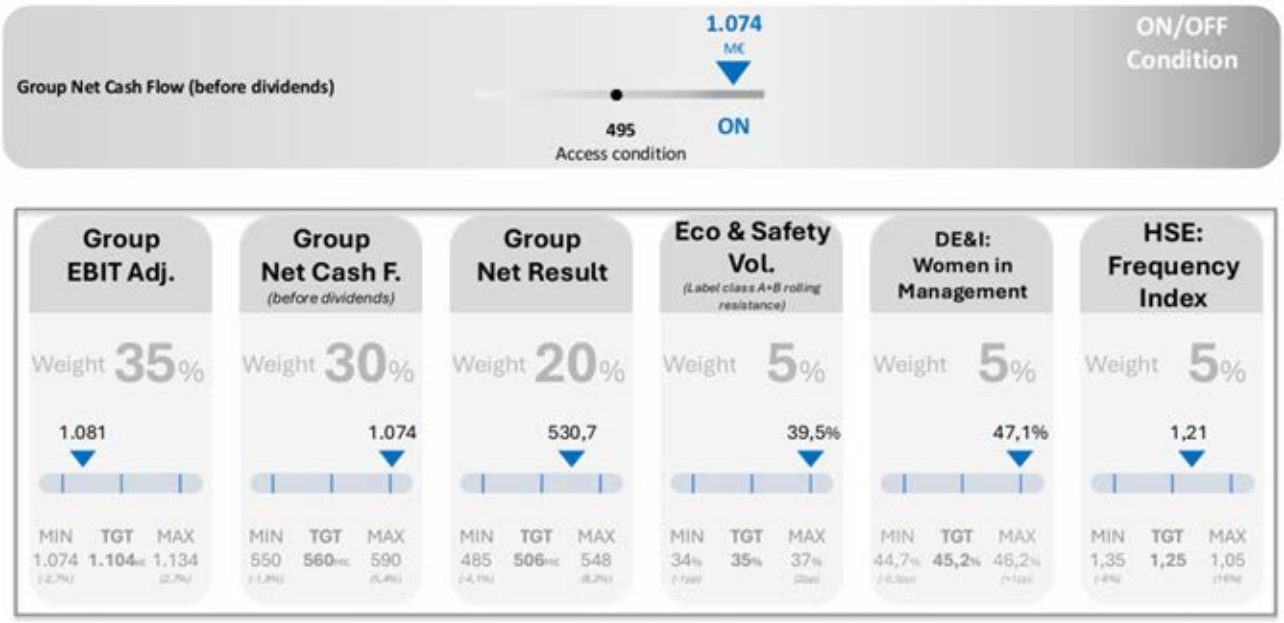
Management remuneration accrued with reference to the 2025 financial year contributed to the sustainability of the Company's long-term results thanks to its variable components (both short-term and medium-long term) represented by both the 2025 STI plan, including the corporate deferral/matching mechanism of the 2024 STI plan, and the 2023-2025 LTI Plan.

In this regard, with reference to the final figures of the 2025 STI and the 2023-2025 LTI, results exceeded expectations despite a macro-economic context characterised by continuing geopolitical tensions, with consequent volatility of the external scenario, as reported in the directors' report on operations.

The amounts for the STI 2025 and LTI 2023-2025 Plans are shown in the respective items in Tables 1 and 3B. For further details, please refer to the 2025 Policy, 2024 Policy, 2023 Policy and 2022 Policy.

Annual variable remuneration (STI)

With reference to the 2025 STI Plan, the table below summarises the final figures of the performance targets for the year in relation to the targets set.



In light of the results achieved, the payout percentage accrued by each beneficiary in respect of the 2025 STI plan stands at the values shown in the table below.

	% on fixed remuneration	
Executive Vice President	MIN 80% TGT 125% MAX 250%	179,2%
Chief Executive Officer	MIN 70% TGT 110% MAX 220%	157,6%
General Manager Corporate	MIN 50% TGT 75% MAX 150%	108,0%
Key Managers	MIN 40% TGT 60% MAX 120%	86,4%

The amounts accrued under the 2025 STI shall be paid in accordance with the procedures and mechanisms indicated below, in accordance with the 2025 Policy.

Directors holding specific offices granted specific duties

In accordance with the 2025 Policy, the Executive Vice Chairman is paid 75% of the accrued 2025 STI incentive upfront, while the payment of the remaining 25% is deferred for 12 months and put at risk/opportunity as it is subject to the achievement of the STI targets for the year 2026 as defined in the 2026 Policy. For this reason, neither the deferral quota nor any company matching component are shown in the “Bonuses and other incentives” column of Table 1. Also note that, in accordance with the 2024 Policy and based on the level of achievement of the 2025 STI results, the 2024 STI portion that had been deferred together with the company matching component (both components shown in the “Bonuses and other incentives” column of Table 1) is also disbursed.

In accordance with the 2025 Policy, the Chief Executive Officer Andrea Casaluci is paid 75% of the accrued 2025 STI incentive upfront, while the payment of the remaining 25% is deferred for 12 months and put at risk/opportunity as it is subject to the achievement of the STI targets for the year 2026 as defined in the 2026 Policy. For this reason, neither the deferral quota nor any company matching component are shown in the “Bonuses and other incentives” column of Table 1. Also note that, in accordance with the 2024 Policy and based on the level of achievement of the 2025 STI results, the 2024 STI portion that had been deferred together with the company matching component

(both components shown in the “Bonuses and other incentives” column of Table 1) is also disbursed. Finally, it is important to note that, in line with the 2022 Policy and the Board of Directors’ resolution of 13 September 2023, the portion of the 2022 STI earned as General Manager Operations, which had been deferred along with the company matching component, will also be paid to the Chief Executive Officer. These amounts are not shown in the ‘Bonuses and other incentives’ column of Table 1, as they have already been accounted for in the 2022 Remuneration Report.

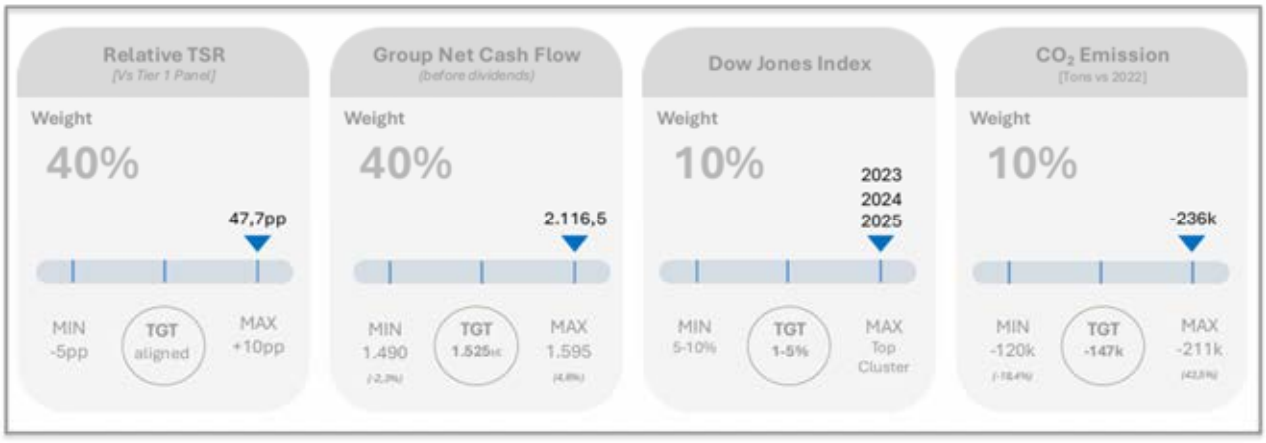
Corporate General Manager and other Key Managers

The 2025 STI of Corporate General Manager Francesco Tanzi, and the other KMs is subject to the co-investment mechanism as defined in the 2025 Policy, which provides for the deferral of a portion of the incentive accrued under the 2025 STI plan, which may vary from a minimum of 25% to a maximum of 50%, depending on the individual choice. This deferred portion will be paid in 2029 subject to continued employment up to 31 December 2028, together with a company matching component that can vary from a minimum of 0.8 to a maximum of 1.2 times the deferred amount. Since the amount of the deferred portion and the company matching component are already determined as they are not subject to further performance conditions, both components are shown in the “Bonuses and other incentives” column of Table 1.

It should be noted that, in line with the 2022 Policy and given the fulfilment of the continued employment condition in 2025, the portion of the 2022 STI that was deferred, along with the company matching component, will also be paid to the incumbent KMs. These components are not included in the ‘Bonuses and other incentives’ column of Table 1, as they have already been accounted for in the same Table of the 2022 Report on Compensation Paid.

Medium-long term variable remuneration (LTI)

With reference to the 2023-2025 LTI Plan, the table below summarises the final figures of the performance targets for the three-year period in relation to the targets set. Note that the LTI 2023-2025 Plan did not provide for an on/offcondition.



In light of the results achieved, the payout percentage accrued by each beneficiary in respect of the 2023-2025 LTI Plan stands at the values shown in the table reported below.

	% on fixed remuneration	
Executive Vice President	MIN 53% TGT 70% MAX 200%	**200%**
Chief Executive Officer	MIN 49% TGT 65% MAX 180%	**163%[*]**
General Manager Corporate	MIN 45% TGT 60% MAX 160%	**129%[**]**
Key Managers	MIN 41% TGT 55% MAX 145%	**139%[***]**

[*] The percentage, related to the fixed remuneration of the Chief Executive Officer, is calculated pro-rata temporis for the respective periods of tenure in the offices of General Manager Operations and Chief Executive Officer, on the respective fixed remuneration and incentive percentages.

[**] The percentage considers the re-proportioning on the months of actual participation in the Plan from the date of hire.

[***]The percentage considers the evolution of the incentive percentages over the three-year period applied pro-rata temporis.

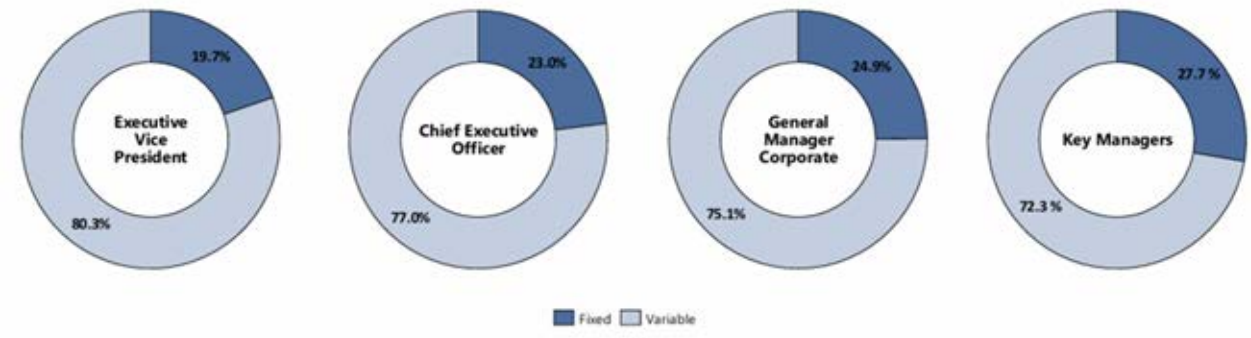
The amounts accrued under the 2023-2025 LTI plan are disbursed in a single payment during the financial year 2026, in accordance with the 2023 Policy.

Please note that, for the TSR target, the Board of Directors, on a proposal of the Remuneration Committee and taking into account the favourable opinion of the Board of Statutory Auditors, approved the methodology identified by the Company, the suitability of which was verified by an independent expert, to normalise the effects of the demerger of the automotive division of

Continental A.G. (a company included in the reference panel for the TSR objective) that took place on 18 September 2025.

Proportion between fixed and variable remuneration paid

Finally, the following graph shows the proportion of fixed and variable remuneration[195] achieved in relation to the 2025 results for STI and of 2023-2025 results for LTI for top management figures.



Other remuneration

Please note that Pirelli has non-competition agreements in place for the CEO, the Corporate General Manager and the other KMs to protect the Group's strategic and operational know-how.

On the other hand, it should be noted that the Executive Vice Chairman is not subject to a non-competition agreement.

Please refer to the 2025 Policy and Table 1 for further details regarding other compensation.

Please note that no discretionary bonuses were paid during the 2025 financial year.

[195] Corresponding for the fixed part to the items represented in the "Fixed remuneration" and "Remuneration for participation in committees" columns and for the variable part to the items represented in the "Bonuses and other incentives" column of Table 1.

INDEMNITY IN THE EVENT OF TERMINATION OF OFFICE AND/OR TERMINATION OF EMPLOYMENT DURING THE YEAR 2025

In 2025 there were no cases of termination of office of directors and/or termination of employment of General Managers or KMs leading to the allocation of indemnities and/or other benefits.

With reference to the termination of the offices of Executive Vice Chairman and Chief Executive Officer at the Shareholders' Meeting of 31 July 2023, it is noted that Executive Vice Chairman Marco Tronchetti Provera is entitled to request the full or partial payment of his severance. During the 2025 financial year, he requested the payment of the final remaining portion, amounting to 4,881,414 euros gross (as reported in Table 1), relating to severance accrued over his last three terms as Executive Vice Chairman and Chief Executive Officer.

EXCEPTIONS TO THE 2025 POLICY

Please note that there have been no cases of derogation from the 2025 Policy for the Directors, the Corporate General Manager, the other KMs and the Statutory Auditors.

CLAWBACK CLAUSES

It should also be noted that during the year the conditions for the application of the mechanisms for ex post repayment of the variable component (claw-back clause) envisaged by the STI annual and LTI medium-long term incentive plans did not occur.

COMPARISON INFORMATION

Below is a summary of the comparative information for the last five years: (i) of the remuneration of the Chairman, the Executive Vice Chairman, the Chief Executive Officer, the Directors not holding specific offices, the Statutory Auditors and the Corporate General Manager, (ii) of the Company's results, and (iii) of the average remuneration of the parent company Pirelli & C. employees.

Annual variation in remuneration and performance

Values in €

		2025	2025 vs. 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020
Executive Vice Chairman		*Actual Total Cash*[1]			*Change*		
Marco Tronchetti Provera		13.273.300	-1%	-7%	-28%	167%	234%
CEO		*Actual Total Cash*[1]			*Change*		
Andrea Casaluci		5.406.772	19%	16%	-17%	69%	292%
Corporate General Manager		*Actual Total Cash*[1]			*Change*		
Francesco Tanzi		3.013.056	7%	154%	-	-	-
Board of Directors							
Name	**Office**	*Actual Total Cash*[1]			*Change*		
Jiao Jian[2]	Chairman	0	-	-	-	-	-
Chen Aihua	Director	170.000	0%	140%	-	-	-
Chen Qian	Director	110.000	0%	140%	-	-	-
Zhang Haitao	Director	135.000	0%	21%	18%	0%	100%
Paola Boromei	Director	110.000	0%	9%	7%	0%	100%
Alberto Bradanini	Director	145.000	0%	140%	-	-	-
Domenico De Sole	Director	135.000	0%	-4%	-3%	0%	19%
Michele Carpinelli	Director	190.000	0%	140%	-	-	-
Grace Tang	Director	115.000	0%	140%	-	-	-
Roberto Diacetti	Director	145.000	0%	25%	22%	0%	100%
Giovanni Lo Storto	Director	190.000	0%	5%	4%	0%	38%
Marisa Pappalardo	Director	140.000	0%	-20%	-13%	0%	58%
Fan Xiaohua	Director	115.000	0%	-7%	-5%	0%	34%
Board of Statutory Auditors							
Name	**Office**	*Actual Total Cash*[1]			*Change*		
Riccardo Foglia Taverna	Chairman	135.000	16%	29%	0%	85%	-
Francesca Meneghel	Standing auditor	95.000	10%	16%	0%	85%	-
Teresa Naddeo	Standing auditor	95.000	10%	16%	0%	85%	-
Riccardo Perotta	Standing auditor	95.000	69%	-	-	-	-
Maura Campra	Standing auditor	145.000	88%	-	-	-	-
Results		*Actual Result*			*Change*		
Relative TSR[3]		-	2 p.p	23.9 p.p	12.4 p.p	8.3 p.p	2.3 p.p
Group Adjusted EBIT (mln euros)		1.081,4	2,0%	5,9%	2,5%	20%	62,8%
Average remuneration of employees		*Actual Total Cash*[1]			*Change*		
Employees of Pirelli & C. active at 31/12[4]		125.951	1,1%	-5,6%	-13%	40%	38,6%

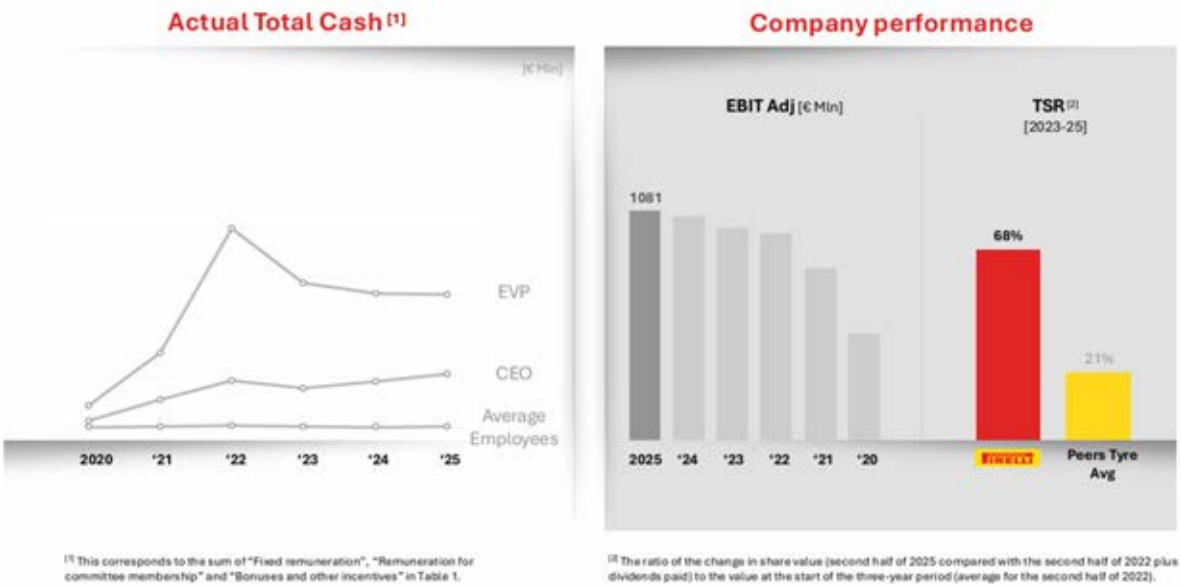
[1] Corresponds to the sum of "Fixed remuneration", "Fees for participation in committees" and "Bonuses and other incentives" of Table 1.

[2] Chairman Jiao Jian expressed his wish not to receive any remuneration for the positions held in Pirelli & C. Therefore, the Board of Directors' meeting of 13 September 2023 resolved not to proceed with the allocation of any remuneration as provided for the 2023 Policy for the offices held by him (Director, Chairman of the Board of Directors, member of the Strategies Committee and Sustainability Committee of Pirelli & C.) during his term of office.

[3] Calculated as [(average share value 2nd half year *n* - average share value 2nd half year *n-1* + dividends paid in year *n*) / average share value 2nd half year *n-1*].
The figures indicated represent, for each year, the difference in percentage points between Pirelli's TSR and the peers' average: Nokian, Michelin, Continental, Goodyear and Bridgestone.
Goodyear's TSR was normalised following the acquisition of Cooper. Continental's TSR was normalised following the spin-off of the automotive division in September 2025.

[4] With the exception of the Corporate General Manager, who is identified by name in the table. It should be noted that the Executive Vice Chairman and the Chief Executive Officer, who are identified by name in the table, are also excluded, as they do not have an employment relationship with the Company.

The graph below shows the changes to the Executive Vice Chairman and Chief Executive Officer remuneration, to the average remuneration of Pirelli & C. employees and the Group's Relative TSR and Adjusted EBIT performance.



[1] This corresponds to the sum of "Fixed remuneration", "Remuneration for committee membership" and "Bonuses and other incentives" in Table 1.

[2] The ratio of the change in share value (second half of 2025 compared with the second half of 2022 plus dividends paid) to the value at the start of the three-year period (average for the second half of 2022).

Pirelli also monitors, in accordance with the European Corporate Sustainability Reporting Directive (CSRD), the annual total remuneration ration (i.e.., the ratio between the total remuneration of the Executive Vice Chairman, the highest-paid person, and the median remuneration of all Group employees), which stood at 615 in 2025 (in line with 2024, when the value was 614). The ratio is "adjusted" using the Purchasing Power correction factor.

2. TABLE 1: REMUNERATION PAID TO MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES, GENERAL MANAGERS AND OTHER KEY MANAGERS

Table 1 shows:

- by name, the remuneration paid to Directors, Statutory Auditors and Corporate General Manager;

- in aggregate form, the remuneration paid to other KMs. As of 31 December 2025, in addition to the Corporate General Manager (Francesco Tanzi), 6 KMs were in office.

In accordance with the provisions of Schedule 7-*bis* of Annex 3A to the Issuers' Regulation, remuneration is reported on an accrual basis. The notes to Table 1 specify the position for which the remuneration is paid (for example, where a Director serves on more than one Board Committee) and indicate the company - Pirelli & C. or its subsidiaries and/or affiliates - that makes the payment.

Table 1 includes all those individuals who held the aforementioned positions during all or even only part of the 2025 year[196]. Non-monetary benefits, where received, are also identified on an accruals basis, and reported according to the "taxable income criterion" of the benefit assigned.

[196] In this case the remuneration is shown *pro rata temporis*.

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	Variable non-equity remuneration		Non-monetary benefits	Other compensation	Total	Fair Value of equity remuneration	End of employment or office indemnity
						Bonuses and other incentives	Profit sharing					
Marco Tronchetti Provera	Executive Vice Chairman	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**2.475.000**	**135.000**	**10.663.300**	**0**	**557.827**		**13.831.127**		**4.881.414**
Of which remuneration in Pirelli & C.				2.475.000 (1)	135.000 (2)	10.663.300 (3)		557.827 (4)		13.831.127		4.881.414 (5)
Of which remuneration by subsidiary and affiliated Companies										0		
Jiao Jian	Chairman	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Of which remuneration in Pirelli & C.				0 (6)	0 (6)					0 (6)		
Of which remuneration by subsidiary and affiliated Companies										0		
Andrea Casaluci	CEO	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**1.175.000**	**70.000**	**4.161.772**	**0**	**28.920**	**165.000**	**5.600.692**	**0**	**0**
Of which remuneration in Pirelli & C.				1.175.000 (7)	70.000 (8)	4.161.772 (9)		28.920 (10)	165.000 (11)	5.600.692		
Of which remuneration by subsidiary and affiliated Companies										0		
Chen Aihua	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**95.000**	**0**	**0**	**0**	**0**	**170.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	95.000 (13)					170.000 (14)		
Of which remuneration by subsidiary and affiliated Companies										0		
Zhang Haitao	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**60.000**	**0**	**0**	**0**	**0**	**135.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	60.000 (15)					135.000 (14)		
Of which remuneration by subsidiary and affiliated Companies										0		
Chen Qian	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**35.000**	**0**	**0**	**0**	**0**	**110.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	35.000 (16)					110.000 (14)		
Of which remuneration by subsidiary and affiliated Companies										0		
Alberto Bradanini	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**70.000**	**0**	**0**	**0**	**0**	**145.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	70.000 (17)					145.000		
Of which remuneration by subsidiary and affiliated Companies										0		

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	Variable non-equity remuneration		Non-monetary benefits	Other compensation	Total	Fair Value of equity remuneration	End of employment or office indemnity
						Bonuses and other incentives	Profit sharing					
Michele Carpinelli	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**115.000**	**0**	**0**	**0**	**0**	**190.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	115.000 (18)					190.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Domenico De Sole	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**60.000**	**0**	**0**	**0**	**0**	**135.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	60.000 (15)					135.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Paola Boromei	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**35.000**	**0**	**0**	**0**	**0**	**110.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	35.000 (19)					110.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Roberto Diacetti	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**70.000**	**0**	**0**	**0**	**0**	**145.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	70.000 (20)					145.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Fan Xiaohua	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**40.000**	**0**	**0**	**0**	**0**	**115.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	40.000 (21)					115.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Giovanni Lo Storto	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**115.000**	**0**	**0**	**0**	**0**	**190.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	115.000 (22)					190.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Marisa Pappalardo	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**65.000**	**0**	**0**	**0**	**0**	**140.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	65.000 (23)					140.000		
Of which remuneration by subsidiary and affiliated Companies										0		

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	Variable non-equity remuneration		Non-monetary benefits	Other compensation	Total	Fair Value of equity remuneration	End of employment or office indemnity
						Bonuses and other incentives	Profit sharing					
Grace Tang	Director	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2025	**75.000**	**40.000**	**0**	**0**	**0**	**0**	**115.000**	**0**	**0**
Of which remuneration in Pirelli & C.				75.000 (12)	40.000 (24)					115.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Francesco Tanzi	Corporate General Manager	01/01/2025 - 31/12/2025	/	**750.000**	**0**	**2.263.056**	**0**	**30.615**	**75.000**	**3.118.671**	**0**	**0**
Of which remuneration in Pirelli & C.				750.000 (25)		2.263.056 (26)		30.615 (27)	75.000 (28)	3.118.671		
Of which remuneration by subsidiary and affiliated Companies										0		
No. 6 Key Managers	(29)	/	/	**2.665.000**	**50.000**	**7.077.090**	**0**	**136.334**	**326.154**	**10.254.579**	**0**	**0**
Of which remuneration in Pirelli & C.				1.445.000	50.000 (30)	3.780.904 (31)		69.943 (32)	144.500 (33)	5.490.347		
Of which remuneration by subsidiary and affiliated Companies				1.220.000	0	3.296.187 (31)		66.391 (32)	181.654 (33)	4.764.232		
Riccardo Foglia Taverna	Chairman of the Board of Statutory Auditors	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2026	**135.000**	**0**	**0**	**0**	**0**	**0**	**135.000**	**0**	**0**
Of which remuneration in Pirelli & C.				135.000						135.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Francesca Meneghel	Standing auditor	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2026	**95.000**	**0**	**0**	**0**	**0**	**0**	**95.000**	**0**	**0**
Of which remuneration in Pirelli & C.				95.000						95.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Teresa Naddeo	Standing auditor	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2026	**95.000**	**0**	**0**	**0**	**0**	**0**	**95.000**	**0**	**0**
Of which remuneration in Pirelli & C.				95.000						95.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Maura Campra	Standing auditor	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2026	**95.000**	**50.000**	**0**	**0**	**0**	**0**	**145.000**	**0**	**0**
Of which remuneration in Pirelli & C.				95.000	50.000 (30)					145.000		
Of which remuneration by subsidiary and affiliated Companies										0		
Riccardo Perotta	Standing auditor	01/01/2025 - 31/12/2025	AGM to approve the financial statements for the year to 31 December 2026	**95.000**	**0**	**0**	**0**	**0**	**0**	**95.000**	**0**	**0**
Of which remuneration in Pirelli & C.				95.000						95.000		
Of which remuneration by subsidiary and affiliated Companies										0		

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	Variable non-equity remuneration		Non-monetary benefits	Other compensation	Total	Fair Value of equity remuneration	End of employment or office indemnity
						Bonuses and other incentives	Profit sharing					
* * * * *												
Total remuneration in Pirelli & C.				**7.260.000**	**1.105.000**	**20.869.031**	**0**	**687.305**	**384.500**	**30.305.836**	**0**	**4.881.414**
Total remuneration by subsidiary and affiliated Companies				**1.220.000**	**0**	**3.296.187**	**0**	**66.391**	**181.654**	**4.764.232**	**0**	**0**
Total				**8.480.000**	**1.105.000**	**24.165.218**	**0**	**753.696**	**566.154**	**35.070.068**	**0**	**4.881.414**

(1) Of which: 75,000 euros as a Director of Pirelli & C. and 2,400,000 euros as Executive Vice Chairman of Pirelli & C. These fees are paid to Marco Tronchetti Provera & C. S.p.A..
(2) Of which: 35,000 euros as Chairman of the Appointments and Successions Committee, 50,000 euros as Chairman of the Strategy Committee and 50,000 euros as Chairman of the Sustainability Committee of Pirelli & C. These fees are paid to Marco Tronchetti Provera & C. S.p.A..
(3) The amount includes: 75% of the 2025 STI incentive paid out (upfront amount), 25% of the 2024 STI incentive deferred together with the company matching component due to the level of achievement of the results of the 2025 STI incentive and the 2023-2025 LTI incentive (see Table 3B for details of the amounts). These fees are paid to Marco Tronchetti Provera & C. S.p.A..
(4) Of which: 553,155 euros for insurance policies in line with the provisions of the 2025 Policy, and 4,672 euros for a company car.
(5) Represents the final residual instalment of severance pay accrued for the executive office of Executive Vice Chairman and Chief Executive Officer held at Pirelli & C. in the last three mandates and ceased on 31 July 2023, the disbursement of which was requested in 2025. It is specified, in fact, that the beneficiary of the severance pay is entitled to request even its partial disbursement and for the amounts or the mandates for which disbursement has not been requested, the right to the relevant sums shall accrue in the year in which disbursement is requested.
(6) Chairman Jiao Jian expressed his wish not to receive any remuneration for the positions held in Pirelli & C. Therefore, the Board of Directors' meeting of 13 September 2023 resolved not to allocate any remuneration under the 2023 Policy for the offices held by him (Director of Pirelli & C., Chairman of the Board of Directors of Pirelli & C., member of the Strategies Committee and member of the Sustainability Committee of Pirelli & C.) during his term of office.
(7) Of which 75,000 euros as a Director of Pirelli & C. and 1,100,000 euros as CEO of Pirelli & C.
(8) Of which: 35,000 euros as member of the Strategies Committee and 35,000 euros as member of the Sustainability Committee of Pirelli & C.
(9) The amount includes: 75% of the STI 2025 incentive paid (upfront portion), 25% of the deferred STI 2024 incentive together with the related company matching component based on the level of achievement of the STI 2025 results and the LTI 2023-2025 incentive including the portion accrued as General Manager Operations until the date of his appointment as Chief Executive Officer resolved by the Board of Directors of Pirelli & C. on 3 August 2023.
(10) Of which: 10,788 euros relating to the company car, 3,336 euros relating to health insurance contributions and 14,796 euros relating to insurance policies.
(11) The amount refers to the payment, during the term of office, of part of the consideration for the non-competition agreement granted as Chief Executive Office of Pirelli & C.
(12) As a Director of Pirelli & C.
(13) Of which: 35,000 euros as a member of the Audit, Risks and Corporate Governance Committee, 35,000 euros as a member of the Remuneration Committee and 25,000 euros as a member of the Appointments and Successions Committee of Pirelli & C.
(14) Remuneration transferred to employer company.
(15) Of which 25,000 euros as member of the Appointments and Successions Committee and 35,000 euros as member of the Strategies Committee of Pirelli & C.
(16) As a member of the Strategies Committee of Pirelli & C.
(17) Of which: 35,000 euros as member of the Strategies Committee and 35,000 euros as member of the Remuneration Committee of Pirelli & C.
(18) Of which 35,000 euros as a member of the Audit, Risks and Corporate Governance Committee, 35,000 euros as a member of the Remuneration Committee and 45,000 euros as a member of the Related-Party Transactions Committee of Pirelli & C.
(19) As member of the Remuneration Committee of Pirelli & C.
(20) Of which: 35,000 euros as member of the Audit, Risks and Corporate Governance Committee and 35,000 euros as member of the Strategies Committee of Pirelli & C.
(21) As Chairman of the Audit, Risks and Corporate Governance Committee of Pirelli & C.
(22) Of which: 35,000 euros as a member of the Audit, Risks and Corporate Governance Committee, 45,000 euros as a member of the Related-Party Transactions Committee and 35,000 euros as a member of the Sustainability Committee of Pirelli & C.
(23) As Chairman of the Related-Party Transactions Committee of Pirelli & C.
(24) As Chairman of the Remuneration Committee of Pirelli & C.
(25) As General Manager Corporate of Pirelli & C.
(26) The amount includes: the STI 2025 incentive accrued including the deferred portion and the related company matching component that will be paid at the end of the deferral period (3 years) and the LTI 2023-2025 incentive accrued pro-rata from the date of hire (see Table 3B for details of amounts).
(27) Of which: Euro 10,788 for a company car, Euro 12,000 for supplementary pension contributions, Euro 3,336 for health insurance and Euro 4,491 for insurance policies.
(28) The amount is for payment during the employment contract of a portion of the fee for the non-competition agreement.
(29) As of 31 December 2025, in addition to the Corporate General Manager, 6 KMs were in office. It should be noted that the remuneration paid to the Corporate General Manager is not included in this item, as it is indicated separately in the table.
(30) As member of the Pirelli & C. Supervisory Body.
(31) The amount includes, for the respective holders, the accrued 2025 STI incentive including the deferred portion, the related company matching component that will be paid at the end of the deferral period (3 years) and the 2023-2025 LTI incentive (see Table 3B for details on amounts).

(32) The amounts, for the respective holders, are for a company car, supplementary pension contributions, health insurance and insurance policies.
(33) The amounts relate, for the respective holders, to the payment of part of the consideration for the non-competition agreement and a seniority bonus paid in accordance with the specific company practice.

3. TABLE 3B: MONETARY INCENTIVE PLANS FOR MEMBERS OF THE BOARD OF DIRECTORS, GENERAL MANAGERS AND OTHER KEY MANAGERS

For a description of Pirelli's monetary incentive plans, please refer to the 2025 Policy.

First and last name	Office	Plan	Bonus for the year					Bonus for the previous years					Other bonuses	
			Payable/ Paid out		Deferred		Deferment period	No longer payable	Payable /Paid out		Still deferred			
Marco Tronchetti Provera	Executive Vice Chairman	STI 2024	-		-		-	-	2.638.147	(1)	-		-	
		STI 2025	3.225.153	(2)	1.075.051	(3)	1 year	-	-		-			
		2023-2025 LTI Plan	4.800.000	(4)	-		-	-	-		-			
		2024-2026 LTI Plan	-		-		-	-	-		-			
		2025-2027 LTI Plan	-		-		-	-	-		-			
Andrea Casaluci	CEO	STI 2022	-		-		-	-	653.373	(5)			-	
		STI 2023	-		-		-	-	-		693.337	(6)		
		STI 2024	-		-		-	-	1.064.053	(1)	-			
		STI 2025	1.299.942	(2)	433.314	(3)	1 year	-	-		-			
		2023-2025 LTI Plan	1.797.778	(7)	-		-	-	-		-			
		2024-2026 LTI Plan	-		-		-	-	-		-			
		2025-2027 LTI Plan	-		-		-	-	-		-			
Francesco Tanzi	Corporate General Manager	STI 2023	-		-		-	-	-		360.175	(8)	-	
		STI 2024						-	-		1.088.236	(9)		
		STI 2025	405.122	(10)	891.268	(11)	3 years							
		2023-2025 LTI Plan	966.667	(12)	-		-	-	-		-			
		2024-2026 LTI Plan	-		-		-	-	-		-			
		2025-2027 LTI Plan	-		-		-	-	-		-			
No. 6 Key Managers	(10)	STI 2022	-		-		-	-	1.825.680	(14)	-		-	
		STI 2023	-		-		-	-	-		1.900.983	(8)		
		STI 2024	-		-		-	-	-		2.420.605	(9)		
		STI 2025	1.335.281	(10)	2.035.115	(11)	3 years	-	-		-			
		2023-2025 LTI Plan	3.706.694	(4)	-		-	-	-		-			
		2024-2026 LTI Plan	-		-		-	-	-		-			
		2025-2027 LTI Plan	-		-		-	-	-		-			
(I) Remuneration in the Company that has prepared the financial statements		STI 2022							1.326.132				-	
		STI 2023									2.141.593			
		STI 2024							3.702.200		2.236.463			
		STI 2025	5.695.086		3.392.667									
		2023-2025 LTI Plan	9.587.444											
		2024-2026 LTI Plan												
		2025-2027 LTI Plan												
(II) Remuneration from Subsidiary and Affiliated Companies		STI 2022							1.152.921				-	
		STI 2023									812.902			
		STI 2024									1.272.378			
		STI 2025	570.411		1.042.081									
		2023-2025 LTI Plan	1.683.694											
		2024-2026 LTI Plan												
		2025-2027 LTI Plan												
(III) Total			17.536.636		4.434.747		-	-	6.181.253		6.463.336		-	

(1) The amount refers to the sum of the deferred portion of the 2024 STI (25%) and the respective company matching component paid out for achievement of the 2025 STI objectives as defined in the 2024 Policy. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(2) The amount in the "Payable/Paid out Year Bonus" column refers to the 75% of the 2025 STI paid out (upfront amount). This amount is shown in the "Bonuses and other incentives" column of Table 1.

(3) The amount in the "Deferred Year Bonus" column refers to 25% of the 2025 STI deferred and assigned to risk/opportunity subject to the results of the 2026 STI. This amount is not shown in the "Bonuses and other incentives" column of Table 1.

(4) The amount in the "Payable/Paid out Year Bonus" column refers to the 2023-2025 LTI Plan. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(5) The amount in the "Previous Years Bonuses Payable/Paid" column refers to the sum of the deferred 2022 STI portion accrued as General Manager Operations, and the company matching component paid at the end of the deferral period (3 years). This amount is not shown in the "Bonuses and other incentives" column of Table 1.

(6) The amount in the "Previous Years Bonuses Still Deferred" column refers to the sum of the deferred 2023 STI portion, accrued as General Manager Operations until the date of appointment as CEO, and the company matching component, which will be paid at the end of the deferral period (3 years). This amount is not shown in the "Bonuses and other incentives" column of Table 1.

(7) The amount in the "Payable/Paid out Year Bonus" column refers to the 2023-2025 LTI Plan including the amount accrued as General Manager Operations until the date of appointment as CEO. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(8) The amount in the "Previous Years Bonuses Still Deferred" column refers to the sum of the deferred 2023 STI portion and the company matching component, which will be paid at the end of the deferral period (3 years). This amount is not shown in the "Bonuses and other incentives" column of Table 1.
(9) The amount in the "Previous Years Bonuses Still Deferred" column refers to the sum of the deferred 2024 STI portion and the company matching component, which will be paid at the end of the deferral period (3 years). This amount is not shown in the "Bonuses and other incentives" column of Table 1.
(10) The amount in the "Payable/Paid out Year Bonus" column refers to the portion of the 2025 STI paid out (upfront amount) based on personal choice. This amount is shown in the "Bonuses and other incentives" column of Table 1.
(11) The amount in the "Deferred Year Bonus" column refers to the sum of the 2025 STI portion and the related company matching component that will be paid at the end of the deferral period (3 years). This amount is shown in the "Bonuses and other incentives" column of Table 1.
(12) The amount in the "Payable/Paid out Year Bonus" column refers to the 2023-2025 LTI Plan accrued pro-rata from the hire date. This amount is shown in the "Bonuses and other incentives" column of Table 1.
(13) As of 31 December 2025, in addition to the Corporate General Manager, 6 KMs were in office. It should be noted that the remuneration paid to the Corporate General Manager is not included in this item, as it is indicated separately in the table.
(14) The amount in the "Previous Years Bonuses Payable/Paid" column refers to the sum of the deferred 2022 STI portion and the company matching component, which will be paid at the end of the deferral period (3 years). This amount is not shown in the "Bonuses and other incentives" column of Table 1.

4. SCHEDULE 7-*TER*: TABLE OF EQUITY INVESTMENTS OF THE MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES, GENERAL MANAGERS AND OTHER KEY MANAGERS

The table below provides disclosures on any equity investments held in Pirelli & C. and in its subsidiary companies, by those who, even for a fraction of the year, have held the position of:

- member of the Board of Directors;
- member of the Board of Statutory Auditors;
- General Manager;
- KMs.

In particular, it indicates, for each member of the Board of Directors and Board of Statutory Auditors and General Managers, by name, and cumulatively for KMs, with regard to each company in which shares are held, the number of shares, by category:

- held at the end of the prior year;
- purchased during the reporting year;
- sold during the reporting year;
- held at the end of the reporting year.

In this regard, the title of possession and the manner in which it is held are also specified.

It includes all the persons who, during the reporting year, held positions as members of the administrative and control bodies, General Manager or as KM, even for a fraction of the year.

1) Equity investments of the members of the administrative and control bodies and General Managers

First and last name	Office	Investee company	No. of shares owned at 31.12.2024	No of shares purchased/ underwritten	No of shares sold	No. of shares owned at 31.12.2025
Marco Tronchetti Provera	Executive Vice Chairman	Pirelli & C. S.p.A.	260,523,071 (i)	13,602,195 (ii)	-	274,125,266(iii)

(i) Shares held indirectly through Camfin S.p.A. for 144,959,399 shares, Camfin Alternative Assets S.r.l. for 78,775,000 shares and Longmarch Holding S.r.l. for 36,788,672 shares. A guarantee is pledged on these shares, with voting rights remaining with the shareholders.

(ii) Total shares acquired during the reporting year through Camfin S.p.A.

(iii) Shares held indirectly through Camfin S.p.A. for 158,561,594 shares, Camfin Alternative Assets S.r.l. for 78,775,000 shares and Longmarch Holding S.r.l. for 36,788,672 shares. A guarantee is pledged on these shares, with voting rights remaining with the shareholders.

