ORGANISATIONAL MODEL “231”

Milan, 05 November 2026

Organisational Model comprising controls that, based on the Company's Ethical Code, focus increasingly on at-risk scenarios

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STRUCTURE OF THE DOCUMENT

This document is divided into a General Section and a Special Section. The first section looks at the regulations contained in Legislative Decree 231/01 (below also the "Decree") and constitutes the guidelines setting out the process of adoption of the Model by Pirelli & C. S.p.A. (below also the "Company" and Pirelli & C.), the significant crimes for the Company, the addressees of the Model, the methods of adoption and implementation of the Organisational Model, the Supervisory Body (below also the "SB"), the penalty system for breaches, and the disclosure and staff training requirements for the Model.

The second section identifies the company processes and corresponding sensitive activities for the Company pursuant to the Decree, i.e. those at risk of crime, the general principles of internal control, the Internal Control Schemes covering those activities and the essential control measures designed to prevent and mitigate the offences.

In addition to the above, the following are an integral part of this document:

- the control and risk self-assessment aimed at identifying the sensitive activities, here endorsed in its entirety and held in the Company's records;
- the Ethical Code, which sets out the company's principles and rules of conduct (Annex 4);
- the HSE Model, which is the reference point for compliance with the requirements established by current legislation on Occupational Health and Safety, pursuant to Legislative Decree 81/2008, and environmental protection that are subject to specific company rules (Annex 3).
- the Code of Conduct, which consists of the operational application of the principles set out in the Ethical Code and introduces specific rules to prevent the creation of circumstances that favour the perpetration of crimes in general, and among these, particularly the administrative crimes and illegal actions that are relevant under Legislative Decree 231/2001 (Annex 5);
- the Anti-corruption Programme which defines the values, principles and responsibilities to which Pirelli & C, all its employees and all those who have business or other collaborative relationships with the Company adhere in the fight against corruption (Annex 6);
- all the provisions, internal measures, management and control systems (e.g. Italian Law no. 262/05 and the Tax Control Framework), documents and operational company procedures that are an implementation of this document (e.g. powers, organisational structures, bylaws). These measures and documents are available as per the procedures for their dissemination within the company;
- the summary document of the types of crimes listed in Legislative Decree 231/2001 on the date when this document was approved (Annex 1).

GENERAL SECTION

REGULATORY FRAMEWORK

Legislative Decree 231/2001 ("*Provisions governing the administrative liability of legal entities, companies and associations also without legal status, in accordance with Article 11 of Law 300 dated 29 September 2000*"), issued on 8 June 2001 and entered into force the following 4 July, intended to adapt Italian legislation on the liability of legal entities to several international agreements that Italy had subscribed to (Brussels Convention of 26 July 1995 on protecting the financial interests of European Communities, Brussels Convention of 26 May 1997 on the fight against corruption involving officers of the European Community or the Member States and the OECD Convention of 17 December 1997 on combating bribery of foreign public officials in international business transactions).

Legislative Decree 231/2001 introduced in Italy, for the first time, the liability of entities for certain crimes committed – or even just attempted – in the interests of or for the benefit of the entities by persons who have representative, administrative or management functions within the entities, or within an organisational unit of those entities with financial and functional autonomy, and, also, by persons under the management or supervision of one of the persons indicated above. This is a form of liability of the entity that is additional to the liability of the individual that actually committed the criminal action.

The legislation in question originally concerned certain crimes against the Public Administration and was later extended to cover crimes of forgery of coinage, legal tender and revenue stamps[1], some forms of tax and corporate crimes[2], offences of terrorism or subversion of the democratic order and crimes against the individual[3], crimes involving abuse of inside information and market manipulation ("Market abuse"[4]), new forms of crimes against life and personal safety, in addition to "transnational crimes"[5] , expanding the set of predicate crimes with the introduction of the "peddling of unlawful influence"[6]).

In the years that followed, the legislature intervened on several occasions to extend the scope of the legislation to additional categories of offence, including, in particular, the offences of manslaughter and serious or very serious negligent bodily injury resulting from breaches of occupational health and safety legislation; the offences of handling stolen goods, money laundering and the use of money, assets or benefits derived from unlawful activities[7]; cybercrime and the unlawful processing of data [8]; organised crime; offences against industry and trade, and copyright offences; the offence of inducing a person not to make statements, or to make false statements, to the Judicial Authority, already relevant for the purposes of the so-called transnational offences; environmental offences and administrative environmental infringements; the offence of employing third-country nationals whose stay is irregular; the offences of extortion by a public official, undue inducement to give or

[1] *The title of which was amended to "Forgery of coinage, legal tender, revenue stamps and distinctive signs and instruments" with Law 99 of 23/07/09: "Provisions for the development and internationalization of businesses, as well as energy", most recently modified by Legislative Decree 125/2016.*

[2] *On the subject of tax offences, the Legislator most recently intervened through Legislative Decree No. 87/2024, "Revision of the tax penalty system, pursuant to Article 20 of Law No. 111 of 9 August 2023".*

[3] *Most recently amended by Law 238 of 23 December 2021 containing "Provisions for the fulfilment of obligations arising from Italy's membership of the European Union - European Law 2019-2020".*

[4] *Most recently amended by Law 238 of 23 December 2021 containing "Provisions for the fulfilment of obligations arising from Italy's membership of the European Union - European Law 2019-2020".*

[5] *The "transnational crimes" were introduced into Italian legislation by Law 146/2006; the crimes listed under Article 10 range from criminal association, crimes concerning the trafficking of migrants, to crimes involving the obstruction of justice; the conditions specified in Article 3 of the aforementioned law must apply for a criminal offence to be considered a transnational crime.*

[6] *Law No. 3 of 9 January 2019, Article 9, expanded the catalogue of offences by including, within Article 25 of Legislative Decree No. 231/2001, a reference to the offence set out in Article 346-bis .That offence was most recently amended by Law No. 114/2024.*

[7] *Most recently amended by Legislative Decree 195 of 8 November 2021 implementing the European directive (EU) 2018/1673 on combating money laundering "Handling of stolen goods, money laundering and use of money, goods or property of unlawful origin as well as self-laundering.*

[8] *The latest amendments to which were made by Law No. 90 of 28 June 2024, "Provisions on strengthening national cybersecurity and on cybercrime". .*

promise benefits[9]; [10] and private-sector bribery; [11] smuggling offences; [12] the offence of [13] self-laundering; [14] the so-called environmental crimes; [15] offences relating to non-cash payment instruments [16] and the fraudulent transfer of assets; offences against cultural heritage; and offences relating to breaches of the European Union's restrictive measures[17].

The predicate criminal offences for liability pursuant to Legislative Decree 231/2001 are examined in full in Annex 1.

The change introduced by Legislative Decree 231/2001 is the establishment of the liability of legal entities based on the commission of a criminal offence. Following the entry into force of Legislative Decree 231/2001, companies can no longer say they are removed from the direct consequences of crimes committed by individuals in the interest or to the benefit of the company.

For administrative liability of the entity to be recognised there must be an "interest" or "benefit" for the entity strictly linked to the criminal action of a senior manager or their direct assistant. This must be specifically assessed by the courts.

In addition, the liability of the entity exists not only when it has gained an immediate financial benefit from the commission of the crime, but also when the act was carried out in the interest of the company, even when there is no financial benefit. The improvement of the entity's market position, or the concealment of a financial crisis, for example, are circumstances involving the interests of the entity that do not however bring any immediate economic benefit. It should also be noted that, if the crime is committed by qualified persons of an entity belonging to a group, the concept in question can be extended to the parent company for the purposes of liability. The Court of Milan (ruling of 20 December 2004) held that the determining feature of a group interest is that it does not refer specifically and solely to one of the group members, but is common to all the entities that make up the group. Accordingly, an offence committed by a subsidiary can also be charged to the parent, if the individual who committed the crime – also as an accessory to the offence – is also functionally part of the parent.

However, Article 6 of Legislative Decree 231/2001 provides for exemption of the company from liability if it demonstrates that it has adopted organisational models capable of preventing the crimes listed above from being committed. Obviously, this exemption from liability is subject to the assessment of the internal organisation and control system the court is required to make during the criminal proceedings examining one of the crimes specifically identified by Legislative Decree 231/2001.

