Pirelli

# 2024 CDP Corporate Questionnaire 2024

## Word version

**Important: this export excludes unanswered questions**
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Terms of disclosure for corporate questionnaire 2024 - CDP

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04/22/2025, 03:31 pm

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# C1. Introduction

## (1.1) In which language are you submitting your response?

*Select from:*

☑ English

## (1.2) Select the currency used for all financial information disclosed throughout your response.

*Select from:*

☑ EUR

## (1.3) Provide an overview and introduction to your organization.

### (1.3.2) Organization type

*Select from:*

☑ Privately owned organization

### (1.3.3) Description of organization

*Pirelli, with its 31 thousand employees and revenues of around 6.7 billion euros in 2023, ranks among the principal global manufacturers of tyres and supplier of ancillary services, being the only operator in the sector exclusively specialised in the Consumer segment (tyres for cars, motorcycles and bicycles), with a globally-recognised brand. The Company has a distinctive positioning with regard to High Value tyres, which are manufactured to achieve the highest levels of performance, safety, quietness and road grip, with significant input from technology and/or customisation (i.e. 18", Specialities, Super Specialities and Premium Motorcycle tyres). In addition, the Company currently holds a leadership position in the Car Prestige tyres segment, and in the radial segment of the motorcycle tyre replacement market. Pirelli is also a leader in Europe, China and Brazil in the Car 18" tyre market in the replacement channel. The Company's production capital, which includes a geographically diversified production structure, is managed with a view to environmental efficiency and respect for biodiversity, with targets in terms of reducing water withdrawal, energy consumption, CO2 emissions, increasing waste recovery and adoption of the "No net loss of biodiversity" model through the "mitigation hierarchy" (i.e. avoid, minimise, restore and compensate). The Group's Scope 1 and 2 emissions sources are primarily linked to the manufacturing of the tyres and generated by the combustion of hydrocarbons mainly used to operate steam generators serving the vulcanizers or from the consumption of electricity.*
*[Fixed row]*

## (1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

| | End date of reporting year | Alignment of this reporting period with your financial reporting period | Indicate if you are providing emissions data for past reporting years |
|---|---|---|---|
| | *12/31/2023* | *Select from:*<br>☑ Yes | *Select from:*<br>☑ No |

*[Fixed row]*

## (1.4.1) What is your organization’s annual revenue for the reporting period?

*6650063000*

## (1.5) Provide details on your reporting boundary.

| | Is your reporting boundary for your CDP disclosure the same as that used in your financial statements? |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

## ISIN code - bond

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### ISIN code - equity

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

## (1.6.2) Provide your unique identifier

*IT0005278236*

### CUSIP number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### Ticker symbol

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

## (1.6.2) Provide your unique identifier

*PIRC.MI*

### SEDOL code

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### LEI number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

## (1.6.2) Provide your unique identifier

*815600A0C9AFC1F2A709*

### D-U-N-S number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

## (1.6.2) Provide your unique identifier

*436854350*

### Other unique identifier

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

*[Add row]*

## (1.7) Select the countries/areas in which you operate.

*Select all that apply*

☑ Chile
☑ China
☑ Egypt
☑ India
☑ Italy
☑ Greece
☑ Mexico
☑ Poland
☑ Sweden
☑ Turkey
☑ Romania
☑ Colombia
☑ Slovakia
☑ Argentina
☑ Australia
☑ Republic of Korea
☑ Russian Federation
☑ United Arab Emirates
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Japan
☑ Spain
☑ Brazil
☑ Canada
☑ France
☑ Austria
☑ Belgium
☑ Czechia
☑ Germany
☑ Hungary
☑ Singapore
☑ Netherlands
☑ Switzerland
☑ Saudi Arabia
☑ South Africa

## (1.8) Are you able to provide geolocation data for your facilities?

## (1.8.1) Are you able to provide geolocation data for your facilities?

*Select from:*

☑ No, this is confidential data

## (1.8.2) Comment

*we are aware of the geolocation data (latitude and longitude coordinates) of our facilities, however we consider the data confidential and do not disclose it in this context*
*[Fixed row]*