2) Equity investments of other key managers

Number of key managers		Investee company	No. of shares owned at 31.12.2024	No of shares purchased/ underwritten	No of shares sold	No. of shares owned at 31.12.2025
-		-	-	-	-	-

CONSOLIDATED FINANCIAL STATEMENTS

AT DECEMBER 31, 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(in thousands of euro)*

	Note	12/31/2025	of which related parties (note 43)	12/31/2024	of which related parties (note 43)
Property, plant and equipment	**10**	3,366,385		3,427,756	
Intangible assets	**11**	5,047,766		5,159,729	
Investments in associates and joint ventures	**12**	141,397		120,790	
Other financial assets at fair value through other Comprehensive Income	**13**	37,599		63,294	
Deferred tax assets	**14**	210,490		228,740	
Other receivables	**16**	322,004	*19,141*	309,526	*7,791*
Tax receivables	**17**	7,835		9,973	
Other assets	**23**	85,048		93,838	
Derivative financial instruments	**28**	-		4,326	
Non-current assets		**9,218,524**		**9,417,972**	
Inventories	**18**	1,455,546		1,467,707	
Trade receivables	**15**	628,548	*12,070*	622,915	*10,976*
Other receivables	**16**	384,139	*99,611*	444,010	*90,954*
Other financial assets at fair value through Income Statement	**19**	79,904		165,965	
Cash and cash equivalents	**20**	1,525,886		1,502,741	
Tax receivables	**17**	35,087		36,989	
Derivative financial instruments	**28**	25,549		22,323	
Current assets		**4,134,659**		**4,262,650**	
Total Assets		**13,353,183**		**13,680,622**	
Equity attributable to the owners of the Parent Company:	**21.1**	**6,277,848**		**5,756,071**	
Share capital		2,065,651		1,904,375	
Reserves		3,714,670		3,383,715	
Net income		497,527		467,981	
Equity attributable to non-controlling interests:	**21.2**	**178,889**		**156,183**	
Reserves		145,720		123,060	
Net income		33,169		33,123	
Total Equity	**21**	**6,456,737**		**5,912,254**	
Borrowings from banks and other financial institutions	**24**	2,747,192	*11,292*	3,068,598	*15,825*
Other payables	**26**	78,055	-	79,947	-
Provisions for liabilities and charges	**22**	84,823	*17,828*	101,123	*19,437*
Deferred tax liabilities	**14**	956,063		990,250	
Provisions for employee benefit obligations	**23**	171,839	*8,179*	184,040	*7,812*
Tax payables	**27**	4,087		4,001	
Non-current liabilities		**4,042,059**		**4,427,959**	
Borrowings from banks and other financial institutions	**24**	210,602	*4,530*	760,857	*3,707*
Trade payables	**25**	2,082,442	*166,489*	2,081,617	*129,000*
Other payables	**26**	375,586	*26,235*	392,744	*22,945*
Provisions for liabilities and charges	**22**	47,281	-	31,363	-
Provisions for employee benefit obligations	**23**	46	-	557	-
Tax payables	**27**	132,296		63,150	
Derivative financial instruments	**28**	6,134		10,121	
Current liabilities		**2,854,387**		**3,340,409**	
Total Liabilities and Equity		**13,353,183**		**13,680,622**	

	Note	2025	of which related parties (note 43)	2024	of which related parties (note 43)
Revenues from sales and services	**30**	**6,776,157**	*66,727*	**6,773,324**	*61,480*
Other income	**31**	354,810	*94,745*	346,455	*80,472*
Changes in inventories of unfinished, semi-finished and finished products		60,958		72,455	
Raw materials and consumables used (net of change in inventories)		(2,148,205)	*(24,110)*	(2,177,416)	*(18,060)*
Personnel expenses	**32**	(1,304,932)	*(15,637)*	(1,301,297)	*(16,688)*
Amortisation, depreciation and impairment	**33**	(589,797)		(574,950)	
Other costs	**34**	(2,264,405)	*(366,509)*	(2,227,399)	*(326,947)*
Net impairment of financial assets	**35**	4,636		(10,303)	
Increases in fixed assets due to internal works		1,981		2,121	
Operating income		**891,203**		**902,990**	
Net income/(loss) from equity investments	**36**	52,707		31,388	
- share of net income/(loss) of associates and joint ventures		*16,091*	*16,091*	*27,456*	*27,456*
- gains on equity investments		*2,294*		-	
- losses on equity investments		*(21)*		-	
- dividends		*34,343*		*3,932*	
Financial income	**37**	106,857	*2,508*	136,326	*3,505*
Financial expenses	**38**	(290,605)	*(603)*	(422,911)	*(3,275)*
Net income before taxes		**760,162**		**647,793**	
Taxes	**39**	(229,466)		(146,689)	
Net income		**530,696**		**501,104**	
Attributable to:					
Owners of the Parent Company		497,527		467,981	
Non-controlling interests		33,169		33,123	
Total basic/diluted earnings / (losses) per share (in euro)	**40**	**0.496**		**0.468**	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(in thousands of euro)*

		Note	2025	2024
A	**Total Net income / (loss)**		**530,696**	**501,104**
	- Remeasurement of employee benefits	**23**	(5,398)	(38,637)
	- Tax effect		1,538	9,451
	- Fair value adjustment of other financial assets at fair value through Other Comprehensive Income	**13**	(13,059)	9,822
B	**Total items that may not be reclassified to Income Statement**		**(16,919)**	**(19,364)**
	Exchange rates differences from translation of foreign Financial Statements			
	- Gains / (losses)	**21**	(258,136)	(169,298)
	- (Gains) / losses reclassified to Income Statement	**36**	2,997	-
	Fair value adjustment of derivatives designated as cash flow hedges:			
	- Gains / (losses)	**28**	14,338	1,273
	- (Gains) / losses reclassified to Income Statement	**28**	(20,885)	(17,071)
	- Tax effect		1,542	3,773
	Share of Other Comprehensive Income related to associates and joint ventures	**12**	(13,604)	4,358
C	**Total items reclassified / that may be reclassified to Income Statement**		**(273,748)**	**(176,965)**
D	**Total Other Comprehensive Income (B+C)**		**(290,667)**	**(196,329)**
A+D	**Total Comprehensive Income / (loss)**		**240,029**	**304,775**
	Attributable to:			
	- Owners of the Parent Company		209,972	268,873
	- Non-controlling interests		30,057	35,902

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 12/31/2025

(in thousands of euro)	**Attributable to the Parent Company (note 21.1)**					**Non-controlling interests (note 21.2)**	**Total (Note 21)**
	Share Capital	Translation reserve	Other reserves with changes in the statement of Comprehensive Income *	Other reserves/ retained earnings	**Total attributable to the Parent Company**		
Total at 12/31/2024	**1,904,375**	**(834,999)**	**(54,438)**	**4,741,133**	**5,756,071**	**156,183**	**5,912,254**
Other components of Comprehensive Income	-	(265,631)	(21,924)	-	(287,555)	(3,112)	(290,667)
Net income / (loss)	-	-	-	497,527	497,527	33,169	530,696
Total Comprehensive Income / (loss)	**-**	**(265,631)**	**(21,924)**	**497,527**	**209,972**	**30,057**	**240,029**
Dividends approved	-	-	-	(250,360)	(250,360)	(8,736)	(259,096)
Bond conversion	161,276	-	-	335,224	496,500	-	496,500
Effects of hyperinflation accounting in Turkey	-	-	-	13,082	13,082	-	13,082
Effects of hyperinflation accounting in Argentina	-	-	-	53,113	53,113	-	53,113
Other	-	-	1,157	(1,687)	(530)	1,385	855
Total at 12/31/2025	**2,065,651**	**(1,100,630)**	**(75,205)**	**5,388,032**	**6,277,848**	**178,889**	**6,456,737**

(in thousands of euro)	**BREAKDOWN OF OTHER RESERVES WITH CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME***				
	Reserve for fair value adjustment of financial assets at fair value through Other Comprehensive Income	Reserve for cash flow hedge	Remeasurement of employee benefits	Tax effect	**Other reserves with changes in the statement of Comprehensive Income**
Total at 12/31/2024	**3,156**	**16,160**	**(30,398)**	**(43,356)**	**(54,438)**
Other components of Comprehensive Income	(13,059)	(6,547)	(5,398)	3,080	(21,924)
Other changes	1,000	-	157	-	1,157
Total at 12/31/2025	**(8,903)**	**9,613**	**(35,639)**	**(40,276)**	**(75,205)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 12/31/2024

(in thousands of euro)	**Attributable to the Parent Company (note 21.1)**					**Non-controlling interests (note 21.2)**	**Total (note 21)**
	Share Capital	Translation reserve	Other reserves with changes in the statement of Comprehensive Income *	Other reserves/ retained earnings	**Total attributable to the Parent Company**		
Total at 12/31/2023	**1,904,375**	**(667,280)**	**(22,600)**	**4,279,898**	**5,494,393**	**125,201**	**5,619,594**
Other components of Comprehensive Income	-	(167,719)	(31,389)	-	(199,108)	2,779	(196,329)
Net income / (loss)	-	-	-	467,981	467,981	33,123	501,104
Total Comprehensive Income / (loss)	**-**	**(167,719)**	**(31,389)**	**467,981**	**268,873**	**35,902**	**304,775**
Dividends approved	-	-	-	(198,000)	(198,000)	(5,134)	(203,134)
Effects of hyperinflation accounting in Turkey	-	-	-	16,500	16,500	-	16,500
Effects of hyperinflation accounting in Argentina	-	-	-	175,233	175,233	-	175,233
Other	-	-	(449)	(479)	(928)	214	(714)
Total at 12/31/2024	**1,904,375**	**(834,999)**	**(54,438)**	**4,741,133**	**5,756,071**	**156,183**	**5,912,254**

(in thousands of euro)	**BREAKDOWN OF OTHER RESERVES WITH CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME***				
	Reserve for fair value adjustment of financial assets at fair value through Other Comprehensive Income	Reserve for cash flow hedge	Remeasurement of employee benefits	Tax effect	**Other reserves with changes in the statement of Comprehensive Income**
Total at 12/31/2023	**(6,666)**	**31,958**	**8,653**	**(56,545)**	**(22,600)**
Other components of Comprehensive Income	9,822	(15,798)	(38,637)	13,224	(31,389)
Other changes	-	-	(414)	(35)	(449)
Total at 12/31/2024	**3,156**	**16,160**	**(30,398)**	**(43,356)**	**(54,438)**

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euro)

		2025	2024
	Net income / (loss) before taxes	760,162	647,793
	Reversal of amortisation, depreciation, impairment losses and restatement of property, plant and equipment and intangible assets	589,797	574,950
	Reversal of Financial (income) / expenses	183,748	286,585
	Reversal of Dividends	(34,343)	(3,932)
	Reversal of gains / (losses) on equity investments	(2,273)	-
	Reversal of share of net result from associates and joint ventures	(16,091)	(27,456)
	Reversal of accruals to provisions and other accruals	61,580	69,459
	Net Taxes paid	(154,240)	(158,488)
	Change in Inventories	(86,521)	(132,479)
	Change in Trade receivables	(36,539)	2,520
	Change in Trade payables	69,952	119,255
	Change in Other receivables	26,604	(43,978)
	Change in Other payables	(26,541)	1,105
	Uses of Provisions for employee benefit obligations	(5,419)	(18,978)
	Uses of Provisions for liabilities and charges	(24,071)	(23,792)
A	**Net cash flow provided by / (used in) operating activities**	**1,305,805**	**1,292,564**
	of which related parties	*(288,994)*	*(226,505)*
	Investments in owned tangible assets	(352,286)	(376,076)
	Disposal of owned tangible assets	3,259	2,233
	Investments in intangible assets	(25,580)	(27,597)
	Disposal of intangible assets	-	4
	(Investments)/disposal in other financial assets at fair value through Other Comprehensive Income	12,176	(555)
	Disposal of investments in subsidiaries	19,233	-
	Acquisition of investments in subsidiaries	(3,822)	(20,268)
	Acquisition of investments in associates and joint ventures	(21,034)	(12,071)
	Change in Financial receivables from associates and joint ventures	(26,578)	(513)
	Dividends and reserves received from associates and joint ventures	-	9,650
	Dividends received from other non-current financial assets at FVTOCI	34,343	3,932
B	**Net cash flow provided by / (used in) investing activities**	**(360,289)**	**(421,261)**
	of which related parties	*(26,568)*	*962*
	Change in Borrowings from banks and other financial institutions due to draw downs	138,079	1,366,477
	Change in Borrowings from banks and other financial institutions due to repayments and other	(528,773)	(1,497,803)
	Change in Financial receivables / Other current financial assets at fair value through Income Statement	42,702	60,128
	Financial income / (expenses)	(151,568)	(206,173)
	Dividends paid	(259,096)	(204,400)
	Repayment of principal and payment of interest for lease liabilities	(129,446)	(128,929)
C	**Net cash flow provided by / (used in) financing activities**	**(888,102)**	**(610,700)**
	of which related parties	*(4,056)*	*(4,130)*
D	**Total cash flow provided / (used) during the period (A+B+C)**	**57,414**	**260,603**
E	**Cash and cash equivalents at the beginning of the financial year**	**1,501,274**	**1,248,850**
F	**Exchange rate differences from translation of cash and cash equivalents**	(34,619)	(8,179)
G	**Cash and cash equivalents at the end of the period (D+E+F) (°)**	**1,524,069**	**1,501,274**
(°)	**of which:**		
	cash and cash equivalents	1,525,886	1,502,741
	bank overdrafts	(1,817)	(1,467)

EXPLANATORY NOTES

1. GENERAL INFORMATION

Pirelli & C. S.p.A. is a company whose legal status is governed by the laws of the Italian Republic.

Founded in 1872, Pirelli & C. S.p.A. - also through its subsidiaries in Italy and abroad – is a Pure Consumer Tyre Company (which includes tyres for cars, motorcycles, and bicycles) and is primarily focused on the High Value tyre market, which are products designed to achieve the highest levels in terms of performance, safety, quietness, and grip on the road surface.

The registered Head Office of the Company is located in Milan, Italy at Viale Piero e Alberto Pirelli n. 25.

These Consolidated Financial Statements have been prepared using the euro as the functional currency, and all values are rounded to the nearest thousand euro unless otherwise stated.

The audit of the Consolidated Financial Statements has been entrusted to PricewaterhouseCoopers S.p.A. pursuant to Legislative Decree No. 39 of January 27, 2010 in execution of the resolution of the Shareholders' Meeting of August 1, 2017, which assigned the mandate to the aforementioned company for each of the nine financial years closing 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 the 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 the 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 the CNRC on the other.

The DPCM Golden Power further requires the CNRC to undertake that:

(i) the Chief Executive Officer of Pirelli, drawn from the majority list submitted by the 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 the 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 the 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 the 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 the 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 reported 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 which exceeds 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 the 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.**

On April 16, 2026, the Board of Directors approved these Consolidated Financial Statements and authorised their publication.

2. BASIS OF PRESENTATION

INFORMATION ON THE MACROECONOMIC ENVIRONMENT

In 2025, despite ongoing geopolitical tensions, the global economy demonstrated substantial overall resilience. The positive growth in GDP in the European Union, due to exports in anticipation of the introduction of US tariffs in the first part of the year, was supported by domestic demand in the second half-year and accompanied by a slowdown in growth in the US economy, compared to 2024, as a result of lower domestic demand. The performance of the Chinese economy was also positive, owing to various measures implemented by the government in support of growth, whereas growth in Brazil slowed due to a slowdown in private consumption and in investments.

Global inflation steadily declined over the course of the year, allowing the central banks of the European Union and the United States to ease up on monetary tightening. Inflation trends, central bank monetary policies and new geopolitical situations drove the exchange rate dynamics in 2025, with the US dollar weakening against the euro due to the economic uncertainties linked to US trade policies. Emerging market currencies also depreciated against the euro.

The prices of the main raw materials used by the Group were affected by geopolitical tensions, the uncertainties linked to US protectionism, and the trends in supply and demand. While the prices of natural gas and natural rubber increased, the prices of Brent crude oil and butadiene decreased.

During the course of 2025, the car tyre market recorded a global level growth in volumes of +1.0%, compared to the same period of 2024.

Pirelli's results for 2025 highlighted a solid operating performance, which mainly reflected the positive contribution of the price/mix, of volumes and of efficiencies which more than offset inflation in the cost of production factors, including raw materials, the negative exchange rate effect, depreciation and amortisation and other costs.

For further details on this performance in 2025, reference should be made to the section *"Group Performance and Results"* in the Directors' Report on Operations, while for information on the management of external risks, reference should be made to the section *"Risk Factors and Uncertainty"* in the same document.

The macroeconomic scenario is expected to remain uncertain also in 2026. The most up-to-date forecasts available at the start of the year were taken into consideration when formulating the prospective results for 2026 presented to the market on February 25, 2026, and then confirmed on April 16, 2026, and reported in the "*Outlook for 2026*" section of the Directors' Report on Operations. The same targets were taken into account in the estimates and assumptions, and in particular when assessing the recoverability of goodwill and other intangible assets with an indefinite useful life.

These impacts are described in the relevant Explanatory Notes, to which reference should be made for further details.

FINANCIAL STATEMENTS

The Consolidated Financial Statements at December 31, 2025 are composed 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.

This document has not been prepared in accordance with the EU Delegated Regulation 2019/815 (ESEF Regulation), which was adopted pursuant to the Transparency Directive. The document which has been prepared pursuant to the ESEF Regulation, is available (in Italian only) on the authorised eMarket Storage website (emarketstorage.com) and on the Company's website www.pirelli.com.

The format adopted for the Statement of Financial Position provides for the distinction of assets and liabilities according to whether they are current or non-current.

The Group has opted to present the components of the gains/losses for the financial year in a separate Income Statement, rather than include them directly in the Statement of Comprehensive Income. The Income Statement format which has been adopted provides for the classification of costs by nature.

The Group has opted to present the tax effects and the reclassifications to the Income Statement of the gains/losses recognised under Other Comprehensive Income from previous financial years, directly in the Statement of Comprehensive Income and not in the explanatory Notes.

The Statement of Changes in Equity includes, in addition to the total gains/losses for the period, the amounts for transactions with equity holders and the movements which occurred in reserves during the financial year.

In the Statement of Cash Flow, the financial flows from operating activities are reported using the indirect method, whereby the gains or losses for the financial year are adjusted by the effects of non-monetary transactions, by any deferrals or accruals of past or future collections or payments for

operating activities and by revenue or expense items related to the financial flows derived from any investment or financing activity.

SCOPE OF CONSOLIDATION

The Scope of Consolidation includes the subsidiaries, associates and agreements for joint control (joint arrangements).

Subsidiaries are defined as all the companies over which the Group simultaneously holds:

- the power of decision making, or rather the ability to direct the relevant activities of the investee, that is those activities that have a significant influence on the results of the investee company itself;

- the exposure or the right to the variable (positive or negative) results from the investment in the entity;

- the ability to exercise its decision making power to determine the amount of the results deriving from the investment in the entity.

The financial statements of subsidiaries are included in the Consolidated Financial Statements as of the date when control is assumed, until such time when control ceases to exist. The portion of equity and of the results attributable to minority shareholders, are reported separately and respectively in the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, and in Equity.

All companies over which the Group is able to exercise significant influence as defined by IAS 28 - Investments in Associates and Joint Ventures, qualify as associates. This influence is legally presumed to exist when the Group holds a percentage of voting rights of between 20% and 50%, or when - even in the case of a lower share of voting rights – it has the power to participate in determining financial and operating policies by virtue of specific legal relationships, such as, for example, the participation in Shareholders' Agreements together with other forms of the significant exercise of corporate governance rights.

Joint arrangements are agreements under which two or more parties have joint control under a contract. Joint control is the shared control of a business activity, established by an agreement, and which exists only when decisions relative to the activity, require the unanimous consent of all parties who share control. These agreements may give rise to joint ventures or joint operations.

A joint venture is an agreement for the joint control of an entity whereby the parties that have joint control, have rights to the net assets of the said entity. Joint ventures are distinguished from joint operations which instead are configured as agreements which give the parties of the agreement, which have joint control of the initiative, the rights to the individual assets and the obligations of the

individual liabilities relative to the agreement. The Group does not currently have any agreements in place for joint operations.

The following is a summary of the changes in the scope of consolidation, with reference to the subsidiaries:

- the acquisition of the company Telco S.r.l., on January 13, 2025;
- the liquidation of the company CTC 2008 Ltd., on May 29, 2025;
- the disposal of the company Däckia Aktiebolag, on June 18, 2025;
- the liquidation of the company NewCo Micromobility S.r.l., on August 8, 2025.

INFORMATION ON SUBSIDIARIES

The Consolidated Financial Statements include the assets and liabilities of 83 legal entities. The significant subsidiaries are listed below:

	Headquarters	12/31/2025		12/31/2024	
		% Group	% non-controlling interests	% Group	% non-controlling interests
Pirelli Tyre Co. Ltd.	Yanzhou (China)	90.00%	10.00%	90.00%	10.00%
Pirelli Deutschland GmbH	Breuberg/Odenwald (Germany)	100.00%		100.00%	
Pirelli Tyre S.p.A.	Milan (Italy)	100.00%		100.00%	
Pirelli Industrie Pneumatici S.r.l.	Settimo Torinese (Italy)	100.00%		100.00%	
Pirelli International Treasury S.p.A.	Milan (Italy)	100.00%		100.00%	
Pirelli Neumaticos S.A. de C.V.	Silao (Mexico)	100.00%		100.00%	
Pirelli Pneus Ltda.	Campinas (Brazil)	100.00%		100.00%	
Pirelli Comercial de Pneus Brasil Ltda.	Sao Paulo (Brazil)	100.00%		100.00%	
Pirelli UK Tyres Ltd.	Burton-on-Trent (United Kingdom)	100.00%		100.00%	
Pirelli Tire LLC	Rome (USA)	100.00%		100.00%	
S.C. Pirelli Tyres Romania S.r.l.	Slatina (Romania)	100.00%		100.00%	

A complete list of subsidiaries is contained in the attachment, *"Scope of Consolidation - List of Companies included in Consolidation using the Line-by-Line Method".*

Non-controlling interests in the Group's subsidiaries were not material either individually or in their aggregate form.

CONSOLIDATION STANDARDS

For consolidation purposes, the financial statements of the companies included in the Scope of Consolidation prepared at the reporting date of the Parent Company's financial statements are used, and are appropriately adjusted to render them compliant with the IAS/IFRS standards, as applied by the Group.

The financial statements expressed in foreign currencies have been translated into euro by applying period-end exchange rates for the items in the Statement of Financial Position, and at average exchange rates for the items of the Income Statement, with the exception of the financial statements of companies operating in hyperinflationary countries whose Income Statements have been translated at period-end exchange rates.

Differences arising from the translation of the initial equity at period-end exchange rates are recognised in the translation reserve, together with the difference arising from the translation of the result for the period at the period-end exchange rate compared to at the average exchange rate. The translation reserve is reversed to the Income Statement at the time of the disposal of the company which generated the reserve.

The criteria for consolidation can be summarised as follows:

- subsidiaries are consolidated using the line-by-line method on the basis of which:
  - the assets and liabilities, costs and revenues of the financial statements of the subsidiaries are taken into account in their entirety, irrespective of the extent of the interest (investment) held;
  - the carrying amount of investments is eliminated against the corresponding portions of equity;
  - the Statement of Financial Position and Income Statement transactions carried out between fully consolidated companies, including dividends distributed within the Group and the unrealised margin on intercompany transactions, are eliminated;
  - non-controlling interests are represented in the appropriate items under equity, and similarly, the portion of gains or losses attributable to non-controlling interests is shown separately in the Income Statement and in the Statement of Comprehensive Income;
  - at the time of the disposal of an investee resulting in the loss of control, any goodwill allocable to the investee is taken into account when determining the gain on disposal (capital gain) or the loss on disposal (capital loss);
  - in the case of an investment stake acquired subsequent to the obtaining of control, any difference between the cost of acquisition and the corresponding fraction of equity acquired is recognised in equity. Similarly, the effects arising from the disposal of non-controlling interests without the loss of control are recognised in equity.
- investments in associates and joint ventures are accounted for using the equity method, under which the carrying amount of the investments is adjusted to take into account:
  - the investor’s share of the financial results of the investee arising after the acquisition date;
  - the investor’s share of gains and losses are recognised directly in the investee’s equity, in accordance with the applicable accounting standards;

- the dividends distributed by the investee;

- if the Group's share, if any, of the losses of an associate/joint venture exceeds the carrying amount of the investment in the financial statements, the carrying amount of the investment is reduced to zero, and the share of any additional losses is recognised under *"Provisions for liabilities and charges"*, if and to the extent that the Group is contractually or implicitly obliged to cover them;

- the margins resulting from sales carried out by subsidiaries to joint ventures or associates are eliminated only to the extent of the ownership stake held in the acquiring company.

3. ADOPTED ACCOUNTING STANDARDS

Pursuant to Regulation No. 1606 issued by the European Parliament and the European Council in July 2002, the Consolidated Financial Statements of the Pirelli & C. Group have been prepared in accordance with the IFRS - International Financial Reporting Standards in force, issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union at December 31, 2025, as well as with the provisions issued in the implementation of Article 9 of Legislative Decree No. 38/2005. The terms IFRS and IAS refer to the IFRS - International Financial Reporting Standards and IAS - International Accounting Standards in force, issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union at December 31, 2025, as well as all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretations Committee ("SIC").

The Consolidated Financial Statements have been prepared based on the historical cost criterion. The following items have instead been measured at fair value:

- derivative financial instruments;

- pension fund assets;

- other financial assets at fair value through Other Comprehensive Income;

- other financial assets at fair value through the Income Statement.

BUSINESS COMBINATIONS

Business acquisitions are accounted for using the acquisition method.

In the case of acquiring control of a company, goodwill is calculated as the difference between:

- the fair value of the consideration plus any non-controlling interests in the acquired company measured at fair value (if this option is chosen for the acquisition in question) or in proportion to the investment stake held by the non-controlling interest in the net assets of the acquired company;

- the fair value of the assets acquired and the liabilities assumed.

In cases where the aforementioned difference is negative, this difference is immediately recognised in the Income Statement under income.

In the case of acquiring control of a company in which a non-controlling interest was previously held (acquisition in phases - step acquisition), the previously held investment is measured at fair value, and the effects of this adjustment is recognised in the Income Statement.

Costs related to Business Combination transactions are recognised in the Income Statement.

Contingent considerations, that is, the buyer's obligations to transfer additional assets or shares to the seller if certain future events occur or specific conditions are met, are recognised at fair value at the acquisition date as part of the consideration transferred in exchange for the acquisition itself. Any subsequent changes in the fair value of such agreements are recognised in the Income Statement.

INTANGIBLE ASSETS

Intangible assets refer to assets without an identifiable physical form, which are controlled by the Group and are capable of producing future economic benefits.

Intangible assets with a finite useful life are measured at cost, net of any accumulated amortisation and impairment losses, and include costs for services provided by third parties.

Amortisation is calculated on a straight-line basis and begins when the asset becomes available for use or is capable of operating as intended by management, and ceases on the date when the asset is classified as held for sale or is de-recognised from the accounts.

Capital gains and capital losses arising from the divestment, disposal or retirement of an intangible asset are determined as the difference between the net proceeds from disposal and the carrying amount of the asset.

GOODWILL

Goodwill is an intangible asset with an indefinite useful life and is therefore not subject to amortisation. Goodwill is subject to an evaluation aimed at identifying any impairment, at least annually or whenever there are indicators of impairment.

TRADEMARKS AND LICENSES

Trademarks and licenses for which the conditions for classification as intangible assets with an indefinite useful life have not been met, are measured at cost, net of amortisation and net of any accumulated impairment. This cost is amortised for whichever period is shorter between, the contractual duration and the useful life of the asset. Instead, the trademarks for which the conditions for classification as intangible assets with an indefinite useful life have been met, are not systematically amortised, and are subjected to an impairment test at least once a year.

SOFTWARE

Software license costs, including incidental expenses, are capitalised and recorded in the financial statements net of amortisation and net of any accumulated impairment. Software is amortised on the basis of its useful life.

Software as a service (*"SaaS"*), for which the Group does not control the underlying software, but only holds the right to access the software on a third-party cloud infrastructure, is not capitalised.

CUSTOMER RELATIONSHIPS

Customer relationships mainly refer to intangible assets acquired during Business Combinations, and are recognised in the financial statements at their fair value at the acquisition date, and amortised on the basis of their useful life.

TECHNOLOGY

The value of Technology refers mainly to product, process and product development technology acquired during Business Combinations. It is recognised in the financial statements at fair value at the date of acquisition, and is amortised on the basis of its useful life.

RESEARCH AND DEVELOPMENT EXPENSES

Research costs refer to product innovation, innovation in production processes and research into new materials. These are expensed as they are incurred. There were no product development costs that satisfied the requisites for capitalisation as provided for by IAS 38.

OWNED TANGIBLE ASSETS

Property, plant and equipment are recognised at their acquisition cost or production cost, including any directly attributable incidental expenses.

Any costs incurred subsequent to the acquisition of assets and the cost for replacing certain parts of the assets recognised in this category, are capitalised only if they increase the future financial benefits inherent in the asset to which they relate. All other costs are recognised in the Income Statement as they are incurred. When the replacement cost of certain parts of assets is capitalised, the residual value of the replaced parts is recognised in the Income Statement.

Property, plant and equipment are measured at cost, net of depreciation and net of any accumulated impairment, except for land which is not depreciated but is valued at cost net of any accumulated impairment.

Depreciation is accounted for starting from the month in which the asset is available for use, or is potentially capable of providing the financial benefits associated with it.

Depreciation is recognised on a monthly basis using the straight-line method at rates that allow assets to be depreciated until the end of their useful life or, in the case of disposals, until the final month of use.

Depreciation rates were as follows:

Buildings	3% - 10%
Plants	7% - 20%
Machinery	5% - 20%
Equipment	10% - 33%
Office equipment	25% - 50%
Furniture	10% - 33%
Motor vehicles	10% - 25%

The Group annually revises the expected useful life of property, plant and equipment.

Leasehold improvements are classified as tangible assets (property, plant and equipment), consistent with the nature of the cost incurred. The depreciation period corresponds to whichever is shorter between the remaining useful life of the tangible asset and the remaining duration of the lease contract.

Spare parts of significant value are capitalised and depreciated based on the useful life of the asset to which they relate.

Any dismantling costs (decommissioning costs) are estimated and added to the tangible assets (property, plant and equipment), with a corresponding entry to the provision for liabilities and charges, if the requirements for the recognition of a provision for liabilities and charges are met. They are then depreciated for the duration of the remaining useful life of the respective asset.

Tangible assets (property, plant and equipment), are de-recognised from the Statement of Financial Position at the time of their disposal or when they are permanently withdrawn from use and, as a consequence, no future financial benefits are expected to be derived from their disposal or use.

Any gains on disposal (capital gains) or the losses on disposal (capital losses) arising from the derecognition or disposal of property, plant and equipment are determined as the difference between the net proceeds from disposal, and the carrying amount of the asset.

Property, plant and equipment under construction are recognised at cost, net of any impairment. When property, plant and equipment under construction is ready for use, it is reclassified to the relevant category, and begins to be depreciated based of the useful lives of the Group.

RIGHT OF USE

At the date on which the assets subject to the lease contract become available for use by the Group, lease contracts are recognised as right-of-use assets under non-current assets, with a corresponding entry for the financial liability.

The cost of the lease payment is separated into its components, namely a financial expense which is recognised in the Income Statement for the duration of the contract and a repayment of the principal, which is recorded as a reduction of the financial liability.

The right of use is depreciated on a monthly basis using the straight-line method, for whichever period is shorter between the useful life of the asset and the duration of the contract.

Right of use and financial liabilities are initially measured at the present value of future payments.

The present value of the financial liabilities for lease contracts includes the following payments:

- fixed payments;
- variable payments based on an index or rate;
- the exercise price of a redemption option, if the exercise of the option is considered reasonably certain;

- the payment of penalties for terminating the contract, if the exercise of the option is considered reasonably certain;
- optional payments subsequent to the non-cancellable period, if the extension of the contract beyond the non-cancellable period is considered reasonably certain.

Future payments are discounted using the incremental borrowing rate. This 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 itself. It is then adjusted according to the Group's credit spread and to the local credit spread.

The right of use is measured at cost, and is composed of the following elements:

- the initial amount of the financial liability;
- the payments made before the start of the contract net of the lease incentives received;
- the directly attributable ancillary costs;
- the estimated costs for dismantling (decommissioning) or restoration.

The lease payments associated with the following types of lease contracts are recognised in the Income Statement on a straight-line basis for the duration of the respective contracts:

- contracts with a duration of less than twelve months for all asset classes;
- contracts for which the underlying asset is configured as a low-value asset, that is, the unit value of the underlying assets is not greater than euro 8 thousand when new;
- contracts where the payment for the right of use of the underlying asset varies due to changes in the facts or circumstances (not linked to an index or a rate), that were not foreseeable at the start date.

Low-value contracts are mainly related to the following categories of goods:

- computers, telephones and tablets;
- office and multi-function printers;
- other electronic devices.

IMPAIRMENT OF ASSETS

Property, Plant and Equipment, Intangible Assets and Right of Use

In the presence of specific indicators of impairment, and at least on an annual basis, intangible assets with an indefinite useful life, including goodwill, tangible assets (property, plant and equipment), intangible assets and right of use are subject to an impairment test.

The test involves estimating the recoverable amount of the asset and comparing it with its carrying amount.

The recoverable amount of an asset corresponds to the higher amount between the fair value less the costs of sale, and the value in use.

It is not necessary to estimate both value configurations since, in order to verify the absence of impairment of the asset, it is sufficient that one of the two value configurations is higher than the carrying amount.

The value in use for tangible assets (property plant and equipment) and intangible assets, is the present value of the estimated future financial flows generated by the use of the asset and those arising from its disposal at the end of its useful life, net of taxes and discounted using a rate that reflects the current market assessment of the time value of money and of the risks specific to the asset.

For the right of use, the value in use is the present value of the estimated future financial flows originating from the right of use asset, for the duration of the lease contract, and those outflows for the replacement of the right of use asset at the end of the lease term (for example, the acquisition cost of an asset to replace the one that is leased).

If the recoverable amount of an asset is lower than its carrying amount, the carrying amount is reduced and adjusted to the recoverable amount. This reduction in value constitutes an impairment loss which is recognised in the Income Statement.

For the purpose of assessing impairment losses, assets are aggregated at the lowest level at which independent cash flows can be separately identified (cash generating unit).

With specific reference to goodwill, for the purpose of the impairment test, the allocation is made at the Group level of the *"Consumer Activities"* CGU. The latter represents the minimum level at which goodwill is monitored for internal management control purposes.

In the presence of indications that an impairment loss that was recognised in previous years relating to tangible or intangible assets other than goodwill or the right of use, may no longer exist or may have decreased, the recoverable amount of the asset is re-estimated, and if it results as being higher than the carrying amount, the carrying amount is increased up to the recoverable amount.

The reversal of an impairment cannot exceed the carrying amount that would have been determined (net of depreciation and amortisation) had no impairment loss been recognised in previous financial years.

The reversal of the impairment of an asset other than goodwill is recognised in the Income Statement.

An impairment loss recognised for goodwill cannot be reversed in subsequent periods.

An impairment loss recognised in an interim (half-yearly) financial statement for goodwill cannot be reversed in the Income Statement in the following financial year.

Investments in Associates and Joint Ventures

Subsequent to the application of the equity method, in the presence of indicators of impairment, the value of investments in associates and joint ventures must be compared with the recoverable amount (the so-called impairment test). The recoverable amount corresponds to the higher amount between the fair value minus the selling costs, and the value in use.

For the purpose of the impairment test, the fair value of an investment in an associate or joint venture with shares listed on an active market is always equal to its market value. In the case of investments in unlisted companies, the fair value is determined based on estimates using the best available information.

For the purposes of determining the value in use of an associate or joint venture, the estimate for future net operating cash flows is discounted, net of the net financial position of the company in question, at the date of the estimate (the so-called Discounted Cash Flow - Asset Side Method).

In the presence of indications that an impairment loss recognised in previous years may no longer exist or may have decreased, the recoverable amount of the investment is re-estimated and, if it exceeds the carrying amount of the investment, the latter is increased up to the recoverable amount.

The reversal of impairment cannot exceed the carrying amount of the investment that would have been determined (net of impairment) had no impairment loss been recognised in previous financial years.

The reversal of impairment for investments in associates and joint ventures is recognised in the Income Statement.

OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)

This category includes the equity instruments for which the Group, at initial recognition, has exercised the irrevocable option to present gains and losses arising from changes in their fair value in equity (FVOCI), as these are financial assets that do not belong to the Group's core business. They are classified as non-current assets under the item "Other financial assets at fair value through Other Comprehensive Income".

They are initially recognised at fair value, including transaction costs directly attributable to the acquisition.

They are subsequently measured at their fair value, and any gains and losses arising from any changes in their fair value are recognised in a specific equity reserve. This reserve is not reclassified to the Income Statement. In the event of the disposal of the financial asset, the amount suspended in equity is reclassified to retained earnings.

Dividends arising from these financial assets are recognised in the Income Statement at the moment in which the right to collection arises, unless they represent a recovery of the cost of the investment. In such case, they directly reduce the carrying amount of the investment.

OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH THE INCOME STATEMENT (FVPL)

The items which fall within this assessment category are:

- equity instruments for which the Group - at the time of initial recognition - has not exercised the irrevocable option to present the gains and losses arising from changes in their fair value in equity. These are classified as non-current assets under the item "Other financial assets at fair value through the Income Statement";

- debt instruments, for which the Group's asset management business model provides that the sale of the debt instruments and the cash flows associated with the financial asset, represent the payment of the outstanding principal. These are classified as current assets under the item *"Other financial assets at fair value through the Income Statement"*;

- debt instruments for which the fair value option has been exercised to eliminate an accounting mismatch;

- derivative instruments, except those designated as hedging instruments;

These are initially recognised at fair value. Transaction costs directly attributable to the acquisition are recognised in the Income Statement.

They are subsequently measured at fair value, and any gains or losses arising from any changes in their fair value are recognised in the Income Statement.

INVENTORIES

Warehouse inventories are valued at whichever is lower, between their cost and their presumed realisable value.

The cost is calculated using the FIFO method, and in the case of finished and semi-finished products, in addition to the costs of materials, the direct costs of labour as well as indirect costs, are also included.

The cost of inventories also includes the transfer from Other Comprehensive Income, of the gains and losses arising from qualified cash flow hedging transactions related to the purchase of raw materials, typically natural rubber.

The cost is increased by incremental expenses, in the same way as described for property, plant and equipment.

The realisable value represents the estimated selling price, net of all estimated costs to complete the asset and the costs of selling and distribution that will be incurred.

Provisions for the impairment of inventories are calculated for items considered to be obsolete or slow-moving, taking into account their estimated future use and their realisable value.

RECEIVABLES

Receivables are initially recognised at their fair value, which is normally represented by the agreed consideration or the present value of the amount to be collected. They are subsequently measured at amortised cost, which is reduced in the event of impairment losses. Amortised cost is calculated by using the effective interest rate method, which is equivalent to the discount rate that, when applied to the future cash flows, results in the present carrying amount of those cash flows which is equal to the initial fair value. Receivables denominated in a currency other than the functional currency of the individual entities, are adjusted to the period-end exchange rates with the corresponding entry in the Income Statement.

Receivables are de-recognised when the right to receive cash flows is extinguished, when all the risks and benefits associated with the holding of the receivable have been substantially transferred, or in cases where the receivable is considered definitively irrecoverable, after all necessary recovery procedures have been completed.

IMPAIRMENT OF RECEIVABLES

For trade receivables, the Group applies a simplified approach, which calculates the expected credit losses over the life of the receivables from the moment of initial recognition. The Group uses a matrix based on historical experience, linked to the ageing of the receivables themselves and the credit rating of the customers, adjusted to take into account forecast factors specific to certain creditors. Trade receivables are grouped on the basis of similar risk characteristics. The grouping is based on the original due date of the receivable and the creditworthiness of the customers as assigned by independent market operators. For financial receivables, the impairment calculation is made with reference to the expected credit losses over the next twelve months. This calculation is based on a matrix that includes the credit rating of customers provided by independent market operators. In the case of a significant increase in credit risk subsequent to the origination date of the receivable, the expected loss is calculated over the entire life of the receivable. The Group assumes that the credit risk of a financial instrument has not increased significantly after its initial recognition, if it is determined that the financial instrument has a low credit risk at the reporting date of the Financial Statements. The Group assesses whether there has been a significant increase in credit risk when the customer's rating, assigned by independent market operators, changes in a way that indicates an increase in the probability of default. The Group considers a financial asset to be in default when internal or external information indicates that it is unlikely the Group will receive the full contractual amount that is past due (for example, when receivables have been referred to the legal department).

PAYABLES

Payables are initially recorded at their fair value, which is normally represented by the agreed consideration or the present value of the amount to be paid. They are subsequently measured at the amortised cost. Amortised cost is calculated by using the effective interest rate method, which is equivalent to the discount rate that, when applied to the future cash flows, results in the present carrying amount of those cash flows which is equal to the initial fair value. Payables, denominated in a currency other than the functional currency of the individual entities are adjusted to the exchange rates at the period-end, with the corresponding entry in the Income Statement.

Payables are de-recognised from financial statements when the specific contractual obligation is extinguished. In the event of a change in a financial liability that does not result in its cancellation, the gain or loss resulting from the change is calculated by discounting the change in the contractual cash flows using the original effective interest rate and is immediately recognised in the Income Statement.

The fair value of the debt component of a convertible bond is equal to the fair value of a liability issued under substantially equivalent market terms, without the right of conversion. This component is subsequently measured at amortised cost until extinguished at the time of conversion or until the maturity of the bonds. The remaining portion, up to the value equal to the amount collected, is

recognised as a component of equity. Issuance costs are allocated proportionally to the debt component and to the equity component.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank deposits, postal deposits, cash and valuables on hand, and other forms of short-term investments with an original maturity of three months or less, which are readily convertible into a given amount of cash and subject to an insignificant risk of changes in value. Overdrafts are classified as financial payables under current liabilities.

The items included in cash and cash equivalents are measured at their fair value, and any related changes are recognised in the Income Statement.

For the purposes of their representation in the Consolidated Statement of Cash Flow, cash and cash equivalents are represented by the liquid assets, as previously defined, net of current account overdrafts.

CONTINGENT ASSETS

Any contingent assets, which arise from past events and whose realisation depends on the occurrence or non-occurrence of unforeseeable future events, are not recognised in the financial statements unless the realisation of revenue is virtually certain.

CONTINGENT LIABILITIES

Contingent liabilities, that is, contingent or present obligations that are not probable or cannot be reliably measured, are not recognised in the financial statements but are given disclosure, unless the possibility of an outflow of economic resources is remote.

PROVISIONS FOR LIABILITIES AND CHARGES

The provisions for liabilities and charges include the provisions for present obligations (legal or implicit) arising from a past event, for the settlement of which it is probable that the use of resources will be required, the amount of which can be reliably estimated. Changes in estimates are recognised in the Income Statement for the financial year in which the change occurred. If the effect of discounting is significant, provisions are stated at their present value. A provision for restructuring is only recognised if, in addition to meeting the requisite conditions for the accrual of provisions for

liabilities and charges, there is a detailed formal plan for the restructuring, and the third parties involved have a valid expectation that the restructuring will take place.