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[9] *Article 25-undecies Legislative Decree 231/2001, introduced with the publication of Legislative Decree 121 of 7 July 2011, in force from 16 August 2011 - published in the Official Gazette 177 - containing the "Implementation of the Directive 2008/99/EC on the protection of the environment through criminal law, as well as directive 2009/123/EC amending Directive 2005/35/EC on ship-source pollution and on the introduction of penalties for infringements". The article was amended by Law 68/2015 and subsequently by Legislative Decree 21/2018 and Law 137/2023.*

[10] *Replaces and renames the crime of "Illegal inducement to give or promise benefits" (Article 25 Legislative Decree 231/2001). Article amended by Law 3/2019 and subsequently by Legislative Decree 75/2020.*

[11] *Introduced by Law 190 of 6 November 2012, published in the Official Gazette no. 265 of 13 November 2012, amended by Legislative Decree 38/2017 and by Law 3/2019.*

[12] *Article amended by Legislative Decree No. 156 of 4 October 2022 and most recently, by Legislative Decree. 141/2024, entitled "National provisions complementary to the Union Customs Code and revision of the penalty system concerning excise duties and other indirect taxes on production and consumption". .*

[13] *Introduced by Law 186 of 15 December 2014, published in the Official Gazette no. 292 of 17 December 2014 and most recently amended by Legislative Decree 195/2021.*

[14] *Introduced by Law No. 68 of 22 May 2015, which amended Legislative Decree No. 121/2011, as subsequently amended by Legislative Decree No. 21/2018 and, most recently, by Law No. 137/2023.*

[15] *Introduced by Legislative Decree No. 184 of 8 November 2021 and most recently amended pursuant to Law no. 137 of 9 October 2023, Conversion into law, with amendments, of Decree-Law no. 105 of 10 August 2023, "Urgent provisions on criminal trial, civil trial, combating forest fires, recovery from drug addiction, health and culture, as well as on the personnel of the judiciary and public administration"..*

[16] *Introduced by Law no. 22 of 9 March 2022 and most recently amended pursuant to Law no. 6 of 22 January 2024, "Sanctioning provisions on the destruction, dispersion, deterioration, defacement, soiling and unlawful use of cultural and landscape assets, and amendments to articles 518-duodecies, 635 and 639 of the Criminal Code"..*

[17] *Introduced by Legislative Decree No. 211 of 30 December 2025, implementing Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.*

INSTRUCTIONS IN THE DECREE REGARDING THE CHARACTERISTICS OF THE ORGANISATION, MANAGEMENT AND CONTROL MODEL

Merely adopting the model is not the only and sufficient condition for exempting the company from liability; the Decree only governs several general principles of the model without providing specific details. The model can only constitute grounds for exemption from punishment when it is:

- effective, i.e. reasonably capable of preventing the crime or crimes committed;
- actually implemented, i.e. its contents are applied in the company procedures and the internal control system.

According to the Decree, the model must have the following minimum content to be considered effective:

- the activities within which crimes may be committed are identified;
- there are specific protocols designed to assist management in formulating and implementing company decisions, in relation to the crimes to be prevented;
- procedures have been identified for managing the financial resources needed to prevent crimes from being committed;
- a suitable disciplinary system has been introduced capable of penalising failure to comply with the measures set out in the model;
- obligations of disclosure to the Supervisory Body have been established;
- in relation to the nature and size of the organisation, as well as the type of business conducted, suitable measures are in place to ensure the business is conducted in compliance with the law and to detect and promptly eliminate situations of risk.

In addition, following the entry into force of Legislative Decree no. 24 of 10 March 2023 (“Whistleblowing Decree"), the model must provide for:

- dedicated internal reporting channels (so-called 'Internal Channels') enabling the persons indicated[18], to submit, in order to protect the entity's integrity, reports of unlawful conduct, relevant pursuant to the Decree, or breaches of the entity's model, which have come to their knowledge in a work-related context; these channels must also guarantee that the identity of the whistleblower, the person indicated in the report and all the persons mentioned in the report, remains confidential;
- the prohibition of retaliatory or discriminatory acts, whether direct or indirect, against the whistleblower[19] for reasons directly or indirectly related to the report;
- in the disciplinary system, sanctions against those who breach the measures for the protection of whistleblowers, those who make reports that turn out to be unfounded with intent or gross negligence, and anyone who has committed the breaches referred to in Article 21 of Legislative Decree No. 24 of 10 March 2023.

The Decree requires the model to be checked periodically and updated, both when significant breaches of the requirements are identified, and when there are significant changes in the organisation or the company's business activity.

Although it changes and adapts to the nature, size and specific business of the enterprise, the model can be seen as a set of principles, instruments and conduct that regulate the organisation and management of the enterprise, together with the control instruments used.

[18] *i.e. employees, self-employed persons, consultants, volunteers, interns, shareholders and persons with powers of direction, control, supervision or representation, persons in the hiring phase or contractual negotiations and during probationary periods, as well as former employees with reference to those cases coming to their knowledge in a work-related context.*

[19] *As well as the other parties listed below: (a) the facilitators, i.e. the persons who assist the reporters in the reporting process and who work in the same work environment; (b) colleagues and/or relatives and/or stable partners who work in the same work environment as the reporters; (c) the companies that the reporters own, work for or are otherwise connected with.*

CRIMES COMMITTED ABROAD

Under Article 4 of the Decree, the entity can be held liable in Italy for predicate crimes committed abroad.

However, the Decree makes this possibility subject to the following conditions:

- the crime is not prosecuted by the country where the crime was committed;
- the company has its principal place of business in Italy;
- the crime is committed abroad by a party functionally connected to the company;
- the general conditions established in Articles 7, 8, 9, 10 of the Italian criminal code apply for the prosecution in Italy of a crime committed abroad.

PENALTIES

An entity considered liable can be subject to four types of penalty, which differ according to their nature and method of execution:

1 Financial penalties: which are always applied when the court finds the entity liable. These are based on a system of "quotas" which are set by the court. In certain specific cases[20], however, a penalty mechanism based on a percentage of the entity's overall turnover applies. Where the entity's overall turnover cannot be determined, the law prescribes a financial penalty ranging from a minimum of 1 million euros to a maximum of 40 million euros, depending on the offence committed. The amount of the financial penalty depends on the seriousness of the crime, the degree of liability of the company, and the actions taken to eliminate or mitigate the consequences of the crime or to prevent other offences from being committed. The court also takes into account at the company's earnings and financial position, when setting the amount of the penalty.

2 Prohibitory penalties: can be applied in addition to financial penalties, but only when expressly established for the crime being punished and only when at least one of the following conditions apply:

- the entity has gained a significant profit from the crime and the crime was committed by a senior manager, or by a subordinate, but only when the commission of the crime was rendered possible by serious organisational deficiencies;
- in the event of repeated offences.

The prohibitory penalties established by the Decree are:

- a temporary or permanent ban on conducting the business activity;
- the suspension or withdrawal of authorisations, licenses or permits enabling the commission of the offence;
- a ban on contracting with the public administration, other than to obtain a public service;
- the exclusion from concessions, loans, grants and subsidies and possible revocation of those already granted;
- a temporary or permanent ban on advertising goods or services.

The prohibitory penalties are only exceptionally applied with permanent effects and are usually temporary, over a period ranging from three months to one year, and involving the specific activity to which the offence committed by the entity relates. They can also be applied on an interim basis, before conviction, at the request of the Public Prosecutor, when there is strong evidence of the entity's liability and there are specific grounds to believe that there is a danger of offences being committed of the same kind as those being prosecuted[21].

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[20] *The offences – and the related penalties – referred to are those set out in Article 25-octies.2 concerning the violation of European Union restrictive measures, introduced by Legislative Decree No. 211 of 2025. Specifically, these comprise: Article 275-bis(1), (2) and (5) of the Italian Criminal Code; Article 275-ter(1) and (2) of the Italian Criminal Code; Article 275-quater(1) of the Italian Criminal Code; Article 12(1-bis) of Legislative Decree No. 286 of 25 July 1998.*

[21] *It should be noted that Decree-Law 2/2023 has established a limit to the applicable prohibitory penalties if the Entity qualifies as "of strategic-national interest" and the application of the prohibitory measure results in the suspension of production activities*

3 Confiscation: consists of acquisition by the State of the proceeds or the profit from the crime (ordinary confiscation) or of an equivalent value (confiscation by equivalent)[22]. The profit from the crime has been defined by the United Divisions of the Italian Supreme Court (see Cass. Pen., S.U., 27 March 2008, 26654) as the direct and immediate economic benefit deriving from the crime, and calculated net of any actual benefit gained by the injured party within the bilateral relationship with the entity. The United Divisions specified that this definition does not include any company-related parameter, and therefore the gain cannot be considered as the net profit generated by the entity (unless the entity has been placed into compulsory special administration). In addition, the Court of Naples (ruling of 26 July 2007) held that the absence of a reduction in capital resulting from the absence of payment of sums for costs that should have been incurred must also be considered as profit.

4 Publication of the ruling: consists of the publication of the ruling only once, as an excerpt or in full at the expense of the entity, in one or more newspapers indicated by the court in the ruling and also by display in the municipality where the entity has its head office.

Although they are applied by the criminal courts, all the penalties are administrative in nature. The penalties established in the Decree are very severe, both due to the high amount of the financial penalties, and because the prohibitory penalties can seriously limit the conduct of normal business activities, preventing a range of business operations.

The administrative penalties imposed on the entity are time-barred from the fifth year after the date of commission of the offence.

Lastly, pursuant to Article 26(2) of the Decree, the entity is not liable when it voluntarily prevents the completion of the action or the occurrence of the event.

EVENTS MODIFYING THE ENTITY

The Decree governs the liability of the entity in the case of modifying events, i.e. in the event of transformation, merger, spin-off and sale of business.

The basic principle is that only the entity, through its assets or funds, has the obligation to pay the financial penalty. As result, regardless of the legal nature of the collective entity, according to the legislation members or associates are not directly liable with their assets.