# (1.22) Provide details on the commodities that you produce and/or source.

## Rubber

## (1.22.1) Produced and/or sourced

*Select from:*
☑ Sourced

## (1.22.2) Commodity value chain stage

*Select all that apply*
☑ Manufacturing

## (1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

*Select from:*
☑ Yes, we are providing the total volume

## (1.22.5) Total commodity volume (metric tons)

*144800*

## (1.22.8) Did you convert the total commodity volume from another unit to metric tons?

*Select from:*
☑ No

## (1.22.11) Form of commodity

*Select all that apply*

☑ Other, please specify **:**Bale Rubber

## (1.22.12) % of procurement spend

*Select from:*

☑ 6-10%

## (1.22.13) % of revenue dependent on commodity

*Select from:*

☑ 91-99%

## (1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

*Select from:*

☑ Yes, disclosing

## (1.22.15) Is this commodity considered significant to your business in terms of revenue?

*Select from:*

☑ Yes

## (1.22.19) Please explain

*[Activity]: Pirelli use Natural Rubber as input into product manufacturing. [Sourcing/Supply Chain]: The natural rubber supply chain (from upstream to downstream) includes producers/growers, traders, processing plants, distribution companies and manufacturing facilities. Pirelli is at the end of the chain, as a tyre manufacturer that doesn't own any rubber plantations or processing plants. It buys its natural rubber from approved processors (tire 1 suppliers) who have their own processing factories in the sourcing countries. [Commodity volume]: total volume of Natural Rubber that is sourced in 2023. [Relevance in terms of revenue]: Natural rubber is considered significant to our business since it is present in almost all tyres produced by the company, although the quantity of natural rubber is low compared to other raw materials present in consumer tyres.*
*[Fixed row]*

## (1.24) Has your organization mapped its value chain?

### (1.24.1) Value chain mapped

*Select from:*

☑ Yes, we have mapped or are currently in the process of mapping our value chain

### (1.24.2) Value chain stages covered in mapping

*Select all that apply*

☑ Upstream value chain

☑ Downstream value chain

### (1.24.3) Highest supplier tier mapped

*Select from:*

☑ Tier 4+ suppliers

### (1.24.4) Highest supplier tier known but not mapped

*Select from:*

☑ All supplier tiers known have been mapped

### (1.24.6) Smallholder inclusion in mapping

*Select from:*

☑ Smallholders relevant and included

### (1.24.7) Description of mapping process and coverage

*The natural rubber supply chain - from upstream to downstream - includes producers/growers, traders, processing plants, distribution companies and manufacturing facilities. Pirelli is at the end of the chain, as a tyre manufacturer that doesn't own any rubber plantations or processing plants. It buys its natural rubber from approved processors (tire 1 suppliers) who have their own processing factories in the sourcing countries. Coverage: All tier 1 and customers are known to Pirelli*
*[Fixed row]*

## (1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

### (1.24.1.1) Plastics mapping

*Select from:*

☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

### (1.24.1.2) Value chain stages covered in mapping

*Select all that apply*

☑ Upstream value chain

☑ Downstream value chain

☑ End-of-life management

☑ Other, please specify :Direct operations

### (1.24.1.4) End-of-life management pathways mapped

*Select all that apply*

☑ Preparation for reuse

*[Fixed row]*

## (1.24.2) Which commodities has your organization mapped in your upstream value chain (i.e., supply chain)?

## Rubber

### (1.24.2.1) Value chain mapped for this sourced commodity

*Select from:*

☑ Yes

### (1.24.2.2) Highest supplier tier mapped for this sourced commodity

*Select from:*

☑ Tier 4+ suppliers

## (1.24.2.3) % of tier 1 suppliers mapped

*Select from:*

☑ 100%

## (1.24.2.4) % of tier 2 suppliers mapped

*Select from:*

☑ Less than 1%

## (1.24.2.5) % of tier 3 suppliers mapped

*Select from:*

☑ Less than 1%

## (1.24.2.6) % of tier 4+ suppliers mapped

*Select from:*

☑ Less than 1%

## (1.24.2.7) Highest supplier tier known but not mapped for this sourced commodity

*Select from:*

☑ All supplier tiers known have been mapped for this sourced commodity

*[Fixed row]*

## C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

### (2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

### Short-term

#### (2.1.1) From (years)

*0*

#### (2.1.3) To (years)

*2*

#### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*(2023-2025) In line with the Enterprise Risk Management approach, Short-term covers annual and strategic plan*