EMPLOYEE BENEFITS

Employee benefits paid after the termination of the employment relationship, of the defined benefit plan type (defined benefit plans) and other long-term benefits (other long-term benefits) are subject to actuarial valuations. The liability recognised in the financial statements represents the present value of the Group's obligation, net of the fair value of any plan assets. For defined benefit plans, the actuarial gains and losses arising from adjustments based on past experience and from any changes in the actuarial assumptions, are recognised in full under Other Comprehensive Income. For other long-term benefits, actuarial gains and losses are recognised immediately in the Income Statement.

The provision for employees' leaving indemnities (TFR) of Italian companies with at least 50 employees is considered a defined benefit plan solely for the amounts accrued before January 1, 2007 (and not yet settled at the reporting date), while amounts accrued after that date qualify under the defined benefit plan.

The net interest calculated on the net liability is classified under financial expenses.

Costs relative to the defined contribution plans are recognised in the Income Statement when incurred.

In the event that the plan assets of defined benefits exceed the liabilities, the asset is recognised to the extent that the economic benefit, in the form of a refund or a reduction of future contributions and is available to the Group under the regulations of the plan itself and pursuant to the provisions in force in the jurisdiction where the plan operates.

This refund is considered available to the Group, if the Group has an unconditional right to the reimbursement in any of the following circumstances:

- during the life of the plan, without assuming that the plan's liabilities must be settled in order to obtain the refund (for example, in some jurisdictions, the entity may be entitled to a refund during the life of the plan, regardless of whether the plan's liabilities are settled);
- assuming the gradual settlement of the plan's liabilities over time until all members have left the plan; or
- assuming the full settlement of the plan's liabilities in a single event (for example, the liquidation/closure of the plan).

In the case of the purchase of qualifying insurance policies through the use of plan assets, any additional contributions required by the insurance company are recognised under Other Comprehensive Income.

Insurance policies are recognised in the financial statements as plan assets and are measured on the same basis as the liabilities to which they relate.

DERIVATIVE FINANCIAL INSTRUMENTS DESIGNATED AS HEDGING INSTRUMENTS

In accordance with the provisions of IFRS 9, derivative financial instruments are accounted for in accordance with the methods established for hedge accounting only when:

- the hedged items and the hedging instruments meet the eligibility criteria;
- at the inception of the hedging relationship, there is the formal designation and documentation of the hedging relationship, of the Group's risk management objectives, and of the strategy for undertaking the hedge cover;
- the hedging relationship meets all the following effectiveness requirements:
    - there is a financial relationship between the hedged item and the hedging instrument;
    - the effect of credit risk is not dominant in relation to the changes associated with the risk being hedged;
    - the hedge ratio defined in the hedging relationship is adhered to, including through rebalancing actions, and is consistent with the risk management strategy adopted by the Group.

These derivative instruments are measured at fair value.

The following accounting treatments are applied on the basis of the type of coverage:

- Fair value hedge - if a derivative financial instrument is designated as a hedge against exposure to any changes in the fair value of an asset or liability attributable to a specific risk, the gain or loss arising from any subsequent changes in the fair value of the hedging instrument is recognised in the Income Statement. The gain or loss on the hedged item, for the portion attributable to the hedged risk, adjusts the carrying amount of the asset or liability (basis adjustment) and is also recognised in the Income Statement.
- Cash flow hedge - if a derivative financial instrument is designated as a hedge against exposure to the variability in the financial flows of an asset or liability recognised in the financial statements, or against a highly probable future transaction, the effective portion of the change in the fair value of the hedging derivative is recognised directly under Other Comprehensive Income, while the ineffective portion is immediately recognised in the Income Statement. The amounts recognised

directly under Other Comprehensive Income are reclassified to the Income Statement for the financial year in which the hedged item produces an effect on the Income Statement. If the hedge of a highly probable future transaction subsequently results in the recognition of a non-financial asset or liability, the amounts that are suspended under Other Comprehensive Income are included in the initial carrying amount of the non-financial asset or liability.

When future transactions are hedged by forward contracts, the Group may designate to hedge accounting:

- the full fair value (including the forward points): the effective portion of changes in the fair value of the entire derivative instrument is recognised under Other Comprehensive Income (cash flow hedge reserve);

- the spot component only (excluding the forward points): the effective portion of the changes in the fair value of the single spot component, is recognised under Other Comprehensive Income in the cash flow hedge reserve, while change in the forward points related to the hedged item is recorded in the cost of hedging reserve, always under Other Comprehensive Income.

When a hedging instrument reaches maturity or is disposed of, terminated early, exercised, or no longer meets the conditions to be designated as a hedging instrument, hedge accounting is discontinued. The fair value adjustments accumulated under Other Comprehensive Income (both in the cash flow hedge reserve and the cost of hedging reserve), remain suspended under Other Comprehensive Income until the hedged item produces an effect on the Income Statement. They are subsequently reclassified to the Income Statement, for the financial years during which the acquired asset or the assumed liability produces an effect on the Income Statement. If it is expected that the hedged item will not generate any effect on the Income Statement, the fair value adjustments accumulated under Other Comprehensive Income (both in the cash flow hedge reserve and in the cost of hedging reserve) are immediately recognised in the Income Statement. For the derivative instruments that do not satisfy the requisites provided for by IFRS 9 for the adoption of hedge accounting, reference should be made to the paragraph *"Financial assets at fair value through the Income Statement"*. The purchases and sales of derivative financial instruments are recognised at the settlement date.

The hedges of net investments in foreign assets (net investment hedges) are accounted for in a manner similar to cash flow hedges.

Gains or losses on the hedging instrument related to the effective portion of the hedge are recognised in Other Comprehensive Income, while those related to the ineffective portion are immediately recognised in the Income Statement.

Gains and losses accumulated under Other Comprehensive Income are reclassified to the Income Statement when the foreign operation is disposed either partially or entirely.

DETERMINATION OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified on the basis of the hierarchy of levels provided for by IFRS 13, which reflects the significance of the inputs used in determining the fair value. The levels are defined as follows:

- level 1 - unadjusted quoted prices in active markets for the assets or liabilities being valued;
- level 2 - inputs other than the quoted prices referred to in the previous point, which are observable on the market either directly (such as prices), or indirectly (that is, derived from prices);
- level 3 - inputs that are not based on observable market data.

The fair value of financial instruments traded in active markets (level 1 of the fair value hierarchy) is based on the published price quotations at the reporting date of the Financial Statements. The market prices used for financial assets are the bid prices, while for financial liabilities, they are the ask prices.

The fair value of financial instruments that are not traded in active markets (level 2 of the fair value hierarchy) is determined by using valuation techniques that are widely used in the financial industry and which maximise the use of observable market data.

- 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 of foreign exchange derivatives (forward contracts) is determined by using the forward exchange rate at the reporting date of the Financial Statements;
- the fair value of foreign exchange derivatives (average rate forward) is determined based on the difference between the agreed forward price and the average for the forward rates for the reporting period;
- the fair value of cross currency interest rate swaps is calculated by discounting the estimated future cash flows based on observable yield curves and converting them into euro using the exchange rate at the reporting date of the Financial Statements;
- the fair value of natural rubber futures is determined using the closing price of the contract at the reporting date of the Financial Statements.

The fair value of financial instruments non traded in active markets (level 3 of the fair value hierarchy) is determined:

- on the basis of data from the most recent available financial statements;

- the fair value of the Call Option held by Pirelli Tyre S.p.A. to increase its ownership stake in the Chinese joint venture, the Xushen Tyre (Shanghai) Co., Ltd., was determined by applying the Black-Scholes option pricing model. For this purpose, the underlying value was estimated as the pro-rata equity value of the investee, calculated using the Discounted Cash Flow - Equity Side Method, and compared with the strike price of the Option in accordance with the contractual provisions. The valuation of the Option was carried out in local currency (CNY), and the resulting fair value was subsequently converted into euro using the exchange rate at December 31, 2025.

INCOME TAXES

Current taxes are determined on the basis of a realistic forecast of the liabilities to be settled in accordance with the applicable tax regulations of the country.

The Group periodically reviews the choices made in the determination of taxes in situations where the applicable tax legislation is subject to interpretation, and, where appropriate, adjusts its exposure to the tax authority based on the taxes it expects to pay. Any interest and penalties accrued on these taxes are recognised under Income tax in the Income Statement.

Deferred taxes are determined on the basis of the temporary differences existing between the carrying amounts of assets and liabilities in the financial statements and their tax base (global allocation method), and are classified under non-current assets and liabilities.

Deferred tax assets on tax losses carried forward, as well as on temporary differences, are only recognised when there is a likelihood of future recovery.

Current and deferred tax assets and liabilities are offset when income taxes are levied by the same tax authority and when there is a legal right to offset. Deferred tax assets and liabilities are determined using the tax rates that are expected to apply in the respective jurisdictions where the Group operates, for the financial years during which the temporary differences are expected to be realised or settled.

With regard to taxable temporary differences associated with investments in subsidiaries, associates, and joint ventures, the related deferred tax liability is not recognised if the investing entity is able to control the reversal of the temporary differences and it is probable that such a reversal will not occur in the foreseeable future.

Deferred taxes are not discounted.

Deferred tax assets and liabilities are credited or debited to Other Comprehensive Income if they relate to items that are credited or debited directly to Other Comprehensive Income during the current or previous financial years.

INDIRECT TAXES

Costs, revenues, assets, and liabilities are recognised net of indirect taxes, such as value-added tax (IVA), with the following exceptions:

- the tax is non-deductible: in which case, it is recognised as part of the acquisition cost of the asset or as part of the cost recorded in the Income Statement;
- trade receivables and trade payables, which include the applicable indirect tax.

The net amount of indirect taxes that are recoverable or payable is recognised under other receivables or other payables, respectively.

INTERNATIONAL TAX REFORM - PILLAR TWO MODEL

In December 2021, the Organisation for Economic Co-operation and Development (OECD) published the new tax rules (known as the *"GloBE rules"*) based on the European model of the Pillar Two framework for the implementation of the Global Minimum Tax, aimed at ensuring 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 became applicable from January 1, 2024.

With reference to the Pillar Two regulations, it should be noted that the determination of the related taxes for the Financial Statements at December 31, 2025, was made, taking into account, that Pirelli & C. S.p.A. is the Ultimate Parent Entity (UPE) of the Group.

The Pillar Two legislation provides for the possibility of applying a simplified regime (known as the *"Transitional Safe Harbours"* test– TSHs), which is based mainly on the accounting information available for each relevant jurisdiction. If at least one of the three tests is successfully passed, this will result in a reduction in compliance costs and the elimination of Pillar Two taxes.

The Group has decided to opt for the aforementioned TSHs test and, based on the 2025 data submitted by the individual subsidiaries for consolidation purposes, at least one of the relevant tests (i.e. the de minimis test, the simplified ETR test and the routine profit test) has been successfully passed for each individual country in which the Group is located. The exception are Hungary and Egypt, countries for which the Group cannot opt for the TSHs test, but where no material exposure for arises the Group in terms of Pillar 2 taxes.

In light of the above, the Group has not recognised any taxes for Pillar Two purposes.

With regard to the recognition of deferred taxes arising from the above-mentioned new tax rules, at December 31, 2025 the Group had availed itself of the temporary exception provided for by IAS 12.

EQUITY

Treasury Shares

Treasury shares are classified as a reduction in equity.

If they are sold, reissued or cancelled, the resulting earnings or losses are recognised in equity.

Costs of Capital Transactions

Costs that are directly attributable to the capital transactions of the Parent Company are accounted for as a reduction in equity.

SHARE BASED PAYMENTS (CASH SETTLED)

Additional cash settled benefits granted to some of the Group's executives are recognised under Provisions for employee benefit obligations as a counter-entry to *"Personnel expenses".* This cost is estimated to be equal to the fair value and is accounted for over the duration of the plan in accordance with the vesting conditions at the reporting date. The estimate is revised at each reporting date up until the settlement date.

RECOGNITION OF REVENUES

Revenues are recognised in the amount that reflects the consideration to which the Group believes it is entitled to in exchange for the transfer of goods and/or services to its customers. The variable considerations that the Group considers to be payable to direct or indirect customers are recognised as a reduction to revenues.

The Group generally acts as the principal for most for most of the agreements that generate revenues. However, there are contracts with customers in which the Group acts as an agent and these revenues are recognised net of costs incurred under the commercial agreements.

Product Sales

Revenues from product sales are recognised when the performance obligations towards customers have been satisfied. A performance obligation is deemed to have been fulfilled when the control of goods has been transferred to the customer, that is, generally when the goods are delivered to the customer.

If the products are ready to be delivered, but delivery is postponed to a future date, sales revenues are recognised only if control of the products has been transferred to the customer. Control is considered to have been transferred to the customer when the following conditions have been met;

- the reasons for delivering at a future date are real (for example; the customer has requested delivery at a future date in writing);
- the products in the warehouse are separately identified as being owned by the customer;
- the products are ready to be physically delivered to the customer;
- it is not possible for the Group to use the product or to deliver it to other customers.

Retrospective discounts are applied to product sales based on the achievement of the objectives defined within commercial agreements. Sales revenues are recognised net of these discounts, which are estimated on the basis of historical experience using the expected value method, and for amounts which are not expected to be reversed. They are also recognised net of products returned and received.

Sales do not include a financial component, in that the average terms of payment applied to customers fall within the standard commercial terms for the country in which the sales occur. It should be noted that customers are not offered additional guarantees beyond those generally recognised by market standards.

Provision of Services

Revenues from services rendered are recognised when the rendered service has been completed, or based on the stage of completion of the service, at the reporting date.

Royalties

Royalties are recognised in a single instalment (at a point in time) or over time (over time), on the basis of what is provided for in the content of the relevant agreement, depending on whether it provides for the transfer to the customer respectively of the right to use the intellectual property (right to use) or of the right of access to the intellectual property (right to access).

The amounts for royalties recognised over time are estimated using the output method, and the royalties invoiced for each period are directly correlated to the value transferred to the customer.

FINANCIAL INCOME AND EXPENSES

Financial income and expenses are recognised on an accrual basis.

DIVIDENDS

Dividends are recognised when the right to collect is established, which normally corresponds to a resolution approved by the Shareholders for the distribution of dividends.

GOVERNMENT GRANTS

Government grants are recognised on an accrual basis in relation to costs incurred when there is a formal resolution which approves the grant, and when the right to the grant is assured, as it is reasonably certain that the Group will comply with the conditions for obtaining the grant, and that the grant will be received.

Government capital grants are recognised as deferred income under “other payables”, and classified as current or non-current for the long-term and short-term portion of these grants, respectively. Deferred income is then recognised under *“other income”* in the Income Statement on a straight-line basis, over the useful life of the asset to which the grant relates.

Government grants are recognised in the Income Statement under *“other income”*, with the exception of support programmes aimed at offsetting costs (e.g. grants to mitigate energy costs), which are recognised as a deduction from the related cost.

EARNINGS/(LOSSES) PER SHARE

Earnings/(losses) per share - basic: basic earnings/(losses) per share are calculated by dividing the net income/(loss) attributable to the Group by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares.

Earnings/(losses) per share - diluted: diluted earnings/(losses) per share are calculated by dividing the net income/(loss) attributable to the Group by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares. For the purposes of calculating diluted earnings/(losses) per share, the weighted average number of shares outstanding is adjusted by assuming the exercise by all assignees of the rights, which could potentially have a dilutive effect, while the Group’s net income/(loss) is adjusted to take into account any effects, net of taxes, of the exercise of these rights.

OPERATING SEGMENTS

The operating segment is one part of the Group that engages in business activities that generate revenues and costs, the operating results of which are periodically reviewed by the Chief Executive Officer, in his role as Chief Operating Decision Maker (CODM), for the purposes of taking decisions on the resources to be allocated to the segment, and the evaluation of the results for which financial information is made available.

The activity carried out by the Group is identifiable as a single operating "Consumer Activities" segment.

TRANSACTIONS IN FOREIGN CURRENCY

Transactions in a foreign currency are recorded at the prevailing exchange rates on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the prevailing exchange rates at the reporting date. Exchange rate differences arising from the extinguishment of monetary items or their translation at exchange rates which are different than those of their initial recognition for the financial year, or different to those at the end of the previous financial year, are recognised in the Income Statement.

If the conditions for the designation of inter-company monetary items such as *"Net Investment in Foreign Operations"* are met, the translation differences from foreign exchange rates, starting from the date of the designation, are recognised directly in the Consolidated Statement of Comprehensive Income.

ACCOUNTING STANDARDS FOR HYPERINFLATIONARY COUNTRIES

Companies, operating in countries where the cumulative inflation rate over a three-year period approximates or exceeds 100%, adopt inflation accounting and discontinue it in the event that the cumulative inflation rate over a three-year period falls below 100%.

Group companies operating in hyperinflationary economies restate the values of non-monetary assets and liabilities in their original financial statements to eliminate the distortive effects of the loss of purchasing power of the currency, with a corresponding entry recognised under financial income and expenses.

The inflation rate used to implement hyperinflation accounting corresponds to the consumer price index.

Gains or losses on the net monetary position are recognised in the Income Statement.

The financial statements of Group companies operating in hyperinflationary countries and prepared in a currency other than the euro are translated into euros by applying the period-end exchange rates to the items of both the Statement of Financial Position and the Income Statement.

During the course of the third quarter of 2018, the inflation rate accumulated over the preceding three year period in Argentina exceeded 100%. This, together with other characteristics of the country's economy, prompted the Group to adopt, as of July 1, 2018, the accounting standard IAS 29 - Financial Reporting in Hyperinflationary Economies for the Argentine subsidiary Pirelli Neumaticos S.A.I.C. The same accounting standard was applied, commencing December 15, 2022, to the newly formed Argentine subsidiary Latam Servicios Industriales S.A.

During the course of the second quarter of 2022, Turkey's cumulative three-year inflation rate also exceeded 100%. This, together with other characteristics of the country's economy, prompted the Group to adopt, as of June 30, 2022, the accounting standard IAS 29 - Financial Reporting in Hyperinflationary Economies for the Turkish subsidiaries Pirelli Otomobil Lastikleri A.S. and Pirelli Lastikleri Dis Ticaret A.S.

ENVIRONMENTAL CERTIFICATES AND CONTRACTS FOR THE SUPPLY OF ENERGY

In some European countries, the Group receives greenhouse gas emission allowances free of charge, consistent with the provisions of the European Emission Trading Schemes. These allowances are received on an annual basis and must be delivered to the relevant national authority on the basis of the actual emissions produced in the country.

If the allowances received free of charge are not sufficient to cover the actual emissions produced in the country, the Group purchases the shortfall in allowances, which are recognised at cost under prepaid expenses.

Costs associated with greenhouse gas emissions are recognised on an accrual basis, in proportion to the emissions produced in the relevant country during the financial year, and are recognised under other costs with a counter-entry in a provision for risks and charges.

Prepaid expenses/deferred assets, corresponding to the purchased certificates, are eliminated with a counter-entry for the reduction of the provision for liabilities and charges, when the certificates are delivered to the competent authority.

The Group also purchases renewable energy certificates of differing types depending on the regulations applicable in the country of consumption, (for example, Guarantees of Origin – GO in the European Union, Renewable Energy Certificates – REC in the United States, Renewable Energy Guarantee of Origin - REGO in the United Kingdom, International Renewable Energy Certificates - IREC in the remaining countries where Pirelli operates), which are instruments that certify the renewable origin of the electrical energy sources, to offset the electricity consumption of the Group's companies. The relative associated cost is recognised under other costs.

With reference to electrical energy supply contracts, the Group has the option to fix the purchase price for predefined periods (monthly, quarterly, annually) through the stipulation of Power Purchase Agreements (PPAs. For these contracts, an analysis is conducted to determine whether they fall within the scope of IFRS 16 - Leases or IFRS 9 - Financial Instruments. Since the purpose of these contracts is to meet the Company's own energy purchase requirements, they do not fall within the scope of IFRS 9, as the Company benefits from the *"own use exemption".* The purchase cost of energy is recognised in the Income Statement on an accrual basis, including the cost for the certificate of origin of the purchased energy.

3.1 APPROVED ACCOUNTING STANDARDS AND INTERPRETATIONS IN FORCE AS OF JANUARY 1, 2025

Pursuant to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, the IFRS standards which entered into force on January 1, 2025 were as follows:

- Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

  These amendments clarify when a currency is exchangeable for another currency and, consequently, when it is not. When a currency is not exchangeable for another, these amendments define how the exchange rate is to be determined. The amendments also specify the information that must be provided when a currency is not exchangeable.

  There were no impacts on the Group's Financial Statements, as the Group holds no currencies that fall within the scope of these changes.

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

Pursuant to IAS 8 – *"Accounting Policies, Changes in Accounting Estimates and Errors"* - the new standards or interpretations that had already been issued, but had not yet entered into force or had not yet been approved by the European Union at December 31, 2025 and were therefore not applicable, as well as their foreseeable impact on the Consolidated Financial Statements, are indicated below.

None of these standards and interpretations were adopted in advance by the Group.

- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments.

  These changes concern 3 areas:

  1. The classification of financial assets with ESG features.

     The amendments clarify and provide further guidance on how to assess whether financial assets with environmental, social and governance (ESG) related features, meet the *"solely payments of principal and interest"* (SPPI) criterion, and helps determine whether such assets should be measured at amortised cost or at fair value;

  2. The derecognition of financial liabilities that are settled through electronic payment systems.

     The amendment introduced the option to derecognise financial liabilities that are settled through electronic payment systems prior to the settlement date, provided that the entity making the payment does not have:

     - the practical ability to withdraw, stop, or cancel the instruction for payment;
     - the practical ability to access the liquidity;
     - a significant settlement risk.

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

  3. New disclosure requirements in relation to:

     - equity instruments measured at fair value through Other Comprehensive Income: the changes in fair value through Other Comprehensive Income must be disaggregated between those related to securities disposed of during the period and those related to securities still held at the reporting date;
     - instruments with contractual clauses that may change financial flows as a result of events not directly related to changes in underlying credit risks (such as, for example, certain instruments with features linked to the achievement of ESG objectives). These new requirements apply both to financial assets measured at fair value through Other Comprehensive Income, and to financial assets and financial liabilities measured at amortised cost, and include:
       - a qualitative description of the nature of the event;
       - quantitative information on the possible changes in contractual financial flows - for example, the range of possible changes; and

- the gross carrying amount of the financial assets and the amortised cost of financial liabilities subject to such contractual provisions.

These amendments, which have been endorsed by the European Union, will enter into force on January 1, 2026. No impact on the Group's Financial Statements is expected since:

- the Group does not hold any financial assets with ESG features;
- The Group is assessing whether to make use of the option provided for payments using electronic systems;
- the additional disclosures required for financial liabilities measured at amortised cost are already included in the Notes.

- Amendments to IFRS 9 and to IFRS 7 – Contracts Referencing Nature-dependent Electricity.

  These amendments:

  - introduce guidelines for determining whether contracts to purchase electricity from natural sources fall within the definition of *"own use"* contracts. In particular, the amendments specify 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 during a maximum period of 12 months, meaning if it purchases sufficient electricity to offset the sales of unused electricity on the same relevant market;
  - introduce an exception to the requirement of IFRS 9, according to which a future transaction must be highly probable in order to be designated as a hedged instrument in a hedging relationship;
  - require additional disclosures for physical "*Power Purchase Agreements*" which are accounted for as *"own use"* contracts.

  These amendments, which will enter into force on January 1, 2026, have been approved by the European Union. The impact of these amendments on the Consolidated Financial Statements is currently under analysis and will mainly relate to the additional disclosures that are required.

- Annual Improvements, Volume 11 (issued in 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: Disclosures, and the related guidance to the application of IFRS 7;
- IFRS 9 - Financial Instruments;
- IFRS 10 - Consolidated Financial Statements;
- IAS 7 - Statement of Cash Flows.

These amendments, which will enter into force on January 1, 2026, have been approved by the European Union. There were no impacts on the Consolidated Financial Statements as a result of these amendments.

- IFRS 18 - Presentation and Disclosure in Financial Statements.

  The key points of the new standard are as follows:

  - the structure of the Income Statement: all revenue and expense items must be classified into five categories and grouped into three subtotals. The standard provides specific guidance on the classification of the various items within each category;
  - the definition of Management Performance Measures (MPM), that is, the performance indicators defined by management and used in public disclosures. These indicators must be explained in detail in the Notes, and a reconciliation with the comparable subtotals as specified by the IFRS, must be provided;
  - guidance on how to aggregate and disaggregate information: items with similar characteristics must be aggregated, while those with dissimilar characteristics must be disaggregated.

  This standard, which will enter into force on January 1, 2027, has been approved by the European Union. To assess the impact of this standard on the Consolidated Financial Statements, an assessment project is currently underway, which will highlight the impacts in terms of the classification of Income Statement items, as well as on information systems.

- IFRS 19 - Subsidiaries without Public Accountability: Disclosures, and related amendments published in August 2025.

  The new standard reduces and simplifies the disclosure requirements for the IFRS separate financial statements for companies that have a parent company which prepares their consolidated financial statements pursuant to the IFRS, resulting in operational relief and lower

costs. Entities that may apply IFRS 19, are those whose equity or debt instruments are not traded on a public market.

This standard, which will enter into force on January 1, 2027, has not yet been approved by the European Union. The impact on the financial statements of subsidiaries which apply the IFRS standards in separate financial statements, is currently being analysed.

4. FINANCIAL RISK MANAGEMENT POLICIES

The financial risks to which the Group is exposed are mainly related to foreign exchange rate fluctuations, interest rates fluctuations, the price of financial assets held in portfolio, the ability of its customers to meet their obligations to the Group (credit risk), and the availability of financial resources in the market (liquidity risk).

The management of financial risks is an integral part of the Group's operations and is carried out centrally based on guidelines defined by the Finance Department, within the broader risk management strategies established by the Risk Management Committee.

EXCHANGE RATE RISK

The diverse geographical distribution of the Group's productive and commercial activities results in exposure to exchange rate risk, both transactional and translational.

a) Transactional Exchange Rate Risk

This risk is generated by the commercial and financial transactions executed by the individual companies in currencies other than the functional currency of the company executing the transaction. Fluctuations in the exchange rate between the timing when the commercial/financial relationship is initiated and the timing when the transaction is completed (collection/payment), may give rise to exchange rate gains or losses.

The Group aims to minimise the impact of transactional exchange rate risk associated with volatility. In order to achieve this objective, the Group's procedures provide that the Operating Units are responsible for the collection of all information inherent to the positions subject to transactional exchange rate risk, for which hedging in the form of forward contracts is entered into with the Group Treasury.

The positions subject to managed exchange rate risk are mainly represented by receivables and payables in foreign currencies.

The Group Treasury is responsible for hedging the resulting net position for each currency and, in accordance with the established guidelines and predetermined restrictions, it in turn closes out all risk positions by negotiating hedging derivative contracts on the market, typically forward contracts.

For these contracts, the Group does not deem it appropriate to activate the hedge accounting option as provided for by IFRS 9, in that the recognition of the effects on the Income Statement and on the Statement of Financial Position, of the hedging strategy for transactional exchange rate risk is in any case substantially guaranteed, even without the Group availing itself of the aforementioned option.

It should also be noted that, as part of the annual and multi-year planning process, the Group formulates exchange rate forecasts for these time frames based on the best information available on the market. Fluctuations in the exchange rate between the time the forecast is made and the time the commercial or financial transaction takes place, represents the transactional exchange rate risk on future transactions.

The Group assesses, on a case-by-case basis, the opportunity to carry out hedging transactions on future transactions, for which it typically uses both forward buy or sell transactions (including average rate forwards) and optional risk-reversal type instruments (for example; zero cost collars). If the requirements as provided for by IFRS 9 are met, hedge accounting is activated.

b) Translational Exchange Rate Risk

The Group holds controlling interests in companies that prepare their financial statements in currencies other than the euro, which is the currency used to prepare the Consolidated Financial Statements. This exposes the Group to translational exchange rate risk, which arise from the conversion into euro of the assets and liabilities of these subsidiaries operating. The main exposures to translational exchange rate risk are continuously monitored.

At December 31, 2025, approximately 34% of the consolidated total equity was expressed in euro (approximately 31.7% at December 31, 2024). The most significant currencies for the Group, in terms of the absolute value of net assets, other than the euro, were the Chinese renminbi (16.2%; 16.9% at December 31, 2024), the Brazilian real (12.5%; 10.4% at December 31, 2024), the Mexican peso (10.5%; 4.6% at December 31, 2024), the Romanian leu (10.1%; 11.5% at December 31, 2024), the US dollar (4.6%; 6.4% at December 31, 2024), the British pound sterling (3.0%; 2.5% at December 31, 2024), the Argentine peso (2.9%; 4.6% at December 31, 2024), the Russian rouble (2.8%; 2.3% at December 31, 2024), the South African rand (1.5%; 1.3% at December 31, 2024) and the Turkish lira (0.9%; 0.7% at December 31, 2024).

The effects on consolidated equity deriving from a hypothetical appreciation/depreciation of the euro against the aforementioned currencies - all other conditions being equal, were as follows:

(in thousands of euro)	Appreciation of 10% 12/31/2025	Appreciation of 10% 12/31/2024	Depreciation of 10% 12/31/2025	Depreciation of 10% 12/31/2024
Chinese Renminbi	115,941	111,249	(94,861)	(91,022)
Brazilian Real	89,966	68,575	(73,609)	(56,107)
Mexican Peso	75,465	70,577	(61,744)	(57,745)
Romanian Leu	72,392	75,428	(59,230)	(61,714)
US Dollar	32,925	42,063	(26,939)	(34,415)
British Pound Sterling	21,555	16,408	(17,636)	(13,425)
Argentinian Peso	21,033	30,251	(17,209)	(24,750)
Russian Rouble	20,308	15,097	(16,616)	(12,352)
South African Rand	10,487	8,453	(8,580)	(6,916)
Turkish Lira	6,112	4,739	(5,001)	(3,877)
Total impact on consolidated equity	**466,184**	**442,839**	**(286,564)**	**(362,323)**

It is to be noted that, during 2025, the Chinese renminbi, the Turkish lira, and the Argentine peso depreciated by more than -10% (the Chinese renminbi by -11%, the Turkish lira by -37%, and the Argentine peso by -59%). The depreciations of the Turkish lira and the Argentine peso were more than offset by the application of hyperinflation accounting. For information on the effect on equity, reference should be made to Note 21, *"Equity".*

INTEREST RATE RISK

Interest rate risk is represented by the exposure to the variability of the fair value or of the future cash flows of financial assets or liabilities, due to changes in market interest rates. The Group evaluates, based on market circumstances, whether to enter into derivative contracts for the purpose of hedging interest rate risk, for which hedge accounting is applied when the conditions as provided for by IFRS 9 are met.

The table below shows the effects on the net income/(loss) resulting from an increase or decrease of 0.50% in the level of interest rates of all currencies to which the Group is exposed - all other conditions being equal:

(in thousands of euro)	+0,50%		-0,50%	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Impact on Net income/(loss)	(3,702)	(5,993)	3,702	5,993

The effects on the Group's equity resulting from changes in the EURIBOR rate, calculated on interest rate hedging instruments in place at December 31, 2025 was not material. The Group has no derivatives or other optional structures in place that impact the linearity of the interest rate sensitivity on debt.

RISK OF FAILURE TO ACHIEVE THE SUSTAINABILITY TARGETS EXPECTED IN BORROWINGS FROM BANKS AND BOND LOANS

As reported in Note 24, *"Borrowings from Banks and Other Financial Institutions"* to which reference should be made for further details, the Group has outstanding *"sustainable"* bank facilities of euro 2.7 billion, of which euro 1.2 billion resulted as used at December 31, 2025, and euro 1.5 billion was available in the form of a revolving committed credit facility, as well as bonds linked to sustainability targets (so-called Sustainability Linked Bonds, SLBs) in the amount of euro 1.2 billion.

The failure to meet these targets would result in an increase in the contractually agreed interest rate and, consequently, an increase in financial expenses and future cash flows compared to those expected with the achievement of the sustainability targets, which is not material for the Group.

PRICE RISK ASSOCIATED WITH FINANCIAL ASSETS

The Group's exposure to price risk is limited to the volatility of financial assets such as listed equity securities and bonds which amounted to approximately 0.61% of total consolidated assets at December 31, 2025, (1.45% at December 31, 2024). These assets were classified as other financial assets at fair value through Other Comprehensive Income and other financial assets at fair value through the Income Statement.

No derivatives were entered into for these assets to limit the risk of volatility.

Financial assets which are exposed to price risk, are subdivided as follows:

- financial assets at fair value through Other Comprehensive Income represented by listed equity securities (the RCS MediaGroup S.p.A.) which amounted to euro 24,325 thousand (euro 21,929 thousand at December 31, 2024);

- financial assets at fair value through the Income Statement which amounted to euro 56,896 thousand and are represented by Argentine dollar-linked bonds (euro 147,079 thousand at December 31, 2024).

Financial assets at fair value through Other Comprehensive Income constituted 29.9% of the total financial assets subject to price risk (25.8% at December 31, 2024). A change of +5% in the price of the aforesaid financial assets, all other conditions being equal, would result in a positive change to the Company's equity of euro 1,216 thousand (positive to the amount of euro 2,561 thousand at December 31, 2024), while, a negative change of -5% in the price of the aforementioned financial assets, all other conditions being equal, would result in a negative change to the Company's equity of euro 1,216 thousand (negative to the amount of euro 2,561 thousand to the Company's equity at December 31, 2024).

Financial assets at fair value through the Income Statement constituted 70.1% of the total financial assets subject to price risk (74.2% at December 31, 2024). A change of +10% in the price of the

aforementioned financial assets would result in a positive change of euro 6,984 thousand in the Group's net income/(loss) (euro 16,769 thousand at December 31, 2024), while a change of -10% in the price of the aforementioned financial assets, all other conditions being equal, would result in a negative change of euro 6,984 thousand in the Group's net income/(loss) (euro 16,769 thousand at December 31, 2024).

CREDIT RISK

Credit risk represents the Group's exposure to potential losses resulting from the non-fulfilment of the commercial and financial obligations undertaken by counterparties. As regards these commercial counterparties, in order to limit this risk, Pirelli has put in place procedures to assess the potential and financial creditworthiness of its customers, to monitor expected cash inflows and to take any recovery action. The aim of these procedures is to define customer credit limits, whereby in the event that those limits are exceeded, the rule to withhold further supplies is activated. In some cases, customers are asked to provide guarantees, mainly bank guarantees issued by parties of the highest credit or personal standing. Less frequently, mortgage guarantees may be requested.

Another instrument utilised for the management of commercial credit risk is the taking out of insurance policies. For more than 10 years, a master agreement has been in place, renewed until December 31, 2026, with a leading insurance company with a credit rating of AA according to the assessments of Standard & Poor's, for the worldwide coverage of the credit risk related primarily to sales through the Replacement channel (the coverage ratio at December 31, 2025 was approximately 70%). In addition, a top-up insurance contract was entered into during 2025, which expires on December 31, 2026, aimed at improving credit risk coverage on some customers located in Europe and North America.

However, as regards the financial counterparties for the management of its temporary cash surpluses, or for the negotiation of derivative instruments, the Group deals only with entities of the highest credit standing. Pirelli constantly monitors its net credit exposure to the banking system, and does not show any significant concentrations of credit risk.

Expected losses on trade receivables are calculated throughout the life of the receivables, starting from the moment of initial recognition, using a matrix based on the customer's credit rating and the ageing of the receivables which is adjusted to account for forward looking factors specific to certain debtors and the presence of any collateral and other credit risk mitigation instruments, such as the aforementioned insurance coverages. The calculation of expected losses is based on (i) a matrix which includes the credit ratings of customers provided by independent market assessors, and on (ii) the value of receivables, which takes the collateral and related insurance coverage into account. The credit ratings of customers take into account, among other factors, the effects of exogenous risks, which include, if the customers are exposed in the specific markets in which they operate, risks related to climate change, which determine the probability of default used in the calculation, and impact the credit limits granted by the insurance company to each counterparty.

The bad debt provision at December 31, 2025, was calculated according to the method described above, and was composed as follows:

(in thousands of euro)	Current	Past due > 30 days	Past due > 90 days	Past due > 180 days	Total
Expected loss rate	3.9%	5.8%	7.6%	74.6%	9.7%
Exposure net of credit enhancements	536,245	37,973	23,394	50,955	648,567
Bad debt provision	(21,025)	(2,189)	(1,772)	(38,020)	(63,007)

The positioning at December 31, 2024 was as follows:

(in thousands of euro)	Current	Past due > 30 days	Past due > 90 days	Past due > 180 days	Total
Expected loss rate	4.1%	8.4%	9.7%	81.7%	10.5%
Exposure net of credit enhancements	601,981	26,998	14,778	55,064	698,820
Bad debt provision	(24,610)	(2,265)	(1,433)	(44,974)	(73,283)

At December 31, 2025, the exposure gross of credit enhancements amounted to euro 1,093,557 thousand. The bad debt provision, which was calculated without taking into account the presence of any collateral securities and other credit enhancement instruments, amounted to euro 81,752 thousand.

The difference between the exposure gross of credit enhancements amounting to euro 1,093,557 thousand and the value of the trade receivables amounting to euro 691,555 thousand reported in Note 15, *"Trade Receivables"*, was mainly due to credit notes to be issued, which are not considered for the calculation of the provision for bad debts.

LIQUIDITY RISK

Liquidity risk represents the risk that available financial resources may not be sufficient to meet financial and commercial obligations within the due terms and deadlines.

The main instruments used by the Group to manage liquidity risk consist of annual and multi-year financial plans, as well as treasury plans, to allow for the complete and accurate recording and measurement of monetary inflows and outflows. The differences between the planned and actual final data are subjected to constant analysis.

The Group has implemented a centralised system for the management of cash inflows and outflows in compliance with the various local currency and tax regulations. The negotiation and management of banking relationships is carried out centrally, in order to ensure coverage for short and medium-term financial needs at the lowest possible cost. The raising of medium to long-term resources on the capital market is also optimised through centralised management.

The prudent management of the risk described above involves maintaining an adequate level of cash or cash equivalents and/or easily liquidated short-term securities, the availability of funds

obtainable through an adequate amount of committed credit lines and/or the possibility of resorting to the capital market, and diversifying products and maturities to seize the best opportunities available.

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

At December 31, 2025, the Group had a liquidity margin of euro 3,105,790 thousand, calculated as the sum of cash and cash equivalents which equalled euro 1,525,886 thousand (euro 1,502,741 thousand at December 31, 2024), other current financial assets at fair value through the Income Statement to the amount of euro 79,904 thousand (euro 165,965 thousand at December 31, 2024) and unutilised credit facilities of euro 1,500,000 thousand. The above-mentioned liquidity margin is sufficient to cover financial debt maturities to beyond the end of the third quarter of 2029.

Maturities for financial liabilities at December 31, 2025 can be summarised as follows:

(in thousands of euro)	**within 1 year**	**1 to 2 years**	**2 to 5 years**	**over 5 years**	**Total**
Trade payables	2,082,442	-	-	-	2,082,442
Other payables	375,586	13,925	23,144	40,986	453,641
Derivative financial instruments	6,134	-	-	-	6,134
Borrowings from banks and other financial institutions	277,712	778,305	2,064,967	167,084	3,288,068
of which lease liabilities	*123,289*	*105,995*	*176,410*	*167,084*	*572,777*
	2,741,874	**792,230**	**2,088,111**	**208,069**	**5,830,285**

Maturities for financial liabilities at December 31, 2024 were summarised as follows:

(in thousands of euro)	**within 1 year**	**1 to 2 years**	**2 to 5 years**	**over 5 years**	**Total**
Trade payables	2,081,617	-	-	-	2,081,617
Other payables	392,744	14,266	23,710	41,971	472,691
Derivative financial instruments	10,121	-	-	-	10,121
Borrowings from banks and other financial institutions	842,541	492,207	2,773,163	148,663	4,256,574
of which lease liabilities	*124,866*	*104,185*	*206,944*	*148,663*	*584,658*
	3,327,022	**506,473**	**2,796,874**	**190,634**	**6,821,002**

5. INFORMATION ON FAIR VALUE

5.1 FAIR VALUE MEASUREMENT

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

(in thousands of euro)	Note	Carrying amount at 12/31/2025	Level 1	Level 2	Level 3
FINANCIAL ASSETS:					
Financial assets at fair value through Income Statement:					
Other current financial assets at fair value through Income Statement	19	79,904	56,897	23,007	-
Current derivative financial instruments	28	23,265	-	9,365	13,900
Derivative hedging instruments:					
Current derivative financial instruments	28	2,285	1,778	507	-
Other financial assets at fair value through Other Comprehensive Income:					
Securities and shares	13	37,599	24,325	-	13,274
TOTAL ASSETS		**143,053**	**83,000**	**32,879**	**27,174**
FINANCIAL LIABILITIES:					
Financial assets at fair value through Income Statement:					
Current derivative financial instruments	28	(5,570)	-	(5,570)	-
Derivative hedging instruments:					
Current derivative financial instruments	28	(564)	-	(564)	-
TOTAL LIABILITIES		**(6,134)**	**-**	**(6,134)**	**-**

The following table shows the **assets and liabilities measured at fair value at December 31, 2024**, subdivided into the three levels defined above:

(in thousands of euro)	Note	Carrying amount at 12/31/2024	Level 1	Level 2	Level 3
FINANCIAL ASSETS:					
Financial assets at fair value through Income Statement:					
Other current financial assets at fair value through Income Statement	19	165,965	147,079	18,886	-
Current derivative financial instruments	28	22,323	-	22,323	-
Derivative hedging instruments:					
Non-current derivative financial instruments	28	4,326	-	4,326	-
Other financial assets at fair value through Other Comprehensive Income:					
Securities and shares	13	63,294	21,929	29,297	12,068
TOTAL ASSETS		**255,908**	**169,008**	**74,832**	**12,068**
FINANCIAL LIABILITIES:					
Financial assets at fair value through Income Statement:					
Current derivative financial instruments	28	(8,816)	-	(8,816)	-
Derivative hedging instruments:					
Current derivative financial instruments	28	(1,305)	-	(1,305)	-
TOTAL LIABILITIES		**(10,121)**	**-**	**(10,121)**	**-**

The financial instruments, included in level 1, include the equity investments classified as financial assets at fair value through Other Comprehensive Income, and the listed Argentine dollar-linked bond instruments classified as financial assets at fair value through the Income Statement. Since the objective of the Argentine instruments was to mitigate the effects of depreciation in the local currency, which was recorded as a loss/gain in the net monetary position, the option was exercised to also recognise the change in the fair value of these instruments in the Income Statement. For further information, reference should be made to Note 37, *"Financial Income"* and Note 38, *"Financial Expenses".*

The following table shows **changes that occurred in the financial assets** classified **in level 3, during the course of 2025**:

(in thousands of euro)	
Opening balance 01/01/2025	**12,068**
Translation differences	(10)
Increases	15,205
Fair value adjustments through Other Comprehensive Income	372
Other changes	(461)
Closing balance 12/31/2025	**27,174**

These financial assets are mainly represented by equity investments in the Istituto Europeo di Oncologia (European Institute of Oncology) (euro 8,906 thousand), in Nomisma S.p.A (euro 486 thousand), in Genextra S.p.A (euro 301 thousand) and in Tlcom I LP (euro 189 thousand), as well as by the fair value of the Call Option on the Chinese joint venture, the Xushen Tyre (Shanghai) Co., Ltd.