The financial penalties imposed on the entity are generally subject to the principles of civil law on liability of the transformed entity for the debts of the original entity. The prohibitory penalties, on the other hand, continue to apply to the entity in which the business division that committed the crimes remains or has been transferred.

In the event of transformation, the entity remains liable for crimes committed before the date when the transformation took effect. The new entity will therefore be the recipient of the penalties applicable to the original entity, for acts committed before the transformation.

In the event of a merger, the entity resulting from the merger, including through absorption, is liable for the crimes that the entities involved in the transaction were responsible for. If the merger takes place before the conclusion of the proceedings investigating the entity's liability, the court must consider the financial situation of the original entity rather than the entity resulting from the merger.

In the event of the sale or transfer of the company within which the offence was committed, subject to the selling entity's right of prior enforcement, the transferee is jointly liable with the selling entity for the payment of the financial penalty within the limits of the value of the business sold and the limits of the financial penalties shown in the obligatory accounting records, or of which the transferee was nevertheless aware. In any event, the prohibitory penalties apply to the entities where the business division within which the crime has been committed remains or has been transferred, in

[22] *It should be noted that Law No. 103 of 10 August 2023 provided that: "when the confiscation concerns industrial plants or parts of them that have been declared of national strategic interest [...] or plants or infrastructures necessary to ensure their continuity of production, Article 104-bis, paragraphs 1-septies, 1-octies, 1-novies and 1-decies, of the implementing, coordinating and transitional rules of the Code of Criminal Procedure, referred to in Legislative Decree no. 271 of 28 July 1989, shall apply".*

part or in full.

PURPOSE OF THE ORGANISATIONAL MODEL

With the adoption of this document, the Company intends to specifically comply with the regulations and the principles underlying the Decree, in addition to improving and making the existing internal control and corporate governance system as efficient as possible.
The main objective of the Model is to create a cohesive and structured system of principles and control procedures designed, where possible and feasible, to prevent the commission of the crimes listed in the Decree. The Model will supplement the Company's governance system, and is designed to help promote a corporate culture based on fairness, transparency and legality.
The Model also has the following aims:

- providing suitable information to employees and persons acting on behalf of the Company or who are connected to the Company by significant relationships for the purposes of the Decree, regarding the activities that involve the risk of commission of the crimes;
- promoting a corporate culture based on lawfulness, where the Company condemns all conduct in breach of the law or the internal rules, and in particular the rules contained in its Organisational model;
- promoting a culture of control;
- effective and efficient organisation of the company, with particular attention to the making of decisions and their transparency, the establishment of, preventive and subsequent control measures, as well as the management of internal and external information;
- implementing all measures necessary to eliminate any situations of risk of commission of the crimes as soon as possible.

NATURE OF THE ORGANISATIONAL MODEL

This document constitutes an internal regulation of the Company aimed at preventing the commission of offences and is therefore binding for the individuals ascribable to the Company.
In addition, the Company has long adopted an Ethical Code and a Code of Conduct, which set out the ethical principles and rules of conduct based on the relationships between the Company and its employees, customers and suppliers, establishing the means and instruments designed to ensure transparency concerning issues and problems that can influence the proper management of the Company. The ultimate purpose of these documents is to set out the rules of conduct and the ethical and social values that should be promoted throughout Pirelli & C. S.p.A., alongside the achievement of its company purpose and objectives, in line with the provisions in this document.
The Model assumes compliance with the provisions of the Ethical Code and the Code of Conduct, and together with them it forms a body of internal rules for the promotion of a culture guided by ethics, integrity and corporate transparency.
The Company's Ethical Code and the Code of Conduct – here endorsed in their entirety and, as will be seen below, contribute to creating Pirelli & C. S.p.A.'s internal control environment – represent the essential foundations of the Model and supplement the provisions contained herein.

THE COMPANY AND THE CORPORATE GOVERNANCE SYSTEM

Pirelli & C. S.p.A. ("Pirelli" or the "Company") is a joint-stock company organised under the laws of the Republic of Italy. Founded in 1883, Pirelli was listed on the Italian stock exchange from 1922 until February 2016, when it was delisted following the tender offer made in 2015 that resulted in the acquisition of the entire share capital of Pirelli by Marco Polo Industrial Holding S.p.A., which is indirectly controlled by the China National Chemical Corporation ("ChemChina") via China National Tire and Rubber Co., Ltd.

Pirelli returned to the Stock Market on 4 October 2017, following a reorganisation process that led to the separation of the industrial business and placed the focus on the Consumer business.

As of the date of approval of this Model, Pirelli is the holding that manages, coordinates and finances the activities of the companies it controls.

The Company's corporate governance system is currently structured as follows:

- Shareholders' Meeting

The Shareholders' Meeting is responsible for deciding, in ordinary and extraordinary session, on the matters reserved to it by law and the bylaws.

- Board of Directors

The Board of Directors is vested with full powers for the ordinary and extraordinary management of the Company with the authority to perform all acts deemed appropriate to achieve the company purpose, with the sole exception of those reserved by law to the Shareholders' Meeting.

- Board of Statutory Auditors

Management of the company is supervised by a Board of Statutory Auditors, composed of five members and three alternates appointed and acting in accordance with law.

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, administration and accounting structure adopted by the Company and its actual implementation.

- Accounts auditing

The Company's accounts are audited by external auditors, an auditor or an auditing firm entered in the register held at the Italian Ministry of Justice, or, at the discretion of the ordinary shareholders' meeting, by the Board of Statutory Auditors pursuant to Article 2409-bis, paragraph 3, Italian Civil Code, provided this does not conflict with any legal impediments.

The statutory financial statements of the Company are certified by external auditors in accordance with the provisions of the regulations and the applicable standards.

The external auditors verify that the individual financial statements have been prepared in a clear manner and provide a true and fair view of the company's financial position, cash flows and earnings.

In addition, the external auditors, in accordance with the auditing standards, carry out sample-based checks to reasonably determine that the data contained in the accounting records and other supporting documents are reliable and sufficient for the preparation of the individual financial statements and financial reports.

The Internal Control System is defined as the set of "processes" supervised by the Board of Directors, by the management and by other members of the company structure, aimed at providing reasonable certainty concerning the achievement of the following objectives:

- effectiveness and efficiency of operating activities;
- reliability of business/financial information and reporting;
- compliance with laws, regulations, and internal rules and procedures;
- protection of company assets.

THE PIRELLI & C. INTERNAL CONTROL SYSTEM

In pursuing the objectives identified in the Bylaws, Pirelli & C. S.p.A. has placed particular emphasis on the design and subsequent implementation of an adequate internal control system, in line with national and international best practice.

Pirelli & C.'s Internal Control System pursues the objectives of: (i) efficiency and effectiveness of operating activities; (ii) reliability of information; (iii) protection of company assets; and (iv) adherence

and compliance to laws and regulations to ensure proper information disclosure and suitable controls over all the Group's operations, with particular attention to the areas considered potentially at risk.

Director responsible for the Internal Control System
The Board of Directors has identified the Chief Executive Officer as the director responsible for the Internal Control System, who has been assigned the following duties:

- identifying the main business risks;
- applying the guidelines drawn up by the Board of Directors, implementing and managing the internal control and risk management system, and continually monitoring its adequacy and effectiveness;
- adapting the system to changes in operating conditions and the legislative and regulatory scenario;
- requesting the internal audit function to carry out audits;
- proposing the appointment/dismissal of the person in charge of internal audit, ensuring that they are provided with the proper resources for carrying out their role, and proposing remuneration in line with company policies.

Internal Audit Department
The main task of the Internal Audit Department is to assess the adequacy and the functioning of Pirelli & C.'s control processes, by means of independent assurance and consultancy work. The work of the Internal Audit Department is carried out in line with the mandate given to it and approved by the Board of Directors.
Compliance
The Compliance Department is responsible for ensuring that internal regulations, processes and business activities are continuously aligned to the applicable regulatory framework, actively identifying any non-compliance risks that may result in judicial and administrative penalties and consequent damage to reputation.

GENERAL PRINCIPLES OF INTERNAL CONTROL

The Internal Control System is structured according to general principles and its scope of application extends throughout the various organisational levels (Group, Business Unit, Department, Company – below "Business Unit").

Control framework

- The powers of representation must be awarded, setting the limits in relation to the normal sizes of the related transactions and according to areas of activity strictly linked to the duties assigned and the organisational structure.
- Responsibilities must be defined and appropriately distributed, avoiding functional overlaps or task allocations that result in the concentration of important activities with a single individual.
- No transaction that is significant for the Business Unit can be originated/activated without suitable authorisation.
- The operating systems[23] must be consistent with the Group policies and the Ethical Code.

In particular, the Company's financial information must be prepared:

- in compliance with the laws and regulations, established accounting standards, and international best practices;
- in line with the administrative procedures established;
- as part of a complete and up-to-date accounts plan.