### Medium-term

#### (2.1.1) From (years)

*3*

#### (2.1.3) To (years)

*9*

#### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*(2025-2030) Beyond strategic plan only guidance in terms of sustainability target*

## Long-term

### (2.1.1) From (years)

*10*

### (2.1.2) Is your long-term time horizon open ended?

*Select from:*
☑ Yes

### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*(2030-2050) Beyond strategic plan only guidance in terms of sustainability targets*
*[Fixed row]*

## (2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

| | Process in place | Dependencies and/or impacts evaluated in this process |
|---|---|---|
| | *Select from:*<br>☑ Yes | *Select from:*<br>☑ Both dependencies and impacts |

*[Fixed row]*

## (2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

| | Process in place | Risks and/or opportunities evaluated in this process | Is this process informed by the dependencies and/or impacts process? |
|---|---|---|---|
| | *Select from:*<br>☑ Yes | *Select from:*<br>☑ Both risks and opportunities | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

### Row 1

### (2.2.2.1) Environmental issue

*Select all that apply*

☑ Climate change

### (2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

*Select all that apply*

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

### (2.2.2.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain
☑ Downstream value chain

## (2.2.2.4) Coverage

*Select from:*
☑ Full

## (2.2.2.5) Supplier tiers covered

*Select all that apply*
☑ Tier 1 suppliers

## (2.2.2.7) Type of assessment

*Select from:*
☑ Qualitative and quantitative

## (2.2.2.8) Frequency of assessment

*Select from:*
☑ More than once a year

## (2.2.2.9) Time horizons covered

*Select all that apply*
☑ Short-term
☑ Medium-term
☑ Long-term

## (2.2.2.10) Integration of risk management process

*Select from:*
☑ Integrated into multi-disciplinary organization-wide risk management process

## (2.2.2.11) Location-specificity used

*Select all that apply*

☑ Site-specific

## (2.2.2.12) Tools and methods used

**Commercially/publicly available tools**

☑ TNFD – Taskforce on Nature-related Financial Disclosures

**Enterprise Risk Management**

☑ Enterprise Risk Management

**International methodologies and standards**

☑ IPCC Climate Change Projections

☑ Life Cycle Assessment

**Databases**

☑ Nation-specific databases, tools, or standards

**Other**

☑ Scenario analysis

## (2.2.2.13) Risk types and criteria considered

**Acute physical**

☑ Drought

☑ Wildfires

☑ Heat waves

☑ Cyclones, hurricanes, typhoons

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Storm (including blizzards, dust, and sandstorms)

**Chronic physical**

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Changing temperature (air, freshwater, marine water)

☑ Increased severity of extreme weather events

☑ Water stress

**Policy**

☑ Carbon pricing mechanisms

**Market**

☑ Availability and/or increased cost of raw materials

☑ Changing customer behavior

**Reputation**

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Other reputation, please specify **:**Inefficiencies / Delays in achieving GHG emission reduction target as communicated to the market with potential repercussions on Sustainable Finance and Investor claims Scope 3