The current derivative financial instruments included in Level 3 consist of a purchase option held by Pirelli Tyre S.p.A. to increase its ownership stake in the Chinese joint venture, the Xushen Tyre (Shanghai) Co., Ltd. (For further information, reference should be made to Note 12 *"Investments in Associates and Joint Ventures"* and Note 28 *"Derivative financial instruments"*).

During the course of 2025 there were no transfers from level 1 to level 2 or vice versa, nor from level 3 to other levels and vice versa.

5.2 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The table below shows the carrying amounts for each class of financial assets and liabilities as identified by IFRS 9:

(in thousands of euro)	Note	Carrying amount at 12/31/2025	Carrying amount at 12/31/2024
FINANCIAL ASSETS			
Financial assets at fair value through Income Statement			
Other financial assets at fair value through Income Statement	19	79,904	165,965
Current derivative financial instruments	28	23,265	22,323
		103,169	*188,288*
Financial assets at amortised cost			
Other non-current receivables	16	322,004	309,526
Current trade receivables	15	628,548	622,915
Other current receivables	16	384,139	444,010
Cash and cash equivalents	20	1,525,886	1,502,741
		2,860,577	*2,879,192*
Financial assets at fair value through Other Comprehensive Income (FVOCI)			
Other financial assets at fair value through Other Comprehensive Income	13	37,599	63,294
Financial hedging derivative instruments			
Current derivative financial instruments	28	2,284	-
Non-current financial derivative instruments	28	-	4,326
TOTAL FINANCIAL ASSETS		**3,003,629**	**3,135,100**
FINANCIAL LIABILITIES			
Financial liabilities at fair value through Income Statement			
Current derivative financial instruments	28	5,570	8,816
Financial liabilities valuated at amortised cost			
Non-current borrowings from banks and other financial institutions (excl. lease liabilities)	24	2,391,105	2,688,131
Other non-current payables	26	78,055	79,947
Current borrowings from banks and other financial institutions (excl. lease liabilities)	24	108,385	655,696
Current trade payables	25	2,082,442	2,081,617
Other current payables	26	375,586	392,744
		5,035,573	*5,898,135*
Lease liabilities			
Non-current lease liabilities	24	356,087	380,467
Current lease liabilities	24	102,218	105,161
		458,305	*485,628*
Derivative financial hedging instruments			
Current derivative financial instruments	28	564	1,305
TOTAL FINANCIAL LIABILITIES		**5,500,012**	**6,393,884**

6. CAPITAL MANAGEMENT POLICY

The Group's objective is to maximize the return on net invested capital while maintaining the ability to operate over time, ensuring adequate returns for shareholders and benefits for other stakeholders.

7. ESTIMATES AND ASSUMPTIONS

The preparation of the Consolidated Financial Statements requires management to make estimates and assumptions that, in certain circumstances, are based on difficult and subjective valuations and estimates based on historical experience, and assumptions that are, from time to time, considered reasonable and realistic under the circumstances. The results that are realised may therefore differ from these estimates. The estimates and assumptions are reviewed periodically and the effects of any changes made to them are reflected in the Income Statement for the period in which the estimate is revised. If in the future the estimates and assumptions, based on the best available valuation at the time, should differ from the actual circumstances, they are modified accordingly for the period in which the circumstances change. The estimates and assumptions mainly refer to the assessment of the recoverability of goodwill and other intangible assets with an indefinite useful life, as well as tangible assets, and the determination of the useful lives of tangible and intangible assets, the recoverability of receivables, the determination of taxes (current and deferred), the valuation of pension plans and other post-employment benefits, and the recognition/valuation of provisions for liabilities and charges.

GOODWILL

In accordance with the accounting standards adopted for the preparation of the Financial Statements, goodwill is tested at least annually in order to ascertain the existence of any impairment. Specifically, testing involves the allocation of goodwill to the groups of cash generating units (which for the Group coincides with the only operating segment), and the subsequent determination of the related recoverable amount, being the higher amount between the fair value and the value in use.

If the recoverable amount is lower than the carrying amount of the group of cash generating units to which goodwill has been allocated, an impairment loss is recognised for the goodwill allocated to those units.

The value configuration used to determine the recoverable amount for Consumer Activities at December 31, 2025, is the value in use, which corresponds to the present value of the future financial flows which are expected to be generated by the group of CGUs, using a rate that reflects the specific risks of the group of CGUs at the valuation date.

The key assumptions used by management were the estimated future increases in sales, in operating cash flows and in the growth rate of operating cash flows beyond the explicit forecast

period for the estimation of the terminal value and the weighted average cost of capital (discount rate).

PIRELLI BRAND (INTANGIBLE ASSET WITH AN INDEFINITE USEFUL LIFE)

The Pirelli Brand is an intangible asset with an indefinite useful life, which is not subject to amortisation but, pursuant to IAS 36, is tested for impairment on an annual basis or more frequently, if specific events or circumstances arise that may suggest a potential impairment.

The configuration of the recoverable amount for impairment testing purposes at December 31, 2025, was the fair value calculated using the income approach (the so-called level 3 of the IFRS 13 – *Fair Value* Measurement hierarchy).

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

OWNED TANGIBLE ASSETS

In accordance with the relevant accounting standards, fixed assets are subject to an impairment test in order to ascertain whether an impairment loss has occurred, whenever there are indicators that predict difficulties in recovering the carrying amount of the asset through its use. The verification of the existence of the aforementioned impairment indicators, requires the Directors to make subjective judgements based on the information available from both internal and external sources, as well as on historical experience. In addition, if it is determined that a potential impairment loss may have been generated, the impairment is calculated using appropriate evaluation techniques. The accurate identification of the indicators of a potential impairment loss, as well as the estimates for determining it, depend on subjective judgements and factors that may change over time and which influence the valuations and estimates made by Management.

For the determination of the useful lives of tangible assets, many factors must be taken into account, including for example, obsolescence, and any legal restrictions on the use of assets due to climatic factors. The estimation of useful lives also requires judgement on the part of management.

For these reasons, the useful lives of assets are reviewed and, if necessary, adjusted at the end of each relevant reporting period.

RIGHT OF USE AND LEASE LIABILITIES

As regards the estimates and assumptions used to determine lease liabilities and right of use assets, the application of IFRS 16 has introduced certain elements of professional judgement and the use of assumptions and estimates, which are summarised below:

- renewal clauses in contracts are taken into account for the purposes of determining the duration of the contract (lease term), that is, when the Group has the option to exercise these clauses without the need to obtain the consent of the other party, and when their exercise is considered reasonably certain. In the case of clauses which provide for multiple renewals that can be exercised unilaterally by the Group, only the first extension period is considered;

- automatic renewal clauses in contracts, in which both parties have the right to terminate the contract, are not taken into account for the purposes of determining the duration of the contract, as the ability to extend the duration is not under the unilateral control of the Group, and the penalty to which the lessor could be exposed is considered insignificant. However, in the event that the lessor is exposed to a significant penalty, the Group evaluates the inclusion of the renewal option in the determination of the duration of the contract. This assessment is also carried out by taking into consideration the degree of customisation of the leased asset. If the degree of customisation is high, the lessor could incur a significant penalty if they oppose renewal;

- early termination clauses in contracts: such clauses are not taken into account in determining the duration of the contract if they are exercisable only by the lessor or by both parties. In cases where they can be unilaterally exercised by the Group, specific assessments are made on a contract-by-contract (lease-by-lease) basis, (for example, if the Group is already negotiating a new contract or has already given notice to the lessor);

- the incremental borrowing rate is the risk-free rate of the country in which the contract is negotiated and is based on the duration of the contract itself. It is then adjusted according to the Group’s credit spread and to the local credit spread.

INCOME TAXES (CURRENT AND DEFERRED)

Income taxes (current and deferred) are determined in each country where the Group operates in accordance with the interpretation of the applicable tax regulations. This process sometimes involves complex estimates in determining taxable income and deductible and taxable temporary differences between carrying amounts and tax amounts. In particular, deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which they can be recovered. With regard to situations where the applicable tax legislation in force lends itself to interpretation, if the Group considers it probable (greater than 50%), that the tax authority will accept the tax treatment adopted, the pre-tax result and taxes are determined in accordance with the tax treatment applied in the tax return, otherwise the effect of any uncertainty is reflected in the

determination of the pre-tax result. The probability refers to the likelihood that the tax authority will not accept the tax treatment adopted, and not to the likelihood of the assessment.

PENSION FUNDS

Some of the companies of the Group have put in place, pension plans, health insurance plans and other defined benefit plans for their employees, primarily in the United Kingdom and the United States. These funds were closed to new entrants, and therefore the financial and actuarial risk refers only to past obligations. Management, with the assistance of leading actuarial services firms, uses actuarial assumptions to calculate the liabilities and assets servicing these pension plans. The actuarial assumptions of a financial nature concern the discount rate, the inflation rate, and trends in medical care costs. The actuarial assumptions of a demographic nature primarily concern mortality rates. The Group has identified discount rates that it considered balanced, given the context.

PROVISIONS FOR LIABILITIES AND CHARGES

Provisions are recognised for legal and tax risks related to indirect taxes, representing the risk of losing legal cases. The value of the provisions recognised in the financial statements for these risks represents the best estimate made by Management, for potential legal and tax disputes concerning a wide range of issues, which fall under the jurisdiction of various countries.

8. DISPOSALS AND ACQUISITIONS

DISPOSAL OF DÄCKIA AB

On June 18, 2025, the closing was signed for the sale of Däckia AB to CTS, an independent operator specialising in tyre retail and services operating in Northern Europe.

The sale price, which included post-closing adjustments, was euro 22.9 million, while the net assets sold amounted to euro 17.5 million. The net impact of euro 2.3 million recorded in the Income Statement, refers to euro 5.4 million, which is the difference between the sale price and the net assets sold, and to euro -3.1 million in losses from the foreign currency translation into euro of the subsidiary’s financial statements accrued in previous financial years, which were recognised in equity and reclassified to the Income Statement.

Details of the assets and liabilities that were disposed of are listed as financial statement items as per below:

(in thousands of euro)	**Book value at the date of disposal**
Tangible assets	21,930
Intangible assets	9,954
Inventories	16,306
Trade receivables	3,780
Other receivables	2,261
Cash and cash equivalents	4,266
TOTAL ASSETS	**58,497**
Provisions for employee benefit obligations	(2,047)
Trade payables	(11,766)
Borrowings from banks and other financial institutions	(24,165)
Other payables	(1,863)
Deferred tax liabilities	(1,199)
TOTAL LIABILITIES	**(41,039)**
TOTAL NET ASSETS	**17,458**

ACQUISITION OF TELCO S.R.L.

On January 13, 2025, Pirelli acquired a 75% stake for a total of euro 7.2 million in Telco S.r.l., a company in which it already held a 5% stake. Telco specialises in the design and construction of hardware and software systems for industrial automation in the rubber, chemical, pharmaceutical and food sectors. This acquisition will allow Pirelli to accelerate the development of innovative projects in the area of mixing, and to and to directly make use of, as well as co-develop algorithms,

for industrial automation applications. The fair value of the assets and liabilities acquired, is shown in the table below:

(in thousands of euro)	**Fair value recognised at the acquisition date**
Tangible assets	1,262
Intangible assets - Technology	4,138
Inventories	1,804
Receivables	3,283
Cash and cash equivalents	3,332
TOTAL ASSETS	**13,819**
Deferred tax liabilities	(1,152)
Payables	(5,721)
Provisions for employee benefit obligations	(958)
TOTAL LIABILITIES	**(7,831)**
TOTAL NET ASSETS ACQUIRED	**5,988**
- of which attributable to the Group (80%):	*4,791*
Goodwill	2,813
TOTAL PAID	**7,604**

The process of allocating the purchase price paid to the fair value of the net assets acquired (Purchase Price Allocation - PPA), pursuant to the provisions of IFRS 3 (Business Combinations), has been completed. The resulting determination of the goodwill arising from the acquisition is therefore to be considered final.

9. OPERATING SEGMENTS

IFRS 8 - Operating segments, defines an operating segment as a component:

- which involves entrepreneurial activities which generate revenues and costs;
- whose operating results are periodically reviewed by the Chief Executive Officer, in his role as Chief Operating Decision Maker (CODM);
- for which separate Income Statement, Statement of Financial Position and other financial data is available.

For the purposes of IFRS 8, the activities performed by Consumer Activities are identifiable in a single operating segment.

Revenues from **sales and services by destination according to geographical region,** were as follows:

(in thousands of euro)	**2025**	**2024**
Europe	2,623,651	2,643,756
North America	1,783,159	1,706,278
APAC	1,197,378	1,149,044
South America	686,227	798,807
Russia and MEAI	485,742	475,439
Total	**6,776,157**	**6,773,324**

Tangible and intangible assets by geographic region allocated based on the country in which the assets are located, were as follows.

(in thousands of euro)	**12/31/2025**		**12/31/2024**	
Europe	4,955,885	58.89%	5,092,403	59.30%
North America	586,094	6.97%	572,200	6.66%
APAC	409,852	4.87%	475,152	5.53%
South America	461,555	5.49%	457,761	5.33%
Russia and MEAI	120,515	1.43%	103,258	1.20%
Non-current unallocated assets	1,880,250	22.35%	1,886,711	21.98%
Total	**8,414,151**	**100.00%**	**8,587,485**	**100.00%**

The **non-current allocated assets** reported in the preceding table consist of property, plant and equipment and intangible assets, excluding goodwill. The **non-current unallocated assets** are relative to goodwill.

10. PROPERTY, PLANT AND EQUIPMENT

Their composition was as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Total Net Value:	**3,366,385**	**3,427,756**
- Owned tangible assets	2,953,872	2,984,811
- Right of use	412,513	442,945

10.1 OWNED TANGIBLE ASSETS

Their composition and changes were 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	150,509	-	**150,509**	152,576	-	**152,576**
Buildings	943,516	(319,042)	**624,474**	945,388	(293,133)	**652,255**
Plants and machinery	3,471,955	(1,635,660)	**1,836,295**	3,343,289	(1,497,737)	**1,845,552**
Industrial and trade equipment	852,910	(580,502)	**272,408**	784,134	(535,709)	**248,425**
Other assets	154,827	(84,641)	**70,186**	169,483	(83,480)	**86,003**
Total	**5,573,717**	**(2,619,845)**	**2,953,872**	**5,394,870**	**(2,410,059)**	**2,984,811**

NET VALUE (in thousands of euro)	12/31/2024	Hyperinflation Argentina and Turkey	Currency translation differences	Change in consolidation scope	Increases	Decreases	Depreciation	Devaluation	Recl./Other	12/31/2025
Land	**152,576**	336	(2,749)	-	278	-	-	-	68	**150,509**
Buildings	**652,255**	2,657	(17,502)	(334)	23,257	(508)	(35,127)	(224)	-	**624,474**
Plants and machinery	**1,845,552**	16,466	(68,131)	1	265,075	(1,011)	(209,796)	(13,761)	1,900	**1,836,295**
Industrial and trade equipment	**248,425**	5,131	(6,565)	(2,521)	102,203	(492)	(72,315)	(686)	(772)	**272,408**
Other assets	**86,003**	1,915	(4,806)	(391)	3,304	(160)	(12,059)	(64)	(3,556)	**70,186**
Total	**2,984,811**	**26,505**	**(99,753)**	**(3,245)**	**394,117**	**(2,171)**	**(329,297)**	**(14,735)**	**(2,360)**	**2,953,872**

NET VALUE (in thousands of euro)	12/31/2023	Hyperinflation Argentina and Turkey	Currency translation differences	Businnes combination	Increases	Decreases	Depreciation	Reinstatement	Devaluation	Recl./Other	12/31/2024
Land	**150,747**	2,085	(10,127)	3,440	7,081	(653)	-	-	-	3	**152,576**
Buildings	**645,849**	9,263	(29,138)	4,906	60,713	338	(35,625)	-	-	(4,051)	**652,255**
Plants and machinery	**1,873,739**	33,281	(66,451)	1,982	196,410	(3,037)	(204,409)	3,192	(1,756)	12,601	**1,845,552**
Industrial and trade equipment	**226,381**	9,130	(9,898)	-	97,797	(803)	(69,954)	-	(8)	(4,220)	**248,425**
Other assets	**71,862**	6,618	(2,164)	61	25,307	(87)	(13,037)	-	(1)	(2,556)	**86,003**
Total	**2,968,578**	**60,377**	**(117,778)**	**10,389**	**387,308**	**(4,242)**	**(323,025)**	**3,192**	**(1,765)**	**1,777**	**2,984,811**

The item **Hyperinflation Argentina and Turkey** refers to the revaluation of the assets held by the Argentine and Turkish subsidiaries as a consequence of the application of the IAS 29 accounting standard - Financial Reporting in Hyperinflationary Economies, (euro 18,943 thousand for Argentina and euro 7,562 thousand for Turkey). The effect partially balanced the negative **foreign currency translation differences** (euro -35,100 thousand for Argentina and euro -9,193 thousand for Turkey).

Increases, totalling euro 394,117 thousand, were primarily aimed at the High Value segment, at the continuous improvement in the mix and quality in the manufacturing plants, as well as projects for greater energy efficiency and the electrification of the vulcanisation presses.

For 2025, the ratio of investments to depreciation was equal to 1.20 (1.20 for 2024 as well).

The item **devaluation**, totalling euro 14,735 thousand, refers mainly to plants and machinery in operation in the subsidiaries in Brazil (euro 3,972 thousand), Argentina (euro 3,008 thousand), in Germany (euro 3,682 thousand), in China (euro 1,570 thousand), and in Russia (euro 1,498 thousand).

Property, plant and equipment in progress at December 31, 2025, included in the individual fixed asset categories, amounted to euro 262,774 thousand, (euro 247,636 thousand at December 31, 2024). The main projects included under property, plant and equipment in progress relate to High

Value activities, the ongoing technological upgrade of factories and machinery aimed at enhancing safety from an Environmental, Health and Safety (EHS) perspective, and investments in machinery for the development of new product lines as well as for the improvement of existing products. These investments are concentrated in Romania, Germany, Italy, Mexico, the United States and China.

It should be noted that the companies of the Group did not pledge any property, plant and equipment as collateral.

10.2 RIGHT OF USE

The net value of the assets for which the Group has entered into lease contracts, is detailed as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Right of use land	13,221	15,475
Right of use buildings	326,698	348,884
Right of use plants and machinery	13,717	15,020
Right of use other assets	58,877	63,566
Total net right of use	**412,513**	**442,945**

The item **right of use buildings** mainly refers to contracts relative to offices, warehouses and points of sale.

The item **right of use other assets** mainly refers to contracts relative to motor vehicles and transport equipment. These contracts also include a service component (non-lease component).

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

Increases in the right of use for the 2025 financial year, also including remeasurements, amounted to euro 112,903 thousand (euro 118,762 thousand for 2024) and were mainly due to:

- a new lease contract for a warehouse in Campinas, Brazil, for approximately euro 25,139 thousand;
- new contracts and extensions for car and forklift truck hire for euro 20,918 thousand;
- the extension of lease contracts for two warehouses in the US for euro 17,441 thousand;
- new lease contracts for two warehouses in Romania for euro 8,319 thousand;
- contracts for the leasing of plant and machinery in Germany for euro 3,135 thousand, of which euro 1,725 thousand is related to energy projects;

- the extension of a contract for a warehouse in China for euro 2,733 thousand;
- new contracts for guest houses in China for euro 2,596 thousand;
- a new contract for a warehouse in Germany for euro 2,545 thousand;
- new contracts for points of sale and the extension of existing contracts in Brazil for euro 2,168 thousand<
- contracts for the leasing of industrial equipment in Argentina for euro 2,037 thousand;
- a new lease contract for a warehouse in Poland for euro 1,034 thousand.

These increases also included the adjustment for inflation, where contractually provided for.

In 2025, there were no contracts subject to reassessment or significant changes.

The disposal of Däckia AB resulted in a decrease in the net value of the right of use by euro 18,481 thousand.

The **depreciation of the right of use** recognised in the Income Statement and included under the item *"Depreciation, Amortisation and Impairments"* (Note 33), was composed as follows:

(in thousands of euro)	**2025**	**2024**
Land	1,640	1,633
Buildings	81,462	82,192
Plants and machinery	4,818	4,823
Other assets	23,793	23,053
Total depreciation of right of use	**111,714**	**111,701**

For interest on lease liabilities, reference should be made to Note 38, *"Financial Expenses".*

Information on the costs for lease contracts with a duration of less than twelve months, lease contracts for assets with a low unit value, and lease contracts with variable rates, is included in Note 34, *"Other Costs".*

11. INTANGIBLE ASSETS

Their composition and changes were as follows:

NET VALUE (in thousands of euro)	12/31/2024	Currency translation differences	Change in consolidation scope	Increase	Amortisation	Impairment	Recl./Other	12/31/2025
Concessions, licenses and trademarks - finite useful life	**63,818**	(1,338)	-	146	(4,121)	-	213	**58,718**
Pirelli Brand - indefinite useful life	**2,270,000**	-	-	-	-	-	-	**2,270,000**
Goodwill	**1,886,711**	(48)	(6,413)	-	-	-	-	**1,880,250**
Customer relationships	**135,147**	(16)	-	-	(26,748)	(578)	-	**107,805**
Technology	**738,067**	-	4,129	-	(77,623)	-	-	**664,573**
Software applications	**49,748**	(39)	8	21,737	(21,603)	(808)	(34)	**49,009**
Patents and design patent rights	**16,172**	-	-	3,662	(2,505)	-	-	**17,329**
Other intangible assets	**66**	(32)	-	35	-	-	13	**82**
Total	**5,159,729**	**(1,473)**	**(2,276)**	**25,580**	**(132,600)**	**(1,386)**	**192**	**5,047,766**

NET VALUE (in thousands of euro)	12/31/2023	Currency translation differences	Business combination	Increase	Decrease	Amortisation	Impairment	Recl./Other	12/31/2024
Concessions, licenses and trademarks - finite useful life	**64,613**	314	2,118	262	-	(4,064)	-	575	**63,818**
Pirelli Brand - indefinite useful life	**2,270,000**	-	-	-	-	-	-	-	**2,270,000**
Goodwill	**1,884,925**	(1,883)	3,669	-	-	-	-	-	**1,886,711**
Customer relationships	**169,453**	(479)	462	-	-	(34,419)	-	130	**135,147**
Technology	**814,917**	-	-	-	-	(76,850)	-	-	**738,067**
Software applications	**45,020**	(245)	26	23,461	-	(20,246)	(319)	2,051	**49,748**
Patents and design patent rights	**14,455**	-	-	3,874	-	(2,157)	-	-	**16,172**
Other intangible assets	**404**	(50)	-	-	(4)	(258)	(13)	(13)	**66**
Total	**5,263,787**	**(2,343)**	**6,275**	**27,597**	**(4)**	**(137,994)**	**(332)**	**2,743**	**5,159,729**

Intangible assets were composed as follows:

- the Pirelli Brand (indefinite useful life) to the amount of euro 2,270,000 thousand. It should be noted that the valuation of the useful life of trademarks is based on a number of factors, including: the competitive environment, the market share, the history of the Brand, the life cycles of the underlying product, the operational plans, and the macroeconomic environment of the countries in which the related products are sold. Specifically, the useful life of the Pirelli Brand was assessed as indefinite based on its history of one hundred and fifty years of success (established in 1872), and on the intention and ability of the Group to continue investing in order to support and maintain the Brand;

- the Metzeler Brand (useful life of 20 years) to the amount of euro 36,850 thousand which is included under the item "*Concessions, licenses and trademarks - finite useful life";*

- Customer Relationships (useful life of 20 years) which mainly includes the value of commercial relationships for the Replacement channel;

- Technology which mainly includes the value of both product and process technologies as well the value of the *In-Process R&D* (being formed at the time of the acquisition of the Group in 2015 by Marco Polo Industrial Holding S.p.A.) amounted to euro 646,217 thousand and euro 15,000 thousand respectively. The useful life of product and process technology was determined to be 20 years, while the useful life of In-Process R&D was determined to be 10 years;

- Goodwill to the amount of euro 1,880,250 thousand, of which euro 1,868,137 thousand was recognised at the time of the acquisition of the Group in September 2015. The remaining portion refers to the goodwill determined as part of the acquisition of the company JMC Pneus Comércio Importação e Exportação Ltda. which occurred in 2018, and the acquisition of the company

Hevea-Tec Indústria E Comércio Ltda., at the beginning of 2024. The change in the scope of consolidation in 2025 amounted to euro 6,413 thousand, which refers to the balance of the Group's acquisitions and disposals that led to a decrease in goodwill, following the disposal of the subsidiary Däckia AB for euro 9,226 thousand, and an increase in goodwill due to the acquisition of Telco S.r.l. for euro 2,813 thousand.

The increases which totalled euro 25,580 thousand, mainly refers to application software (euro 21,737 thousand), which was mainly carried out to implement the Company's digitisation programme.

IMPAIRMENT TESTING OF GOODWILL

Pursuant to IAS 36, goodwill is not subject to amortisation, but is tested for impairment on an annual basis or more frequently, if specific events or circumstances arise that that might indicate a potential impairment.

Goodwill, which amounted to euro 1,880,250 thousand was allocated to the *"Consumer Activities"* group of CGUs, which represent the sole business segment in which the Group operates, and is considered the lowest level at which goodwill is monitored for internal management control purposes.

The impairment test consists of comparing the recoverable amount for Consumer Activities with their carrying amount, including both their operational assets and goodwill.

The value configuration used to determine the recoverable amount for Consumer Activities at December 31, 2025 is the value in use, which corresponds to the present value of the future financial flows which are expected to be generated by the group of CGUs, using a discount rate that reflects the risks specific to the group of CGUs at the valuation date.

The forecasts are based on the flows of the EBITDA adjusted from the 2026 Management Plan, approved by the Board of Directors of the Parent Company on February 25, 2026, – and subsequently confirmed at the date of this document – which was prepared on the basis of the new market conditions. The figures for 2026 have been revised downward to take into account the consensus estimates of analysts that were updated following the presentation of the Plan, as these constitute external evidence. With reference to 2027, the consensus estimates of analysts were used.

The prospective flows, which reflect the Group's market positioning thanks to its strategy of focusing on High Value, have been sterilised pursuant to IAS 36.44, to exclude cash flows related to expansion investments, restructuring expenses, and related benefits, to which the Company had not yet committed at December 31, 2025.

The flows used for the determination of the recoverable amount, reflect a compound annual growth rate (CAGR) for the revenues of the 2026-2027 two-year period of 1.5%, compared to 2025, and an average EBITDA margin adjusted for the period of 23.1%.

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

The discount rate, defined as the weighted average cost of capital (WACC) net of taxes, applied to the prospective cash flows was equal to 8.00%. The pre-tax rate that equates the value in use, estimated using cash flows net of taxes discounted at the pre-tax WACC, to the value in use, estimated by using pre-tax flows discounted at the pre-tax WACC, was equal to 11.93%. The growth rate of operating cash flows, used to estimate the terminal value ("*g*") was equal to 0.50%. The capitalisation rate for operating cash flows (WACC - g) was therefore equal to 7.50%, consistent with the capitalisation rate of the consensus estimates of analysts.

Based on the results of the tests carried out, no impairment was identified.

The recoverable amount is greater than the carrying amount for Consumer Activities by 20%. In order for the value in use to be equal to the carrying amount, there must be a negative change in the key parameters, in particular:

- an increase in the discount rate of 153 basis points in both the explicit forecast period and terminal value;
- a decrease in the annual growth rate ("*g*") beyond the explicit forecast period equal to a negative -167 basis points;
- a decrease in the average EBITDA margin of 250 basis points in both the explicit forecast period and in the terminal value.

With regard to climate change issues, given that, the Group expects net benefits from operating cash flows in the medium term, based on the internal estimates of the impacts of climate change, these benefits were not included in the flows used for the impairment test. In addition, a stress test was carried out to assess the sustainability of the recoverable amount by using, in the calculation of the terminal value, the most conservative cash flow forecast from analysts as a negative scenario, which is assumed to also incorporate the effects of climate change. The calculation used is based on the assumption that, once the scenario occurs, it will persist over time.

From the above-mentioned calculation, a recoverable amount emerges that is 10% higher than the carrying amount of the Consumer Activities.

For the sake of completeness, it should be noted that at December 31, 2025, the market capitalisation was substantially in line with the Equity of the Parent Company (+1.3%).

IMPAIRMENT TESTING OF THE PIRELLI BRAND (INTANGIBLE ASSET WITH AN INDEFINITE USEFUL LIFE)

The Pirelli Brand, valued at euro 2,270,000 thousand is an intangible asset with an indefinite useful life, and as such is not subject to amortisation, but pursuant to IAS 36, is tested for impairment on an annual basis or more frequently, if specific events or circumstances arise that may indicate a potential impairment.

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

The configuration of the recoverable amount for impairment testing purposes at December 31, 2025, was the fair value calculated using the income approach (the so-called level 3 of the IFRS 13 – Fair Value Measurement hierarchy). The fair value estimate is therefore based on:

- the same flows used for the impairment testing of goodwill, that is, the forecasts made by management based on the flows of the EBITDA adjusted from the 2026 Management Plan, that were adjusted downward, without sterilising the effects of expansion investments, in order to take into account the consensus estimates of analysts that were updated after the presentation of the Plan and the consensus estimates of analysts for 2027;

- a valuation criterion based on the sum of the parts, which also takes into account the contribution of royalties from the Prometeon Tyre Group for the use of the Pirelli Brand in relation to the Industrial segment, as forecast in the management's projections;

- the excess earnings attributable to the Pirelli Brand, derived by deducting the notional royalty fee or the royalty rate of the Group's operating activities unrelated to the Brand, expressed at fair value, from the prospective operating income;

- a discount rate of 9.88%, which includes, in addition to the WACC, a premium determined based on the riskiness of the specific asset and the growth rate (*"g"*) in the terminal value of 0.50%. The pre-tax rate that equates the fair value, estimated using cash flows net of taxes discounted at the net-of-taxes discount rate, to the fair value estimated using pre-tax cash flows discounted at the pre-tax discount rate, was equal to 14.90%.

- the TAB (Tax Amortisation Benefit) that is, the tax benefit that a market participant would receive if they were to acquire the asset separately, due to the possibility of amortising the asset for tax purposes.

For the purposes of impairment testing, the recoverable amount of the Pirelli Brand including the Tax Amortization Benefit (TAB), was compared with its respective carrying amount (including the TAB), and no impairment losses were identified.

The recoverable amount is greater than the carrying amount of the Brand by 17.7%. In order for the fair value to equal the carrying amount, there must be a negative change in the key parameters, and in particular:

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

With regard to the climate change issues, the same stress test for goodwill was also carried out for the Brand, and from which emerged a recoverable amount that was higher than the carrying amount of the Pirelli Brand by 4.5%.

12. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The changes in investments in associates and joint ventures were as follows:

(in thousands of euro)	12/31/2025			12/31/2024		
	Associates	**JV**	**Total**	**Associates**	**JV**	**Total**
Opening balance	**1,113**	**119,677**	**120,790**	**7,469**	**78,928**	**86,397**
Decreases	-	-	-	(5,201)	-	(5,201)
Increases	500	20,534	21,034	-	12,071	12,071
Distribution of dividends	(157)	-	(157)	(2,974)	-	(2,974)
Share of net income / (loss)	215	15,876	16,091	1,818	25,638	27,456
Share of other components recognised in Equity	-	(16,361)	(16,361)	-	3,040	3,040
Other	-	-	-	1	-	1
Closing balance	**1,671**	**139,726**	**141,397**	**1,113**	**119,677**	**120,790**

12.1 INVESTMENTS IN ASSOCIATES

The details were as follows:

(in thousands of euro)	**12/31/2024**	**Increases**	**Distribution of dividends**	**Share of net income / (loss)**	**12/31/2025**
Eurostazioni S.p.A.	**39**	-	-	-	**39**
Investments in other associates	**1,074**	500	(157)	215	**1,632**
Total	**1,113**	**500**	**(157)**	**215**	**1,671**

Investments in associates accounted for using the equity method are not material in terms of their impact on the total consolidated assets, either individually or in aggregate form.

12.2 INVESTMENTS IN JOINT VENTURES

The details were as follows:

(in thousands of euro)	12/31/2024	Increases	Share of net income / (loss)	Share of other components recognised in Equity	12/31/2025
Xushen Tyre (Shanghai) Co., Ltd.	**93,746**	-	17,735	(9,380)	**102,101**
PT Evoluzione Tyres	**15,678**	-	1,581	(2,611)	**14,648**
Middle East and North Africa Tyre Company	**10,253**	20,534	(3,440)	(4,370)	**22,977**
Total	**119,677**	**20,534**	**15,876**	**(16,361)**	**139,726**

The Group holds:

- a 49% stake in the company, the Xushen Tyre (Shanghai) Co., Ltd., a joint venture which, through the company, the Jining Shenzhou Tyre Co., Ltd. owns a Consumer tyre manufacturing plant in China. The plant provides the necessary flexibility for High Value production, given the evolution of the Chinese market, the expected developments in electric vehicles and the increasing share of homologations obtained for Original Equipment in China and Korea. As announced on August 1, 2018, the joint venture agreement relative to the Xushen Tyre (Shanghai) Co., Ltd. provides for a for a Call Option in favour of Pirelli Tyre S.p.A., exercisable from January 1, 2021 until March 31, 2026, which - if exercised - would allow Pirelli Tyre S.p.A. to increase its stake in the company to up to 70%. Pirelli Tyre S.p.A. has notified the shareholders of the Xushen Tyre (Shanghai) Co., Ltd. of its intention to not exercise the option until December 31, 2025, without prejudice to the right to exercise the option thereafter, and in any case, by March 31, 2026. For further information regarding the exercise of the Call Option, reference should be made the section *"Significant Events Subsequent to the End of the Financial Year"*;

- a 63.04% stake of in PT Evoluzione Tyres, an entity which operates in Indonesia and is active in the production of tyres for motorcycles. Even though the company is 63.04% owned, due to the contractual agreements between the Shareholders, it falls under the definition of a joint venture, in that the governance rules explicitly provide for the unanimous approval of decisions regarding significant business activities;

- a 25% investment stake in the Middle East and North Africa Tyre Company, with the remaining 75% owned by Saudi Arabia's Public Investment Fund (PIF). Even though the company is 25% owned, due to the contractual agreements between the Shareholders, it falls under the definition of a joint venture, in that the governance rules explicitly provide for the unanimous consent of decisions regarding significant business activities. The joint venture, which includes the construction of a manufacturing plant, will produce high quality car tyres under the Pirelli brand, and will produce and market the tyres under a new local brand for the national and

regional market. During the course of 2025, share capital increases amounting to euro 20,534 thousand were finalised.

Investments in joint ventures were not material in terms of their impact on the consolidated total assets, either individually or in aggregate form.

13. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Other financial assets at fair value through Other Comprehensive Income amounted to euro 37,599 thousand at December 31, 2025 (euro 63,294 thousand at December 31, 2024). Movements were as follows:

(in thousands of euro)	
Opening balance at 01/01/2025	**63,294**
Translation differences	(10)
Increases	1,305
Decreases	(13,481)
Fair Value adjustment through Other Comprehensive Income	(13,059)
Other	(450)
Closing balance 12/31/2025	**37,599**

The composition of the item by individual security is as follows:

(in thousands of euro)		12/31/2025	12/31/2024
Listed securities			
RCS MediaGroup S.p.A.		24,325	21,929
	Total	**24,325**	**21,929**
Unlisted securities			
Fin. Priv. S.r.l.		-	29,297
Istituto Europeo di Oncologia S.r.l.		8,906	8,580
Tlcom I LP		189	199
Telco S.r.l.		-	450
Other companies		4,179	2,839
	Total	**13,274**	**41,365**
Total other financial assets at Fair Value through Other Comprehensive Income		**37,599**	**63,294**

The **decreases** which amounted to euro 13,481 thousand, mainly refer to the repayment of share capital and capital reserves following the distribution plan relating to Fin. Priv. S.r.l., which was placed in liquidation in October 2025. The company was placed in liquidation following the sale on

the market of the entire investment held in Mediobanca S.p.A., equal to 14,340,218 shares (approximately 1.76% of the share capital).

The **fair value adjustments through Other Comprehensive Income** equalled a negative net amount of euro 13,059 thousand, and refer mainly to the RCS MediaGroup S.p.A. (positive to the amount of euro 2,395 thousand) and Fin. Priv. S.r.l. (negative to the amount of euro 15,826 thousand).

For listed securities, the fair value corresponds to the stock market price at December 31, 2025. For unlisted securities, the fair value was determined on the basis of the data from the latest available financial statements.

14. DEFERRED TAX ASSETS AND LIABILITIES

Their composition is as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Deferred tax assets	210,490	228,740
Deferred tax liabilities	(956,063)	(990,250)
Total	**(745,574)**	**(761,510)**

Deferred tax assets and deferred tax liabilities are offset when the deferred taxes refer to the same legal entity and the same taxation authority.

The item **deferred tax liabilities** refers mainly to the difference between the tax value and the carrying amount of assets identified at the date of acquisition of the Pirelli Group by Marco Polo Industrial Holding S.p.A., recorded in the Consolidated Financial Statements following the merger by incorporation of the Parent company, Marco Polo Industrial Holding S.p.A. into Pirelli, which took place during the course of 2016.

Their composition of deferred taxes gross of the offsets carried out, was as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Deferred tax assets	**397,297**	**447,653**
- of which within 12 months	181,357	223,268
- of which beyond 12 months	215,941	224,385
Deferred tax liabilities	**(1,142,871)**	**(1,209,163)**
- of which within 12 months	(220,292)	(209,360)
- of which beyond 12 months	(922,579)	(999,803)
Total	**(745,574)**	**(761,510)**

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

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Deferred tax assets		
Provisions for liabilities and charges	71,079	64,725
Property, plant and equipment	13,921	10,968
Financial assets	1,096	-
Leases	35,212	52,529
Provision for employee benefit obligations	56,857	59,015
Inventories	61,230	61,215
Tax losses carried forward	107,173	130,396
Trade receivables and other receivables	47,222	36,980
Trade payables and other payables	2,926	10,891
Other	582	20,934
Total	**397,297**	**447,653**
Deferred tax liabilities		
Intangible assets	(841,056)	(871,193)
Property, plant and equipment	(139,308)	(150,802)
Leases	(43,835)	(50,005)
Provision for employee benefit obligations	(40,259)	(47,481)
Derivatives	(594)	(3,575)
Other	(77,819)	(86,107)
Total	**(1,142,871)**	**(1,209,163)**

The item ***"Other"*** related to **deferred tax liabilities**, mainly includes deferred tax liabilities recorded on the undistributed gains of the subsidiaries for which distribution in future financial years is probable (euro 59,185 thousand).

The tax effect of gains and losses recognised directly in equity was positive to the amount of euro 3,080 thousand (euro 13,224 thousand for 2024), and is reported in the Statement of Comprehensive Income. These changes were mainly due to tax effects connected to actuarial gains/losses on employee benefits, and to the fair value adjustment of cash flow hedge derivatives.

At December 31, 2025 the value of unrecognised deferred tax assets on tax losses amounted to euro 108,844 thousand, while those related to temporary differences amounted to euro 42,151 thousand. This last item mainly includes deferred tax assets not recognised on the interest expenses of the company Pirelli & C. S.p.A. to the amount of euro 25,856 thousand.

Deferred tax assets were not recognised, in that no taxable income was expected in order to justify their recoverability.

The amounts for tax losses according to their expiry date, for which no deferred tax assets were recognised, are shown below:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Year of expiry		
2027	46	40
2028	243	211
2029	44,605	20
2030	11,261	4
With no expiry date	375,155	355,842
Total	**431,310**	**356,117**

In details, the tax losses relate to the following subsidiaries:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Company of origin		
Pirelli UK Ltd.	130,911	137,765
Pirelli Pneus Ltda.	71,020	17,697
Comercial e Importadora de Pneus Ltda.	67,496	48,075
Pirelli Neumaticos S.A.I.C.	55,838	-
Pirelli Neumaticos S.A. - Sociedad Unipersonal	36,026	37,459
Pirelli Latam Participaçoes Ltda.	35,581	27,188
Pirelli China Tyre N.V.	17,033	17,033
Pirelli Ltda.	6,232	6,261
HB Servizi S.r.l.	4,871	5,062
Comércio e Importação Multimarcas de Pneus Ltda.	3,036	3,046
Pirelli Comercial de Pneus Brasil Ltda.	2,268	56,027
Other	997	504
Total	**431,310**	**356,117**

15. TRADE RECEIVABLES

Trade receivables were as follows:

(in thousands of euro)	**12/31/2025**			**12/31/2024**		
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Trade receivables	691,555	-	691,555	696,198	-	696,198
Bad debt provision	(63,007)	-	(63,007)	(73,283)	-	(73,283)
Total	**628,548**	**-**	**628,548**	**622,915**	**-**	**622,915**

The gross value of trade receivables amounted to euro 691,555 thousand (euro 696,198 thousand at December 31, 2024). At the reporting date, receivables which were past due by more than 30 days gross of credit notes to be issued and net of credit enhancement instruments, amounted to 17% of the total exposure (14% at December 31, 2024).

Receivables which were past due and not yet due were evaluated in accordance to the Group's policy described in the section on the adopted accounting standards.