[23] *Procedures, organisation, processes, information systems, etc..*

Risk assessment

The risk assessment work (risk analysis and risk ranking) forming the basis of the Organisational Model's structure was performed with the corporate functions concerned to identify the so-called "sensitive" activities which are significant for the purposes of Legislative Decree 231/01[24].
In addition, the principal risk factors spread across the organisation are assessed, with the support of the functions, according to the following procedures:

- the objectives of the Business Unit must be suitably defined and communicated to all the levels concerned, in order to clarify and share its general approach, and to identify the risks associated with achieving the objectives, with suitable monitoring and updating on a regular basis.
- adverse events that may threaten business continuity must be subject to specific risk assessment and enhancement of protections.
- innovation processes related to products/services, organisations and systems must include suitable assessment of the implementation risks.

Control activities

- Operating processes must be developed with adequate supporting documentation (policies, operating rules and regulations, internal procedures, etc.) and/or system support to ensure the processes can always be verified in terms of fairness, consistency and responsibility.
- Operational choices must be traceable in terms of their characteristics and motivations, and the people who authorised, executed and checked the individual activities must be identifiable.
- The exchange of information between adjacent phases/processes must have mechanisms (reconciliation, balancing, etc.) to ensure the integrity and completeness of the data handled.
- Human resources must be selected, hired and managed based on transparent criteria and in accordance with the ethical values and the objectives identified by the company.
- The knowledge and professional skills available within the Business Unit must be analysed periodically with respect to their consistency with the objectives assigned.
- Personnel must be duly trained to perform the duties assigned.
- Goods and services for the Company's operations must be procured on the basis of needs analyses and from sources which have been selected and monitored adequately.

Information and Communications

- An adequate system of indicators must be established per process/activity, together with a periodic flow of reporting to the management.
- Administrative and operating Information Systems must be aimed at achieving integration and standardisation.
- Security mechanisms must provide adequate physical-login protection/access to the Business Unit's data and assets, on a "need to know-need to do" basis.

Monitoring

- The control system is subject to ongoing monitoring for periodic assessments and continuous compliance.

METHOD OF PREPARATION OF THE ORGANISATIONAL MODEL

In compliance with the provisions of the Decree, the Company continually updates its Organisation, management and control model adopted by the Board of Directors' resolution of 31 July 2003, and updated to the current version by Board of Directors' resolution of 05 November 2026. Both the adoption and the subsequent amendments to this document are the sole responsibility of the management body.

[24] *See the Introduction to the Internal Control Schemes – page 34 – for a full description of the risk assessment methodology.*

The Company's Organisational Model has been drawn up, also on the basis of the Confindustria guidelines (March 2008 version, updated to the latest version dated June 2021), taking into account the structure of the Company and its actual business operations, as well as the nature and size of its organisation. The Company conducted a preliminary analysis of its corporate environment and subsequently analysed the areas of activity that have potential elements of risk in relation to the commission of the crimes identified by the Decree. The following were analysed in particular: the Company's history, its corporate environment, its market, the company organisational structure, the existing corporate governance system, the system of delegated powers and authorities, the existing legal relationships with third parties, the company's operating entities, and the practices and procedures established and disseminated within the Company for the conduct of operations.

For the preparation of this document, in accordance with the provisions of the Decree, the Confindustria (Confederation of Italian Industries) guidelines and the indications currently available from case-law, the Company has therefore:

- identified the processes, sub-processes or business activities in which there is a possibility of the predicate crimes identified in the Decree being committed, by means of interviews with the Heads of the company Departments;
- performed a risk self-assessment of the commission of crimes and the internal control system capable of preventing unlawful conduct;
- identified suitable control measures, either already existing or to be implemented in the operating procedures and company practices, needed to prevent or mitigate the risk of commission of the crimes identified by the Decree;
- analysed its system of delegated authorities and powers and of allocation of responsibilities.

STRUCTURE OF THE ORGANISATIONAL MODEL

The Organisational Model involves the coordinated operation of a pyramid structure of principles and procedures, which can be outlined as follows:

- *Ethical Code*: The set of general principles (transparency, fairness, honesty) underlying the conduct and running of the business as part of a more general trajectory of sustainable growth, while also ensuring the efficiency and effectiveness of the Internal Control System.
- *Internal Control System*: The set of "processes" designed to provide a reasonable guarantee of achieving the operational efficiency and effectiveness objectives, reliability of the financial and management information, compliance with laws and regulations, as well as safeguarding company assets, including against possible frauds. The Internal Control System is based on and is defined by several general principles, specifically defined within the Organisational Model who scope of application extends across all the organisational levels (Business Units, Central Functions and Companies).
- *Code of Conduct*: The practical application of the principles set out in the Ethical Code, introducing specific rules to prevent the creation of circumstances favourable to the commission of crimes in general, including, in particular, the administrative offences that are relevant under Legislative Decree 231/2001. Some rules are also specific to managing relations with the representatives of the Public Administration and with third parties in general, as well as the requirements and company-related activities and communications to the market.
- *Anti-Corruption Compliance Program,* defines the values, principles, responsibilities and rules to which Pirelli, its employees and those who have business relationships or collaborations of other nature with the company, adhere on the matter of combating corruption.
- *Internal Control Schemes*: These have been prepared for all company processes. The schemes all have a similar structure, which consists of listing the sensitive activities relating to a particular

company process, within a set of rules designed to identify the main principles and rules of control designed to prevent, within reason, the related risks of a crime being committed, as well as the relevant information flows to the Supervisory Body in order to highlight situations involving possible non-compliance with the procedures established in the organisation models. The internal control schemes have been drawn up based on three key rules, namely:

1. separation of roles in the performance of the main activities relating to the processes;
2. "traceability" of decisions, i.e. the constant visibility of these decisions (for example, by means of specific documentary records), to enable the identification of precise "points" of responsibility and the "reason" for the decisions made;
3. objectivity in the decision-making processes, i.e. ensuring that decisions are not just made based on subjective assessments, but instead referred to pre-established criteria.

The Supervisory Body, which has independent powers of action and control, monitors the functioning of the Organisational Model and compliance with its requirements, and also ensures that it is kept up-to-date.

CATEGORIES OF SIGNIFICANT CRIMES FOR PIRELLI & C.

Pirelli & C. S.p.A.'s Model has been prepared taking into account the structure of the Company and its actual business operations, as well as the nature and size of its organisation.
Based on those parameters, the Company has considered the following predicate crimes identified by the Decree as relevant:

- Articles 24, 25 (Crimes so-called "against the Public Administration");
- Article 24-bis (Computer crimes and unlawful data processing);
- Article 24-ter (Organised crime);
- Article 25.bis.1 (Crimes against industry and trade);
- Article 25-ter (Corporate crimes);
- Article 25-sexies (Market abuse);
- Article 25-septies (Manslaughter or serious or grievous bodily harm, committed in breach of the rules on occupational health and safety);
- Article 25-octies (Receiving, laundering and using money, goods or assets of unlawful origin, as well as self-laundering);
- Article 25-octies.1 (Offences relating to non-cash payment instruments and fraudulent transfer of interest);
- Article 25-octies.2 (Offences relating to the violation of European Union restrictive measures);
- Article 25-novies (Offences relating to breach of copyright);
- Article 25-decies (Inducement to refrain from making statements or to make false statements to the legal authorities);
- Article 25-undecies (Environmental offences);
- Article 25-duodecies (Employment of illegally staying third-country nationals);
- Article 25-quinquiesdecies (Tax offences);
- art. 25-septiesdecies (Crimes against the cultural heritage);
- art. 25-duodevicies (Recycling of cultural heritage and destruction and looting of cultural heritage and landscape);
- Article 10 Law 146, 16 March 2006 (Transnational crimes).

The Special Section of this document below identifies the Company activities that have been labelled as sensitive due to the inherent risk of commission of crimes of the type listed in this document and establishes prevention principles and protocols for each of the sensitive activities.
More details of the individual criminal offences applicable to the Company that could potentially arise in the performance of the sensitive activities listed in paragraph 3 of the Special Section below, are provided in Annex 1.

Lastly, the Company continually assesses the relevance of any additional, current and future, crimes for the purposes of the Model.

ADDRESSEES OF THE MODEL

The Pirelli & C. S.p.A. Model applies to:

a) those who perform, also on a de facto basis, functions of management, administration, direction or control in the Company or in one of its autonomous organisational units;
b) the employees of the Company, even when seconded abroad to perform their work;
c) all those persons who work with the Company under a quasi-employment relationship, such as contract workers, temporary workers, interim staff, etc.;
d) those who, do not belong to the Company, but act on its mandate or on its behalf, such as legal advisers, consultants, etc.;
e) persons acting in the interest of the Company because they are connected to it by legal contractual relationships or other arrangements, such as, for example, partners in joint ventures or partners for the implementation or acquisition of a business project.

Any doubts regarding whether and how the Model should be applied to a person or a class of third parties are resolved by the Supervisory Body in response to a query from the head of the area/department with which the legal relationship is held.

All addressees of the Model are required to fully comply with the provisions contained within it and its implementing procedures.

This document constitutes an internal regulation of the Company, which is binding for it.

SUPERVISORY BODY

Role and structure

Article 6 of Legislative Decree 231/2001 relates the liability exemption of the enterprise to the adoption and effective implementation of an organisation, management and control model that is able to prevent the commission of the criminal offences considered by such legislation and requires the establishment of a supervisory body within the entity (hereafter, also referred to as the "SB") that is specifically assigned the "*function of supervising the operation and compliance of the organisational model and keeping it up-to-date*".