**Technology**

☑ Transition to lower emissions technology and products

**Liability**

☑ Exposure to litigation

☑ Non-compliance with regulations

## (2.2.2.14) Partners and stakeholders considered

*Select all that apply*

☑ Customers

☑ Investors

☑ Local communities

☑ Regulators

☑ Suppliers

## (2.2.2.15) Has this process changed since the previous reporting year?

*Select from:*

☑ No

## (2.2.2.16) Further details of process

*[Process] The Pirelli's process for identifying, assessing, and responding to climate-related risks and opportunities is integrated into centralized multidisciplinary company-wide risk management program and it is based on a Climate Change and Water Stress Risk Assessment (CCRA). The assessment phase follows the ERM framework (i.e. Annual Operational Risk Assessment) and the identified climate change risks and opportunities are included in the Group Risk Register, strengthening the identification, evaluation, mitigation and monitoring of climate change risks that could affect the Group's business and objectives [Risk types, inputs and parameters] The risk catalog includes both physical and transition risks. The analysis assesses the evolution of possible acute physical, chronic physical, technological, reputational, policy & legal (including current and emerging regulations) and market risks that may affect the company direct operations (100% operational locations assessed) and its value chain, both upstream and downstream. The Group exposure to acute and chronic physical risks is worldwide assessed collecting sites specific data on exposure to these events through time and quantifying the potential economic impacts for the Group (e.g. in terms of EBIT) with quantitative analysis and statistical tools as Montecarlo simulations where applicable. Transition risks that could arising from an evolving low carbon economy and climate change challenges are evaluated through dedicated assessment with each risk owner and stakeholder involved. [Methodology and value chain stages] The CCRA has been applied towards physical risks and opps where it was evaluated that the increasing likelihood of precipitation extremes in some Pirelli sites area raises the risks of major flood that would harm Pirelli tyre production by interrupting the plant operations. [Scenario Analysis] Our methodology is based on IPCC scenarios (RPC 2.6, 4.5, 7.0 and 8.5) that crosschecks potential negative ramification for our plants (for years 2025, 2030 and 2050) in terms of risk events like floods, drought, storm, wildfires among others. Each production site is then weighted in terms of daily business interruption value (EBIT adjusted) leading to a two dimensions standard risk matrix based in severity and financial impact. The CCRA has been also applied towards transitional risks and opps. The IEA NZE 2050 has been adopted as the relevant energy transition scenario to assess the Operational Compliance Risks/Opps for Pirelli. The analysis has been performed to assess the potential impacts on Pirelli business due to the evolution linked to the climate change of the topics Energy and Carbon (years 2025, 2030 and 2050). [Outcomes] The outcomes of CCRA analysis are presented to the Audit, Risks and Corporate Governance Committee. To this extent, no risk events have been highlighted as substantive/relevant since their potential financial impact hoover below 5% of EBIT Adjusted, EBITDA and Net sales target; despite this, we nonetheless report main climate risks identified in our latest CCRA. [Mitigation Plans] For each risk and opportunity that have been identified with the CCRA tools are internally crosschecked with Pirelli Impact metric to gauge whether they can be considered relevant/substantive. For the ones identified as potentially relevant the Company has set up a contingency plan for risks mitigation and an internal discussion to evaluate how to capitalize opportunities.*

### Row 2

## (2.2.2.1) Environmental issue

*Select all that apply*

☑ Water

## (2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

*Select all that apply*

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

## (2.2.2.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

## (2.2.2.4) Coverage

*Select from:*

☑ Full

## (2.2.2.5) Supplier tiers covered

*Select all that apply*

☑ Tier 1 suppliers

## (2.2.2.7) Type of assessment

*Select from:*

☑ Qualitative and quantitative

## (2.2.2.8) Frequency of assessment

*Select from:*

☑ More than once a year

## (2.2.2.9) Time horizons covered

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (2.2.2.10) Integration of risk management process

*Select from:*

☑ Integrated into multi-disciplinary organization-wide risk management process

## (2.2.2.11) Location-specificity used

*Select all that apply*

☑ Site-specific

## (2.2.2.12) Tools and methods used

**Commercially/publicly available tools**

☑ EcoVadis

☑ IBAT for Business

☑ WRI Aqueduct

**Enterprise Risk Management**

☑ Enterprise Risk Management

**International methodologies and standards**

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard
☑ Life Cycle Assessment

## (2.2.2.13) Risk types and criteria considered

**Acute physical**
☑ Drought

**Chronic physical**
☑ Increased ecosystem vulnerability
☑ Water availability at a basin/catchment level
☑ Water stress
☑ Water quality at a basin/catchment level

**Policy**
☑ Changes to national legislation

**Market**
☑ Availability and/or increased cost of raw materials
☑ Inadequate access to water, sanitation, and hygiene services (WASH)

**Reputation**
☑ Impact on human health
☑ Stakeholder conflicts concerning water resources at a basin/catchment level

**Technology**
☑ Transition to water efficient and low water intensity technologies and products

**Liability**
☑ Non-compliance with regulations

## (2.2.2.14) Partners and stakeholders considered

*Select all that apply*

☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Regulators
☑ Local communities