The impaired receivables include both significant individual positions subject to individual impairment and positions with similar credit risk characteristics which were grouped and impaired on a collective basis. The calculation of the impairment is based on (i) a matrix which includes the credit ratings of customers, provided by independent market assessors and on (ii) the value of receivables, which takes the related collateral and insurance coverage into account. The credit ratings of customers takes into account, among other factors, the effects of exogenous risks, which could include, if the customers are exposed thereto in the specific markets in which they operate, risks related to climate change, which determine the probability of default used in the calculation, and impact the levels of credit limits granted by the insurance company to each counterparty.

The **changes in the bad debt provision** were as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Opening balance	**73,283**	**71,000**
Translation differences	(1,718)	(3,220)
Accruals	7,148	20,075
Decreases	(3,942)	(4,731)
Releases	(11,764)	(9,841)
Closing balance	**63,007**	**73,283**

Accruals to the bad debt provision are recognised net of releases, in the Income Statement under *"Net Impairment of Financial Assets"*, (Note 35).

The carrying amount of trade receivables is considered to approximate their fair value.

Of the trade receivables that were fully impaired and subject to legal action, it is estimated that an amount not exceeding 10% of their gross value could be recovered.

16. OTHER RECEIVABLES

Other receivables were as follows:

(in thousands of euro)	**12/31/2025**			**12/31/2024**		
	Total	**Non-current**	**Current**	**Total**	**Non-current**	**Current**
Financial receivables	256,800	127,930	128,870	225,955	112,600	113,355
Trade accruals and deferrals	40,998	5,351	35,647	41,531	6,251	35,280
Receivables from employees	5,307	577	4,730	6,244	589	5,655
Receivables from social security and welfare institutions	706	-	706	941	-	941
Receivables from tax authorities not related to income taxes	318,736	152,916	165,820	388,198	161,203	226,995
Other receivables	92,317	43,459	48,858	99,529	37,195	62,334
	714,864	**330,233**	**384,631**	**762,398**	**317,838**	**444,560**
Bad debt provision for other receivables and financial receivables	(8,721)	(8,229)	(492)	(8,862)	(8,312)	(550)
Total	**706,143**	**322,004**	**384,139**	**753,536**	**309,526**	**444,010**

Financial receivables non-current (euro 127,930 thousand) refers mainly to euro 59,939 thousand, the sum deposited as guarantees for tax and legal disputes in relation to the subsidiary Pirelli Pneus Ltda. (Brazil) to euro 15,307 thousand, the sum deposited in escrow accounts in favour

of the pension funds of Pirelli UK Ltd., to euro 17,544 thousand in contributions paid in cash at the time of signing an association in participation contract, to euro 7,031 thousand for a loan disbursed in favour of the Indonesian joint venture PT Evoluzione Tyres and to euro 12,109 thousand for a loan granted to the joint venture, the Jining Shenzhou Tyre Co., Ltd.

Financial receivables current (euro 128,870 thousand) refers mainly to euro 85,628 thousand for the short-term portion of loans disbursed to the joint venture, the Jining Shenzhou Tyre Co., Ltd., for which there was no significant increase in credit risk compared to the disbursement date.

The item **bad debt provision for other receivables and financial receivables** (euro 8,721 thousand) mainly includes euro 8,287 thousand related to the impairment of financial receivables.

The item **receivables from tax authorities not related to income taxes** (euro 318,736 thousand compared to euro 388,198 thousand for at December 31, 2024) is mainly comprised of receivables for IVA (value added tax) and other indirect taxes whose recoverability is expected in future financial years.

Other receivables non-current (euro 43,459 thousand) refers mainly to amounts deposited as guarantees for legal and tax disputes for the Brazilian companies (euro 39,806 thousand).

Other receivables current (euro 48,858 thousand) includes:

- advances to suppliers amounting to euro 14,212 thousand;
- receivables from associates and joint ventures to the amount of euro 10,649 thousand, mainly for royalties and the sale of materials and moulds;
- receivables to the amount of euro 4,447 thousand in yet to be collected state grants.
- receivables from the Prometeon Group to the amount of euro 3,256 thousand mainly for royalties;
- receivables for insurance reimbursements and other indemnities to the amount of euro 2,054 thousand.

For other receivables current and non-current, the carrying amount is considered to approximate their fair value.

17. TAX RECEIVABLES

Tax receivables refers to income taxes which amounted to euro 42,922 thousand (of which euro 7,835 thousand was non-current), compared to euro 46,962 thousand at December 31, 2024 (of which euro 9,973 thousand was non-current).

18. INVENTORIES

Inventories were as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Raw and auxiliary materials and consumables	218,490	217,797
Sundry materials	21,840	23,750
Unfinished and semi-finished products	99,204	100,285
Finished products	1,116,003	1,125,814
Advances to suppliers	9	61
Total	**1,455,546**	**1,467,707**

The impairment loss on inventories, expressed net of reversals, amounted to euro 13,763 thousand (an impairment loss of euro 17,826 thousand in 2024).

Inventories were not subject to any guarantee restrictions.

19. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH THE INCOME STATEMENT

Other financial assets at fair value through the Income Statement, amounted to euro 79,904 thousand at December 31, 2025, compared to euro 165,965 thousand at December 31, 2024. These are financial assets designated as such at the time of their initial recognition.

The amount at December 31, 2025 included euro 56,896 thousand (euro 147,079 thousand at December 31, 2024), relative to investments made by the Argentine subsidiary in listed dollar-linked bond instruments, to mitigate the effects of depreciation on the local currency. The decrease compared with the amount as at December 31, 2024 was mainly due to the divestment carried out during the year for approximately euro 63.6 million, which was utilised by the Argentine subsidiary for the payment of trade payables and other pre-existing intragroup and third-party supplier payables.

For unlisted securities, the fair value was determined by using valuation techniques that are widely used in the financial industry and which maximise the use of observable market data.

Changes in the fair value for the period were recognised in the Income Statement under *"Financial Income"*, (Note 37).

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents went from euro 1,502,741 thousand at December 31, 2024 to euro 1,525,886 thousand at December 31, 2025, and refers to current bank account balances and

short-term bank deposits, in any case, readily convertible into cash amounts without any risk of a change in value.

Details of the change in the balance are provided in the Consolidated Statement of Cash Flows.

They are concentrated in the treasury centres of the Group, and in companies that generate liquidity and use it locally. They are essentially invested, in accordance with risk diversification principles and in compliance with minimum rating levels, on the deposits market with short-term maturities with banking counter-parties at interest rates that are aligned with the prevailing market conditions. The credit risk associated with cash and cash equivalents is considered to be limited as the counter-parties are represented by leading national and international banking institutions.

For the purposes of the Statement of Cash Flow, the balance of cash and cash equivalents was recorded net of bank overdrafts, in the amount of euro 1,817 thousand at December 31, 2025 (euro 1,467 thousand at December 31, 2024).

21. EQUITY

21.1 ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY

Equity attributable to the Owners of the Parent Company went from euro 5,756,071 thousand at December 31, 2024 to euro 6,277,848 thousand at December 31, 2025.

The subscribed and paid-up **share capital** at December 31, 2025 amounted to euro 2,065,651 thousand and was represented by 1,084,881,933 registered ordinary shares without indication of their nominal value. The increase compared to December 31, 2024, of euro 161,276 thousand is due to the exercise in December 2025 of the conversion option by the holders of the *"EUR 500 million Senior Unsecured Guaranteed Equity-linked Bond due 2025,"* which had been admitted to trading on the *"Vienna MTF"* of the Vienna Stock Exchange.

The **translation reserve**, generated by the conversion into euro of the financial statements of subsidiaries with a functional currency other than the euro, was negative to the amount of euro 1,100,630 thousand as of December 31, 2025. Movements for the financial year included a negative change of euro 265,631 thousand, mainly attributable to the subsidiaries in Argentina, the United States, and China.

Other reserves with changes in the Statement of Comprehensive Income went from a negative euro 54,438 thousand at December 31, 2024, to a negative euro 75,205 thousand at December 31, 2025, prevalently due to the negative effect of financial assets at fair value through Other Comprehensive Income (euro 12,059 thousand), of actuarial losses on pension funds (euro 5,241 thousand), and of the cash flow hedge reserve (euro 6,547 thousand), which was partially offset by the tax effect related to the actuarial losses on pension funds (positive to the amount of euro 3,080 thousand).

Other reserves/retained earnings went from euro 4,741,133 thousand at December 31, 2024, to euro 5,388,032 thousand at December 31, 2025, essentially due to the net income/(loss) for the financial year (positive to the amount of euro 497,527 thousand), to the impact of the conversion of the convertible bond (positive to the amount of euro 335,224 thousand), to hyperinflation in Argentina and Turkey (a positive change of euro 53,113 thousand and euro 13,082 thousand, respectively, offset by a negative translation reserve of euro 101,528 thousand and euro 12,025 thousand, respectively), and to dividends approved (negative to the amount of euro 250,360 thousand).

21.2 ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Equity attributable to Non-Controlling Interests went from euro 156,183 thousand at December 31, 2024 to euro 178,889 thousand at December 31, 2025, an increase due to the positive change attributable to the results for the financial year of euro 33,169 thousand, net of losses from foreign currency translation differences of euro 3,112 thousand and dividends approved paid to minority shareholders to the amount of euro 8,736 thousand.

22. PROVISIONS FOR LIABILITIES AND CHARGES

Movements in the non-current portion of provisions that occurred during the period are shown below:

PROVISIONS FOR LIABILITIES AND CHARGES - NON-CURRENT PORTION *(in thousands of euro)*	**12/31/2024**	**Currency translation differences**	**Increases**	**Uses**	**Releases**	**Reclass.**	**12/31/2025**
Provision for labour disputes	14,923	(832)	10,373	(6,044)	(2,477)	-	15,943
Provision for tax risks not related to income taxes	2,580	(22)	25	1	(30)	-	2,554
Provision for environmental risks	33,956	83	1,131	(3,170)	(5,369)	(7,036)	19,595
Provision for other risks and expenses	49,664	(508)	11,050	(5,759)	(2,277)	(5,439)	46,731
Total	**101,123**	**(1,279)**	**22,579**	**(14,972)**	**(10,153)**	**(12,475)**	**84,823**

Increases mainly refer to accruals to the provisions for labour disputes particularly for the Brazilian subsidiaries to the amount of euro 9,336 thousand. With regard to other risks and expenses, the increase for the period mainly refers to the STI (Short Term Incentive) and LTI (2024-2026 and 2025-2027 Long Term Incentive) Plans for the Directors participating in the plan.

Uses were mainly attributable to labour disputes for the settlement of ongoing litigation. With regard to other risks and expenses, the use resulted from the partial liquidation of the end-of-term indemnity provision disbursed to Directors.

The **releases** refer mainly to environmental risks following the conclusion of settlement agreements by the Parent Company, Pirelli & C. S.p.A.

Reclassifications relative to other risks and expenses, refer mainly to the reclassification, from non-current provisions to other payables, of the portions of the 2023-2025 LTI and STI Plan accrued in previous years, which will be settled (paid out) during the first half-year of 2026.

Movements in the current portion of provisions that occurred during the period, are shown below:

PROVISIONS FOR LIABILITIES AND CHARGES - CURRENT PORTION *(in thousands of euro)*	**12/31/2024**	**Currency translation differences**	**Increases**	**Uses**	**Releases**	**Reclass.**	**12/31/2025**
Provision for labour disputes	209	(29)	227	(100)	(16)	-	291
Provision for tax risks not related to income taxes	3,603	56	2,536	-	(2,183)	-	4,012
Provision for environmental risks	2,050	(139)	-	(472)	-	5,623	7,062
Provision for product claims and warranties	11,992	(1,235)	2,659	(381)	(1,201)	-	11,834
Provision for other risks and expenses	13,509	(54)	18,493	(7,122)	(744)	-	24,082
Total	**31,363**	**(1,401)**	**23,915**	**(8,075)**	**(4,144)**	**5,623**	**47,281**

Increases for other risks include charges related to the purchase of greenhouse gas emission allowances, in line with the provisions of the European Emission Trading Schemes to the amount of euro 6,375 thousand, as well as commercial risks and to insurance risks.

Uses refer mainly to greenhouse gas emission allowances, consistent with the European Emission Trading Schemes, to the amount of euro 5,536 thousand and to insurance risks.

23. PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS AND OTHER ASSETS

PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS AND OTHER ASSETS – NON-CURRENT PORTION

The item is composed as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Pension funds in surplus	85,048	93,838
Total other assets	**85,048**	**93,838**
Pension funds in deficit	54,294	63,577
Employees' leaving indemnities (TFR - Italian companies)	21,388	20,978
Healthcare plans	9,810	11,434
Other benefits	86,347	88,051
Total provisions for employee benefit obligations	**171,839**	**184,040**

PENSION FUNDS

The following table shows the **composition of pension funds at December 31, 2025:**

(in thousands of euro)	12/31/2025						
	Germany	Total unfunded pension funds	USA	UK	Switzerland	Total funded pension funds	Total
Present value of liabilities	54,084	**54,084**	63,024	643,958	34,440	**741,422**	**795,506**
Fair value of plan assets			(64,364)	(727,666)	(34,230)	**(826,260)**	**(826,260)**
Total Assets in surplus			(1,340)	(83,708)		**(85,048)**	**(85,048)**
Total Liabilities in deficit	54,084	**54,084**			210	**210**	**54,294**
Total pension funds							**(30,754)**

The following table shows the **composition of pension funds at December 31, 2024:**

(in thousands of euro)	12/31/2024							
	Germany	Sweden	Total unfunded pension funds	USA	UK	Switzerland	Total funded pension funds	Total
Present value of liabilities	59,483	2,068	**61,551**	75,160	685,282	34,084	**794,526**	**856,077**
Fair value of plan assets				(76,571)	(777,709)	(32,058)	**(886,338)**	**(886,338)**
Total Assets in surplus				(1,411)	(92,427)		**(93,838)**	**(93,838)**
Total Liabilities in deficit	59,483	2,068	**61,551**			2,026	**2,026**	**63,577**
Total pension funds								**(30,261)**

The characteristics of the main pension funds in place at December 31, 2025 were as follows:

- **Germany**: this is an unfunded defined benefits plan based on final salary. This fund guarantees a pension in addition to the state pension. The plan was closed in October 1982. Consequently, the participants of this plan are employees who were hired prior to that date;

- **USA**: this is a funded defined benefits plan based on final salary, and is administered through a Trust. This fund guarantees a pension in addition to the state pension. The plan was closed in 2001 and frozen in 2003 for those employees who transferred to a defined contribution scheme. All the participants of the plan are non-active;

- **UK**: these are funded defined benefits plans based on salary trends. These funds guarantee a pension in addition to the state pension and are administered through Trusts. The plans, managed by the subsidiary Pirelli Tyres Ltd. were closed in 2001 to new entrants and frozen during the course of 2010 for employees hired prior to 2001, who were then offered a transfer to defined contribution schemes. The plan, managed by the subsidiary Pirelli UK Ltd., and which includes employees from the Cables and Systems division sold in 2005, had already been frozen in 2005 at the date of the disposal. The surplus, recognised at December 31, 2025, relative to provisions still outstanding was equal to the recoverable amount, assuming the gradual extinguishing of the plan liabilities over time. All the participants of the plan are non-active;

- **Switzerland**: these are funded defined benefit plans that guarantee a pension in addition to the state pension and are open to new employees. The pension is based on contributions paid.

Movements for 2025 in the defined benefits pension funds (refers to funded and unfunded pension funds), were as follows:

(in thousands of euro)	Present value of gross liabilities	Fair value of plan assets	Total
Opening balance at January 1, 2025	856,077	(886,338)	(30,261)
Currency translation differences	(42,176)	46,877	4,701
Movements through Income Statement:			
- current service costs	1,092	-	1,092
- past service costs	(117)	-	(117)
- interest expense / (income)	41,567	(44,674)	(3,107)
	42,542	**(44,674)**	**(2,132)**
Remeasurements recognised in equity:			
- actuarial (gains) / losses from changes in demographic assumptions	(2,206)	-	(2,206)
- actuarial (gains) / losses from changes in financial assumptions	(621)	-	(621)
- experience adjustment (gains) / losses	3,086	-	3,086
- (positive)/negative return on plan assets, net of interest income	-	5,898	5,898
	259	**5,898**	**6,157**
Employer contributions	-	(5,560)	(5,560)
Employee contributions	599	(599)	-
Benefits paid	(59,727)	54,641	(5,086)
Change in Scope of Consolidation	(2,068)	-	(2,068)
Other	-	3,495	3,495
Closing balance at December 31, 2025	**795,506**	**(826,260)**	**(30,754)**

Movements for 2024 in the defined benefits pension funds (refers to funded and unfunded pension funds), were as follows:

(in thousands of euro)	Present value of gross liabilities	Fair value of plan assets	Total
Opening balance at January 1, 2024	897,397	(944,737)	(47,340)
Currency translation differences	37,192	(42,351)	(5,159)
Movements through Income Statement:			
- current service costs	1,033	-	1,033
- past service costs	3,282	-	3,282
- interest expense / (income)	40,731	(44,622)	(3,891)
	45,046	**(44,622)**	**424**
Remeasurements recognised in equity:			
- actuarial (gains) / losses from changes in demographic assumptions	(2,381)	-	(2,381)
- actuarial (gains) / losses from changes in financial assumptions	(57,737)	-	(57,737)
- experience adjustment (gains) / losses	(238)	-	(238)
- (positive)/negative return on plan assets, net of interest income	-	96,322	96,322
	(60,356)	**96,322**	**35,966**
Employer contributions	-	(14,057)	(14,057)
Employee contributions	588	(588)	-
Benefits paid	(63,790)	58,507	(5,283)
Other	-	5,188	5,188
Closing balance at December 31, 2024	**856,077**	**(886,338)**	**(30,261)**

Current and past service costs are included under *"Personnel Expenses"* (Note 32), and net interest payables are included under *"Financial Expenses"* (Note 38).

The contributions which are expected to be paid into unfunded pension funds during the 2026 financial year amount to euro 5,137 thousand, while for funded pension funds the amount expected is euro 3,231 thousand.

The following table shows the **composition of funded pension fund assets:**

(in thousand of euro)	12/31/2025				12/31/2024			
	listed	**unlisted**	**total**	**%**	**listed**	**unlisted**	**total**	**%**
Shares	18,715	48,354	67,069	8.1%	18,949	59,564	78,513	8.9%
Bonds	341,079	64,443	405,522	49.1%	446,527	3,685	450,212	50.8%
Insurance policies	-	3,680	3,680	0.4%	-	3,447	3,447	0.4%
Deposits	30,230	13,085	43,315	5.2%	51,967	5,812	57,779	6.5%
Balanced funds	-	234,074	234,074	28.3%	-	136,399	136,399	15.4%
Real Estate	10,237	34,921	45,158	5.5%	9,576	42,601	52,177	5.9%
Derivatives	-	26,008	26,008	3.1%	130,119	(23,594)	106,525	12.0%
Other	1,434	-	1,434	0.3%	1,288	-	1,288	0.1%
Total	**401,695**	**424,565**	**826,260**	**100.0%**	**658,426**	**227,914**	**886,340**	**100.0%**

The main risks to which the Group is exposed in relation to the pension funds are detailed as follows:

- volatility of the pension fund assets: in order to be able to balance liabilities, the investment strategy cannot limit its horizons exclusively to risk free assets. This implies that some investments, such as listed securities represent high volatility in the short-term, and this exposes the plans to the risk of short-term declines in asset values and consequently increased imbalances. However, this risk is mitigated by diversifying investments into numerous investment classes, through different investment managers, different investment styles and with exposures to multiple factors which are not perfectly correlated to each other. Moreover, the investments are continuously revised in response to market conditions, and adjusted in order to maintain the overall risk at appropriate levels;

- changes in bond yields and in expected inflation: expectations of falling bond yields and/or rising inflation lead to an increase in the value of liabilities. The plans reduce this risk through investments in liability hedging assets. In the UK, the protection provided by a portfolio of this type has been built up over recent years and, since the second quarter of 2014, has reached a coverage level of approximately 100% of the liabilities covered by assets;

- life expectancy: the increase in life expectancy leads to an increase in the value of the liabilities for defined benefit plans. The UK plans completed a process during the course of 2016 that allowed them, through so-called longevity swaps which were entered into with a pool of insurers, to cover approximately 100% of this risk. However, prudent assumptions are still used to assess residual risks and the adequacy of these assumptions is reviewed periodically.

In the UK the management of the plan assets has been delegated, under the supervision and within a precise mandate assigned by the Trustees, to a Fiduciary Manager who operates in accordance with a Liability Driven Investment (LDI) model, that is, using the liabilities as the benchmark, so as to be able to minimise the volatility (and therefore the risk) of the deficit, which has in fact been

reduced by more than one third compared to the levels which existed prior to its introduction (at the beginning of 2011).

The key parameters of this mandate may be summarised as follows:

- a mix of assets that is managed dynamically over time rather than a fixed strategic allocation;
- hedged coverage of approximately 100%-115% (of the asset value) of the risk associated with interest rates and inflation - expressed as a percentage of the asset value - through the use of debt instruments (government securities) and derivatives;
- the management of exchange rate risk, with the objective of hedging at least 70% of the exposure to the foreign currencies in the portfolio, through the use of forward contracts.

In the UK, the funding arrangements and funding policies are reviewed every three years. The last review was completed in June 2024, and the next one will begin in April 2026. In the United States funding assessments are carried out on an annual basis.

In June 2023, the High Court of the United Kingdom, with the Virgin Media Limited vs NTL Pension Trustees II Limited and others judgment, and subsequently the Court of Appeal with the decision of July 25, 2024, established that certain amendments to the regulations for contracted-out UK pension funds introduced between April 6, 1997 and April 5, 2016 could be void if, at the time of their adoption, the actuarial confirmation required by the Pension Scheme Act 1993 had not been obtained.

In June 2025, the Government announced its intention to introduce new legislation, the 2025 Pension Schemes Bill, which would allow the pension schemes concerned to retrospectively obtain an actuarial confirmation certifying the compliance of the historical amendments with the prescribed standards. The bill is currently awaiting final approval, which is expected in spring 2026.

The Trustees of the UK pension fund have reviewed the matter with their legal advisors.

To date, the Group has no reason to believe that the amendments made to the plans during the 1997-2016 period did not receive or are not able to receive the appropriate actuarial certification, although a detailed analysis has not been carried out (an approach followed by the majority of the sponsors of pension funds in the UK). Therefore, the Group don’t have deemed it appropriate to reflect additional contingent liabilities in relation to pension funds.

EMPLOYEES' LEAVING INDEMNITIES (TFR)

Movements for the year in the Provision for employees' leaving indemnities were as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Opening balance	**20,978**	**19,830**
Movements through Income Statement:		
- current service cost	270	155
- interest expense	767	769
Remeasurements recognised in equity:		
- actuarial (gains) / losses arising from changes in demographic assumptions	225	-
- actuarial (gains) / losses from changes in financial assumptions	(366)	231
- effect of experience adjustments	108	1,281
Liquidation/advances	(1,168)	(1,140)
Change in Scope of Consolidation	796	-
Other	(221)	(148)
Closing balance	**21,388**	**20,978**

The current service cost, for services rendered by employees, is included under *"Personnel Expenses"* (Note 32) and interest payables are included under *"Financial Expenses"* (Note 38).

HEALTHCARE PLANS

This item refers exclusively to the healthcare plan in place in the United States.

(in thousands of euro)	**USA**
Liabilities recognised in the Financial Statements at 12/31/2025	9,810
Liabilities recognised in the Financial Statements at 12/31/2024	11,434

Movements for the period were as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Opening balance	**11,434**	**12,079**
Translation differences	(1,312)	712
Movements through Income Statement:		
- current service cost	1	1
- interest expense	532	544
Remeasurements recognised in equity:		
- actuarial / (gains) losses from changes in financial assumptions	274	1
- effect of experience adjustments	(342)	(904)
Contributions/benefits paid	(777)	(999)
Closing balance	**9,810**	**11,434**

The service cost is included under *"Personnel Expenses"* (Note 32), and interest payables are included under *"Financial Expenses"* (Note 38).

The contributions which are expected to be paid into the healthcare plan during the 2026 financial year, amount to euro 1,190 thousand.

ADDITIONAL INFORMATION ON POST-EMPLOYMENT BENEFITS

Net actuarial losses accrued during 2025 and recorded directly in Other Comprehensive Income amounted to euro 5,398 thousand, (net actuarial losses for 2024 had amounted to euro 38,637 thousand).

The main actuarial assumptions used at **December 31, 2025** were the following:

	Italy	Germany	UK	USA	Switzerland
Discount rate	3.60%	3.85%	5.50%	4.85%	1.30%
Inflation rate	1.90%	2.25%	3.18%	N/A	0.75%

The main actuarial assumptions used at **December 31, 2024** were the following:

	Italy	Germany	Sweden	UK	USA	Switzerland
Discount rate	3.25%	3.35%	3.40%	5.60%	5.30%	0.95%
Inflation rate	2.00%	2.00%	1.80%	3.37%	N/A	0.75%

The following table presents an analysis of the payment deadlines relative to post-employment benefits:

(in thousands of euro)	within 1 year	1 to 2 years	3 to 5 years	6 to 10 years	Total
Pension funds	59,652	59,966	184,588	311,726	615,932
Employees' leaving indemnities (TFR)	2,217	2,402	7,386	9,199	21,204
Healthcare plans	1,190	1,147	3,123	3,964	9,424
Total	**63,059**	**63,515**	**195,097**	**324,889**	**646,560**

The weighted average duration of post-employment benefit obligations equalled 11.00 years for pension funds (10.85 years at December 31, 2024), 4.83 years for employees' leaving indemnities (6.52 years at December 31, 2024) and 6.30 years for medical assistance plans (6.52 years at December 31, 2024).

The following table shows a sensitivity analysis for the relevant actuarial assumptions at the end of the financial year:

(in %)		Impact on post employment benefits			
	Change in assumptions	Increase in assumptions		Decrease in assumptions	
Discount rate	0.25%	decrease of	2.47%	increase of	2.59%
Inflation rate (only UK plans)	0.25%	increase of	1.91%	decrease of	1.90%

At the end of the 2024 financial year, the situation was as follows:

(in %)		Impact on post employment benefits			
	Change in assumptions	**Increase in assumptions**		**Decrease in assumptions**	
Discount rate	0.25%	decrease of	2.50%	increase of	2.64%
Inflation rate (only UK plans)	0.25%	increase of	1.94%	decrease of	1.91%

The sole purpose of the above analysis is to estimate the change in the liabilities as the discount rates and the inflation rate in the United Kingdom vary in proximity to the central assumption on such rates, rather than to refer to an alternative set of assumptions.

This sensitivity analysis on the liability for post-employment benefits is based on the same methodology used to calculate the liability recognised in the Financial Statements.

OTHER LONG-TERM BENEFITS

The composition of other benefits was as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
Long Term Incentive plans	30,216	32,403
Jubilee awards and other long-term benefits	45,115	44,554
Leaving indemnities	11,016	11,094
Total	**86,347**	**88,051**

The item **Long-Term Incentive Plans** refers to the amount allocated for the 2024-2026 and 2025-2027 three-year monetary LTI Plans for the Group's management, while the portion related to the 2023-2025 Plan was reclassified from provisions for employee benefit obligations to payables to employees under the item *"Other Payables"* (Note 26), to the amount of euro 14,643 million, as it will be settled during the first half-year of 2026. It should be noted that the existing incentive plans are based on a *"rolling"* mechanism (a new three-year Incentive Plan will therefore be reintroduced each year). For further details, reference should be made to the Remuneration Report in the 2025 Annual Report.

24. BORROWINGS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

Borrowings from banks and other financial institutions were 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	1,208,380	1,197,849	10,531	1,578,285	1,496,460	81,825
Borrowings from other financial institutions	53,255	-	53,255	27,820	-	27,820
Lease liabilities	458,305	356,087	102,218	485,628	380,467	105,161
Accrued financial expenses and deferred financial income	39,509	-	39,509	51,282	409	50,873
Other financial payables	5,922	831	5,090	6,460	1,423	5,037
Total	**2,957,794**	**2,747,192**	**210,602**	**3,829,455**	**3,068,598**	**760,857**

The item **bonds** refers to:

- the rated sustainability-linked bond loan the *"Bond SLB EUR 600m 4.25% due 01/28*" [ISIN: XS2577396430] with a nominal value of euro 600 million, placed on January 11, 2023 with international institutional investors, with a fixed coupon of 4.25% and maturing in January 2028. The transaction, fully classified under non-current financial payables, was issued as part of the EMTN Programme (Euro Medium Term Note Programme), and approved by the Board of Directors on February 23, 2022, and provides for a guarantee by Pirelli Tyre S.p.A. These 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 was BBB, revised upwards in July 2024, while the rating assigned by the rating agency Standard & Poor's was BBB-;

- the rated sustainability-linked bond loan the *"Bond SLB EUR 600m 3.875% due 07/29*" [ISIN: XS2847641961] with a nominal value of euro 600 million, placed on July 2, 2024 with international institutional investors, with a fixed coupon of 3.875% and maturing in July 2029. The transaction, fully classified under non-current financial payables, was issued as part of the EMTN Programme (Euro Medium Term Note Programme), and provides for a guarantee by Pirelli Tyre S.p.A. These securities are listed on the Luxembourg Stock Exchange. The regulation governing these securities provides for a coupon increase of 0.25% for each of the two contractually stipulated sustainability parameters (linked to the Group's new sustainability targets that were validated by SBTi in September 2024), in the event that either of the respective targets is not met by 2027. At December 31, 2025, the rating assigned by the rating agency Fitch on this instrument was BBB, revised upwards in July 2024, while the rating assigned by the rating agency Standard & Poor's was BBB-;

It should also be noted that, at December 31, 2024, the item *"bonds"* included the non-interest-bearing senior unsecured guaranteed equity-linked bond (the *"convertible bond loan")* with a nominal value of euro 500 million. During the conversion period, conversion rights into the Company's shares were exercised for a nominal value of euro 496.5 million. To service the 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 portion of the debt, amounting to euro 3.5 million, was repaid at maturity on December 22, 2025.

The **carrying amount for 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 component of the convertible bond	-	(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
Total	**1.192.425**	**1.679.980**

The item **borrowings from banks**, which amounted to euro 1,208,380 thousand, is subdivided as follows:

(in thousands of euro)			**12/31/2025**			
	Due Date	**Interest rate**	**Nominal value**	**Balance**	**Non - current**	**Current**
Club Deal EUR 1.6bn ESG 2022 5y	02/22/2027	EURIBOR + spread	600,000	599,348	599,348	-
Club Deal EUR 600m ESG 2024 4.5y	10/20/2028	EURIBOR + spread	600,000	598,501	598,501	-
Borrowings from banks of foreign companies				10,531	-	10,531
Total borrowings from banks				**1,208,380**	**1,197,849**	**10,531**

The item mainly refers to:

- the use of the *"Club Deal ESG 1.6bn ESG 2022 5y"* financing by Pirelli & C. S.p.A. to the amount of euro 599,348 thousand, and classified under non-current financial payables. This financing facility, with a floating interest rate (EURIBOR + spread), is guaranteed by Pirelli Tyre S.p.A, and was signed on February 21, 2022, with a pool of leading Italian and international banks, with a five-year maturity. This facility, which is parameterised to the Group's ESG objectives, consists of three tranches totalling euro 1.6 billion, distributed as follows:
    - the Pirelli & C. S.p.A. term loan with a nominal value of euro 600,000 thousand which was fully utilised and a revolving cash credit facility for euro 100,000 thousand, which at December 31, 2025 had not been utilised;
    - the Pirelli International Treasury S.p.A. revolving cash credit facility for euro 900,000 thousand, which at December 31, 2025 had not been utilised.

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

- the "*Club Deal EUR 600m ESG 2024 4.5y"* financing for euro 598,501 thousand, related to the euro 600 million credit facility at a floating rate (EURIBOR + spread), guaranteed by Pirelli Tyre S.p.A., and signed on March 22, 2024 with a pool of leading Italian and international banks, and maturing in four and a half years. This financing - classified under non-current financial payables - is parameterised to some of the Group's sustainability targets, and as of June 2025, the Group began to benefit from the related incentives to reduce the cost of the credit facility;

- The item *"Borrowings from banks of foreign companies"* includes the use, classified under current borrowings from banks, of credit facilities granted to subsidiaries in Brazil to the amount of euro 3,489 thousand (euro 31,007 thousand at December 31, 2024), in Turkey to the amount of euro 2,965 thousand (euro 27,861 thousand at December 31, 2024), and in China to the amount of euro 2,301 thousand (euro 17,751 thousand at December 31, 2024).

It should also be noted that at December 31, 2025, Pirelli & C. S.p.A. has in place a committed revolving credit facility, the *"Club Deal EUR 500m ESG 2023 4y RCF"* for euro 500 million with a select pool of international banks, maturing in December 2027, guaranteed by Pirelli Tyre S.p.A. and parameterised to the Group's new sustainability targets. As of June 2025, the credit facility started to benefit from cost reduction incentives related to the achievement of the Group's sustainability targets. At December 31, 2025, the credit facility was unutilised.

It is also noted, lastly, that, at December 31, 2024, the item *"Borrowings from banks"* included the financing *"ESG Bilateral 300m 2023 2.5Y facility"* for a nominal amount of euro 300 million, which was fully repaid in advance during the course of 2025.

At December 31, 2025, the Group had a liquidity margin of euro 3,105,790 thousand, calculated as the sum of cash and cash equivalents which equalled euro 1,525,886 thousand, other current financial assets at fair value through the Income Statement to the amount of euro 79,904 thousand and unutilised committed credit facilities to the amount of euro 1,500,000 thousand. The above-mentioned liquidity margin guarantees coverage for maturities for financial debt, to beyond the third quarter of 2029.

As regards **lease liabilities**, the change compared to the previous financial year refers to the payment of lease instalments, which was partially offset mainly by the remeasurement of existing contracts.

Non-discounted future payments for lease contracts, for which the exercise of extension options is not considered to be reasonably certain, and which were therefore not included in the item lease liabilities, amounted to euro 127,439 thousand (euro 145,379 thousand at December 31, 2024).

Accrued financial expenses and deferred financial income (euro 39,509 thousand), mainly refers to accrued interest on bond loans to the amount of euro 35,969 thousand (euro 35,972

thousand at December 31, 2024), and to accrued interest on borrowings from banks to the amount of euro 1,804 thousand (euro 13,533 thousand at December 31, 2024).

The **change in total borrowings from banks and other financial institutions for 2025** is composed as follows:

(in thousands of euro)	
Borrowings from banks and other financial institutions at December 31, 2024	**3,829,455**
Repayment of "Bilateral 300m ESG 2023 2,5y" financing	(300,000)
Repayment of "senior unsecured guaranteed equity-linked bond"	(3,500)
Financial inflows for the local credit facilties of Group companies	23,934
Financial outflows for the local credit facilties of Group companies	(90,145)
Repayment of lease liabilities	(135,128)
Monetary changes	**(504,839)**
Amortised cost for the period	13,649
Conversion of "senior unsecured guaranteed equity-linked bond"	(496,500)
Translation differences and other changes for the period	(22,535)
Increases in lease liabilities	93,792
Remeasurement and early termination	44,772
Non-monetary changes	**(366,821)**
Borrowings from banks and other financial institutions at December 31, 2025	**2,957,794**

The **change in total borrowings from banks and other financial institutions for 2024** is composed as follows:

(in thousands of euro)	
Borrowings from banks and other financial institutions at December 31, 2023	**3,964,205**
Repayment of "Club Deal EUR 800m ESG 2020 5y" financing	(800,000)
Bond repayment "Schuldschein"	(20,000)
Repayment of "Bilateral EUR 400m ESG 2021 3y" financing	(400,000)
Transaction costs	(9,353)
Issuance of "Club Deal EUR 600m ESG 2024 4,5y" financing	600,000
Issuance of "SLB EUR 600m 3.875% due 07/29"	600,000
Financial inflows for the local credit facilties of Group companies	122,888
Financial outflows for the local credit facilties of Group companies	(268,450)
Repayment of lease liabilities	(128,929)
Monetary changes	**(303,844)**
Amortised cost for the period	15,036
Translation differences and other changes for the period	11,430
Increases in lease liabilities	112,948
Remeasurement and early termination	29,680
Non-monetary changes	169,094
Borrowings from banks and other financial institutions at December 31, 2024	**3,829,455**

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

For current financial payables, with the exception of lease liabilities, it is considered that their carrying amount approximates their relative fair value.

For non-current financial payables, their fair value is shown below, compared with their carrying amount:

(in thousands of euro)	**31/12/2025**		**12/31/2024**	
	Carrying amount	***Fair value***	**Carrying amount**	***Fair value***
Bonds	1,192,425	1,233,570	1,189,840	1,237,350
Borrowings from banks	1,197,849	1,213,083	1,496,460	1,522,611
Accrued financial expenses and deferred financial income	-	-	409	409
Other financial payables	831	831	1,423	1,423
Total	**2,391,105**	**2,447,484**	**2,688,132**	**2,761,793**

The fair value of the two rated sustainability-linked bonds issued by Pirelli & C. S.p.A. under the EMTN programme and guaranteed by Pirelli Tyre S.p.A., are listed and therefore were measured with reference to year-end prices. The fair values are classified as level 1 of the hierarchy provided for by IFRS 13 - Fair Value Measurement.

The fair value of borrowings from banks, was calculated by discounting each expected debt cash flow at the market swap-rate for the currency and the relevant maturity date, increased by the Group's credit rating for other debt instruments that are similar in nature and technical characteristics, and therefore rank in level 2 of the hierarchy as provided for by IFRS 13 - Fair Value Measurement.

The **apportionment of borrowings from banks and other financial institutions according to the currency of origin of the debt**, was as follows:

(in thousands of euro)	**12/31/2025**	**12/31/2024**
EUR	2,771,898	3,413,219
BRL (Brasilian Real)	48,013	76,646
USD (US Dollar)	43,574	33,299
CNY (Chinese Renminbi)	20,357	57,600
GBP (British Pound Sterling)	19,980	148,134
TRY (Turkish Lira)	13,474	29,600
CAD (Canadian Dollar)	12,435	6,596
SEK (Swedish Krona)	7,132	38,189
RUR (Russian Rouble)	3,233	1,879
AUD (Australian Dollar)	696	9,933
Other currencies	17,002	14,359
Total	**2,957,794**	**3,829,455**

At December 31, 2025, there were outstanding interest rate derivatives on some floating-rate debt.

Considering the effects of hedging derivatives, the Group's exposure to changes in interest rates on financial payables, both in terms of the type of interest rate and in terms of the date of the renegotiation (resetting) of the same, was subdivided between:

- floating rate payables to the amount of euro 703,725 thousand;
- fixed rate payables to the amount of euro 2,153,567 thousand, (euro 1,695,262 thousand excluding lease liabilities), whose interest rate is not subject to any reset until the natural maturity of the debt to which it refers (euro 105,707 thousand with maturity in the next twelve months and euro 2,047,860 thousand euro with maturity beyond twelve months).

At December 31, 2025, the **cost of debt**, calculated as the average cost of debt for the last twelve months, stood at 4.40%, and had decreased compared to 5.06% at December 31, 2024. This decrease was mainly due to the aforementioned fall in interest rates in the Eurozone, which benefited the portion of floating-rate debt, to a reduction in margins on credit facilities following the upgrade in the credit rating awarded by the Fitch agency in July 2024, and lastly due to a lower incidence of financial debt in countries with high interest rates.

With reference to the presence of financial covenants, it should be noted that two bank facilities held by the Russian subsidiary LLC *"Pirelli Tyre Russia"* carry the following financial covenants:

a) Facility 1 unutilised at 12/31/2025: a maximum ratio between the net debt and the gross operating margin, and a maximum ratio of net debt to equity;

b) Facility 2 unutilised at 12/31/2025: a maximum ratio between the net debt and the gross operating margin, and a maximum ratio between short-term debt plus interest paid and the gross operating margin.

The failure to comply with the above-mentioned financial covenants is identified as an event of default or non-performance.

Specifically, an event of default or non-performance shall have as its sole consequence the termination of the contract and the mandatory early repayment of the financing. It should be noted that at December 31, 2025, no event of default or non-performance event had occurred.

With regard to other financial payables, at December 31, 2025, the Group was not subject to financial covenants.

The *"Club Deal EUR 16bn ESG 2022 5y", the "Club Deal EUR 500m ESG 2023 4y RCF", the "Club Deal EUR 600m ESG 2024 4.5y",* the *"Bond SLB EUR 600m 4.25% due 01/28"* and the *"Bond SLB EUR 600m 3.875% due 07/29"* include Negative Pledge clauses and other customary provisions whose terms are in line with the market standards for each of the above-mentioned types of financial instrument.

25. TRADE PAYABLES

Trade payables were composed as follows:

(in thousands of euro)	12/31/2025			12/31/2024		
	Total	Non-current	Current	Total	Non-current	Current
Trade payables	1,934,282	-	1,934,282	1,948,169	-	1,948,169
Bill and notes payable	148,160	-	148,160	133,448	-	133,448
Total	**2,082,442**	**-**	**2,082,442**	**2,081,617**	**-**	**2,081,617**

For trade payables, it is considered that their carrying amount approximates their relative fair value.

Trade payables accounted for 30.7% of sales, essentially in alignment with the percentage at December 2024 (30.7%).

It should be noted that the Group has commercial agreements in place with certain suppliers which provide for the deferral of payment terms, as part of the normal management and optimisation of working capital, mainly in Brazil. The value, at December 31, 2025, of the trade payables subject to rescheduling under these agreements, amounted to euro 235.4 million.

26. OTHER PAYABLES

Other payables were as follows:

(in thousands of euro)	12/31/2025			12/31/2024		
	Total	Non-current	Current	Total	Non-current	Current
Accrued expenses and deferred income	58,911	36,523	22,389	64,941	43,392	21,549
Tax payables not related to income taxes	84,595	8,331	76,264	94,166	8,954	85,212
Payables to employees	168,818	1,874	166,945	173,408	1,532	171,876
Payables to social security and welfare intitutions	76,849	30,520	46,329	74,004	25,198	48,806
Dividends approved	-	-	-	81	-	81
Contract liabilities	12,527	9	12,518	6,161	10	6,151
Other payables	51,941	798	51,143	59,930	861	59,069
Total Other payables	**453,641**	**78,055**	**375,586**	**472,691**	**79,947**	**392,744**

Accrued expenses and deferred income - non-current refers to euro 34,463 thousand in capital contributions received for investments made mainly in Romania, whose benefits are recognised in the Income Statement in proportion to the costs for which the contribution was disbursed.