In addition, Article 6 establishes that the Board of Statutory Auditors can perform the functions of the Supervisory Body.

The Board of Directors, based on the size of the company, its organisational structure and the characteristics of the business, shall establish the Supervisory Body by appointing its members, after having set their number, in accordance with the requirements indicated below, or by assigning its functions to the Board of Statutory Auditors appointed by the Shareholders' Meeting of the Company.

The functions assigned to the SB require it to have autonomous powers of action and control.

The Supervisory Body is characterised by the following requirements:

- Autonomy and independence
  The autonomy and independence requirements are essential to ensure that the SB is not directly involved in the operations that it monitors. These requirements can be met by assuring that the SB's decisions cannot be challenged by the entity's bodies and by requiring reporting to the Board of Directors.

- **Professional expertise**

  The SB's members must have suitable technical and professional expertise for the functions that it is required to perform. These characteristics, together with independence, ensure impartiality.

- **Continuous action**

  The SB must:
  - continuously supervise the Organisational Model using the necessary investigation powers;
  - be an internal unit, in order to ensure continuous supervision;
  - manage the Organisational Model's implementation and keep it continually updated;
  - not perform operational duties that could affect its general overview of company activities.

Where the functions of the Supervisory Body are not assigned to the Board of Statutory Auditors, the Board of Directors can freely choose the members of the Supervisory Body from among those who meet the requirements listed.
The Supervisory Body reports directly and solely to the Board of Directors.

Professional and personal requirements

The members of the Supervisory Body, including when they are members of the Board of Statutory Auditors, must be highly qualified with experience in management or control, or persons who have held management positions in enterprises, public entities, public administrations, or have performed or perform professional or university teaching activities in legal, economic and financial areas.

It is also necessary to ensure that, in addition to their professional skills, the members of the Supervisory Body also have personal characteristics that make them suited to perform the duty assigned to them, and they must declare this when they accept their appointment.
Accordingly, the members of the Supervisory Body must not have any grounds for incompatibility and conflicts of interest that could undermine their independence and freedom of action and judgement. When they are appointed, the members of the Supervisory Body must provide a specific statement attesting that they possess the necessary personal requirements.

Grounds for ineligibility

Persons cannot be elected if they have been convicted (either in court – even if said conviction is not final – or by plea-bargaining, including suspended sentences, without prejudice to the effects of rehabilitation):

1) to imprisonment for a period of not less than one year for one of the crimes envisaged by Royal Decree 267 of 16 March 1942[25];
2) to imprisonment for a period of not less than one year for one of the crimes identified by the rules governing banking, financial, securities, and insurance activities and by the laws relating to markets, securities, and payment instruments;
3) to imprisonment for a period of not less than one year for a crime against the public administration, against public faith, against property, against the public economy, or for a tax offence;
4) for any offence committed with criminal intent subject to imprisonment of not less than two years;
5) for one of the crimes listed under heading XI of book V of the Civil Code, as reformulated by Legislative Decree 61/2002[26];
6) for a crime that entails or entailed being sentenced to a penalty resulting in disqualification,

[25] *See Royal Decree 267/1942 "Bankruptcy Law".*
[26] *See Legislative Decree 61/2002 "Regulations on criminal and administrative offences involving commercial companies - pursuant to Article 11 of Law 366/2001".*

permanently or temporarily, from public offices, or temporary disqualification from the executive offices in legal entities and enterprises;

7) for one or more crimes among the crimes strictly envisaged by the Decree, even when sentenced to lesser penalties than those indicated in the preceding points:
   - persons who, by final judgement, have been made subject to one of the preventive measures envisaged under Article 10(3) of Law 575 dated 31 May 1965, as replaced by Article 3 of Law 55 dated 19 March 1990,[27] as subsequently amended;
   - persons who have been made subject to the ancillary administrative fines envisaged under Article 187-quater of Legislative Decree 58/1998.

In addition, persons who have been disqualified or are ineligible cannot be appointed as members of the Supervisory Body.

Term of office, substitution, expiry of term of office and revocation

The Supervisory Body remains in office up to the end of the mandate of the Board of Directors that appointed the Supervisory Body and, in any case, until its next appointment.
If Supervisory Body functions are assigned to the Board of Statutory Auditors, then the Board of Directors, upon its re-election, shall decide whether to constitute the Supervisory Body by assigning its functions to the Board of Statutory Auditors, or if the number of members of said Body has been established, it shall appoint those members.
Failure to meet even only one of the professional and/or personal requirements/qualifications listed, or a change or loss of the role based on which the person was appointed as a member of the SB shall result in termination of their office. The member of the Supervisory Body involved shall immediately notify the Board of Directors that they no longer meet the above-mentioned requirements.
If a member of the Supervisory Body resigns then the member concerned shall notify this decision immediately to the Board of Directors and the Board of Directors shall arrange to replace the member that has resigned.
In any event, the Chairman of the SB, or the most senior member of the SB, is required to notify the Board of Directors immediately regarding the occurrence of one of the circumstances giving rise to the need to replace a member of the Supervisory Body.
A member of the Supervisory Body can only be dismissed for just cause, for reasons associated with serious breaches with respect to the mandate accepted, including breach of the confidentiality obligations listed below, by decision of the Board of Directors, upon consultation with the Board of Statutory Auditors.

Confidentiality

The members of the Supervisory Body are bound to secrecy concerning the details and information they become aware of while performing their functions. However, this obligation does not apply with respect to the Board of Directors.
The members of the Supervisory Body shall ensure the confidentiality of the information they become aware of, with particular regard to the protection of the confidentiality of the identity of persons who have made detailed reports relating to unlawful conduct which are relevant pursuant to the Decree and based on precise and consistent factual elements, or to breaches of the Organisational Model. In this regard, the members of the Supervisory Body undertake to avoid unduly revealing the identity of the persons who have made the aforementioned reports or of any other element suitable for tracing their identity, as well as any other information relating to such reports. Moreover, the members of the Supervisory Body shall refrain from receiving and using confidential information for purposes other than those included in the paragraph: “Duties and

[27] *See Law 55/90 “New provisions to prevent mafia crime and other serious forms of social crime".*

powers", and in any case for purposes that are not consistent with the Supervisory Body's own functions, unless specifically and knowingly authorised.
In any event, all information available to the members of the Supervisory Body shall be handled in accordance with the applicable legislation relating to the protection of persona data. Failure to comply with the above-mentioned obligations represents just cause for dismissal from the office of member of the Supervisory Body.

Duties and Powers

The following duties are assigned to the Supervisory Body:

1. verifying the efficiency and effectiveness of the Organisational Model adopted in relation to preventing and impeding the commission of the crimes that are currently envisaged by Legislative Decree 231/2001 and the crimes that may entail the administrative liability of the legal entity in the future;
2. verifying compliance with the methods and procedures established by the Organisational Model and identifying any deviations in conduct emerging from the analysis of the information flows and from the reports that the managers of the various departments are required to prepare;
3. preparing proposals for the Board of Directors concerning any updates to and adjustments of the Organisational Model adopted, to be implemented by means of amendments and/or supplements which may be necessary due to (a) significant breaches of the provisions of the Organisational Model, (b) significant changes to the Company's internal structure and/or in how the business is conducted, and (c) legislative amendments to Legislative Decree 231/2001 or changes that identify new forms of direct liability of the entity;
4. inform the Internal Audit Department, and make use of its support, if the Supervisory Body should receive detailed reports of unlawful conduct which are relevant under the Decree and based on precise and consistent factual elements, or of any breaches of the Organisational Model, without prejudice to the requirements of autonomy and independence that characterise the Board;
5. take note of reports of unlawful conduct which are relevant pursuant to Legislative Decree 231/2001, or breaches of the Model, received directly from the Internal Audit Department in accordance with the provisions of the Group Whistleblowing procedure and coordinate the performance of the checks and investigations deemed appropriate;
6. when breaches of the Organisational Model have been identified, promptly reporting those breaches to the Chairman of the Board of Directors and/or the Chief Executive Officer or, for serious disciplinary breaches, to the Board of Directors, in order for the relevant disciplinary sanctions to be issued; the Supervisory Body is required to inform the Board of Directors and the Board of Statutory Auditors immediately if the breaches concern persons who are members of the Company's Senior Management and/or are Directors of the Company;
7. preparing an information report for the Board of Directors, at least half yearly, on the audit and control activities performed and their results;
8. sending the reports referred to above to the Board of Statutory Auditors.

The Supervisory Body has been granted all-encompassing powers to perform the duties listed above. Specifically:

- the activities performed by the Supervisory Body cannot be questioned by any other company body or department;
- the Supervisory Body has unrestricted access to all of the Company's departments – without requiring any prior consent – to obtain all the information or data considered necessary to perform the duties required by Legislative Decree 231/2001;

- the Supervisory Body may use the aid of all the Company's units or those employed by the Company (in particular, the Internal Audit function and the Group Compliance Function of Pirelli & C. S.p.A.), or external consultants, to obtain their help in performing the task under the direct supervision and responsibility of the Supervisory Body, as well as asking company representatives, identified on a case-by-case basis by the Supervisory Body, to participate in the respective meetings;
- to perform its work, the Supervisory Body has been given full financial/operating autonomy, without any expenditure limitations.