## (2.2.2.15) Has this process changed since the previous reporting year?

*Select from:*

☑ No

## (2.2.2.16) Further details of process

*[Process]: The Pirelli's process for identifying, assessing, and responding to water-related risks and opportunities is fully integrated into centralized multi-disciplinary company-wide risk management program and it is based on a Climate Change and Water Stress Risk Assessment (CCWRA). The assessment follows the ERM framework (i.e. Annual Operational Risk Assessment), the identified water-related risks and opportunities are included in the Group Risk Register, strengthening the identification, evaluation, mitigation and monitoring of water risks that could affect the Group's business and objectives. [Risk types, inputs and parameters]: The risk catalog, aligned to the Group sustainability objectives and global leading practices and frameworks (e.g. TCFD, EU Taxonomy), includes both physical and transition risks. In details, the analysis assesses the evolution of possible acute physical, chronic physical, technological, reputation, policy & legal (including current and emerging regulations) and market risks that may affect the company direct operations and its value chain, both upstream and downstream. The CCWRA has been applied towards physical risks and opps along the life cycle of the tyre (supply chain, operations and use phase) and as far as the operations are concerned, it has been applied to all productive plants (100% operational locations assessed). Each production site is then weighted in terms of daily business interruption value (EBIT adjusted) leading to a two dimensions standard risk matrix based in severity and financial impact. The evaluation of the risks is based also on the tools and methods, mentioned in column 11, which enable the assessment of water related risks taking into consideration the contextual issues reported in column 12. [Methodology and value chain stages] Our methodology is based on [Scenario Analysis] IPCC scenarios (RPC 2.6, 4.5, 7.0 and 8.5) at the 2025, 2030 and 2050 time-horizons. [Stakeholders considered]: According also to the ISO 14001 requirements, at plant level the key stakeholders are identified and considered in the evaluation concerning the water management and the related risks, especially as far as their need and expectation are concerned. The results of this assessment is then translated into the identification of the environmental and organizational risks, which include the water-related ones, where present. The needs and expectations of the stakeholders listed in column 14 are factored within the risk assessment. [Outcomes] The outcomes of CCWRA analysis are presented to the Audit, Risks and Corporate Governance Committee. To this extent, no water related risks and opportunities have been highlighted as substantive/relevant since their potential financial impact hoover below 5% of EBIT Adjusted, EBITDA and Net sales target. [Example] For all the productive plants it has been assessed the risk related to the business interruption due to shortages of water (considering the magnitude, frequency and probability): none of the plant is exposed to a potential impact exceeding the above threshold. [Mitigation Plans] For each risk and opportunity that have been identified with the CCWRA tools are internally crosschecked with Pirelli Impact metric to gauge whether they can be considered relevant/substantive. For the ones identified as potentially relevant the Company has set up a contingency plan for risks mitigation and an internal discussion to evaluate how to capitalize opportunities.*

## Row 3

### (2.2.2.1) Environmental issue

*Select all that apply*

☑ Biodiversity

### (2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

*Select all that apply*

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

### (2.2.2.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

### (2.2.2.4) Coverage

*Select from:*

☑ Full

### (2.2.2.7) Type of assessment

*Select from:*

☑ Qualitative and quantitative

### (2.2.2.8) Frequency of assessment

*Select from:*

☑ Annually

## (2.2.2.9) Time horizons covered

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (2.2.2.10) Integration of risk management process