Accrued expenses and deferred income - current includes euro 16,262 thousand in public grants and tax incentives received mainly in Italy and Romania, and euro 1,442 thousand for insurance coverage costs in some countries in the European region.

The item **tax payables not related to income taxes** is mainly comprised of IVA (value added tax) payables and other indirect taxes, withholding taxes for employees and other taxes not related to income taxes.

The item **payables to employees** mainly includes amounts matured during the period but not yet paid.

The item **contract liabilities** from contracts with customers, refers to advance payments received from customers for which the performance obligation had not yet been completed, pursuant to the provisions of IFRS 15.

The item **other payables** (euro 51,941 thousand) mainly includes:

- euro 16,093 thousand in payables to Directors, Auditors and supervisory bodies;
- euro 9,570 thousand in payables to representatives, agents, professionals and consultants;
- euro 7,310 thousand for payables related to customs duties, import and transport costs.

27. TAX PAYABLES

Tax payables were for the most part for national and regional income taxes in different countries and amounted to euro 136,383 thousand, (of which euro 4,087 thousand was for non-current payables), compared to euro 67,151 thousand at December 31, 2024, (of which euro 4,001 thousand was for non-current payables). Income tax payables included the assessments made by Management, regarding any potential effects of uncertainty in the treatment of income taxes.

28. DERIVATIVE FINANCIAL INSTRUMENTS

The item includes the fair value measurement of derivative instruments. The **details** are 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
Derivative Financial Instruments not in Hedge Accounting								
Foreign exchange derivatives - commercial positions		5,747		(2,922)		5,746		(5,313)
Foreign exchange derivatives - included in net financial position		3,618		(2,648)		16,577		(3,503)
Other derivatives		13,900						
Derivative Financial Instruments in Hedge Accounting - cash flow hedge:								
Foreign exchange derivatives - commercial positions				(564)				(1,305)
Interest rate derivatives - included in net financial position		507			4,326			
Other derivatives		1,777						
	-	**25,549**	**-**	**(6,134)**	**4,326**	**22,323**	**-**	**(10,121)**
Total derivatives included in net financial position	-	4,125	-	(2,648)	4,326	16,577	-	(3,503)

DERIVATIVE FINANCIAL INSTRUMENTS NOT IN HEDGE ACCOUNTING

The value of **foreign exchange derivatives** included in current assets and liabilities corresponds to the fair value measurement of forward foreign exchange buy/sell contracts outstanding at the closing date for the period. These are transactions which mirror the commercial and financial transactions of the Group, and for which the hedge accounting option has not been adopted. Their fair value was determined by using the forward exchange rate at the reporting date.

The value of the **other derivatives**, recognised under current assets to the amount of euro 13,900 thousand, corresponds to the fair value of a Call Option held by Pirelli Tyre S.p.A. to increase its ownership stake in the Chinese joint venture, the Xushen Tyre (Shanghai) Co., Ltd. This option will allow for the acquisition of an additional stake in the aforementioned company on favourable financial terms and is exercisable by March 31, 2026 (Note 12 *"Investments in associates and joint ventures"*).

DERIVATIVE FINANCIAL INSTRUMENTS IN HEDGE ACCOUNTING

The value of **interest rate derivatives** recognised under current assets to the amount of euro 507 thousand, refers to the fair value of five interest rate swaps used to hedge the following financing contracts:

Derivative	Hedged element	Notional amount (Millions of EUR)	Start date	Maturity	
IRS	Club Deal EUR 1.6bn ESG 2022 5y	500.0	February 2023	February 2026	receive floating / pay fixed

Cash flow hedge accounting was adopted for these derivatives. The object of the hedge is the future interest flows on floating-rate liabilities in EUR.

The change in the fair value for the period was positive to the amount of euro 460 thousand. This change was entirely suspended under Other Comprehensive Income.

Income to the amount of euro 9,750 thousand was reversed to the Income Statement under the item *"Financial Expenses"* (Note 38), to correct the financial expenses recognised on the hedged liability. This amount was mainly composed of:

- euro 4,278 thousand in interest receivables on the IRS in hedge accounting;
- euro 5,472 thousand, corresponding to the annual portion of the positive cash flow hedge reserve accrued on certain IRS contracts early terminated in 2022. This amount adjusts the finance costs of the related hedged item, namely a sustainability-linked bond issued in January 2023 and maturing in January 2028, with a total nominal amount of euro 600 million.

A change of +0.5% / -0.5% in the EURIBOR curve, all other conditions being equal, would result in an immaterial change in the Group's equity.

Hedging relationships relative to any IRS are considered prospectively effective when the following conditions are met:

- there exists a financial relationship between the hedging instrument and the hedged item, in that the characteristics of the hedging instrument (the nominal interest rate, the reset of the interest rate and the frequency of interest liquidation), are substantially aligned with those of the hedged item. As a consequence, any changes in the fair value of the hedging instrument regularly offsets that of the hedged item;

- the effect of credit risk is not dominant within the hedging relationship: under the Group's operating regulations, derivatives are traded only with counter-parties with a high credit standing, and the credit quality of the portfolio of outstanding derivatives is constantly monitored;

- the designated hedge ratio is aligned with that used for financial risk management purposes and is equal to 100% (1:1).

The ineffectiveness of the hedging relationship is calculated at each reporting date using the Dollar Offset method, which involves comparing any changes in the risk-adjusted fair value of the hedging instrument with changes in the risk-free fair value of the hedged item, by identifying a hypothetical derivative with the same characteristics as the underlying financial liability.

The possible causes of ineffectiveness are as follows:

- the application of credit risk adjustments 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;

- the misalignment between the effective contractual conditions of the future transaction and those of the hedging instrument.

At December 31, 2025, no instances of ineffectiveness had occurred.

The value of the **other derivatives**, recognised under current assets to the amount of euro 1,777 thousand, includes the fair value of 4,035 commodity futures contracts for natural rubber:

Derivative	Hedged element	Notional amount (tonnes)	Start date	Maturity
Futures	Future purchases of natural rubber	20,175	February 2026	May 2026

Cash flow hedge accounting was adopted for these derivatives. The object of the hedge is the risk of price variability in the future purchases of natural rubber.

The change in the fair value for the period was positive to the amount of euro 2,839 thousand. This change was entirely suspended under Other Components of the Comprehensive Income Statement.

Earnings of euro 837 thousand were reversed to the Income Statement under the item *"Raw materials and consumables used (net of the change in inventories)".*

The only potential source of ineffectiveness in the designated hedge relationships is the possibility of over-hedging, which could occur when the actual volumes of natural rubber purchases are lower than those hedged; however, based on current risk management policies, only approximately 50% of the projected exposure in the budget is hedged through Commodity Futures, and therefore over-hedging is considered a remote event. The change in the fair value related to previous over-hedging amounts suspended in the cash flow hedge reserve is immediately reclassified to the Income Statement, without any adjustment to the costs of raw materials. At December 31, 2025, no situations of over-hedging were in place.

The actual quantities of natural rubber purchased are measured and monitored on a quarterly basis in order to assess the effectiveness of the designated hedge relationships and identify any over-hedging situations. This quarterly monitoring also supports the demonstration of the high probability requirement under IFRS 9 for transactions designated as hedged items.

29. COMMITMENTS AND RISKS

COMMITMENTS FOR THE PURCHASE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The commitments to purchase property, plant and equipment and intangible assets amounted to euro 181,212 thousand and euro 1,047 thousand respectively, and refer mainly to subsidiaries in Romania, Mexico, Germany, Brazil and Italy.

COMMITMENTS FOR LEASE CONTRACTS

At December 31, 2025, the total amount for non-discounted future payments for lease contracts not yet in force and against which no financial debt has been recognised, amounted to euro 14,970 thousand, and mainly refers to lease contracts for two warehouses in Germany and for plant and machinery for the testing centre in Sweden.

COMMITMENTS FOR FUTURE CAPITAL SUBSCRIPTIONS

These refer to the commitment by Pirelli Tyre S.p.A. to subscribe the share capital of the joint venture the Middle East and North Africa Tyre Company for the remaining total amount in Saudi riyals, equal to the equivalent of approximately US$ 15 million.

COMMITMENTS FOR THE PURCHASE OF TAX CREDITS

These refer to the commitment by Pirelli & C. S.p.A. and some of its Italian subsidiaries to purchase an amount of tax credits (the so-called *"Superbonus Credits*") for the 2025-2027 three-year period, from a bank of the highest credit standing, for a total residual amount of euro 340 million, with a near-immediate use to offset various types of tax and social security liabilities.

OTHER RISKS

Litigation against 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.

This dispute is a consequence of the decision issued on April 2, 2014 by the European Commission (later 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 into restrictive conduct in the European high voltage electrical cable market. The Commission's decision had imposed a sanction on Prysmian *CS,* as it was directly involved in the cartel, a portion of which (euro 67 million) Pirelli, despite not having been found to be directly involved in the activities of the cartel, had been held to be jointly and severally liable with Prysmian CS, based solely on the application of the EU principle, the so-called *"parental liability",* since during part of the period of the infraction, the share capital of the current Prysmian CS was held, either directly or indirectly by Pirelli.

On December 31, 2020, Pirelli proceeded to pay its share of the aforementioned sanction to the European Commission (corresponding to 50% of the sanction, plus interest), for which it had previously made appropriate provisions.

Pending the resolution of the aforementioned European Union Court proceedings, in 2014 and 2019, Pirelli brought two proceedings before the Court of Milan, against Prysmian CS (the first) and against Prysmian CS and Prysmian S.p.A., (the second) to obtain, in addition to the reimbursement of the sanction imposed by the European Commission, a ruling requiring that these parties hold Pirelli

harmless and indemnified from any liability, expenses, costs, and/or damages arising from claims by third parties, whether public or private, in connection with and/or consequential to the facts that are the subject of the European Commission's decision.

Pirelli has also requested that the liabilities of Prysmian CS and Prysmian S.p.A. be determined in relation to certain unlawful conduct connected with the aforesaid anti-competitive cartel put in place by them and, as a consequence, be ordered to pay compensation for all damages suffered and to be suffered by Pirelli.

Prysmian CS and Prysmian S.p.A. entered an appearance in the above proceedings, seeking the dismissal of Pirelli's claims and, by way of a counter-claim, to be held harmless and indemnified by Pirelli against any consequences arising from claims by private and/or public third parties relating to, connected with and/or consequential to the facts that are the subject of the decision of the European Commission.

In April 2021, the two lawsuits (that of 2014 and that of 2019) were joined, and, in 2022, two segments of the proceedings brought by Terna S.p.A. - Rete Elettrica Nazionale ("Terna"), against amongst others, Pirelli, Prysmian CS and Prysmian S.p.A., were also joined. With regard to these segments, Pirelli, on the one hand, and Prysmian CS and Prysmian S.p.A., on the other, have submitted reciprocal indemnity claims with regard to what they were ordered to pay to Terna (refer to the section below - Other Disputes Consequent to the Decision of the European Commission).

Based on careful analyses supported by authoritative external legal opinions, the assessment of the risk related to the disputes described above is such as to not require the allocation of any specific provision in the Consolidated Financial Statements at December 31, 2025.

Other Disputes Consequent to the Decision of the European Commission (follow-on)

In November 2015, a number of companies of Prysmian Group served Pirelli with a summons in a lawsuit for the compensation of damages brought before the London High Court of Justice against them and other defendants of the Decision of the European Commission of April 2, 2014, by National Grid and Scottish Power, the companies who claim to have been harmed by the cartel. Specifically, the companies of the Prysmian Group have requested that Pirelli, by reason of its role as Parent Company for part of the period of the cartel, hold them harmless with respect to any obligations to pay damages (to date unquantifiable) to the National Grid and Scottish Power. As the aforementioned action, brought before the Court of Milan in November 2014, is still pending, Pirelli has challenged the lack of jurisdiction of the London High Court of Justice claiming that, that any decision on the merits must be referred to the Court that had previously heard the case. In April 2016, the High Court of Justice, at the request of Pirelli and the companies in the Prysmian Group, suspended the lawsuit against Pirelli until final judgement is passed, that would settle the already pending Italian proceedings.

In April 2019, Terna filed a lawsuit before the Court of Milan, jointly and severally, against Pirelli, three Prysmian Group companies and another company named in the aforementioned European

Commission decision, in order to obtain compensation for the damage allegedly suffered as a consequence of the anti-competitive conduct, currently quantified by the plaintiff as totalling euro 199.9 million. Pirelli entered the proceedings, disputing Terna's claims, and similar to the other defendants and against them, filed a counter-claim for recourse in the unlikely event that it is held jointly and severally liable for the anti-competitive cartel.

In October 2021, the Judge dismissed from the proceedings, the portion of the litigation consisting of the cross indemnity claims between Pirelli, on the one hand, and Prysmian CS and Prysmian S.p.A., on the other, ordering that it be joined with the litigation pending between the two parties before the Court of Milan (refer to the section above - *Litigation against Companies of the Prysmian Group*).

Lastly, also in April 2019, the Electricity & Water Authority of Bahrain, GCC Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, served a writ of summons against Pirelli, some of the Prysmian Group companies and other defendants in the aforementioned decision of the European Commission, suing them jointly and severally to obtain compensation for the damages allegedly suffered as a result of the alleged anti-competitive conduct for the total amount of euro 472 million, which was quantified during the course of the proceedings. These proceedings were brought before the Court of Amsterdam, which with its ruling dated November 25, 2020, upheld the objection raised by Pirelli and excluded its own jurisdiction over Pirelli. In February 2021, the plaintiffs appealed against this ruling before the Amsterdam Court of Appeal, proceedings that have to date been suspended, following an incidental question raised by the Amsterdam Court of Appeal itself before the Court of Justice of the European Union.

Based on careful analyses supported by authoritative external legal opinions, the assessment of the risk related to the disputes described above is such as to not require the allocation of any specific provision in the Consolidated Financial Statements at December 31, 2025.

US Class Actions

On January 30, 2024, the European Commission announced the opening of an investigation against certain tyre manufacturers active in the European Economic Area, for alleged violations of the European Union competition laws, through the possible collusion of prices for new replacement tyres for cars and trucks, to be sold in the European Economic Area. At the same time, the Commission has conducted inspections at the offices of the aforementioned tyre manufacturers, including those of Pirelli. The latter confirmed the probity of its operations and to have always acted in compliance with the applicable antitrust laws and regulations.

Following the European Commission's announcement of the aforementioned actions, in February 2024, a number of class action suits - later merged into a single proceeding - were commenced before the US Courts, relating to alleged similar issues that allegedly occurred in the United States. The claims for damages have not been quantified.

In February 2025, the Federal Court of Ohio, before which these class actions had been joined, dismissed the Plaintiffs' appeal in its entirety, granting the Plaintiffs time to 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.

Based on the assessment carried out, supported, by authoritative external legal opinions, Pirelli, also in light of the limited information available to date, did not consider it necessary to recognise any specific provision in the Consolidated Financial Statements at December 31, 2025.

TAX DISPUTES

The subsidiaries Pirelli Pneus Ltda., Pirelli Comercial de Pneus Brasil Ltda. and Pirelli Neumaticos SAIC, with headquarters in Brazil and in Argentina, are involved in various tax disputes and proceedings. The most significant are described below:

Brazil - Litigation concerning the IPI Tax Rate applicable to specific Types of Tyres

Pirelli Pneus Ltda. is party to a tax dispute with the Brazilian tax authorities concerning the IPI tax rate (Imposto sobre Produtos Industrializados or tax on industrialised products) specifically concerning the tax rate applicable to the production and importation of tyres for the Sports Utility Vehicle (*"SUV"*), vans and other light industrial transportation vehicles (such as, for example, trucks). According to statements by the Brazilian tax authorities in the tax assessment notices issued during the course of 2015, 2017 and 2021, the aforementioned tyres should have been subjected to the IPI tax rate for the production and importation of tyres for cars – with an applicable rate of 15% - instead of the 2% rate applied by Pirelli Pneus Ltda., as is required for the production and importation of tyres destined for heavy industrial use vehicles. To date, the dispute is pending before the competent tax commissions and the Group believes it has a good chance of winning in court. This position is also supported by: (i) an appraisal prepared by a Brazilian government institution (the INT - National Institute of Technology), specifically commissioned for this purpose by Pirelli Pneus Ltda, who concluded their analysis by equating, in light of their similar characteristics, the tyres in question with those intended for heavy industrial vehicles, (ii) judicial decisions favourable to taxpayers.

The risk is estimated at approximately euro 46 million, inclusive of tax, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning Transfer Pricing applied to some Intra-group Transactions

Pirelli Pneus Ltda. is involved in a dispute with the Brazilian tax authorities for income tax purposes (*IRPJ - Imposto sobre a renda das pessoas jurídicas*) and social security contributions (*CSLL - Contribuição Social sobre o Lucro Líquido*) due from the company for the 2008, 2011 and 2012 tax periods deriving from the application, of the so-called transfer pricing regulations, to import transactions with related parties. Based on the notices of assessment served on the company during the course of 2013, 2015 and 2016, the Brazilian tax authorities are mainly contesting the incorrect application by the company, of the methodology provided for by the administrative practice in force at the time (*IN* - Instrução Normativa 243), for the assessment of transfer prices applied to the importation of goods from related parties.

To date, part of this litigation is pending before the competent tax courts. The Group maintains that it has a good chance of winning and, in this regard, Pirelli Pneus Ltda has already obtained some favourable rulings from the administrative court, which has recognised the company's arguments by reducing the amount originally contested by the Brazilian tax authorities. Furthermore, during 2026, the Supreme Court may rule on the subject of the present dispute, issuing a judgement with binding effect erga omnes.

In light of the above, the risk is estimated at approximately euro 21 million inclusive of taxes, sanctions and interest.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Disputes concerning the IPI Tax Rate for the Sale of Tyres to the Automotive Sector

Pirelli Pneus Ltda. is also party to a dispute concerning the IPI tax rate, (Imposto sobre Produtos Industrializados or tax on industrialised products), concerning the sale of components to companies operating in the automotive sector. According to what was claimed by the Brazilian tax authorities in a notice of assessment issued in 2013, Pirelli Pneus Ltda. was not entitled to benefit, with reference to its secondary headquarters located in the city of Ibiritè in the Federal State of Minas Gerais, from the IPI exemption provided for by law in the case of sales of particular components, to companies operating in the automotive sector. All administrative proceedings have been concluded, resulting in a reduction of the originally contested amount. The remaining amount is currently being disputed in the judicial system. The Group believes it has well-founded grounds to contest the tax administration's claim and, therefore, has a good chance of winning.

The risk is estimated at approximately euro 21 million, inclusive of tax, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning the Tax Impact deriving from the so called "Plano Verão"

Pirelli Pneus is involved in a tax dispute with the Brazilian tax authorities for the period *from 1989 to 1994 as a result of the so-called "Plano Verão".* The Plano Verão was an economic measure introduced by the then Brazilian government, to control the phenomenon of hyperinflation that was affecting the country, through a price freeze. However, the difference between the real inflation and indexed inflation had the effect of creating significant distortions in the financial statements of companies and ultimately, the amount of taxes paid by them. Pirelli Pneus Ltda. used the real inflation rate for its financial statement assessments, and, at the same time, initiated legal proceedings to assert its arguments regarding the correct amount of taxes owed. During the course of the aforementioned proceedings, Pirelli Pneus Ltda. first adhered to a tax amnesty to settle the dispute in question and, only later, on the basis of a ruling by the Brazilian Supreme Court with binding *erga omnes* effects, did it request the annulment of the effects of the amnesty it had previously adhered to.

The proceedings are pending before the competent judicial courts and the risk is estimated to be up to a maximum euro 40 million, inclusive of taxes, interest and sanctions.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning "ICMS Substituicão Tributária" (Tax Substitution case)

Pirelli Comercial de Pneus Brasil Ltda. has become involved in a new dispute concerning ICMS-ST (Imposto sobre Circulaçao de Mercadorias e Serviços - Substituicão Tributária) tax credits. According to the claims made in a notice of assessment issued during 2022 by the Brazilian tax authorities for the 2018 and 2019 tax periods, Pirelli Comercial de Pneus Brasil Ltda. allegedly transferred ICMS-ST credits to Pirelli Pneus without the prior formal authorisation of the Brazilian tax authorities.

In 2023, Pirelli Pneus also received a contestation from the State of São Paulo on the same matter, for allegedly failing to comply with formal obligations in relation to the use of the ICMS-ST credits transferred by Pirelli Comercial.

Proceedings are pending before the competent administrative bodies and the risk is estimated at approximately euro 60 million, including taxes, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning ICMS Tax Credits for the Purchase of Assets Used in the Industrial Process and for the Purchase of Fixed Assets

Pirelli Pneus Ltda. is involved in a tax dispute concerning ICMS (Imposto sobre Circulaçao de Mercadorias e Serviços) tax credits. In August 2024, the Company was assessed by the State of São Paulo for a series of alleged irregularities related to the recording of ICMS credits against the purchase of tangible assets used in the Company's industrial process.

As also demonstrated during the tax audit, the Group believes it has well-founded reasons to contest the tax authorities' claim and, therefore, a good chance of winning.

Proceedings are pending before the competent administrative bodies and the risk is estimated at approximately euro 19 million, including taxes, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Brazil - Litigation concerning Reintegra

The so-called Reintegra, is a tax credit that was instituted as a mechanism to reimburse, in full or in part, to Brazilian companies, the taxes they were incurring along the production chain on goods subsequently destined for export.

A law that entered into force in 2014, provided that Brazilian exporting taxpayers could record: (i) tax credits ranging from 0.1% to 3% of export turnover (the so-called "*Ordinary Reintegra*"); (ii) as well as an additional tax credit of up to 2% (the so-called "*Additional Reintegra*"), in accordance with certain criteria and parameters to be defined by a specific regulation.

However, such a regulation was ever issued by the Brazilian Government. Consequently, a debate arose as to the immediate enforceability of the legal provision in the absence of that regulation.

The Brazilian Supreme Court, in a *"pilot case"* with binding erga omnes effect, (i) held that the Government may reduce the rates of the "Ordinary Reintegra" without any obligation to provide the underlying reasons; (ii) on the contrary - did not rule on the taxpayers' entitlement to benefit from the "*Additional Reintegra"* in the absence of the corresponding regulation.

Pirelli Pneus Ltda. also has ongoing legal proceedings relating to this matter and, furthermore, the company has filed claims for reimbursement regarding the amount of the *"Additional Reintegra".* The proceedings brought by the company for the recognition of its right to the *"Additional Reintegra"*

received an unfavourable ruling in February 2026 by the Court of Appeal and the company now intends to file appeals both before the Supreme Court and before the Court of Justice, with regard to the constitutional aspects.

Pending the decisions of the judicial and constitutional courts, therefore on the right of Pirelli Pneus Ltda. to benefit from the so-called "*Additional Reintegra"*, the risk is estimated at approximately euro 38 million, including taxes and interest.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

Argentina - Customs dispute concerning Import Values

The subsidiary Pirelli Neumaticos SAIC, based in Argentina, is involved in a number of disputes and tax proceedings, in which the Argentine customs authorities claim that the value of certain imports - from other Group companies - of finished products and raw materials should have included royalties paid to the Pirelli Tyre S.p.A. Group company, for the licence to use patents and for technical assistance.

On the same subject, the Company is a party to various litigations in progress with the Argentine customs authorities that concern the years from 2009 to 2022. In particular, in one of the disputed cases, the customs authority ruled in Pirelli's favour to annul the dispute with reference to the importation of finished products and limiting it exclusively to the importation of raw materials. The risk is estimated at approximately euro 10 million, inclusive of tax, interest and penalties.

The risk of losing the case has not been assessed as probable and, therefore, no provision has been recognised in the Financial Statements for this dispute.

30. REVENUES FROM SALES AND SERVICES

Revenues from sales and services were as follows:

(in thousands of euro)	**2025**	**2024**
Revenues from the sales of goods	6,581,427	6,567,533
Revenues from services	194,730	205,791
Total	**6,776,157**	**6,773,324**

These revenues are mainly generated by the sales of tyres and related services to customers represented by both distributors and end customers.

For information on the breakdown of sales according to geographical region, please refer to Note 9, *"Operating Segments".*

For further information on the performance of revenues from sales and services, refer to the section *"Group Performance and Results"* in the Directors' Report on Operations, which is an integral part of this document.

31. OTHER INCOME

The item is composed as follows:

(in thousands of euro)	**2025**	**2024**
Sales of Industrial products	87,603	111,071
Other income from the Prometeon Group	40,725	39,854
Recoveries and reimbursements	38,232	39,449
Government grants	22,409	25,431
Gains on disposal of property, plant and equipment	3,693	2,027
Rental income	3,081	2,776
Income from subleases of right of use assets	989	949
Other income	158,078	124,898
Total	**354,810**	**346,455**

The item **sales of industrial products** refers to revenues generated by the sale of tyres for trucks and agricultural vehicles, purchased mainly from the Prometeon Group, and which are sold by the distribution network controlled by the Pirelli Group, mainly in Brazil.

The item **other income from the Prometeon Group** mainly includes:

- euro 16,200 thousand for the license agreement for the use of the Pirelli trademark;
- euro 11,100 thousand for the license agreement for know-how;
- euro 1,237 thousand for services rendered;
- euro 328 thousand for the sales of raw materials, semi-finished and finished products.

The item **recoveries and reimbursements** includes, in particular:

- tax refunds and customs duty refunds totalling euro 13,506 thousand, received mainly by the Brazilian subsidiary;
- tax refunds totalling euro 3,556 thousand due to rebates obtained in Germany for excise duties on electricity to the amount of euro 2,061 thousand, and on gas to the amount of euro 1,495 thousand;
- income from the sale of tyres for testing, and the recovery of transport expenses in Germany to the amount of euro 1,986 thousand.

The item **other** mainly includes income related to the sale of goods and services, in connection with sports events linked to sponsorship agreements to the amount of euro 44,682 thousand, royalties from third parties to the amount of euro 39,144 thousand, of which euro 18,339 thousand was from the joint venture the Middle East and North Africa Tyre Company for the supply of know-how in the construction of the tyre factory in Saudi Arabia (Note 12), and income from the sale of tyres and scrap materials carried out in the United Kingdom totalling euro 1,917 thousand.

32. PERSONNEL EXPENSES

The item is composed as follows:

(in thousands of euro)	**2025**	**2024**
Wages and salaries	993,896	997,875
Social security and welfare contributions	193,642	187,899
Costs for employee leaving indemnities and similar	29,524	24,330
Costs for defined contribution pension funds	28,248	27,872
Costs for defined benefit pension funds	935	4,394
Costs for jubilee awards	8,440	13,076
Costs for defined contribution healthcare plans	35,081	33,403
Other costs	15,166	12,448
Total	**1,304,932**	**1,301,297**

33. DEPRECIATION, AMORTISATION AND IMPAIRMENTS

The item is composed as follows:

(in thousands of euro)	**2025**	**2024**
Amortisation	132,600	137,994
Depreciation of owned tangible assets	329,297	323,025
Depreciation of right of use	111,714	111,701
Impairment net of reversals	16,186	2,098
Impairment of right of use	-	132
Total	**589,797**	**574,950**

For the composition of the depreciation of the right of use, reference should be made to Note 10.2, *"Right of Use".*

34. OTHER COSTS

The item is subdivided as follows:

(in thousands of euro)	**2025**	**2024**
Selling costs	358,651	374,074
Purchases of goods for resale	525,537	449,028
Advertising	266,222	260,653
Fluids and energy	223,597	240,066
Warehouse operating costs	112,402	111,535
IT expenses	73,578	68,785
Consultants	64,280	72,573
Maintenance	80,048	83,898
Insurance	38,114	35,749
Leases and rentals	59,224	46,326
Outsourcing	47,762	51,721
Stamp duties, levies and local taxes	31,493	42,486
Other provisions accruals for liabilities and charges	40,118	22,823
Travel expenses	38,604	40,568
Remuneration for Key Managers	24,989	25,722
Cleaning expenses	21,917	23,486
Canteen	30,962	30,726
Security expenses	17,396	16,725
Waste disposal	14,774	14,048
Telephone expenses	4,311	5,170
Other	190,425	211,237
Total	**2,264,405**	**2,227,399**

The item **fluids and energy** includes the cost of purchasing greenhouse gas emission allowances and renewable energy certificates.

The item **leases and rentals** is composed as follows:

- euro 36,765 thousand for lease contracts with a duration of less than twelve months (euro 23,220 thousand for 2024);
- euro 12,773 thousand for lease contracts with variable instalments not linked to indices or rates, (for example, inflation or the EURIBOR), but linked for example, to usage (euro 13,209 thousand for 2024);
- euro 9,686 thousand for lease contracts for assets with a low unit value (euro 10,078 thousand for 2024).

The item **Other** also includes, labour provided by third parties to the amount of euro 14,826 thousand, (euro 15,131 thousand in 2024), expenses for the testing of technology to the amount of euro 15,760 thousand (euro 17,310 thousand in 2024), membership fees and donations to the

amount of euro 9,995 thousand (euro 10,405 thousand in 2024) and transport costs for materials to the amount of euro 17,153 thousand (euro 19,488 thousand in 2024).

35. NET IMPAIRMENT OF FINANCIAL ASSETS

This item, which was positive to the amount of euro 4,636 thousand compared to a negative amount of euro 10,303 thousand for 2024, mainly included the reversal, net of impairments for the year, of trade receivables amounting to euro 4,612 thousand (net impairment of euro 10,320 thousand for 2024).

36. NET INCOME/(LOSS) FROM EQUITY INVESTMENTS

36.1 SHARE OF NET INCOME/(LOSS) FROM EQUITY INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The share of net income/(loss) from equity investments in associates and joint ventures, which is accounted for using the equity method, was positive to the amount of euro 16,091 thousand and mainly refers to the investment in the joint venture, the Xushen Tyre (Shanghai) Co., Ltd., which was positive to the amount of euro 17,735 thousand (positive to the amount of euro 25,137 thousand for 2024), and in the joint venture PT Evoluzione Tyres in Indonesia, which was positive to the amount of euro 1,581 thousand (positive to the amount of euro 1,001 thousand for 2024), was partially offset by the pro-rata share of results from the joint venture, the Middle East and North Africa Tyre Company, which was negative to the amount of euro 3,440 thousand.

36.2 DIVIDENDS

In 2025, these amounted to euro 34,343 thousand and mainly included dividends received from Fin. Priv. S.r.l. (euro 31,678 thousand) and the RCS MediaGroup S.p.A. (euro 1,729 thousand). In 2024 they had amounted to euro 3,932 thousand.

37. FINANCIAL INCOME

The item is composed as follows:

(in thousands of euro)	**2025**	**2024**
Interest income	43,571	42,350
Other financial income	17,671	21,287
Net interest on provisions for employee benefit obligations	14	985
Fair value measurement of other financial assets	31,701	56,859
Fair value measurement of foreign exchange derivatives	-	14,370
Fair value measurement of other derivatives	13,899	475
Total	**106,857**	**136,326**

Interest income which totalled euro 43,571 thousand, mainly included:

- euro 35,892 thousand in interest receivables from financial institutions, associates and joint ventures;
- euro 5,708 thousand in interest accrued on security deposits provided by the Brazilian subsidiaries as a guarantee for legal and tax disputes;
- euro 1,137 thousand in interest on other types of securities.

The item **other financial income** amounted to euro 17,671 thousand and mainly includes interest accrued on tax and social security receivables from the Brazilian subsidiaries.

The **fair value measurement of other financial assets** was positive to the amount of euro 31,701 thousand and refers to the fair value measurement of dollar-linked bond instruments, in which the Argentine subsidiary has invested in, to mitigate the effects of depreciation on the local currency. The exchange rate component of the fair value measurement of dollar-linked bond instruments amounted to euro 25,648 thousand, and partially offsets the combined effect of the total of euro 56,964 thousand, comprised on the one hand, of the Argentine net monetary loss of euro 30,921 thousand, and on the other hand, of the effect of the Argentine subsidiary's net losses on exchange rates which amounted to euro 26,043 thousand. Reference should be made to Note 38, *"Financial Expenses"* for further details.

The **fair value measurement of other derivatives**, positive to the amount of euro 13,900 thousand, relates to the fair value of a Call Option held by Pirelli Tyre S.p.A. to increase its ownership stake in the joint venture, the Xushen Tyre (Shanghai) Co., Ltd. Hedge accounting has not been adopted for this option (refer to note 28, *"Derivative Financial Instruments*"). The option is exercisable by March 31, 2026.

38. FINANCIAL EXPENSES

The item is composed as follows:

(in thousands of euro)	**2025**	**2024**
Interest expenses	131,790	168,671
Commissions	34,743	28,513
Net monetary loss	25,226	82,067
Other financial expenses	12,938	15,180
Interest expenses on lease liabilities	25,407	23,283
Net losses on exchange rates	26,940	105,197
Fair value measurement of foreign exchange derivatives	33,561	-
Total	**290,605**	**422,911**

The item **interest expenses** which totalled euro 131,790 thousand, mainly included:

- euro 49,397 thousand incurred from bank financing facilities held by Pirelli & C. S.p.A;
- euro 61,007 thousand in financial expenses related to bond loans, of which euro 26,706 thousand was related to the *"Bond SLB EUR 600m 4.25% due 01/28"*, euro 24,626 thousand was related to the *"Bond SLB EUR 600m 3.875% due 07/29"* and euro 9,675 thousand was related to the monetary and non-monetary interest from the *"Convertible Bond Loan"*;
- euro 9,750 thousand in net interest receivables which included interest on Interest Rate Swaps, for which hedge accounting was adopted to rectify the flow of financial expenses for the bank credit facilities and bond loans mentioned in the preceding point. For further details, reference should be made to Note 28, *"Derivative Financial Instruments"*;
- euro 16,539 thousand in financial expenses related to bank loans held by foreign subsidiaries.

The item **commissions**, to the amount of euro 34,743 thousand includes, in particular, euro 14,013 thousand in costs for the assignment of receivables with non-recourse clauses, mainly in Italy, Germany, the United Kingdom, North America and South America, and euro 20,730 thousand related to expenses for sureties and other banking commissions.

The item **net monetary loss** refers to the effect on monetary items deriving from the application of IAS 29 - Financial Reporting in Hyperinflationary Economies, by the Argentine subsidiary Pirelli Neumaticos SAIC, which was negative to the amount of euro 30,921 thousand and by the Turkish subsidiaries Pirelli Otomobil Lastikleri A.S. and Pirelli Lastikleri Dis Ticaret A.S., which was positive to the amount of euro 5,695 thousand (reference should be made to Note 42 *"Hyperinflation"* for further details).

The item **net losses on exchange rates** which amounted to euro 26,940 thousand (gains amounted to euro 395,174 thousand and losses amounted to euro 422,113 thousand), refers to, the adjustment of period-end exchange rates for items expressed in currencies other than the functional currency

and still outstanding at the closing date of the Consolidated Financial Statements, and to the net gains realised on items closed during the course of the period.

The item **fair value measurement of foreign exchange derivatives** refers to forward foreign exchange buy/sell transactions to hedge commercial and financial transactions, in accordance with the Group's exchange rate risk management policy. For transactions still open at period-end, the fair value is determined by applying the forward exchange rate at the reporting date. Fair value measurement consists of two elements: the interest component, which is linked to the interest rate differential between the currencies covered by the individual hedges, equal to a net cost of euro 26,757 thousand, and the exchange rate component, equal to a net cost of euro 6,828 thousand.

When comparing the net losses on exchange rates of euro 26,940 thousand, recognised on the receivables and payables in currencies other than the functional currency of the various subsidiaries, with the fair value measurement of the exchange rate component of the foreign exchange derivatives used for hedging, which amounted to a net loss of euro 6,828 thousand, the result is a negative imbalance of euro 33,768 thousand. This imbalance includes a net loss on exchange rates for the Argentine subsidiary Pirelli Neumaticos SAIC of euro 26,043 thousand, which was partially offset by the positive fair value measurement of other financial assets, as described in Note 37, *"Financial Income"*. Net of the aforementioned Argentine effect, the imbalance would have been a negative euro 7,725 thousand.

39. TAXES

Taxes were composed as follows:

(in thousands of euro)	**2025**	**2024**
Current taxes	253,339	151,883
Deferred taxes	(23,873)	(5,194)
Total	**229,466**	**146,689**

Taxes in 2025 amounted to euro 229,466 thousand against a net income before taxes of euro 760,162 thousand, compared to the amount of euro 146,689 thousand in 2024 against a net income before taxes of euro 647,793 thousand. The tax rate for 2025 stood at 30.2%, compared to 22.6% for 2024. Taxes in 2024 included the positive effect of approximately euro 30 million related to the favourable outcome of certain tax disputes concerning previous years, in addition to the benefits linked to the tax incentives of the old Patent Box regime and to the Allowance for Corporate Equity (ACE), which will no longer apply from 2025.

The reconciliation between theoretical and effective taxes is as follows:

(in thousands of euro)	**2025**	**2024**
A) Net income/(loss) before taxes	**760,161**	**647,793**
B) Theoretical taxes	**196,497**	**164,588**
Main causes for variations between theoretical and effective taxes:		
Taxes incentives	(2,500)	(53,394)
Non-deductible costs	14,595	11,707
Taxes on undistributed income of subsidiaries and other non-recoverable withholding taxes	12,770	11,927
Other	8,105	11,861
C) Effective taxes	**229,466**	**146,689**
Theoretical tax rate (B/A)	25.8%	25.4%
Effective tax rate (C/A)	30.2%	22.6%

The difference between theoretical and effective taxes in 2025 can be explained mainly by the presence of non-deductible costs, taxation on undistributed earnings and other non-recoverable withholding taxes.

As of 2025, these effects will no longer be offset by the tax incentives that the Group benefited from until 2024, mainly in Italy, including the Patent Box and ACE (Allowance for Corporate Equity).

The item *"Other"* mainly reflects adjustments to deferred taxes, net of the tax exemption on the returns from equity investments.

The Group's theoretical tax burden is calculated by taking into account the nominal tax rates of the countries in which the main companies of the Group operate, as reported below:

	2025	2024
Europe and Turkey		
Italy	28.65%	29.57%
Germany	30.00%	30.00%
Romania	16.00%	16.00%
Great Britain	25.00%	25.00%
Turkey	25.00%	25.00%
Russia, Nordics and MEAI		
Russia	25.00%	20.00%
North America		
USA	25.50%	25.50%
Mexico	30.00%	30.00%
South America		
Argentina	35.00%	35.00%
Brazil	34.00%	34.00%
APAC		
China	25.00%	25.00%

The following table shows the incidence of taxes paid during the financial year, which amounted to euro 154,240 thousand (euro 158,488 thousand in 2024), by geographic region:

- 39% Europe (27% in 2024);
- 30% APAC (32% in 2024);
- 15% North America (18% in 2024);
- 9% Russia and MEAI (11% in 2024);
- 7% South America (12% in 2024).

Taxes paid refers to the total amount of income taxes effectively paid during the fiscal period by the companies of the Group in their respective tax residence jurisdictions, to income tax prepayments paid in 2025, to income taxes paid during 2025 but relative to previous financial years (for example; income tax balances relative to 2024), or payments relative to tax assessments for previous financial years. Taxes paid also include withholding taxes incurred on cross-border payments such as dividends, interest and royalties and reported in the tax residence jurisdiction of the percipient.

40. EARNINGS PER SHARE

Basic/diluted earnings per share are determined by the ratio between the earnings/(losses) attributable to the Parent Company and the weighted average number of ordinary shares outstanding during the period, with the exclusion of treasury shares.

(in thousands of euro)	**2025**	**2024**
Net income attributable to the Parent Company	497,527	467,981
Weighted average number of ordinary shares outstanding (in thousands)	1,003,256	1,000,000
Basic/diluted earnings per ordinary share (in euro per share)	**0.496**	**0.468**

It should be noted that the basic and diluted earnings per share are the same. It should also be noted that the conversion of the aforementioned convertible bond into shares, did not have a dilutive effect, in that the average market price of the shares during the course of 2025 was below the exercise price of the option.

41. DIVIDENDS PER SHARE

During the course of 2025, Pirelli & C. S.p.A. distributed to its shareholders a unit dividend of euro 0.250 per ordinary share from its 2024 results, equal to a total dividend pay-out of euro 250 million gross of withholding taxes.

42. HYPERINFLATION

Based on the provisions of the Group's accounting standards, hyperinflation accounting was adopted by the Argentine subsidiaries, Pirelli Neumaticos SAIC and Latam Servicios Industriales S.A. as of July 1, 2018 and December 15, 2022 respectively, and by the Turkish subsidiaries Pirelli Otomobil Lastikleri A.S. and Pirelli Lastikleri Dis Ticaret A.S., as of June 30, 2022.

For the Argentine company, the price index used for the application of hyperinflation accounting was the National Consumer Price Index (CPI) published by the National Institute of Statistics and Census (INDEC), equal to an official annual value of 31.11%.

For the Turkish companies, the price index used was the National Consumer Price Index (TUFE) published by the Turkish Statistical Institute (TUIK), equal to an official annual value of 30.91%.

Net losses on the net monetary position were recorded in the Income Statement as *"Financial Expenses"* (Note 38), to the amount of euro 25,226 thousand.

43. RELATED PARTY TRANSACTIONS

Related Party Transactions, including intra-group transactions, do not qualify as either atypical or unusual, but are part of the ordinary course of business for companies of the Group. Such transactions, when not concluded under standard conditions, or as required by specific regulatory provisions, are in any case conducted on terms consistent with market conditions and carried out in compliance with the provisions contained in the Procedure for Related Party Transactions adopted by the Company.

The following table summarises the items from the Statement of Financial Position, the Income Statement and the Statement of Cash Flows that include Related Party Transactions and their relative impact.