Information flows

Article 6(2)(d) of Legislative Decree 231/2001 identifies specific "*information disclosure obligations towards the body designated to supervise the functioning of the Models and compliance with their provisions"*.

A systematic and structured reporting system is required for risk areas/events, whose identification and analysis generates the red flags that can trigger checks or investigations by the SB regarding any abnormal situations and/or potential crimes.

To this end, an integral component of the "Internal Control Schemes" for the Processes and the associated sensitive activities is the implementation of specific information flows to the SB. The amount and the type of information may vary over time due to:
- inadequate and/or incomplete information that is unable to provide the details needed to facilitate monitoring of the Organisational Model's effectiveness;
- significant changes to the Company's internal structure and/or in how the business is conducted;
- regulatory amendments to Legislative Decree 231/2001 or changes that identify new forms of direct liability of the entity.

In addition, the Supervisory Body must be informed about the Company's structure (structure of the Board of Directors, company organisational structure, etc.).
The Company is responsible for informing the Supervisory Body in the event of any changes.

In addition, the following roles and responsibilities have been identified: - Data Transmission Managers, who coordinate the collection of the data, certify their completeness, consistency and accuracy, and send them within the cut off dates.

The information about corporate data flows sent to the Supervisory Body must be filed in electronic format and be retrievable in future by the members of the SB.

Control work

The Supervisory Body – where necessary with the aid of the Internal Audit Function and the Group Compliance Function of Pirelli & C. S.p.A., or external consultants – performs specific audits on involved Company and Group entities and units, according to the following procedures:

- **"planned" audits**, where the checks on the Organisational Model's effectiveness are an integral part of a broader work plan; this type of audit is examined specifically and suitably assessed in conjunction with the Supervisory Body, during the risk assessment for the formulation of the Annual Audit Plan;
- **spot checks** in the event of:
  - a specific request from one of the other control bodies of the Company or the Group;

red flags generated by the information flow currently in operation in the Organisational Model.

REPORTING SYSTEM

All addressees of the Model must report any unlawful conduct, relevant pursuant to Legislative Decree 231/2001, or breaches of the Model, using the methods indicated in the EU Whistleblowing policy[28].

Please note that the Company has established a dedicated IT platform for managing whistleblowing reports, which can be accessed at the following link:

https://pirelli.integrityline.com/

Dedicated postal mail channels and telephone lines are also available, and whistleblowers may request an in-person meeting.

Reports may also be anonymous and must describe in detail the facts and persons reported.

The Internal Audit Department receives and analyses reports received, including anonymously, in accordance with the procedures set out in the EU Whistleblowing Policy.

The Internal Audit Department also receives and analyses reports relating to any cases of bribery/breaches of internal control principles and/or precepts of the Ethical Code, Code of Conduct, Equal Opportunities, company rules and regulations or any other commissive or omissive conduct that may directly or indirectly cause financial damage, or even damage to the image, of the Group and/or its companies, as well as, in any case, all reports relating to unlawful conduct which is relevant under the Decree and based on precise and consistent facts, or breaches of the Organisational Model.

To this end, the same confidentiality obligations apply to the Internal Audit Department and to any addressee of the aforementioned reports as to the members of the Supervisory Body, in compliance with the provisions of the EU Whistleblowing Policy.

The Internal Audit department is required to inform and coordinate with the Supervisory Body whenever it receives a report pursuant to the Decree or concerning potential breaches of Model 231. Meetings between the members of the Supervisory Body and the Internal Audit department are therefore scheduled periodically.

For a more complete representation of the management methods of the reports received by the Internal Audit Department, reference should be made to the EU Whistleblowing Policy in its entirety.

Where reports concern the Internal Audit department, a dedicated channel is available for reporting violations involving that department. In such cases, reports are handled by an autonomous and independent department and/or individual, in accordance with the procedures set out in the EU Whistleblowing Policy.

Pirelli & C, in encouraging the Addressees to promptly report possible unlawful conduct or irregularities, in the manner indicated in the Whistleblowing policy, pursuant to the Whistleblowing

[28] *EU Whistleblowing policy*

Decree, guarantees, including by computerised means, the confidentiality of the report and the data contained therein, as well as the anonymity of the whistleblower, the person indicated in the report and all the persons mentioned in the report, even in the event that it should subsequently prove to be incorrect or unfounded.

No kind of threat, retaliation, sanction or discrimination will be tolerated against the whistleblower, or those who have collaborated in the follow-up activities as to the merits of the report[29]. Any dismissals or other retaliatory or discriminatory measures adopted against such persons, including a change of duties, shall be null and void and the burden of proof that the same measures are based on reasons unrelated to the report itself is placed on the Company.

The Company reserves the right to take appropriate disciplinary action against anyone who implements, or threatens to implement, acts of retaliation against those who have submitted reports[30], without prejudice to the right of the parties involved to legally protect themselves if criminal or civil liability related to the falsehood of what has been declared or reported has been determined for the reporting party.

Anyone who thinks he or she may be a victim of retaliation, or is aware of retaliatory behaviour adopted against others, for reasons directly or indirectly related to the reporting of illegal conduct relevant to the Decree or breaches of the Organisational Model, must send a specific report, according to the procedures described above and provided for in the EU Whistleblowing Policy.

It is understood that the Company may take the most appropriate disciplinary and/or legal measures to protect its rights, assets and image, against anyone who has with intent or gross negligence made false, unfounded or opportunistic reports and/or for the sole purpose of slandering, defaming or causing prejudice to the whistleblower or other persons mentioned in the report.

DISCIPLINARY SYSTEM

Introduction

Article 6 of Legislative Decree 231/2001 relates the liability exemption of the enterprise to the adoption and effective implementation of an organisation, management and control model that is able to prevent the commission of the criminal offences considered by such legislation and requires the introduction of "*an appropriate disciplinary system to punish failure to comply with the measures set out in the model*" in accordance with the provisions of Legislative Decree No. 24 of 10 March 2023.

Accordingly, the disciplinary system is an essential part of the Organisational Model for the entity to qualify for the "exemption" (exoneration from corporate administrative liability) established by the above-mentioned legislation. Indeed, a disciplinary system capable of punishing failure to comply with the measures set out in the Model is an essential requirement for its correct implementation, and consequently for exoneration from corporate administrative liability when the entity is able to demonstrate that it has not only adopted, but also implemented the Model.

[29] *As well as towards any other person indicated in footnote 18 to this Model.*

[30] *As well as towards any other person indicated in footnote 18 to this Model.*

The application of the disciplinary system and the related penalties for breaches of the principles and the code of conduct set out in the Organisational Model is independent of the initiation of any criminal proceedings and the resulting judgement regarding the commission of one of the forms of unlawful conduct identified by Legislative Decree 231/2001.

The disciplinary system is continually monitored by the Supervisory Body and the Human Resources Department.

The Supervisory Body shall be involved in the procedure for investigating violations and imposing sanctions for breaches of the Organisational Model, in that the Supervisory Body shall be informed of any disciplinary sanctions imposed for breaches of the Organisational Model.

Considering the need to update the Disciplinary System, dictated, in particular, by the new whistleblowing provisions set out under letter d), paragraph 2 *bis* of art. 6 of the Decree, as amended by Legislative Decree no.24 of 10 March 2023, the following infractions within the scope of the company organisation should be considered serious no matter who commits them:

- Breaches of the measures aimed at protecting the confidentiality of the identity of persons who have made reports relating to illegal conduct which is relevant under Legislative Decree no. 24 of 10 March 2023, or breaches of the Organisational Model;
- Retaliatory and/or discriminatory conduct, whether direct or indirect, against the person who made the reports referred to above, as well as against all those who assist the whistleblowers in the reporting process and who work in the same work environment (so-called "facilitators"); (b) colleagues and/or relatives and/or stable partners working in the same work environment as the whistleblowers; and (c) companies that the whistleblowers own, work for or are otherwise connected with;
- Reporting, with intent or with gross negligence, breaches of the Organisational Model or of unlawful conduct relevant under Decree no. 24 of 10 March 2023, which prove to be unfounded;
- Obstruction or attempted obstruction of the report or failure to assess and review reports received through the internal reporting channel and failure to follow them up diligently.

The Company retains the right to recoup its losses with regard to any damages and/or liabilities it may incur as a result of the conduct of employees that breaches the Organisational Model.

The penalty measures for different professional figures are indicated below.