*Select from:*

☑ Integrated into multi-disciplinary organization-wide risk management process

## (2.2.2.11) Location-specificity used

*Select all that apply*

☑ Site-specific

## (2.2.2.12) Tools and methods used

**Commercially/publicly available tools**

☑ Encore tool

☑ IBAT for Business

☑ WWF Biodiversity Risk Filter

☑ IBAT – Integrated Biodiversity Assessment Tool

☑ TNFD – Taskforce on Nature-related Financial Disclosures

☑ LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD

☑ Other commercially/publicly available tools, please specify **:WRI Aqueduct**

**Enterprise Risk Management**

☑ Enterprise Risk Management

**International methodologies and standards**

☑ Life Cycle Assessment

## (2.2.2.13) Risk types and criteria considered

**Acute physical**

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Landslide

☑ Wildfires

**Chronic physical**

☑ Water stress

☑ Soil degradation

☑ Declining ecosystem services

☑ Increased ecosystem vulnerability

☑ Water availability at a basin/catchment level

☑ Increased levels of environmental pollutants in freshwater bodies

## (2.2.2.14) Partners and stakeholders considered

*Select all that apply*

☑ Investors

☑ Local communities

☑ Regulators

## (2.2.2.15) Has this process changed since the previous reporting year?

*Select from:*

☑ Yes

## (2.2.2.16) Further details of process

*[Process]: Biodiversity risk assessment is part of the multi-disciplinary company-wide risk management processes. [Methodology] The methodology adopted for site-specific analysis follows the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) and the Science Based Targets Network for Nature (SBTN). [Perimeter] With reference to the Group's perimeter, the state of biodiversity of the natural areas surrounding all the operating sites was analysed, during 2023 as well as the risks, impacts and dependencies relating to these areas, in order to decline the strategy of action in specific Biodiversity Action Plans (BAPs).*

*[Activity] Each of Pirelli's operational sites was assessed according to the four basic criteria provided by the TNFD LEAP (Locate, Evaluate, Assess, Prepare) framework and the criteria of biodiversity importance, ecosystem integrity, water stress and potentially significant dependencies or impacts. The assessment was conducted using public tools and datasets (e.g. ENCORE, WRI Aqueduct, WWF Biodiversity and Water Risk Filter, IBAT). In addition to these criteria, STAR indicators and location-specific indicators (location specific approach) of environmental performance (e.g. Environmental KPIs, IBAT) were considered and applied. The results made it possible to identify Pirelli's main impacts and dependencies. Water resource use, greenhouse gas emissions, solid waste and light pollution were identified as IMPACTS, while groundwater and surface water were identified as the most prevalent DEPENDENCIES. The sites analysed were then assigned a priority level to identify areas where mitigation actions could bring the most significant results, leading to the selection of five priority sites for further analysis to quantify the magnitude of IMPACTS/DEPENDENCIES and RISKS/OPPORTUNITIES related to nature, which in turn were linked to the five drivers of biodiversity loss and ecosystem degradation identified by IPBES (i.e. land/water/sea use change, resource exploitation, climate change, pollution and invasive non-native species). Based on the results obtained, Pirelli has defined specific Biodiversity Action Plans for each site.*

### Row 4

## (2.2.2.1) Environmental issue

*Select all that apply*

☑ Forests

## (2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

*Select all that apply*

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

## (2.2.2.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

## (2.2.2.4) Coverage

*Select from:*

☑ Full

## (2.2.2.5) Supplier tiers covered

*Select all that apply*

☑ Tier 1 suppliers

## (2.2.2.7) Type of assessment

*Select from:*

☑ Qualitative and quantitative

## (2.2.2.8) Frequency of assessment

*Select from:*

☑ More than once a year

## (2.2.2.9) Time horizons covered

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (2.2.2.10) Integration of risk management process

*Select from:*

☑ Integrated into multi-disciplinary organization-wide risk management process

## (2.2.2.11) Location-specificity used

*Select all that apply*

☑ Site-specific

## (2.2.2.12) Tools and methods used

**Commercially/publicly available tools**

☑ IBAT for Business

**Other**

☑ External consultants

☑ Partner and stakeholder consultation/analysis

☑ Other, please specify :Rubberway, Ecovadis

## (2.2.2.13) Risk types and criteria considered

**Acute physical**

☑ Drought

**Chronic physical**

☑ Changing temperature (air, freshwater, marine water)