STATEMENT OF FINANCIAL POSITION *(in millions of euro)*	**12/31/2025**	**of which related parties**	**% incidence**	**12/31/2024**	**of which related parties**	**% incidence**
Non current assets						
Other receivables	**322.0**	19.1	5.9%	**309.5**	7.8	2.5%
Current assets						
Trade receivables	**628.5**	12.1	1.9%	**622.9**	11.0	1.8%
Other receivables	**384.1**	99.6	25.9%	**444.0**	91.0	20.5%
Non-current liabilities						
Borrowings from banks and other financial institutions	**2,747.2**	11.3	0.4%	**3,068.6**	15.8	0.5%
Other payables	**78.1**	-	n.a.	**79.9**	-	n.a.
Provisions for liabilities and charges	**84.8**	17.8	21.0%	**101.1**	19.4	19.2%
Provisions for employee benefit obligations	**171.8**	8.2	4.8%	**184.0**	7.8	4.2%
Current liabilities						
Borrowings from banks and other financial institutions	**210.6**	4.5	2.2%	**760.9**	3.7	0.5%
Trade payables	**2,082.4**	166.5	8.0%	**2,081.6**	129.0	6.2%
Other payables	**375.6**	26.2	7.0%	**392.7**	22.9	5.8%

INCOME STATEMENT *(in millions of euro)*	**2025**	**of which related parties**	**% incidence**	**2024**	**of which related parties**	**% incidence**
Revenue from sales and services	**6,776.2**	66.7	1.0%	**6,773.3**	61.5	0.9%
Other income	**354.8**	94.7	26.7%	**346.5**	80.5	23.2%
Raw materials and consumables used (net of changes in inventories)	**(2,148.2)**	(24.1)	1.1%	**(2,177.4)**	(18.1)	0.8%
Personnel expenses	**(1,304.9)**	(15.6)	1.2%	**(1,301.3)**	(16.7)	1.3%
Other costs	**(2,264.4)**	(366.5)	16.2%	**(2,227.4)**	(326.9)	14.7%
Financial income	**106.9**	2.5	2.3%	**136.3**	3.5	2.6%
Financial expenses	**(290.6)**	(0.6)	0.2%	**(422.9)**	(3.3)	0.8%
Net income / (loss) from equity investments	**52.7**	16.1	n.a.	**31.4**	27.5	n.a.

STATEMENT OF CASH FLOWS *(in millions of euro)*	**2025**	**of which related parties**	**% incidence**	**2024**	**of which related parties**	**% incidence**
Net cash flow provided by / (used in) operating activities	**1,305.8**	(289.0)	n.a.	**1,292.6**	(226.5)	n.a.
Net cash flow provided by / (used in) investing activities	**(360.3)**	(26.6)	n.a.	**(421.3)**	1.0	n.a.
Net cash flow provided by / (used in) financing activities	**(888.1)**	(4.1)	n.a.	**(610.7)**	(4.1)	n.a.

Related Party Transactions are detailed below, subdivided according to the counterparty:

STATEMENT OF FINANCIAL POSITION	12/31/2025				12/31/2024			
(in millions of euro)	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**
Other non-current receivables	19.1	-	-	**19.1**	7.8	-	-	**7.8**
of which financial	*19.1*	-	-	***19.1***	*7.8*	-	-	***7.8***
Trade receivables	10.5	1.6	-	**12.1**	9.4	1.6	-	**11.0**
Other current receivables	96.4	3.3	-	**99.7**	87.1	3.9	-	**91.0**
of which financial	*85.6*	-	-	***85.6***	*7.8*	-	-	***7.8***
Non-current borrowings from banks and other financial institutions	3.9	7.3	-	**11.2**	6.3	9.5	-	**15.8**
Other non-current payables	-	-	-	**-**	-	-	-	**-**
Non-current provisions for liabilities and charges	-	-	17.8	**17.8**	-	-	19.4	**19.4**
Non-current provisions for employee benefit obligations	-	-	8.2	**8.2**	-	-	7.8	**7.8**
Current borrowings from banks and other financial institutions	2.4	2.1	-	**4.5**	2.4	1.3	-	**3.7**
Trade payables	104.9	61.6	-	**166.5**	69.5	59.5	-	**129.0**
Other current payables	-	0.5	25.7	**26.2**	-	0.4	22.5	**22.9**

INCOME STATEMENT	2025				2024			
(in millions of euro)	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**
Revenues from sales and services	64.0	2.7	-	**66.7**	58.9	2.6	-	**61.5**
Other income	54.0	40.8	-	**94.8**	40.5	39.9	-	**80.5**
Raw materials and consumables used (net of change in inventories)	(16.1)	(8.0)	-	**(24.1)**	(9.3)	(8.7)	-	**(18.1)**
Personnel expenses	-	-	(15.6)	**(15.6)**	-	-	(16.7)	**(16.7)**
Other costs	(271.7)	(69.8)	(25.0)	**(366.5)**	(230.4)	(70.8)	(25.7)	**(326.9)**
Financial income	2.5	-	-	**2.5**	2.9	0.6	-	**3.5**
Financial expenses	(0.2)	(0.4)	-	**(0.6)**	(0.4)	(2.9)	-	**(3.3)**
Net income/ (loss) from equity investments	16.1	-	-	**16.1**	27.5	-	-	**27.5**

STATEMENT OF CASH FLOWS	2025				2024			
(in millions of euro)	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**	Associates and joint ventures	Other related parties	Remuneration for Directors and Key Managers	**Total related parties**
Net income / (loss) before taxes	(151.5)	(34.7)	(40.6)	**(226.8)**	(110.3)	(39.4)	(42.4)	**(192.1)**
Reversal of Financial (income) / expenses	(2.3)	0.4	-	**(1.9)**	(2.5)	2.3	-	**(0.2)**
Reversal of share of net result from associates and joint ventures	(16.1)	-	-	**(16.1)**	(27.5)	-	-	**(27.5)**
Reversal of accruals to provisions and other accruals	-	-	12.3	**12.3**	-	-	14.2	**14.2**
Change in Trade receivables	(1.6)	0.5	-	**(1.1)**	(1.3)	(0.1)	-	**(1.4)**
Change in Trade payables	(40.5)	(2.8)	-	**(43.3)**	(21.9)	8.9	-	**(13.0)**
Change in Other receivables	2.6	(0.6)	-	**2.0**	3.1	6.9	-	**10.0**
Change in Other payables	(0.2)	0.3	(8.9)	**(8.8)**	-	0.4	(8.1)	**(7.7)**
Use of Provisions for liabilities and charges	-	-	(5.1)	**(5.1)**	-	-	(8.8)	**(8.8)**
Net cash flow provided by / (used in) operating activities	**(209.5)**	**(36.8)**	**(42.3)**	**(288.8)**	**(160.4)**	**(21.0)**	**(45.1)**	**(226.5)**
Disposals of equity investments in associates and JV	-	-	-	**-**	-	-	-	**-**
Change in Financial receivables from associates and JV	(26.6)	-	-	**(26.6)**	(0.5)	-	-	**(0.5)**
Dividends received	-	-	-	**-**	1.5	-	-	**1.5**
Net cash flow provided by / (used in) investing activities	**(26.6)**	**-**	**-**	**(26.6)**	**1.0**	**-**	**-**	**1.0**
Repayment of principal and payment of interest for lease liabilities	(2.4)	(1.7)	-	**(4.1)**	(2.5)	(1.6)	-	**(4.1)**
Net cash flow provided by / (used in) financing activities	**(2.4)**	**(1.7)**	**-**	**(4.1)**	**(2.5)**	**(1.6)**	**-**	**(4.1)**

TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES

Transactions - Statement of Financial Position

The item **other non-current receivables** refers to a loan granted by Pirelli Tyre S.p.A. to the Indonesian joint venture PT Evoluzione Tyres.

The item **trade receivables** mainly relates to the sale of raw material and services rendered, to the Chinese joint venture, the Jining Shenzhou Tyre Co., Ltd., to the amount of euro 9.8 million.

The item **other current receivables** mainly refers to receivables from the Jining Shenzhou Tyre Co., Ltd., for royalties to the amount of euro 1 million, and for various services to the amount of euro 3 million.

The financial portion, the amount of euro 85.6 million, refers to the financing granted by the Pirelli Tyre Co., Ltd. to the Jining Shenzhou Tyre Co., Ltd.

The item **borrowings from banks and other financial institutions non-current** refers to the payables of the company Pirelli Deutschland GmbH to the associate company Industriekraftwerk Breuberg GmbH, for the hire of machinery.

The item **current borrowings from banks and other financial institutions** refers to the short-term portion of the aforementioned debt.

The item **trade payables** mainly refers to trade payables to the Jining Shenzhou Tyre Co., Ltd.

Transactions - Income statement

The item **revenues from sales and services** mainly refers to the sales of raw materials and semi-finished products to the Jining Shenzhou Tyre Co., Ltd.

The item **other income** refers to royalties to the amount of euro 35.1 million, of which euro 18.3 million was from the joint venture, the Middle East and North Africa Tyre Company, and euro 15.4 million was from the Jining Shenzhou Tyre Co., Ltd., and to recharging of expenses to the amount of euro 9.8 million.

The item **other costs** mainly refers to costs for:

- the purchase of tyres from Jining Shenzhou Tyre Co., Ltd. to the amount of euro 185 million;
- the purchase of Motorcycle products from PT Evoluzione Tyres to the amount of euro 47 million;
- purchase of energy and fees for operational management by Industriekraftwerk Breuberg GmbH totalling euro 28 million.

The item **financial income** refers mainly to interest on loans disbursed to the two joint ventures.

OTHER RELATED-PARTY TRANSACTIONS

The transactions detailed below refer mainly to transactions with the Prometeon Group, which belongs to the Sinochem Group, that exercises significant influence over Pirelli in accordance with IAS 28.

Transactions - Statement of Financial Position

The items **trade receivables** and **other current receivables** refer mainly to receivables from companies of the Prometeon Group.

The item **current borrowings from banks and other financial institutions** refers to the payables of Pirelli Otomobil Lastikleri A.S. to Prometeon Turkey Endüstriyel ve Ticari Lastikler A.S. for machine hire.

The item **trade payables** mainly refers to payables to companies of the Prometeon Group to the amount of euro 60 million, for the purchase of tyres for trucks and agricultural vehicles.

Transactions - Income statement

The item **other income** comprises, amounts from the companies of the Prometeon Group, mainly:

- the licence agreement for know-how charged by Pirelli Tyre S.p.A. to the amount of euro 11.1 million;
- royalties recorded by Pirelli Tyre S.p.A. in respect of the license agreement for the use of the Pirelli trademark to the amount of euro 16.2 million;
- logistics services rendered by the Spanish company Pirelli Neumaticos S.A. - Sociedad Unipersonal to the amount of euro 1.1 million.

The item **raw materials and consumables used** refers mainly to costs payable to companies of the Sinochem Group for the purchase of direct materials, consumables and compounds, of which euro 4.7 million were costs to payable the Chinese subsidiary company, Pirelli Tyre Co., Ltd.

The item **other costs** mainly includes:

- the purchase of truck products for a total amount of euro 64.1 million of which euro 59.4 million was made by the Brazilian company Comercial e Importadora de Pneus Ltda., and subsequently resold to retail customers, and euro 2.1 million made by the German company Driver Reifen und KFZ-Technik GmbH;
- costs incurred by the Pirelli Tyre (Jiaozuo) Co., Ltd. for electricity expenses payable to the Aeolus Tyre Co., Ltd. to the amount of euro 4.1 million.

REMUNERATION FOR DIRECTORS AND KEY MANAGERS

Remuneration for Directors and Key Managers can be summarised as follows:

- the Statement of Financial Position items **non-current provisions for liabilities and charges** and **non-current provisions for employee benefit obligations**, include the provisions for the monetary three-year 2024-2026 and 2025-2027 Long Term Incentive (LTI) Plans to the amount of euro 8.3 million, (euro 8.6 million at December 31, 2024), the provisions for the Short Term Incentive (STI) Plan to the amount of euro 6.5 million (euro 6.4 million at December 31, 2024), as well as end-of-term indemnities to the amount of euro 11.2 million (euro 12.2 million at December 31, 2024);

- the Statement of Financial Position item **other current payables** includes the short-term portion related to the STI and LTI Plans to the amount of euro 6.8 million;

- the items **personnel expenses** and **other costs** include euro 2.5 million related to employees' leaving indemnities (TFR) and end-of-term indemnities (euro 3.1 million for 2024), as well as provisions for short-term benefits to the amount of euro 12.8 million (euro 14.1 million for 2024) and for long-term benefits, to the amount of euro 13.3 million (euro 13.4 million for 2024).

44. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

As of **January 1, 2026**, the Call Option in favour of Pirelli Tyre S.p.A., which allowed it to increase its 49% stake in the joint , the Xushen Tyre (Shanghai) Co., Ltd., up to a maximum of 70%, was exercisable and therefore, pursuant to the IFRS 10 accounting standard, on the basis of the potential voting rights assigned by the aforementioned Option, the shareholding is fully consolidated as of that date (so-called Business Combination without consideration).

As provided for by the applicable accounting standard, at January 1, 2026, the fair value of the 49% stake (notional price) was estimated as the pro-rata equity value of the investee, calculated using the Discounted Cash Flow – Equity Side Method, amounting to euro 134.2 million. The difference between this value (fair value of the stake in the joint venture) and the book value of the stake at the date of consolidation, net of the reversal of the cumulative negative foreign exchange reserve up to that date, is a gain of euro 27 million, which will be recognised in the Income Statement 2026.

The provisional fair value of the consolidated net assets was estimated to be equal to the carrying amount of equity and amounted to euro 208.4 million. The calculation of the provisional goodwill is reported below:

(in thousands of euro)	**01/01/2026**
A - Net identifiable assets (100%)	**208,398**
B - Fair value of the JV interest – 49% (deemed consideration)	134,176
C - Fair value of non-controlling interests (51%)	139,652
Provisional goodwill (B + C - A)	**65,430**

The process of allocating the notional price (deemed consideration) to the fair value of the identifiable net assets for the Business Combination (Purchase Price Allocation – PPA), in accordance with the provisions of the IFRS 3 accounting standard (Business Combinations), will be completed within twelve months from the date of consolidation.

The Call Option to increase the shareholding to 70% was subsequently exercised on March 27, 2026. The final price of the Option will be determined within the first half-year of 2026.

This transaction will allow the continuation of providing the necessary flexibility in High Value production, taking into account the evolution of the Chinese market, the expected developments in electric vehicles and the increasing market share for homologations.

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.

45. OTHER INFORMATION

INFORMATION ON CLIMATE CHANGE

During the course of 2025, the Group continued to improve its performance across the value chain. The performance at December 31, 2025, is described in the Consolidated Sustainability Reporting, to which reference should be made.

The Group’s forecasts included in the 2024-2025 Industrial Plan, which, based on internal estimates, represent the net benefits on future cash flows, take into account the risks related to climate change, by setting the related objectives and performance targets, and in particular:

- **in the production processes**, in terms of reducing absolute Scope 1 and 2 CO_2 emissions, increasing the share of electrical energy from renewable sources and improving the efficiency in the use of energy and natural resources;

- at **product and raw materials level**, through the evolution of product ranges with a lower environmental impact throughout their respective life cycles, while at the same time ensuring greater driving safety, and in terms of increasing the share of bio-based and recycled materials used in the new product lines;

- **as part of the supply chain**, through targets for the reduction of absolute Scope 3 CO_2 emissions, particularly associated with raw materials suppliers.

The achievement of these objectives requires further specific actions, some of which have already been initiated and are reflected, where applicable, in the forecasts of the economic and financial flows for 2026. These actions include:

- the purchase of Energy Attribute Certificates (EAC) for electrical energy at almost all of the Group’s production sites. These are instruments that certify the renewable origin of the energy sources used, and for 2025 were recorded under other costs;

- the procurement of electrical energy through Power Purchase Agreements for the dedicated supply from renewable sources at the Merlo (Argentina), Campinas (Brazil) and Feira de

Santana (Brazil) production sites. The cost of these contracts were classified under other costs;

- investment projects for greater energy efficiency, which had already begun in 2021, and investments initiated in 2023, for the electrification of the vulcanisers. Investments made in 2025 amounted to euro 5.1 million for energy efficiency improvement projects and euro 33.7 million for the electrification of the vulcanising presses, and are included under increases to property, plant and equipment.

  With reference to investments for new products, it should be noted that the assets used to date for tyre production do not need to be replaced, but will be subject to possible improvements. Instead, with reference to projects to achieve greater energy efficiency, mainly, improvements and the purchases of additional components for existing assets are planned. Lastly, the projects to electrify the vulcanising presses used in the production process, foresee the replacement of the non-material components of existing assets. Therefore, the types of investments mentioned above, do not impact the assessment of the useful lives of the assets currently in use or the recoverability of their carrying amount at December 31, 2025;

- research and development costs for the development of new products and operating costs for improving energy efficiency.

With regard to the impact on the financial structure, it should be noted that at December 31, 2025, financing geared to sustainability indexes accounted for 81.1% of the Group's total gross debt. Specifically, the Group had outstanding *"sustainable"* bank facilities to the amount of euro 2.7 billion, of which euro 1.2 billion resulted as used at December 31, 2025, and euro 1.5 billion was available in the form of a revolving committed credit facility, as well as euro 1.2 billion in sustainability-linked bonds (the so-called SLBs).

For further information, reference should be made to Note 24, *"Borrowings from Banks and Other Financial Institutions*" and Note 4, *"Financial Risk Management Policies".*

With regard to risks linked to climate change, Pirelli monitors these elements of uncertainty (both physical - acute and chronic - and transitional) along its value chain through sensitivity analyses and risk assessments, to assess and quantify the financial impacts (risks and opportunities) linked to climate change and water stress, and to put in place appropriate prevention and mitigation measures to protect its business. One instrument to support these analyses is the Group's Climate Change and the related Water Stress Risk Assessment, which is updated periodically to integrate these analyses with forecasts for the medium to long-term time period, with respect to the IPPC (Intergovernmental Panel on Climate Change) climate scenarios, which represent a projection of global temperature increases at the end of the century of between 1.5°C (RCP 1.9) and >4°C (RCP 8.5), and the IEA (International Energy Agency) projections for energy transition which take into consideration the different levels of ambition and speed in the implementation of climate policies (Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS) and Net Zero by 2050 (NZE)).

As regards the physical risks, the potential impacts are projected over a time frame up to 2050, against the various IPCC climate scenarios, by assessing the potential damage to assets and the business interruption days for the Group's manufacturing plants and for strategic suppliers, arising from the main risks (including flooding, drought, wildfire and storms). In terms of potentially critical issues, assessed according to the Group's rating scales, no significant impacts are identified in the short-medium term (2025-2030), while elements of uncertainty persist on the horizon leading up to 2050.

Instead, with regard to transition risks, the Group went on to evaluate, among other factors, the introduction and/or tightening of the current CO_2 emission pricing schemes in the countries in which it operates. The potential impacts, linked to an increase in the costs of production, have been estimated based on different evolutions in the cost of acquiring CO_2 emission allowances, deriving both from the forecasts published by the IEA for the STEPS, APS, NZE scenarios, as well as from the three possible carbon intensity pathways for the Group. No material impact emerged for the short (by 2026) and medium term, while there were elements of uncertainty regarding the long-term (2050), particularly in the event of the NZE and APS scenarios occurring.

At December 31, 2025, no risks of probable cash outflows had emerged that would require the accrual of specific provisions in the Financial Statements.

The impacts of the actions taken to achieve the Plan objectives and the related risks described above, were taken into account in the performance of the Impairment Test on Goodwill and the Pirelli Brand at December 31, 2025. In particular, with regard to the plan period, the new cash flows projected by management for 2026 were taken into account, and for the medium to long term, the impacts were assessed through stress testing.

For more information, reference should be made to Note 10, *"Intangible Assets".*

For more information on climate change and in particular on the related risks and the objectives and actions implemented by the Group, reference should be made to the section "E1 - Climate Change", in the *"Consolidated Sustainability Reporting".*

RESEARCH AND DEVELOPMENT EXPENSES

Research & Development expenses for 2025 amounted to euro 312.7 million and represented 4.6% of sales, and refer to expenses for product and process innovation, as well as for the development of new materials. The portion allocated to research and development for High Value activities amounted to euro 299.5 million and equalled 5.6% of High Value revenues. For further details, reference should be made to the section *"Research and Development Activities"* in the Directors' Report on Operations.

REMUNERATION FOR DIRECTORS AND STATUTORY AUDITORS

The remuneration paid to the Directors and Statutory Auditors was as follows:

(in thousands of euro)	**2025**	**2024**
Directors	24,989	25,722
Statutory Auditors	565	495
Total	**25,555**	**26,217**

AVERAGE EMPLOYEE HEADCOUNTS

The average headcount for employees, sub-divided by category, for the companies included in the Scope of Consolidation were as follows:

	2025	**2024**
Executives and white collar staff	6,216	6,235
Blue collar staff	23,203	23,633
Temporary workers	1,382	1,483
Total	**30,801**	**31,351**

REMUNERATION FOR INDEPENDENT AUDITING FIRMS

In accordance with applicable regulations, the total fees for the 2025 financial year for audit and non-audit services provided by the company PricewaterhouseCoopers S.p.A. and by entities belonging to its network, are shown below:

(in thousands of euro)	**Service Provider**	**Recipient**	**Partial fees**	**Total fees**	
Audit Services	PricewaterhouseCoopers S.p.A.	Pirelli & C. S.p.A.	93		
	PricewaterhouseCoopers S.p.A.	Subsidiaries	1,584		
	PricewaterhouseCoopers Network	Subsidiaries	1,615	**3,292**	*86%*
Assurance Services (1)	PricewaterhouseCoopers S.p.A.	Pirelli & C. S.p.A.	205		
	PricewaterhouseCoopers S.p.A.	Subsidiaries	118		
	PricewaterhouseCoopers Network	Pirelli & C. S.p.A.	25		
	PricewaterhouseCoopers Network	Subsidiaries	47	**395**	*10%*
Non-audit Services	PricewaterhouseCoopers S.p.A.	Pirelli & C. S.p.A.	-		
	PricewaterhouseCoopers S.p.A.	Subsidiaries	64		
	PricewaterhouseCoopers Network	Pirelli & C. S.p.A.	107		
	PricewaterhouseCoopers Network	Subsidiaries	-	**171**	*4%*
				3,858	*100%*

(1) the item "Assurance Services" includes the amounts paid for other services involving the issuance of an audit report, as well as the amounts paid for so-called assurance services, insofar as they are closely related to statutory audit activities.

INFORMATION REQUIRED BY LAW NO. 124/2017 ART. 1 PARAGRAPHS 125-129

With reference to Pirelli Tyre S.p.A., the following are the main contributions received from the Public Administration in 2025:

- regarding the agreement signed with the Ministry of Economic Development, the MiSE (*Ministero dello Sviluppo Economico*), now the Ministry of Enterprises and Made in Italy (*Ministero delle Imprese e Made in Italy*) in the 2022 financial year, for the funding of a Research and Development project in Digital Solutions, with a total grant available of up to a maximum of euro 2.6 million, the company received instalments amounting to euro 263 thousand during the 2025 financial year (CUP B49J22003730005);

- under the Sustainable Growth Fund (*Fondo Crescita Sostenibile*) programme, the Company received a grant decree from the Ministry of Economic Development and Made in Italy, the MIMIT (*Ministero dello Sviluppo Economico e Made in Italy*), for the funding of Research and Development activities, for a maximum of euro 5.9 million (CUP B49J24002180005). During the 2025 financial year, the company received instalments amounting to euro 1.8 million;

- under the National Recovery and Resilience Plan, the PNRR (*Piano Nazionale di Ripresa e Resilienza*), during the 2022 financial year, Pirelli Tyre received a grant decree from the Ministry of Universities and Research, the MUR (*Ministero dell'Università e della Ricerca*) for the facilitation of Research and Development activities as a participant of the National Centre for Sustainable Mobility, the MOST (*Centro Nazionale di Mobilità Sostenibile*), for a maximum of euro 1.2 million (CUP B43D21010580004). During the 2025 financial year, the company received instalments amounting to euro 1.1 million.

  In addition, with reference to the other Italian companies of the Group, the main contributions received from the Public Administration in 2025 are reported below:

- also under the National Recovery and Resilience Plan, the PNRR (*Piano Nazionale di Ripresa e Resilienza*), Pirelli & C. obtained a grant decree from the Ministry of Universities and Research (the *MUR - Ministero dell'Università e della Ricerca*) for the funding of Research and Development activities within the Ecosystem for Innovation framework of *"MUSA – Multilayered Urban Sustainability Action"*, for a maximum of euro 0.4 million. During the 2025 financial year, the company received instalments amounting to euro 82 thousand;

- under the Industrial Transition Fund (*Fondo Transizione Industriale*), the company Pirelli Industrie Pneumatici received a grant decree from the Ministry of Economic Development and Made in Italy, the MIMIT (*Ministero dello Sviluppo Economico e Made in Italy*) for the funding of investments in energy savings, for a maximum of euro 4.7 million (CUP C39C23000640005). During the 2025 financial year, the company received instalments amounting to euro 1.4 million;

- during the 2023 financial year, the company Pirelli Digital Solutions S.r.l. signed a Regional Programme Agreement with the Puglia Region, which will provide subsidies for investments and

R&D activities at the new Digital Solutions Centre in Bari, for a maximum of euro 4.9 million in non-repayable grants, of which euro 1.9 million was received during the 2025 financial year.

Additionally, it should be noted that the following funding programmes are still active, although no instalments were received in the 2025 financial year:

- under the National Recovery and Resilience Plan, the PNRR (Piano Nazionale di Ripresa e Resilienza), during the 2023 financial year, the same company obtained approval from the National Centre for Sustainable Mobility, the MOST (*Centro Nazionale per la Mobilita Sostenibile*), financed by the Ministry of Universities and Research, the MUR (*Ministero dell'Università e della Ricerca*), of a subsidy for Research and Development activities under the "*POC - Proof of Concept"* and *"Scalability Grant"* funding schemes, totalling euro 0.2 million, (CUP B43D21010580004);

- under the National Recovery and Resilience Plan, the PNRR (*Piano Nazionale di Ripresa e Resilienza*), the company obtained approval from the National Centre for Sustainable Mobility, the MOST (*Centro Nazionale per la Mobilità Sostenibile*), funded by the Ministry of Universities and Research, the MUR (*Ministero dell'Università e della Ricerca*), for the funding of two Research and Development projects under th*e "Flagship Line B"* funding schemes, totalling euro 2.7 million, (CUP B43D21010580004). It should also be noted, that under the same funding scheme, Pirelli Digital Solutions received approval for euro 0.1 million;

- under the European *"Life 2023"* programme, Pirelli Tyre obtained approval from the European Commission for subsidies for a Research and Development project, for a maximum of euro 0.2 million, of which euro 0.1 million had already been received during the previous financial year.

ATYPICAL AND/OR UNUSUAL TRANSACTIONS

Pursuant to CONSOB Notice No. 6064293 of July 28, 2006, it should be noted that during the course of the 2025 financial year, that no atypical and/or unusual transactions as defined in the aforesaid communication, were carried out by the Company.

EXCHANGE RATES

The main exchange rates used for consolidation were as follows:

(local currency vs euro)	**Period-end Exchanges Rates**		**Change**	**Average Exchange Rates**		**Change**
	12/31/2025	**12/31/2024**	**in %**	**2025**	**2024**	**in %**
Thai Bhat	**37.2180**	35.6760	4.32%	**37.1158**	38.1865	(2.80%)
Swedish Krona	**10.8180**	11.4865	(5.82%)	**11.0687**	11.4322	(3.18%)
Australian Dollar	**1.7581**	1.6772	4.82%	**1.7518**	1.6397	6.83%
Canadian Dollar	**1.6088**	1.4948	7.63%	**1.5787**	1.4821	6.52%
Singaporean Dollar	**1.5105**	1.4164	6.64%	**1.4756**	1.4458	2.06%
US Dollar	**1.1750**	1.0389	13.10%	**1.1300**	1.0824	4.40%
Swiss Franc	**0.9314**	0.9412	(1.04%)	**0.9370**	0.9526	(1.64%)
Egyptian Pound	**56.0923**	52.8872	6.06%	**55.6780**	49.1521	13.28%
Turkish Lira (°)	**50.4532**	36.7429	37.31%	**50.4532**	36.7429	37.31%
Romanian Leu	**5.0985**	4.9741	2.50%	**5.0431**	4.9746	1.38%
Argentinian Peso (°)	**1,709.6250**	1,072.1448	59.46%	**1,709.6250**	1,072.1448	59.46%
Mexican Peso	**21.1109**	21.0567	0.26%	**21.7251**	19.7818	9.82%
South African Rand	**19.4439**	19.6188	(0.89%)	**20.1789**	19.8297	1.76%
Brazilian Real	**6.4692**	6.4363	0.51%	**6.3095**	5.8325	8.18%
Chinese Renminbi	**8.2588**	7.4680	10.59%	**8.0713**	7.7084	4.71%
Saudi Arabian Riyal	**4.4063**	3.9029	12.90%	**4.2386**	4.0615	4.36%
Russian Rouble	**92.0938**	106.1028	(13.20%)	**94.3050**	100.2028	(5.89%)
British Pound Sterling	**0.8726**	0.8292	5.24%	**0.8568**	0.8466	1.20%
Japanese Yen	**184.0900**	163.0600	12.90%	**169.0435**	163.8519	3.17%

(°) Average exchange rates equal the period-end exchange rates following the application of IAS 29 - Financial Reporting in Hyperinflationary Economies

NET FINANCIAL POSITION

(Alternative Performance Indicators not provided for by the accounting standards).

(in thousands of euro)	Note	12/31/2025	of which related parties (note 43)	12/31/2024	of which related parties (note 43)
Current borrowings from banks and other financial institutions	**24**	210,603	*4,530*	760,856	*3,707*
Current derivative financial instruments (liabilities)	**28**	2,648		3,503	
Non-current borrowings from banks and other financial institutions	**24**	2,747,192	*11,292*	3,068,599	*15,825*
Total gross debt		**2,960,443**		**3,832,958**	
Cash and cash equivalents	**20**	(1,525,886)		(1,502,741)	
Other financial assets at fair value through Income Statement	**19**	(79,904)		(165,965)	
Current financial receivables **	**16**	(128,812)	*(85,628)*	(113,297)	*(78,552)*
Current derivative financial instruments (assets)	**28**	(4,125)		(16,577)	
Net financial debt *		**1,221,716**		**2,034,378**	
Non-current derivative financial instruments (assets)	**28**	-		(4,326)	
Non-current financial receivables **	**16**	(119,701)	*(19,141)*	(104,288)	*(7,791)*
Total net financial (liquidity) / debt position		**1,102,015**		**1,925,764**	

* 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 item "Financial receivables" is reported net of the relative provisions for impairment which amounted to euro 8,287 thousand at December 31, 2025 (euro 8,369 thousand at December 31, 2024).

Net financial debt is summarised below, based on the format provided by the ESMA guidelines:

(in thousands of euro)	12/31/2025	12/31/2024
Cash and cash equivalents	(1,525,886)	(1,502,741)
Other current financial assets	(212,841)	(295,839)
of which Current financial receivables	*(128,812)*	*(113,297)*
of which Current derivative financial instruments (assets)	*(4,125)*	*(16,577)*
of which Other financial assets at fair value through Income Statement	*(79,904)*	*(165,965)*
Liquidity	**(1,738,727)**	**(1,798,580)**
Current borrowings from banks and other financial institutions	210,603	760,856
Current derivative financial instruments (liabilities)	2,648	3,503
Current financial debt	**213,251**	**764,359**
Current net financial debt	**(1,525,476)**	**(1,034,221)**
Non-current borrowings from banks and other financial institutions	2,747,192	3,068,599
Non-current derivative financial instruments (liabilities)	-	-
Non-current financial debt	**2,747,192**	**3,068,599**
Total net financial debt *	**1,221,716**	**2,034,378**

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

SCOPE OF CONSOLIDATION

List of companies included in consolidation using the line-by-line method

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Europe						
Austria						
Pirelli GmbH	Agent	Vienna	Euro	726,728	100.00%	Pirelli Tyre (Suisse) S.A.
Belgium						
Pirelli Tyres Belux S.A.	Agent	Brussels	Euro	700,000	99.996%	Pirelli Tyre (Suisse) S.A.
					0.004%	Pneus Pirelli S.A.S.
France						
Pneus Pirelli S.A.S.	Distributor	Villepinte	Euro	1,515,858	100.00%	Pirelli Tyre S.p.A.
Germany						
Deutsche Pirelli Reifen Holding GmbH	Holding	Breuberg / Odenwald	Euro	7,694,943	100.00%	Pirelli Tyre S.p.A.
Driver Handelssysteme GmbH	Service provider	Breuberg / Odenwald	Euro	26,000	100.00%	Deutsche Pirelli Reifen Holding GmbH
Pirelli Deutschland GmbH	Manufacturer and distributor	Breuberg / Odenwald	Euro	23,959,100	100.00%	Deutsche Pirelli Reifen Holding GmbH
Pirelli Personal Service GmbH	Service provider	Breuberg / Odenwald	Euro	25,000	100.00%	Deutsche Pirelli Reifen Holding GmbH
PK Grundstuecksverwaltungs GmbH	Dormant	Breuberg / Odenwald	Euro	26,000	100.00%	Deutsche Pirelli Reifen Holding GmbH
Driver Reifen und KFZ-Technik GmbH	Distribution chain	Breuberg / Odenwald	Euro	259,225	100.00%	Deutsche Pirelli Reifen Holding GmbH
Greece						
Elastika Pirelli C.S.A.	Distributor	Elliniko-Argyroupoli	Euro	11,630,000	99.90%	Pirelli Tyre S.p.A.
					0.10%	Pirelli Tyre (Suisse) S.A.
The Experts in Wheels - Driver Hellas S.A.	Service provider	Elliniko-Argyroupoli	Euro	100,000	76.00%	Elastika Pirelli C.S.A.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Italy						
Driver Italia S.p.A.	Service provider	Milan	Euro	350,000	71.214%	Pirelli Tyre S.p.A.
Driver Servizi Retail S.p.A.	Service provider	Milan	Euro	120,000	100.00%	Pirelli Tyre S.p.A.
HB Servizi S.r.l.	Service provider	Milan	Euro	10,000	100.00%	Pirelli & C. S.p.A.
Maristel S.r.l.	Service provider	Milan	Euro	50,000	100.00%	Pirelli & C. S.p.A.
Pirelli Digital Solutions S.r.l.	Service provider	Milan	Euro	500,000	100.00%	Pirelli Tyre S.p.A.
Pirelli Industrie Pneumatici S.r.l.	Manufacturer	Settimo Torinese (To)	Euro	40,000,000	100.00%	Pirelli Tyre S.p.A.
Pirelli International Treasury S.p.A.	Financial	Milan	Euro	125,000,000	70.00%	Pirelli Tyre S.p.A.
					30.00%	Pirelli & C. S.p.A.
Pirelli Servizi Amministrazione e Tesoreria S.p.A.	Service provider	Milan	Euro	2,047,000	100.00%	Pirelli & C. S.p.A.
Pirelli Sistemi Informativi S.r.l.	Service provider	Milan	Euro	1,010,000	100.00%	Pirelli & C. S.p.A.
Pirelli Tyre S.p.A.	Principal	Milan	Euro	558,154,000	100.00%	Pirelli & C. S.p.A.
Poliambulatorio Bicocca S.r.l.	Service provider	Milan	Euro	10,000	100.00%	Pirelli Tyre S.p.A.
Telco S.r.l.	Service provider	Gazzaniga	Euro	93,600,000	80.00%	Pirelli Tyre S.p.A.
The Netherlands						
Pirelli China Tyre N.V.	Holding and Agent	Rotterdam	Euro	38,045,000	100.00%	Pirelli Tyre S.p.A.
Poland						
Driver Polska Sp. z o.o.	Service provider	Warsaw	Pol. Zloty	100,000	70.00%	Pirelli Polska Sp. z o.o.
Pirelli Polska Sp. z o.o.	Distributor	Warsaw	Pol. Zloty	625,771	100.00%	Pirelli Tyre S.p.A.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
United Kingdom						
Pirelli Cif Trustees Ltd.	Trustees	Burton-on-Trent	British Pound Sterling	4	50.00%	Pirelli General & Overseas Pension Trustees Ltd.
					50.00%	Pirelli Tyres Pension Trustees Ltd.
Pirelli International Limited (ex Pirelli International plc)	Dormant	Burton-on-Trent	Euro	5,000,000	100.00%	Pirelli Tyre S.p.A.
Pirelli Motorsport Services Ltd.	Service provider	Burton-on-Trent	British Pound Sterling	1	100.00%	Pirelli UK Ltd.
Pirelli General & Overseas Pension Trustees Ltd.	Trustees	Burton-on-Trent	British Pound Sterling	1	100.00%	Pirelli UK Ltd.
Pirelli Tyres Ltd.	Dormant	Burton-on-Trent	British Pound Sterling	16,000,000	100.00%	Pirelli UK Tyres Ltd.
Pirelli Tyres Pension Trustees Ltd.	Trustees	Burton-on-Trent	British Pound Sterling	1	100.00%	Pirelli Tyres Ltd.
Pirelli UK Ltd.	Holding	Burton-on-Trent	British Pound Sterling	210,991,278	100.00%	Pirelli & C. S.p.A.
Pirelli UK Tyres Ltd.	Manufacturer and distributor	Burton-on-Trent	British Pound Sterling	85,000,000	100.00%	Pirelli Tyre S.p.A.
Slovakia						
Pirelli Slovakia S.R.O.	Distributor	Bratislava	Euro	6,639	100.00%	Pirelli Tyre S.p.A.
Romania						
Pirelli Tyres Romania S.r.l.	Manufacturer and distributor	Slatina	Rom. Leu	2,189,797,300	100.00%	Pirelli Tyre S.p.A.
Russia						
Closed Joint Stock Company "Voronezh Tyre Plant"	Manufacturer	Voronezh	Russian Rouble	1,520,000,000	100.00%	Limited Liability Company "Pirelli Tyre Russia"
Limited Liability Company Pirelli Tyre Services	Service provider	Moscow	Russian Rouble	54,685,259	95.00%	Pirelli Tyre (Suisse) S.A.
					5.00%	Pirelli Tyre S.p.A.
Limited Liability Company "Industrial Complex Kirov Tyre"	Manufacturer	Kirov	Russian Rouble	348,423,221	100.00%	Limited Liability Company "Pirelli Tyre Russia"
Limited Liability Company "Pirelli Tyre Russia"	Manufacturer and distributor	Moscow	Russian Rouble	6,153,846	65.00%	Pirelli Tyre (Pty) Ltd.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Spain						
Euro Driver Car S.L.	Service provider	Valencia	Euro	960,000	58.438%	Pirelli Neumaticos S.A. - Sociedad Unipersonal
Neumaticos Arco Iris S.A.	Service provider	Valencia	Euro	302,303	66.203%	Pirelli Neumaticos S.A. - Sociedad Unipersonal
Pirelli Neumaticos S.A. - Sociedad Unipersonal	Distributor	Valencia	Euro	25,075,907	100.00%	Pirelli Tyre S.p.A.
Sweden						
Pirelli Tyre Nordic Aktiebolag	Distributor	Stockholm	Swed. Krona	950,000	100.00%	Pirelli Tyre S.p.A.
Switzerland						
Driver (Suisse) S.A.	Service provider	Bioggio	Swiss Franc	100,000	100.00%	Pirelli Tyre (Suisse) S.A.
Pirelli Group Reinsurance Company S.A.	Insurance	Basel	Swiss Franc	3,000,000	100.00%	Pirelli & C. S.p.A.
Pirelli Tyre (Suisse) S.A.	Distributor / Distribution chain	Basel	Swiss Franc	1,000,000	100.00%	Pirelli Tyre S.p.A.
Turkey						
Pirelli Lastikleri Dis Ticaret A.S.	Service provider	Istanbul	Turkish Lira	250,000	100.00%	Pirelli Otomobil Lastikleri A.S.
Pirelli Otomobil Lastikleri A.S.	Manufacturer and distributor	Istanbul	Turkish Lira	1,290,000,000	100.00%	Pirelli Tyre S.p.A.
Hungary						
Pirelli Hungary Tyre Trading and Services Ltd.	Distributor	Budapest	Hun. Forint	3,000,000	100.00%	Pirelli Tyre S.p.A.
North America						
Canada						
Pirelli Tire Inc.	Agent	St-Laurent (Quebec)	Can. $	6,000,000	100.00%	Pirelli Tyre (Suisse) S.A.
U.S.A.						
Pirelli North America Inc.	Holding	New York (New York)	US $	10	100.00%	Pirelli Tyre S.p.A.
Pirelli Tire LLC	Manufacturer and distributor	Rome (Georgia)	US $	1	100.00%	Pirelli North America Inc.
Prestige Stores LLC	Dormant	Los Angeles (California)	US $	10	100.00%	Pirelli Tire LLC

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Central/South America						
Argentina						
Pirelli Neumaticos S.A.I.C.	Manufacturer and distributor	Buenos Aires	Arg. Peso	2,948,055,176	99.828%	Pirelli Tyre S.p.A.
					0.172%	Pirelli Pneus Ltda.
Latam Servicios Industriales S.A.	Service provider	Buenos Aires	Arg. Peso	17,600,000	99.97%	Pirelli Neumaticos S.A.I.C.
					0.03%	Pirelli Pneus Ltda.
Brazil						
Comercial e Importadora de Pneus Ltda.	Distribution chain	Sao Paulo	Bra. Real	853,280,282	100.00%	Pirelli Comercial de Pneus Brasil Ltda.
Pirelli Comercial de Pneus Brasil Ltda.	Distributor	Sao Paulo	Bra. Real	2,003,614,861	85.00%	Pirelli Tyre S.p.A.
					15.00%	Pirelli Latam Participaçoes Ltda.
Pirelli Latam Participaçoes Ltda.	Holding	Sao Paulo	Bra. Real	895,852,921	100.00%	Pirelli Tyre S.p.A.
Pirelli Ltda.	Service provider	Sao Paulo	Bra. Real	14,000,000	100.00%	Pirelli & C. S.p.A.
Pirelli Pneus Ltda.	Manufacturer and distributor	Campinas (Sao Paulo)	Bra. Real	3,628,383,270	85.025%	Pirelli Tyre S.p.A.
					14.975%	Pirelli Latam Participaçoes Ltda.
Comércio e Importação Multimarcas de Pneus Ltda.	Dormant	Sao Paulo	Bra. Real	128,191,500	97.12%	Pirelli Pneus Ltda.
					2.45%	Pirelli Tyre S.p.A.
					0.43%	Pirelli Latam Participaçoes Ltda.
C.P.Complexo Automotivo de Testes, Eventos e Entretenimento Ltda.	Service provider	Elias Fausto (Sao Paulo)	Bra. Real	89,812,000	60.00%	Pirelli Pneus Ltda.
					40.00%	Pirelli Comercial de Pneus Brasil Ltda.
TLM - Total Logistic Management Serviços de Logistica Ltda.	Service provider	Sao Paulo	Bra. Real	3,074,417	99.995%	Pirelli Pneus Ltda.
					0.005%	Pirelli Ltda.
Hevea-Tec Industria E Comercio Ltda.	Manufacturer	Sao Paulo	Bra. Real	23,300,000	100.00%	Comércio e Importação Multimarcas de Pneus Ltda.
Chile						
Pirelli Neumaticos Chile Ltda.	Distributor	Santiago	US $	3,520,000	85.252%	Pirelli Comercial de Pneus Brasil Ltda.
					14.728%	Pirelli Latam Participaçoes Ltda.
					0.020%	Pirelli Ltda.
Colombia						
Pirelli Tyre Colombia S.A.S.	Distributor	Santa Fe De Bogota	Col. Peso/000	1,863,222,000	85.00%	Pirelli Comercial de Pneus Brasil Ltda.
					15.00%	Pirelli Latam Participaçoes Ltda.
Mexico						
Pirelli Neumaticos S.A. de C.V.	Manufacturer and distributor	Silao	Mex. Peso	11,595,773,848	99.8315%	Pirelli Tyre S.p.A.
					0.1685%	Pirelli Latam Participaçoes Ltda.