Disciplinary system – Measures for non-compliance by:
EMPLOYEES

Breaches of the Organisational Model committed by employees are a disciplinary offence and are punished in full compliance with Article 7 of Law 300 of 20 May 1970, with current legislation, and with the applicable collective employment contract, namely, the “National Collective Employment Contract for workers in the rubber, electric cables and related materials industry, and the plastics industry” (below the NCEC).
Non-compliance and forms of conduct by employees in breach of the rules set out in this Organisational Model entail the imposition of disciplinary penalties which, in accordance with Legislative Decree No. 231/2001, are applied on a proportional basis as provided for in Article 2106 of the Civil Code, taking into account – for each specific case – the objective seriousness of the event constituting the disciplinary offence, the level of blame, the potential repetition of the same conduct, as well as the intentional nature of the conduct concerned.
The above is subject to all the provisions referred to in the cited Article 7 of Law 300/1970, here endorsed in their entirety, regarding the disclosure of the disciplinary codes “through display in a

location accessible to all", and the obligation notify the employee in advance of the alleged offence, also to enable the employee concerned to prepare an appropriate defence and to provide any justifications.

MANAGERS, OFFICE WORKERS, AND MANUAL WORKERS

The disciplinary system identifies breaches of principles, forms of conduct and the specific control measures contained in the Organisational Model and these are linked to the penalties set for the employees by the applicable laws and/or collective bargaining agreements, as detailed below.

The breaches[31] and the resulting penalty measures applied on a proportional basis, are detailed below.

Breaches

- Substantial non-compliance with the provisions identified in the "General Principles of Internal Control" with reference to the Scope of Control.
- Non-compliance with the provisions identified in the "General Principles of Internal Control" with reference to Risk Assessment, Control Work, Information and Communications, and Monitoring.
- Non-compliance with the conduct prescribed in the Ethical Code and in the Code of Conduct.
- Non-compliance with the specific controls set out in the Internal Control Schemes due to negligence, without exposing the Company to an objective situation of danger.
- Failing to send the required notification to the Supervisory Body as specified in the Internal Control Schemes.
- Risky behaviour (as listed in the Internal Control Schemes).
- Conduct unequivocally and intentionally directed at committing a crime identified by Legislative Decree 231/2001.
- Conduct that has resulted in application of the measures established by Legislative Decree 231/2001.
- Any other form of conduct that potentially gives rise to the imposition on the Company of the measures established by Legislative Decree 231/2001.

Non-executive employees

(Penalties pursuant to Articles 53, 54, 55 NCEC, or corresponding provisions of a different national collective bargaining agreement, where applied).
The following disciplinary penalties are established on a proportional basis, according to the seriousness of the breach committed:
- verbal warning;
- written warning;
- fine up to an amount corresponding to three hours of pay and the cost of living allowance;
- temporary suspension from work and deduction of pay for up to three days;
- dismissal due to breaches.

Disciplinary system – Measures for non-compliance by:

EXECUTIVES

The current provisions of law and/or collective bargaining agreements are applicable to executives, without prejudice to the fact that the Company may dismiss the executive who committed the breach, in the case of more serious breaches, as identified by this disciplinary system.

[31] *The breach of company rules may be punished, even if the breach concerned is not a crime or consists of an attempt to commit the crime.*

It is also a disciplinary offence for executives to **fail to supervise** the correct implementation by subordinate workers of the rules and procedures established by the Model, as well as the breach of disclosure obligations to the Supervisory Body concerning the commission of the crimes identified even when only attempted.

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Disciplinary system – Measures for non-compliance by:
DIRECTORS

The Supervisory Body shall inform the Board of Statutory Auditors and the Board of Directors in the event of conduct by members of the Board of Directors in breach of the Organisational Model, and those Boards shall adopt the appropriate measures, which include, for example, calling a Shareholders' Meeting to adopt the most appropriate measures permitted by law (proposing to the Meeting the adoption of the relevant measures to be taken, if involving breaches that represent a just cause for dismissal, without prejudice to the right to compensation for any damage suffered).

Disciplinary system – Measures for non-compliance by:
STATUTORY AUDITORS

The Supervisory Body shall inform the Board of Statutory Auditors and the Board of Directors in the event of conduct by members of the Board of Statutory Auditors in breach of the Organisational Model, and those Boards shall adopt the appropriate measures, which include, for example, calling a Shareholders' Meeting to adopt the most appropriate measures permitted by law (proposing to the Meeting the adoption of the relevant measures to be taken, if involving infractions which represent a just cause for dismissal, without prejudice to the right to compensation for any damage suffered).

Disciplinary system – Measures for non-compliance by:
NON-EMPLOYEE THIRD PARTIES

Any breach[32] of the provisions set out in the Model by consultants, contractors, and persons identified from time to time as "addressees" of the model, is punished by the competent bodies based on the internal rules in accordance with the terms and conditions established by the contractual clauses used, and in any event with the application of agreed penalties, which may, in the event of serious infractions, also include the automatic termination of the agreement (pursuant to Article 1456 of the Civil Code), without prejudice to compensation for any damage suffered.

Accordingly, the provision of goods, work or services, that may involve sensitive activities, by third parties (e.g. other companies, including those belonging to the Group, consultants, partners, etc.) must be regulated in the form of a written contract.
The contract must impose the following on the Company's contractual counterparty:

- the obligation to certify the truthfulness and completeness of the documentation and information provided to the Company in accordance with the legal requirements;
- the commitment to respect, during the validity of the contract, the principles inspiring the Model and the Ethical Code, as well as the provisions of Italian Legislative Decree 231/2001 and to operate in compliance with such;
- the obligation to comply with any requests for information, data or facts from the SB of the Company.

[32] *See the provisions contained in the Code of Conduct concerning relations with third parties.*

The contract shall also provide the option for Pirelli to implement forms of protection (e.g. termination of the contract, application of penalties, etc.), when a breach of the above items is identified.

DISSEMINATION OF THE ORGANISATIONAL MODEL AND TRAINING

Communications and training are essential tools for the effective implementation and disclosure of the Organisational Model and the Ethical Code. The Human Resources Department works closely with and under the supervision of the Supervisory Body to ensure suitable awareness of the principles and the Code of Conduct adopted by the Company among the staff already working within the Company and future staff, with different degrees of detail based on the level of the staff's involvement in the operational processes considered sensitive and relevant.

Communications

The Human Resources Department ensures employees are made aware of the Organisational Model and the Ethical Code when they are hired. In particular, new recruits receive an information document that refers to the application within the Company and the Group of the rules set out in Legislative Decree 231/2001.
In addition, they are also provided direct access to a special section of the company intranet where all the reference documentation relating to Legislative Decree 231/2001 is available and kept constantly up-to-date.
The Human Resources function, with the aid of the Group Compliance Function, manages and ensures suitable dissemination when the Organisational Model is revised.

Training

Training is designed to foster knowledge of the rules set out in Legislative Decree 231/2001 and to provide a comprehensive overview of the Decree and the resulting practical repercussions, as well as the content and principles underlying the Organisational Model and the related Ethical Code, among all the employees who are, consequently, required to know them, comply with them and adhere to them, thereby contributing to their implementation.
The training initiatives are implemented by the Human Resources function with the aid of the Group Compliance Function in relation to the content of the training initiatives.
The training is differentiated in terms of the content and the methods used to deliver the training, which may include on-line courses, and according to the role played by the addressees, the risk level of the area where they work, and whether or not the addressees act as representatives of the Company.
The Company organises specific classroom-based training courses for the people most involved in activities considered sensitive under Legislative Decree 231/2001.
The Human Resources Department makes the training courses available on the company intranet in electronic format and ensures traceability of all the initiatives carried out.
Participation in the training courses is compulsory.

SPECIAL SECTION

1. Introduction

In accordance with the requirements set out in Article 6(2)(a) of the Decree, the Company has undertaken a control and risk self-assessment to identify the processes and individual sensitive activities within which the crimes identified by the Decree may potentially be committed.
In order to prevent or mitigate the risk of those crimes being committed, the Company has drawn up general rules of conduct applicable to all company processes and the associated sensitive activities. In addition, for the same purposes, the Company has also drawn up the Internal Control Schemes, which set out the specific prevention protocols for each of the at-risk activities.
Each individual Internal Control Scheme identifies the:

- specific controls/protocols adopted by the Company aimed at preventing the commission of crimes under Legislative Decree 231/2001;
- information flows to the Supervisory Body to red flag the at-risk areas and facilitate monitoring of the Organisational Model's effectiveness.

2. General rules of conduct

All the addressees of the Model, as identified in the "*Addressees of the Model*" part of the General Section, adopt rules of conduct in accordance with the law, the provisions contained in this document and the principles contained in the Ethical Code and the Code of Conduct, to prevent the occurrence of the crimes identified by the Decree.
In particular, the principles set out in the Ethical Code and the Code of Conduct, here endorsed in their entirety, with reference to the various types of the addressee and/or counterparty, form the basis and are an integral part of the Internal Control Schemes, described in the paragraphs below.
For the adoption and implementation of the Organisation, management and control model, the Company is also committed to implementing the Internal Control Schemes described in the paragraphs below.