☑ Increased ecosystem vulnerability

☑ Water stress

**Policy**

☑ Changes to international law and bilateral agreements

☑ Changes to national legislation

**Market**

☑ Availability and/or increased cost of certified sustainable material

☑ Availability and/or increased cost of raw materials

**Reputation**

☑ Stigmatization of sector

**Technology**

☑ Data access/availability or monitoring systems

**Liability**

☑ Non-compliance with regulations

## (2.2.2.14) Partners and stakeholders considered

*Select all that apply*

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

## (2.2.2.15) Has this process changed since the previous reporting year?

*Select from:*

☑ No

## (2.2.2.16) Further details of process

*[Process]: We conduct, more than once a year, a risk assessment of our upstream value chain. This is designed to identify, understand and address forests-related risks that could impact our company, and ensure that risk is embedded in all decision-making processes. [Risk types, inputs and parameters] The assessment has a 2030 time-horizon and includes the matters of availability and quality of our natural rubber, price trend, as well as climate change, water security and impact on ecosystems. [Example] For example, supply chain may be impacted by climate change (droughts) and our own impact on ecosystems and habitats. The assessment also takes into account social impacts, corruption and regulation. [Methodology and tools] For the analysis we use IBAT, a web-based map and reporting tool that provides access to three of the world's most authoritative global biodiversity datasets (IUCN Red List of Threatened Species, World Database on Protected Areas, and World Database of Key Biodiversity Areas) and we are also supported by external consultants to conduct audits on-site along the supply chain. Among the tools used by Pirelli there are: - EcoVadis, used to extensively investigate the supplier's sustainability profile, from management systems to environmental performance, human and labour rights, ethics and sustainable procurement - RubberWay, a risk-mapping solution developed to identify sustainability risks throughout the whole natural rubber upstream supply chain that is very complex and volatile.*

# Row 5

## (2.2.2.1) Environmental issue

*Select all that apply*

☑ Plastics

## (2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

*Select all that apply*

☑ Impacts

## (2.2.2.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

## (2.2.2.4) Coverage

*Select from:*

☑ Partial

## (2.2.2.5) Supplier tiers covered

*Select all that apply*

☑ Tier 1 suppliers

## (2.2.2.7) Type of assessment

*Select from:*

☑ Qualitative and quantitative

## (2.2.2.8) Frequency of assessment

*Select from:*

☑ Annually

## (2.2.2.9) Time horizons covered

*Select all that apply*

☑ Short-term

☑ Medium-term

☑ Long-term

## (2.2.2.11) Location-specificity used

*Select all that apply*

☑ Site-specific

## (2.2.2.12) Tools and methods used

**International methodologies and standards**

☑ Life Cycle Assessment

## (2.2.2.14) Partners and stakeholders considered

*Select all that apply*

☑ Local communities

☑ Regulators

## (2.2.2.15) Has this process changed since the previous reporting year?

*Select from:*

☑ No

## (2.2.2.16) Further details of process

*[Process]: Through the assessment of the Group Environmental Footprint, the materiality of the different life cycle stages (Raw material production, tyre manufacturing, distribution, use and end of life) has been evaluated, according to the key environmental impact categories (CO2, Water, Eutrophication,....). [Other*

*info] In addition to this, as far as the use phase, for many years, Pirelli has paid great attention to the theme of "Tyre and Road Wear Particles" (TRWP), the micrometric particles produced by the combined wear and tear of the road and tyre during vehicle circulation. The phenomenon of TRWP is complex, since the generation of these particles is not only linked to the combined wear of the road and tyre, but also substantially to the characteristics and conditions of use of the vehicle (weight, mass distribution, correct tyre pressure, etc.), the characteristics of the roads (material and roughness of the roads, being straight or winding, uphill or downhill, etc.), environmental conditions (dry or humid climate, hot or cold) and driving style (aggressive or relaxed, at high or moderate speeds, with sharp or progressive braking, etc.). Although the peer reviewed scientific studies (see "WBCSD" in this report in this regard) conducted so far have not shown significant risks to human health and the environment, scientific research on TRWPs is not concluded but continues to investigate issues related to the quantification of TRWPs in various environmental compartments (an important element to support TRWP mitigation strategies), the aging and degradation of TRWPs in the environment, and also the chemicals potentially released from TRWPs and their potential risks. The definition and implementation of effective actions for the mitigation of TRWP generation is strongly linked to the variety and number of causal factors mentioned above: it should be noted that some of them, such as driving style, road and vehicle characteristics, have more influence than the tyre considered individually. [Partial coverage] Scientific research on TRWPs is not concluded but continues to investigate issues related to the quantification of TRWPs in various environmental compartments (an important element to support TRWP mitigation strategies).*
*[Add row]*