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Africa						
Egypt						
Pirelli Egypt Tyre Trading S.A.E.	Holding	Giza	Egy. Pound	84,250,000	99.994%	Pirelli Tyre S.p.A.
					0.003%	Pirelli Industrie Pneumatici S.r.l.
					0.003%	Pirelli Tyre (Suisse) S.A.
Pirelli Egypt Consumer Tyre Distribution S.A.E.	Distributor	Giza	Egy. Pound	824,608,939	99.970%	Pirelli Tyre S.p.A.
					0.030%	Pirelli Egypt Tyre Trading S.A.E.
South Africa						
Pirelli Tyre (Pty) Ltd.	Distributor	Gauteng 2090	S.A. Rand	11	100.00%	Pirelli Tyre S.p.A.
E-VOLUTION Tyre South Africa (Pty) Ltd.	Holding	Gauteng 2090	S.A. Rand	100	100.00%	Pirelli Tyre (Pty) Ltd.
Oceania						
Australia						
Pirelli Tyres Australia Pty Ltd.	Distributor	Pyrmont (NSW)	Aus. $	150,000	100.00%	Pirelli Tyre (Suisse) S.A.
Asia						
Saudi Arabia						
Pirelli Middle East Limited	Service provider	Riyadh	Riyal Saudita	500,000	100.00%	Pirelli Tyre S.p.A.
China						
Pirelli Logistics (Yanzhou) Co., Ltd.	Service provider	Jining	Chinese Yuan	5,000,000	100.00%	Pirelli Tyre Co., Ltd.
Pirelli Tyre (Jiaozuo) Co., Ltd.	Manufacturer	Jiaozuo	Chinese Yuan	350,000,000	80.00%	Pirelli Tyre S.p.A.
Pirelli Tyre Co., Ltd.	Manufacturer and distributor	Yanzhou	Chinese Yuan	2,471,150,000	90.00%	Pirelli China Tyre N.V.
Pirelli Tyre Trading (Shanghai) Co., Ltd.	Service provider	Shanghai	US $	700,000	100.00%	Pirelli China Tyre N.V.
Korea						
Pirelli Korea Ltd.	Distributor	Seoul	Korean Won	100,000,000	100.00%	Pirelli Asia Pte Ltd.
United Arab Emirates						
Pirelli Tyre MEAI DMCC	Distributor	Dubai	AED	5,900,000	100.00%	Pirelli Asia Pte Ltd.
Japan						
Pirelli Japan Kabushiki Kaisha	Distributor	Tokyo	Jap. Yen	2,200,000,000	100.00%	Pirelli Tyre S.p.A.
Singapore						
Pirelli Asia Pte Ltd.	Distributor	Singapore	Sing. $	2	100.00%	Pirelli Tyre (Suisse) S.A.
Thailand						
Pirelli Tyre (Thailand) Ltd.	Distributor	Bangkok	Baht Thailandese	102,000,000	99.00%	Pirelli Tyre S.p.A.
					1.00%	Pirelli Asia Pte Ltd.

List of investments accounted for using the equity method

Company	Business	Headquarters	Currency	Share Capital	% holding	Held by
Europe						
Germany						
Industriekraftwerk Breuberg GmbH	Electricity generation	Hoechst / Odenwald	Euro	1,533,876	26.00%	Pirelli Deutschland GmbH
Greece						
Eco Elastika S.A.	Tyres	Athens	Euro	60,000	20.00%	Elastika Pirelli C.S.A.
Italy						
Consorzio per la Ricerca di Materiali Avanzati (CORIMAV)	Financial	Milan	Euro	103,500	100.00%	Pirelli & C. S.p.A.
Eurostazioni S.p.A.	Financial	Rome	Euro	100,000	32.71%	Pirelli & C. S.p.A.
RIDEsense S.r.l.	Service provider	Naples	Euro	10,000	24.99%	Pirelli Tyre S.p.A.
Poland						
Centrum Utylizacji Opon Organizacja Odzysku S.A.	Tyres	Warsaw	Pol. Zloty	1,008,000.00	20.00%	Pirelli Polska Sp. z o.o.
Slovakia						
ELT Management Company Slovakia S.R.O.	Tyres	Bratislava	Euro	132,000.00	20.00%	Pirelli Slovakia S.R.O.
Romania						
Eco Anvelope S.A.	Tyres	Bucharest	Rom. Leu	160,000	20.00%	Pirelli Tyres Romania S.r.l.
Spain						
Signus Ecovalor S.L.	Tyres	Madrid	Euro	200,000	20.00%	Pirelli Neumaticos S.A. - Sociedad Unipersonal
Asia						
China						
Xushen Tyre (Shanghai) Co., Ltd	Tyres	Shanghai	Chinese Yuan	1,050,000,000	49.00%	Pirelli Tyre S.p.A.
Jining Shenzhou Tyre Co., Ltd	Tyres	Jining City	Chinese Yuan	1,050,000,000	100.00%	Xushen Tyre (Shanghai) Co, Ltd
Saudi Arabia						
"Middle East and North Africa Tyre Company (Joint Stock Company)"	Tyres	King Abdullah Economic City	Saudi Riyal	519,583,320	25.00%	Pirelli Tyre S.p.A.
Indonesia						
PT Evoluzione Tyres	Tyres	Subang	Rupee	1,313,238,780,000	63.04%	Pirelli Tyre S.p.A.

ANNUAL FINANCIAL STATEMENTS

AT DECEMBER 31, 2025

STATEMENT OF FINANCIAL POSITION *(in euro)*

	Note	12/31/2025	of which related parties (Note 39)	12/31/2024	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*
Non-current assets		**8,389,785,361**		**7,023,754,185**	
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*
Current assets		**489,664,619**		**2,135,396,296**	
Total assets		**8,879,449,980**		**9,159,150,481**	
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	
Total shareholders' equity	18	**5,565,017,635**		**5,053,500,330**	
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*
Non-current liabilities		**3,082,732,175**		**3,375,177,668**	
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*
Current liabilities		**231,700,170**		**730,472,483**	
Total Liabilities and Equity		**8,879,449,980**		**9,159,150,481**	

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)	
Operating income (loss)		**30,646,068**		**5,033,943**	
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*
Net income (loss) before taxes		**285,189,094**		**281,082,627**	
Taxes	37	2,532		*20,941,617*	
Total net income of the year		**285,191,626**		**302,024,244**	

STATEMENT OF COMPREHENSIVE INCOME *(in euro)*

		Note	2025	2024
A	**Net income of the year**		**285,191,626**	**302,024,244**
	- Remeasurement of employee benefits	21	48,591	(72,218)
	- Tax effect		(11,662)	17,332
	- Fair value adjustment of other financial assets at fair value through other comprehensive income	12	(13,059,054)	9,821,838
B	**Total items that may not be reclassified to income statement**		**(13,022,125)**	**9,766,952**
	Fair value adjustment of derivatives designated as cash flow hedge:			
	- Gains / (losses) for the year	17	462,955	3,355,864
	- (Gains) / losses reclassified to income statement	17	(9,631,222)	(17,771,913)
	- Tax effect		2,200,384	3,459,852
C	**Total items reclassified / that may be reclassified to income statement**		**(6,967,883)**	**(10,956,197)**
D	**Total other components of comprehensive income (B+C)**		**(19,990,008)**	**(1,189,245)**
A+D	**Total comprehensive income / (loss) for the financial year**		**265,201,618**	**300,834,999**

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**
Total at 12/31/2023	**1,904,374,936**	**380,874,988**	**630,380,599**	**12,466,897**	**133,734,599**	**28,514,954**	**1,022,927,715**	**594,508,404**	**242,882,239**	**4,950,665,331**
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
Total comprehensive income/(loss) for the year	-	-	-	-	-	(1,189,245)	-	-	302,024,244	300,834,999
Other changes	-	-	-	-	-	(1,741)	-	1,741	-	-
Total at 12/31/2024	**1,904,374,936**	**380,874,988**	**630,380,599**	**12,466,897**	**133,734,599**	**27,323,968**	**1,022,927,715**	**639,392,383**	**302,024,244**	**5,053,500,330**
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
Total comprehensive income/(loss) for the year	-	-	-	-	-	*(19,990,008)*	-	-	*285,191,626*	*265,201,618*
Other changes	-	-	-	-	-	1,002,534	-	(1,002,534)	-	-
Total at 12/31/2025	**2,065,650,608**	**380,874,988**	**965,604,926**	**12,466,897**	**92,534,791**	**8,336,494**	**1,022,927,715**	**731,429,589**	**285,191,626**	**5,565,017,635**

(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**
Balance at 12/31/2023	**4,201,278**	**29,311,206**	**2,104,293**	**(7,101,823)**	**28,514,954**
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)
Balance at 12/31/2024	**14,021,375**	**14,895,157**	**2,032,075**	**(3,624,639)**	**27,323,968**
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
Balance at 12/31/2025	**1,964,855**	**5,726,890**	**2,080,666**	**(1,435,917)**	**8,336,494**

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)
A	**Net cash flows provided by/(used in) operating activities**		**79,656,095**	**15,055,339**
	- 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	**Net cash provided/(used) by investment activities**		**261,981,734**	**345,576,212**
	- 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)
C	**Net cash provided/(used) by financing activities**		**(341,595,304)**	**(360,614,568)**
	- of which related parties	39	*333,511,070*	*2,998,058*
D	**Total net cash generated/(used) in the year (A+B+C)**		**42,525**	**16,982**
E	**Opening balance of Cash and cash equivalents**		**51,426**	**34,444**
F	**Closing balance of Cash and cash equivalents (D+E)**		**93,951**	**51,426**

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 12/31/2017**
Payables to banks and other lenders	93,168	679,723	1,950,460	-	2,723,350
of which lease liabilities:	*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
Total	**196,389**	**680,688**	**1,950,460**	**-**	**2,827,535**

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
of which lease liabilities:	*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
Total	**717,855**	**396,233**	**2,585,199**	**-**	**3,699,287**

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

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

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

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

(in thousands of euro)	12/31/2025	12/31/2024
Opening balance	**9,322**	**9,010**
Fair value adjustments through other comprehensive income	372	312
Closing balance	**9,694**	**9,322**

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
FINANCIAL ASSETS			
Financial assets at fair value through Income Statement			
Current derivative financial instruments	17	5	33
Financial assets at amortized cost			
Other non-current receivables	13	1,402,812	387
Current trade receivabels	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*
Financial assets at fair value through Other Comprehensive Income			
Financial assets at fair value through Other Comprehensive Income	12	34,018	60,548
Derivative hedging instruments			
Current derivative financial instruments	17	499	-
Non-current derivative financial instruments	17	-	4,264
		499	*4,264*
TOTAL FINANCIAL ASSETS		**1,829,143**	**2,124,524**
FINANCIAL LIABILITIES			
Financial liabilities at fair value through Income Statement			
Current derivative financial instruments	17	8	8
Financial liabilities at amortized cost			
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*
Lease payables			
Non-current lease payables	19	20,722	27,208
Current lease payables	19	7,525	7,087
		28,247	*34,295*
TOTAL FINANCIAL LIABILITIES		**2,562,790**	**3,369,482**

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
Net Value	**50,754**	**56,975**

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**
Total	**71,673**	**(43,769)**	**27,904**	**70,811**	**(41,987)**	**28,825**

NET VALUE *(in thousands of euro)*	**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
Total	**28,825**	**873**	**(11)**	**-**	**(1,783)**	**27,904**

NET VALUE *(in thousands of euro)*	**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
Total	**30,360**	**404**	**-**	**-**	**(1,940)**	**28,825**

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
Net value	**22,850**	**28,150**

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
Total depreciation of right of use	**6,508**	**6,284**

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**
Total	**2,279,490**	**3,656**	**-**	**-**	**(3,035)**	**2,280,110**

(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**
Total	**2,278,776**	**3,253**	**-**	**-**	**(2,539)**	**2,279,490**

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.	-	-
Total investments in subsidiaries	**4,621,949**	**4,621,949**

Below are the changes during the year:

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

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
Total investment in associates	**143**	**143**

There were no changes during the year.

(in thousands of euro)	12/31/2025	12/31/2024
Opening balance	**143**	**6,375**
Decreases	-	(5,201)
Impairment	-	(1,031)
Closing balance	**143**	**143**

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

The changes in the year are shown below.

(in thousands of euro)	
Opening balance	**60,548**
Decreases	(13,471)
Adjustment to fair value recognized in other comprehensive income	(13,059)
Closing balance	**34,018**

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
Total other receivables	**1,736,599**	**1,402,812**	**333,787**	**1,997,981**	**387**	**1,997,594**

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
Total receivables - gross amount	**58,010**	**61,810**
Provision for bad debt	(82)	(163)
Total receivables	**57,928**	**61,647**

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%
Total	**58,010**	**100%**	**61,810**	**100%**

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**
Opening balance	**163**	**203**
Accruals	-	56
Utilizations/reversals	(81)	(96)
Closing balance	**82**	**163**

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
Without adoption of hedge accounting								
Forex instruments - trade positions	-	5	-	(8)	-	33	-	(8)
In hedge accounting								
- cash flow hedge:								
Derivatives for interest rate - included in net financial position	-	499	-	-	4,264	-	-	-
Total derivative instruments	**-**	**504**	**-**	**(8)**	**4,264**	**33**	**-**	**(8)**

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 bn 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 or 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	-
Total	**5,279,827**		**3,205,840**	**-**
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
Total borrowings from banks & other financial institutions	**2,458,607**	**2,410,996**	**47,611**	**3,261,803**	**2,713,508**	**548,295**

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
Total	**1,192,425**	**1,679,980**

Below are the changes of the item bonds.

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

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

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

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

(in thousands of euro)					12/31/2025	
	Due Date	**Interest rate**	**Nominal value**	**Balance**	**Non - current**	**Current**
Club Deal EUR 1,6 bln. ESG 2022 5y	02/22/2027	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	-
Total borrowings from banks				**1,197,849**	**1,197,849**	**-**

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

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

(in thousands of euro)	
Borrowings from banks at 12/31/2023	**2,095,728**
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)
Cash changes	**(602,438)**
Amortised cost of the year	3,170
Non-cash changes	**3,170**
Borrowings from banks at 12/31/2024	**1,496,460**

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

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

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

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
Total borrowings from banks and other financial institutions - non current	**2,390,274**	**2,446,653**	**2,686,299**	**2,759,961**

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	-
Total gross debt		**2,458,607**		**3,261,803**	
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)*	-	-
Net financial debt *		**2,144,228**		**1,276,791**	
Non-current financial receivables and other assets	13	(1,402,774)	*(1,400,000)*	(333)	-
Derivative financial instruments	17	-	-	(4,264)	*(4,264)*
Total net financial (liquidity)/debt position		**741,454**		**1,272,194**	

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

* 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
Provision for liabilities and charges - non current portion	**39,062**	**9,440**	**(5,345)**	**(5,477)**	**(6,851)**	**30,828**
Provision for losses of subsidiaries	50,700	1,200	(50,700)	-	-	1,200
Provision for liabilities and charges - current portion	**50,700**	**1,200**	**(50,700)**	**-**	**-**	**1,200**
Total Provisions for risks and charges	**89,762**	**10,640**	**(56,045)**	**(5,477)**	**(6,851)**	**32,028**

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 planset 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
Total employees' benefit obligation	**18,247**	**18,247**	**-**	**18,485**	**17,665**	**820**

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

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:

	2025
Discount rate	3.6%
Inflation rate	1.9%

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

	2024
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)	**12/31/2025**			**12/31/2024**		
	Total	**Non current**	**Current**	**Total**	**Non current**	**Current**
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
Total	**16,150**	**16,150**	**-**	**16,395**	**15,575**	**820**

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
Total trade payables	**33,604**	**30,534**

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	-	-	-
Total other payable	**70,573**	**965**	**69,608**	**77,138**	**95**	**77,043**

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

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
Deferred tax assets		
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
Total deferred tax assets	**13,070**	**32,106**
Provision for deferred tax liabilities		
Pirelli Brand	(633,330)	(633,330)
Exchange differences not realised	(1,375)	(3,575)
Employees provision	(61)	(50)
Total provision for deferred tax liabilities	**(634,766)**	**(636,955)**
Total	**(621,696)**	**(604,849)**

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
Total revenues from sales and services	**86,952**	**86,322**

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
Other income from other companies	**137,031**	**142,757**

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 obbligations	1,045	718
Other costs	995	923
Total	**75,321**	**75,931**

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
Total	**439**	**428**

31. DEPRECIATION, AMORTISATION AND IMPAIRMENT

Thebreakdown 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
Total depreciation, amortisation and impairments	**11,326**	**10,762**

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
Total other costs	**106,489**	**137,014**

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
- Genextra S.p.A.	-	-
Total	**308,501**	**342,924**

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
Total financial income	**58,109**	**88,513**

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	-
Total financial expenses	**105,086**	**132,356**

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
Total income taxes	**(3)**	**(20,942)**

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**
A) Profit/(loss) before taxes	285,189	281,083
B) Theoretical taxes	**68,445**	**67,460**
Main causes that give rise to changes between theoretical and effective taxes:		
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)
C) Effective taxes	**(3)**	**(20,942)**
Theoretical tax rate (B/A)	24%	24%
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***
BALANCE SHEET						
Non current assets						
Other receivables	1,402,812	*1,400,000*	99.8%	387	-	0.0%
Derivative financial instruments	-	-	0.0%	4,264	*4,264*	100.0%
Current assets						
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%
Non-current liabilities						
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%
Current liabilities						
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***
INCOME STATEMENT						
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***
CASH FLOW STATEMENT						
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)
Net cash flows provided by/(used in) operating activities	**190,040**	**(397)**	**63**	**(36,274)**	**153,431**
Reimbursement of share capital and reserves from associates	(56,480)	-	-	-	(56,480)
Dividends received	275,094	-	-	-	275,094
Net cash provided/(used) by investment activities	**218,613**	**-**	**-**	**-**	**218,613**
Change in Financial receivables	244,662	-	-	-	244,662
Financial income	80,507	-	-	-	80,507
Financial expenses	8,342	-	-	-	8,342
Net cash provided/(used) by financing activities	**333,511**	**-**	**-**	**-**	**333,511**

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	129.25	-	-	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)	(11,061.0)
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

(in thousands of euro)	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)
Net cash flows provided by/(used in) operating activities	**161,926**	**(233)**	**122**	**(38,787)**	**123,028**
Disposal/(Acquisition) of investments in subsidiaries	-	5,201	-	-	5,201
Dividends received	336,276	2,808	-	-	339,085
Net cash provided/(used) by investment activities	**336,276**	**8,009**	**-**	**-**	**344,285**
Change in Financial receivables	(105,781)	-	-	-	(105,781)
Financial income	87,982	-	-	-	87,982
Financial expenses	20,797	-	-	-	20,797
Net cash provided/(used) by financing activities	**2,998**	**-**	**-**	**-**	**2,998**

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

	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
INVESTMENTS IN SUBSIDIARIES										
ITALY										
Unlisted:										
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 share	1,315	100.0	100.0	-	-	1 share	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 share	1,655	100.0	100.0	-	-	1 share	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 share	230	100.0	100.0	-	-	1 share	230	100.0	100.0
Total investments in Italian subsidiaries		4,609,683				-		4,609,683		

	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
FOREIGN COMPANIES										
Brazil										
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	-	-	-
UK										
Pirelli UK ltd. - London - ordinary	163,991,278	-	100.0	100.0	-	-	163,991,278	-	100.0	100.0
Switzerland										
Pirelli Group Reinsurance Company S.A.	300,000	6,346	100.0	100.0	-	-	300,000	6,346	100.0	100.0
Total investments in foreign subsidiaries		12,266				-		12,266		
Total investments in subsidiaries		4,621,949				-		4,621,949		

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

	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
INVESTMENTS IN ASSOCIATES										
ITALY										
Unlisted:										
Consorzio per le Ricerche sui Materiali Avanzati (CORIMAV)	1 share	104	100.0	100.0	-	-	1 share	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
Total unlisted companies		143				-		143		
Total investments in associates - Italy		143				-		143		
Total investments in associates		143				-		143		

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

	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
INVESTMENTS IN OTHER COMPANIES										
ITALIAN LISTED COMPANIES										
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
Total other Italian listed companies		21,929				2,395		24,324		
Total other listed companies		21,929				2,395		24,324		

	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
ITALIAN UNLISTED COMPANIES										
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
Societa' 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
Total other Italian unlisted companies		38,619				(28,925)		9,694		

TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPRENSIVE INCOME		60,571				(26,554)		34,018		

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

(in thousand of euro)	**Legal address**	**Carrying amount**	**Share %**	**Share capital**	**Attributable equity**	**Attributable net income (loss)**
INVESTMENTS IN SUBSIDIARIES - ITALY						
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
Total investments in subsidiaries - Italy		**4,609,683**				
INVESTMENTS IN FOREIGN SUBSIDIARIES						
Switzerland						
Pirelli Group Reinsurance Company S.A.	Lugano	6,346	100%	3,221	13,372	1,872
Brasil						
Pirelli Ltda	Sao Paulo	5,920	100%	2,164	(1,528)	978
UK						
Pirelli UK Ltd.	London	-	100%	241,796	(1,113)	496
Total investments in foreign subsidiaries		**12,266**				
Total investments in subsidiaries		**4,621,949**				
INVESTMENTS IN ASSOCIATES - ITALY						
Consortium for the Research into Advanced Materials (CORIMAV)	Milan	104	100%	104	104	-
Eurostazioni S.p.A. *	Rome	39	33%	120	71	31
Total investments in associates - Italy		**143**				
Total investments in associates		**143**				

*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

1

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 Holzmiller.

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[1].

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

[1] 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[2]. 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

[2] 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[3]. 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

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

Maura Campra 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:

(in migliaia di euro)	**Soggetto che ha erogato il servizio**	**Destinatario**	**Onorari parziali**	**Onorari totali**	
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	**3.292**	*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	**395**	*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	-	**171**	*5%*
				3.858	*100%*

(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**")[4] 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

[4] 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).

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). 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[5] 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,

[5] 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).
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"[6].

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

[6] Art. 144-*duodecies* et seq. of the Issuers' Regulation.

RESOLUTIONS

PROPOSAL FOR APPROVAL OF THE FINANCIAL STATEMENTS AND

ALLOCATION OF THE RESULT FOR THE YEAR AND DIVIDEND DISTRIBUTION

Shareholders,

The year ended December 31, 2025 closed with a profit of euro 285,191,626.00.

The Board of Directors notes that:

- as a result of the capital increase subscribed in December 2025, as certified pursuant to art. 2444 Civil Code, registered in the Companies Register of Milan, Monza-Brianza-Lodi on January 23, 2026, the share capital was increased from euro 1,904,374,935.66 to euro 2,065,650,608.36;
- the legal reserve at December 31, 2025, amounted to euro 380,874,988.17;
- taking into account the capital increase indicated above, the legal reserve at December 31, 2025, is less than one-fifth of the share capital pursuant to art. 2430 Civil Code;
- at December 31, 2025, the "Retained earnings reserve" amounted to euro 731,429,589.02.

In order to promote greater flexibility in the use of reserves, the Board of Directors proposes first of all, that the legal reserve be replenished up to one-fifth of the share capital pursuant to art. 2430 Civil Code (and, therefore, from euro 380,874,988.17 to euro 413,130,121.67) through the allocation to legal reserve of a total of euro 32,255,133.50, which will be drawn as follows:

- euro 24,819,962.08 from the FY profit (corresponding to a share equal to 8.7% of net profit);
- euro 7,435,171.42 from the "Retained earnings reserve" (which, as a result of this allocation, will be reduced to euro 723,994,417.60).

Should the shareholders' meeting approve the replenishment of the aforementioned legal reserve, the Board of Directors proposes that you approve the distribution of a total dividend, gross of legal withholdings, of euro 0.34 for each of the 1,084,881,933 ordinary shares outstanding, totaling euro 368,859,857.22, to be implemented as follows:

- euro 260,371,663.92, through a distribution from the entire profit for the year ended December 31, 2025, remaining after the allocation to the legal reserve indicated above;
- euro 108,488,193.30, through distribution from the "Retained earnings reserve," which, as a result of this distribution, will be reduced to euro 615,506,224.30.

The aforementioned proposed total dividend of euro 0.34 per share is in line with the previous FY dividend policy (equal to approximately 50% of the consolidated net result for 2025, corresponding to euro 0.24 per share), without prejudice to the fact that, in light of the positive results achieved in 2025 and the reduction in financial leverage, it is expected that for the current year, the distribution of a further extraordinary dividend of euro 0.10 per share will be added to the "Retained earnings reserve".

1

If you agree with our proposal, we request that you adopt the following

RESOLUTIONS

"The Shareholders' Meeting,

- having examined the annual report at December 31, 2025;
- having acknowledged the Statutory Auditors' report;
- having acknowledged the Independent Auditors' report;

RESOLVES

a) to approve the Company's financial statements at December 31, 2025, as presented by the Board of Directors as a whole, with the individual items and the proposed allocations, which show a profit of euro 285,191,626.00;

b) to allocate a total amount of euro 32,255,133.50 to the legal reserve (thus replenishing it up to one-fifth of the share capital pursuant to art. 2430 Civil Code), providing that this total amount will be drawn as follows:
   (i) euro 24,819,962.08 from the profit for the year ended December 31, 2025 (for a share equal to 8.7% of their total amount);
   (ii) euro 7,435,171.42 from the "Retained earnings reserve" resulting from the financial statements at December 31, 2025;

c) to distribute to shareholders a total dividend, gross of legal withholdings, of euro 0.34 for each of the 1,084,881,933 outstanding ordinary shares, and thus for a total of euro 368,859,857.22, which is distributed as follows:
   (i) euro 260,371,663.92, through distribution from the entire profit for the year at December 31, 2025 remaining after the allocation to the legal reserve resolved in point (b) above;
   (ii) euro 108,488,193.30, through distribution of an extraordinary dividend from the "Retained earnings reserve" resulting from the financial statements at December 31, 2025 (which, as a result of said distribution, will be reduced to a total of euro 615,506,224.30);

d) to authorise the Directors to allocate to profits carried forward the balance of the rounding that may be determined at the time of payment of the dividend;

e) to grant to the Board of Directors – and, on its behalf, to the legal representatives pro tempore, even severally – all the powers and faculties required to implement the aforementioned resolutions.

The overall unit dividend for 2025 will be paid starting from July 22, 2026, with ex-dividend date July 20, 2026 (record date July 21, 2026).

2

CERTIFICATIONS

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-*BIS* OF LEGISLATIVE DECREE 58 OF FEBRUARY 24, 1998, AND PURSUANT TO ARTICLE 81-*TER* OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED AND SUPPLEMENTED

1. The undersigned Andrea Casaluci, in his capacity as Chief Executive Officer, and Fabio Bocchio, in his capacity as Manager responsible for the preparation of the corporate financial documents of Pirelli & C. S.p.A., having also taken into account the provisions of article 154-*bis*, paragraphs 3 and 4, of Legislative Decree 58 of February 24, 1998, hereby certify:

    a. the adequacy in relation to the nature of the business and

    b. the effective application of the administrative and accounting procedures for preparation of the consolidated financial statements, during the period January 1, 2025 – December 31, 2025.

2. In this regard it should be noted that the adequacy of the administrative and accounting procedures for preparation of the consolidated financial statements for the year ended on December 31, 2025 was determined on the basis of an assessment of the internal control system. This assessment was based on a specific process defined in accordance with the criteria laid down in the "Internal Control – Integrated Framework" guidelines issued by the "Committee of Sponsoring Organizations of the Treadway Commission" (COSO), which is a reference framework generally accepted at the international level.

3. It is also certified that:

    3.1. the consolidated financial statements:

    a. were prepared in accordance with the applicable international accounting standards recognised in the European Union under the EC Regulation 1606/2002 of the European Parliament and of the Council of July 19, 2002;

    b. are consistent with the entries in the books and accounting records;

    c. give a true and fair view of the assets, liabilities, income, expenses and financial position of the issuer and of the group of companies included in the scope of consolidation.

3.2. The director's report on operations includes a reliable analysis of the performance and the operating result, as well as the position of the issuer and of the group of companies included in the scope of consolidation, together with a description of the main risks and uncertainties they are exposed to.

April 16, 2026

The Chief Executive Officer

(Andrea Casaluci)

The Manager responsible for the preparation of the corporate financial documents

(Fabio Bocchio)

Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of Pirelli & C SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Pirelli Group (the "Group"), which comprise the consolidated statement of financial position as of 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and explanatory notes to the financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of this report. We are independent of the company Pirelli & C SpA (the "Company") pursuant to the regulations and standards on ethics and

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independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditing procedures performed in response to key audit matters
Recoverability of brands with indefinite useful life and goodwill Note 11 "Intangible assets" As of 31 December 2025 the indefinite-lived intangible assets Pirelli brand and goodwill amount to Euro 2,270 million and Euro 1,880 million, respectively. Recoverability of the carrying amount of Pirelli brand and goodwill was tested for impairment at the year-end, in accordance with IAS 36 – "Impairment of Assets". The recoverable amount of Pirelli brand is measured using its fair value less cost to sell, based on an income approach. This requires the use of estimates of future earnings attributable to the brand, net of the contribution assigned to other operating assets (multi-period excess	We have performed an understanding and evaluation of the internal controls in place over the impairment testing of brand and goodwill. We have performed, with the support of PwC network valuation model experts, the following audit procedures: • assessment of the adequacy of the impairment testing process in accordance with the requirement of the accounting standard; • assessment of the key assumptions used when determining the fair value of Pirelli brand, with focus on future earnings attributable to the brand, net of the contribution assigned to other operating assets (multi-period excess earnings method), and discount rate, including

Key Audit Matters	Auditing procedures performed in response to key audit matters
earnings method), and discount rate. The recoverable amount of goodwill, entirely allocated to the group of cash generating units ("CGU") "Consumer segment", which represents the sole sector of activity of Pirelli group, is measured using its value in use, calculated based on the expected future cash flows of the Consumer segment. The recoverable amount of Pirelli brand is compared with its carrying amount. The recoverable amount of the Consumer segment is compared with the carrying amount of segment assets, including brand and goodwill. Considering the magnitude of the carrying amounts and the subjective judgment in some of the assumptions used for the calculation of the recoverable amounts, the impairment test of the carrying amounts of Pirelli brand and goodwill represented a key matter in the audit of the consolidated financial statements. **Revenue recognition** Note 3 " Adopted Accounting Standards" The recognition of revenues, amounting to Euro 6,776 million in 2025, represented a key matter in the audit of the consolidated financial statements, considering the magnitude and the high volume of sales transactions carried out	benchmarking analysis; • assessment of the allocation of goodwill to CGUs; • assessment of the key assumptions used when determining the value in use of the Consumer segment, to which the goodwill is allocated, with focus to expected cash flow projections and discount rate, including benchmarking analysis; • testing of the accuracy of the carrying amounts of assets directly attributable to the Consumer segment; • testing the mathematical accuracy of the calculation model used; • assessment of variances between projections used in previous years and actual results to evaluate reliability and coherence with market trends. We have tested the completeness and accuracy of the disclosure presented in the notes to the consolidated financial statements. We have carried out procedures to verify the existence, accuracy and cut-off of sales transactions. We have performed, with the support of PwC

Key Audit Matters	Auditing procedures performed in response to key audit matters
through a global distribution network, different sales channels and logistic platforms.	specialists, the following audit procedures: • for the main revenue streams identified using the requirements of IFRS 15 – "Revenue from Contracts with Customers", we have performed an understanding and evaluation of the internal controls over the revenue recognition process and a validation of relevant controls; • we have tested the proper recognition of revenue through testing samples of sales transactions, obtaining appropriate supporting evidence with specific attention to key contractual terms regulating the various performance obligations; • we have performed external confirmation procedures over accounts receivable balances with the objective of validating trade receivable balances recorded in the consolidated accounts; • we have tested samples of sales returns transactions, credit notes and year-end accruals. We have tested the completeness and accuracy of the disclosure presented in the notes to the consolidated financial statements.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated

financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Pirelli & C SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- we obtained an understanding of internal control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- we concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- we evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- we obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters

that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 1 August 2017, the shareholders of Pirelli & C SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2017 to 31 December 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Pirelli & C SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Pirelli & C SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Pirelli group as of 31 December 2025, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of Pirelli group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative

Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Milan, 21 April 2026

PricewaterhouseCoopers SpA

Signed by

Stefano Bravo

(Partner)

As disclosed by the directors on page 2, the accompanying consolidated financial statements of Pirelli & C SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-*BIS* OF LEGISLATIVE DECREE 58 OF FEBRUARY 24, 1998, AND PURSUANT TO ARTICLE 81-*TER* OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED AND SUPPLEMENTED

1. The undersigned Andrea Casaluci, in his capacity as Chief Executive Officer, and Fabio Bocchio, in his capacity as Manager responsible for the preparation of the corporate financial documents of Pirelli & C. S.p.A., having also taken into account the provisions of article 154-*bis*, paragraphs 3 and 4, of Legislative Decree 58 of February 24, 1998, hereby certify:

   a. the adequacy in relation to the nature of the business and

   b. the effective application of the administrative and accounting procedures for the preparation of the separate financial statements, during the period January 1, 2025 – December 31, 2025.

2. In this regard it should be noted that the adequacy of the administrative and accounting procedures for preparation of the separate financial statements for the year ended on December 31, 2025 was determined on the basis of an assessment of the internal control system. This assessment was based on a specific process defined in accordance with the criteria laid down in the "Internal Control – Integrated Framework" guidelines issued by the "Committee of Sponsoring Organizations of the Treadway Commission" (COSO), which is a reference framework generally accepted at the international level.

3. It is also certified that:

   3.1. the separate financial statements:

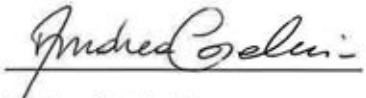
   a. were prepared in accordance with the applicable international accounting standards recognised in the European Union under the terms of EC Regulation 1606/2002 of the European Parliament and of the Council of July 19, 2002;

   b. are consistent with the entries in the books and accountings records;

   c. give a true and fair view of the assets, liabilities, income, expenses and financial position of the issuer.

3.2. The directors' report on operations includes a reliable analysis of the performance and the operating result, as well as the position of the issuer, together with a description of the main risks and uncertainties it is exposed to.

April 16, 2026

The Chief Executive Officer	The Manager responsible for the preparation of the corporate financial documents
	
(Andrea Casaluci)	(Fabio Bocchio)

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Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of Pirelli & C SpA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Pirelli & C SpA (the "Company"), which comprise the statement of financial position as of 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and explanatory notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and

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appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditing procedures performed in response to key audit matters
Recoverability of brands with indefinite useful life *Note 9 "Intangible assets"* As of 31 December 2025 the indefinite-lived intangible asset Pirelli brand amounts to Euro 2,270 million. Recoverability of the carrying amount of Pirelli brand was tested for impairment at the year-end, in accordance with IAS 36 – "Impairment of Assets". The recoverable amount of Pirelli brand is measured using its fair value less cost to sell, based on an income approach. This requires the use of estimates of future earnings attributable to the brand, net of the contribution assigned to other operating assets (multi-period excess earnings method), and discount rate. The recoverable amount of Pirelli brand is	We have performed an understanding and evaluation of the internal controls in place over the impairment testing of the Pirelli brand. We have performed, with the support of PwC network valuation model experts, the following audit procedures: • assessment of the adequacy of the impairment testing process in accordance with the requirement of the accounting standard; • assessment of the key assumptions used when determining the fair value of Pirelli brand, with focus on future earnings attributable to the brand, net of the contribution assigned to other operating assets (multi-period excess earnings method), and discount rate, including benchmarking analysis; • testing the mathematical accuracy of the calculation model used; • assessment of variances between projections used in previous years and actual results to

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Key Audit Matters	Auditing procedures performed in response to key audit matters
compared with its carrying amount. Considering the magnitude of the carrying amount and the subjective judgment in some of the assumptions used for the calculation of the fair value less cost to sell, the impairment test of Pirelli brand represented a key matter in the audit of the separate financial statements.	evaluate the reliability and coherence with market trends. We have tested the completeness and accuracy of the disclosure presented in the notes to the separate financial statements.

Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that

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an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required

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by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 1 August 2017, the shareholders of Pirelli & C SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2017 to 31 December 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Pirelli & C SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission

Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Pirelli & C SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Pirelli & C SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of Pirelli & C SpA as of 31 December 2025.

Moreover, in our opinion, the report on operations and the specific information included in the report

on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Milan, 21 April 2026

PricewaterhouseCoopers SpA

Signed by

Stefano Bravo

(Partner)

As disclosed by the directors on page 2 of the Integrated Annual Report, the accompanying financial statements of Pirelli & C SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

SASB CONTENT INDEX

Topic	Accounting Metric	Paragraph	SASB Code
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Par. Energy Management – Metrics related to energy consumption and energy mix	TR-AP-130a.1
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	Not material	TR-AP-150a.1
Product Safety	Number of vehicles recalled	Par. Product safety, performance and innovation – Policies for product safety, performance and innovation	TR-AP-250a.1
Design for Efficiency	Revenue from products designed to increase fuel efficiency or reduce emissions	Par. Disclosure pursuant to article 8 of regulation (eu) 2020/852 (Taxonomy) – Performance indicators	TR-AP-410a.1
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Par. Sustainable resource management and transition to the Circular Economy – ACTIONS for sustainable resource management and the circular economy	TR-AP-440a.1
Materials Efficiency	Percentage of products sold that are recyclable	Par. Sustainable resource management and transition to the Circular Economy – Management of end-of-life tyres	TR-AP-440b.1
	Percentage of input materials from recycled or remanufactured content	Par. Sustainable resource management and transition to the Circular Economy – Management of end-of-life tyres	TR-AP-440b.2
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	Par. Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy) – Social minimum safeguards	TR-AP-520a.1

Activity metrics	Paragraph	SASB Code
Number of parts produced	N/A	TR-AP-000.A
Weight of parts produced	Par. Sustainable resource management and transition to the circular Economy - Metrics related to resource outflows	TR-AP-000.B
Area of manufacturing plants	Par. Strategy, business model and value chain – Strategy	TR-AP-000.C

CERTIFICATION OF THE CONSOLIDATED SUSTAINABILITY REPORTING PURSUANT TO ARTICLE 81-*TER*, PARAGRAPH 1, OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999 AS AMENDED AND SUPPLEMENTED

The undersigned Andrea Casaluci, in his capacity as Chief Executive Officer, and Fabio Bocchio, in his capacity as Manager responsible for the preparation of the corporate financial documents of Pirelli & C. S.p.A., having also taken into account the provision of article 154-*bis*, paragraph 5-*ter*, of Legislative Decree 58 of February 24, 1998, hereby certify that the consolidated sustainability reporting included in the directors' report on operations has been drawn up:

a) in accordance with the reporting standards applied pursuant to directive 2013/34/UE of the European Parliament and of the Council of June 26, 2013, and of Legislative Decree 125 of September 6, 2024;

b) with the specification adopted pursuant to article 8, paragraph 4 of Regulation (UE) 2020/852 of the European Parliament and of the Council of June 18, 2020.

April 16, 2026

The Chief Executive Officer

(Andrea Casaluci)

The Manager responsible for the preparation of the corporate financial documents

(Fabio Bocchio)

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Independent auditor's limited assurance report on the consolidated sustainability report in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of Pirelli & C SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability report of the Pirelli & C SpA group (the "Group") for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the Director's report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability report of the Pirelli & C SpA group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("European Sustainability Reporting Standards", also the "ESRS");
- the information set out in paragraph "Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy)" of the consolidated sustainability report is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) 852/2020 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement

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vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability report" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability report under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Pirelli & C SpA for the consolidated sustainability report

The directors of Pirelli & C SpA are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability report in accordance with the provisions of the ESRS (the "materiality assessment process") and for describing those procedures in the section "Double materiality analysis and management of impacts, risks and opportunities" of the consolidated sustainability report.

The directors are also responsible for preparing the consolidated sustainability report, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph "Disclosure pursuant to article 8 of regulation (EU) 2020/852 (Taxonomy)".

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability report in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability report

For the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the consolidated sustainability report, about future events and possible future actions by the Group.

Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

The disclosure about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability report

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability report.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and

maintained professional scepticism throughout the engagement.

Our responsibilities include:

- performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise;
- designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing a limited assurance engagement on the consolidated sustainability report and assuming full responsibility for the conclusion on the consolidated sustainability report.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Pirelli & C SpA responsible for the preparation of the information presented in the consolidated sustainability report, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- we understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;
- we understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability report;
- we understood the process implemented by the Group to identify and assess the material impacts,

risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process;

- we identified the disclosures where a material misstatement is likely to arise;
- we defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified;
- we understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability report;
- we reconciled the information reported in the consolidated sustainability report with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;
- we verified the structure and presentation of the disclosures included in the consolidated sustainability report in accordance with the ESRS;
- we obtained the management's representation letter.

Milano, 21 April 2026

PricewaterhouseCoopers SpA

Signed by

Stefano Bravo

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

5 of 5

PIRELLI & C. Società per Azioni (Joint Stock Company)

Milan Office, Viale Piero e Alberto Pirelli n. 25
Share Capital Euro 1,904,347,935.66 fully paid in
Register of Companies of Milan No. 00860340157
REA (Economic Administrative Index) No. 1055