3. General prevention protocols

Within all the operations involving the processes and related sensitive activities, described below, the general prevention protocols implement the following principles:

- the persons permitted to deal with the public administration are those previously identified for that purpose;
- the Company makes and implements its decisions in accordance with the principles and requirements contained in the provisions of law and the Company's Bylaws, Ethical Code and Code of Conduct;
- the responsibilities for management, coordination and control within the Company are formalised;
- the levels of hierarchy are formalised and the various duties within the Company are described;
- the development phases and authorisation levels for the Company's actions are always documented and traceable;
- the system of mandates and external signing powers is consistent with the responsibilities assigned to each director, and knowledge of those powers by outside parties is ensured by suitable means of communication and public disclosure;
- the assignment and exercise of powers within a decision-making process is consistent with the positions of responsibility and with the significance and/or importance of the underlying financial transactions;
- the people who make and implement the decisions are not the same, and the recording of the decisions in the accounts and the checks on the decisions required by law or by the procedures set out in the internal control system are not carried out by the same people;

- access to the Company's data, including regulatory information, is compliant with Legislative Decree 196/2003 as amended;
- the documents relating to the formulation of decisions and their implementation are archived and kept by the department concerned. Access to already archived documents is only permitted for persons authorised under company operating procedures, as well as the Board of Statutory Auditors, the external auditors and the Supervisory Body;
- the selection of outside consultants is justified and is made based on the requirements of professional expertise, independence and competence;
- the remuneration reward systems for employees and consultant staff are based on realistic objectives that are consistent with their duties, the work they perform and the responsibilities assigned to them;
- the Company's cash flows, both incoming and outgoing, are continuously monitored and always traceable;
- when operations are outsourced, the Company provides its Ethical Code and Model to the service provider, requiring it to adhere to the principles contained in those documents by means of appropriate contractual clauses;
- the Supervisory Body verifies that the control protocols contained in this Special Section are fully implemented within the company operating procedures that govern at-risk activities.

4. Pirelli & C. Processes and associated Sensitive Activities

Listed below are the 12 company process identified during Pirelli's control and risk self-assessment:

1. Purchasing;
2. Environment;
3. Administration, Finance and Control;
4. Legal/Corporate;
5. Market Abuse;
6. Relations with Government Agencies;
7. Sponsorships, Donations, Gifts and Entertainment Expenses;
8. Communications;
9. Human Resources;
10. Occupational Health and Safety;
11. Information Technology;
12. Compliance with European Union Restrictive Measures.

Listed below are the Sensitive Activities found to be significant, for each company process of Pirelli & C. S.p.A..

4.1. Sensitive Activities in relation to the Purchasing process

The risk assessment identified the following Sensitive Activities in relation to the Purchasing process:

1 Management of the process of purchasing goods and services;
2 Management of consultancy and professional services.

4.2. Sensitive Activities in relation to the Environment process

The risk assessment identified the following Sensitive Activities in relation to the Environment process:

1 Identification, updating and verification of the applicable regulatory provisions, to be implemented for compliance with the technical and structural environmental standards and authorisations;
2 Definition of policies, objectives, resources, roles and responsibilities to ensure activities aimed at implementing the environmental procedures;

3 Identification, analysis and evaluation of applicable environmental aspects and related impact;
4 Identification and simulation of potential environmental emergency scenarios;
5 Definition of the skills and degree of awareness of people who may, at any level, determine impact on environmental protection;
6 Waste water management;
7 Emission management:
8 Waste management;
9 Control activities, monitoring and maintenance;
10 Management of company non-operational assets;
11 Management of environmentally significant suppliers;
12 External and internal communication activities;
13 Management of documentation and recording systems designed to ensure traceability of the activities;
14 Change management and maintenance of compliance requirements during organisational and production changes that are relevant to the environment;
15 Management of monitoring and periodic verification of the efficacy of the procedures adopted.

4.3. Sensitive Activities in relation to the Administration, Finance and Control process

The risk assessment identified the following Sensitive Activities in relation to the Administration, Finance and Control process:

1 Management of financial resources;
2 Management of direct and indirect tax;
3 Recognition, recording and presentation of the business operations in the accounting records, financial statements, reports and other company documents;
4 Purchase, sale and other transactions, conducted in any form involving unlisted financial instruments or for which an application has not been made for listing in a stock market, and entry into derivatives contracts not traded in Italian or European regulated markets;
5 Management of relations with insurance companies;
6 Management of extraordinary transactions (acquisition and disposal of companies or business divisions, establishment of temporary company consortiums and joint ventures, and capital transactions);
7 Management of relations with shareholders, the board of statutory auditors and the external auditors;
8 Request, management, and monitoring of subsidised loans, grants, exemptions and tax concessions, welfare support measures, subsidies, etc., including through outside consultants;
9 Management of intercompany transactions;
10 Management of customers and active billing;
11 Management of cultural heritage and landscape.

4.4. Sensitive Activities in relation to the Legal/Corporate process

The risk assessment identified the following Sensitive Activity in relation to the Legal/Corporate process:

1 Management of legal disputes and relations with judicial authorities, including through outside professional advisers

4.5. Sensitive Activities in relation to the Market Abuse process

The risk assessment identified the following Sensitive Activity in relation to the Market Abuse process:

1 Management of inside information and market disclosures.

4.6. Sensitive Activities in relation to the Relations with the Public Administration process

The risk assessment identified the following Sensitive Activities as regards the Relations with the Public Administration process:

1 Public relations and institutional relations with the Public Administration;
2 Management of relations with representatives of the Public Administration during assessments, inspections, and audits;
3 Management of activities relating to the requesting and granting of authorisations and concessions.

4.7. Sensitive Activities in relation to the Sponsorships, Donations, Gifts and Entertainment Expenses process

The risk assessment identified the following Sensitive Activities in relation to the Sponsorships, Donations, Gifts and Entertainment Expenses process:

1 Management of gifts and entertainment expenses (e.g. paddock passes and Inter Milan tickets);
2 Sponsorships, donations and organisation of events;
3 Management of relations with foundations (e.g. Hangar Bicocca).

4.8. Sensitive Activities in relation to the Communications process

The risk assessment identified the following Sensitive Activities in relation to the Communications process:

1 Management of communications and social media

4.9. Sensitive Activities in relation to the Human Resources process

The risk assessment identified the following Sensitive Activities in relation to the Human Resources process:

1 Selection, recruitment and management of personnel (including expatriates);
2 Management of expense sheets and company benefits (e.g. auto vehicles, mobile phones, credit cards, fuel expense statements).

4.10. Sensitive Activities in relation to the Occupational Health and Safety process

The risk assessment identified the following Sensitive Activities in relation to the Occupational Health and Safety process:

1 Identification, updating and verification of applicable regulatory provisions, to be aligned for compliance with technical and structural standards;

2 Definition of policies, objectives, resources, roles and responsibilities, required to perform the activities designed to ensure that workers implement the procedures and instructions;

3 Identification of dangers, risk assessment and development of the consequent prevention and protection measures;

4 Identification and management of collective and/or individual protection measures designed to limit or eliminate the risks;

5 Identification of emergency scenarios, management of emergencies, firefighting actions and first aid;

6 Management of tender contracts;

7 Procedures and operating instructions for the control of specific risks;

8 Health monitoring;

9 Definition of areas of competence and implementation of information, training and awareness plans for workers;

10 Initial qualification and monitoring of suppliers and of purchases that may have an impact on health and safety issues including through the acquisition of legally required documentation and certifications;

11 Control, supervision and maintenance activities for compliance with applicable technical and health and safety standards;

12 Communications, involvement and consultation, management of periodic safety meetings, and consultation with worker safety representatives;

13 Management of documentation and recording systems designed to ensure traceability of the activities;

14 Management of worksites (Title IV);

15 Management of travelling personnel;

16 Change management and maintenance of compliance requirements during organisational and production changes that are relevant to health and safety;

17 Management of monitoring and periodic verification of the efficacy of the procedures adopted.

4.11. Sensitive Activities in relation to the Information Technology process

The risk assessment identified that the Sensitive Activities indicated below in relation to the Information Technology process are managed by a Group company:

1 Management of policies, procedures and communications;
2 Management and control of cyber security;
3 Management of logins;
4 Network and hardware management;
5 Business continuity management;
6 Software management;
7 Physical security management;
8 Document management (digital signature).

4.12. Sensitive Activities relating to the European Union restrictive measures compliance process

The risk assessment identified the following Sensitive Activity in relation to the European Union restrictive measures compliance process:

1 Establishment and maintenance of commercial or financial relationships

Internal Control Schemes

(omissis)

Transactions originating directly from Top Management

(omissis)

ANNEX 1

ORGANISATION, MANAGEMENT AND CONTROL MODEL

Pirelli & C. S.p.A.

pursuant to Legislative Decree 231 of 8 June 2001

(omissis)

Pirelli & C. S.p.A. Internal Use

Annex 2

The Public Administration: criteria for defining a public official and a public service officer

(omissis)

Pirelli & C. S.p.A. Internal Use

Annex 3

ORGANISATION AND MANAGEMENT MODEL HSE (*Health, Safety and Environment*)

(omissis)

Annex 4

Code Of Ethics
In The Pirelli Group

(omissis)

Pirelli & C. S.p.A. Internal Use

Annex 5

Code of Conduct

(omissis)

Pirelli & C. S.p.A. Internal Use

Annex 6

Compliance Program Anti-Corruption

(omissis)

Pirelli & C. S.p.A. Internal Use

Annex 7

Trade Compliance Handbook

(omissis)

Pirelli & C. S.p.A. Internal Use