## (2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

### (2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

*Select from:*
☑ Yes

### (2.2.7.2) Description of how interconnections are assessed

*The assessment of different environmental dependencies, impacts, risks and/or opportunities is integrated in the multi-disciplinary company-wide risk management processes. The risk register considers the interconnections between different environmental risks and opportunities, such as climate, water and biodiversity (e.g. risks associated with increased temperatures, droughts or floods that are increased by the loss of ecosystem services), trying to identify synergies/trade-offs and prioritize business responses capable of managing multiple risks. As another specific example, the tire manufacturing business has a dependency on water for manufacturing processes, and if water availability in the processing plant location is poor due to Climate Change (drought), this could put the activity at risk. Water is, indeed, consumed to produce steam, which is the heat carrier traditionally used in manufacturing for tyre curing process, and therefore relevant to Pirelli's business as necessary for the production of tyres. This is actually one of the risk identified and analyzed in the question 3.3.1 (Risk 2) for which the plants with the higher potential financial impacts due to droughts at 2050 are located one in China, one in Mexico and one in Romania.*
*[Fixed row]*

## (2.3) Have you identified priority locations across your value chain?

## (2.3.1) Identification of priority locations

*Select from:*

☑ Yes, we have identified priority locations

## (2.3.2) Value chain stages where priority locations have been identified

*Select all that apply*

☑ Direct operations

## (2.3.3) Types of priority locations identified

**Sensitive locations**

☑ Areas important for biodiversity

☑ Areas of limited water availability, flooding, and/or poor quality of water

**Locations with substantive dependencies, impacts, risks, and/or opportunities**

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

## (2.3.4) Description of process to identify priority locations

*During 2023, each of Pirelli's operational sites was assessed according to the four basic criteria provided by the TNFD LEAP (Locate, Evaluate, Assess, Prepare) framework and the criteria of biodiversity importance, ecosystem integrity, water stress and potentially significant dependencies or impacts. The assessment was conducted using public tools and datasets (e.g. ENCORE, WRI Aqueduct, WWF Biodiversity and Water Risk Filter, IBAT). In addition to these criteria, STAR indicators and location-specific indicators (location specific approach) of environmental performance (e.g. Environmental KPIs, IBAT) were considered and applied. The results made it possible to identify Pirelli's main impacts and dependencies. The sites analysed were then assigned a priority level to identify areas where mitigation actions could bring the most significant results, leading to the selection of priority sites for further analysis to quantify the magnitude of IMPACTS/DEPENDENCIES and RISKS/OPPORTUNITIES related to nature, which in turn were linked to the five drivers of biodiversity loss and ecosystem degradation identified by IPBES (i.e. land/water/sea use change, resource exploitation, climate change, pollution and invasive non-native species)*

## (2.3.5) Will you be disclosing a list/spatial map of priority locations?

*Select from:*

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it
*[Fixed row]*

## (2.4) How does your organization define substantive effects on your organization?

### Risks

### (2.4.1) Type of definition

*Select all that apply*
☑ Qualitative
☑ Quantitative

### (2.4.2) Indicator used to define substantive effect

*Select from:*
☑ EBITDA

### (2.4.3) Change to indicator

*Select from:*
☑ % decrease

### (2.4.4) % change to indicator

*Select from:*
☑ 1-10

### (2.4.6) Metrics considered in definition

*Select all that apply*
☑ Time horizon over which the effect occurs
☑ Likelihood of effect occurring

## (2.4.7) Application of definition

*According to our risk management process, a specific risk or opportunity is considered as having a substantive financial or strategic impact, if the resulting deviation from planned earnings exceeds 5% either of EBIT Adjusted or of EBITDA or of net sales target and the probability of occurrence is above 50% over the time horizons. Such print is based on the Operational Risk Annual threshold, which is update on a year-on-year basis and approved by the Operational Risk Committee. Risks and opportunities related to environmental issues that surpass this threshold are therefore considered substantive/strategic.*

# Opportunities

## (2.4.1) Type of definition

*Select all that apply*

☑ Qualitative

☑ Quantitative

## (2.4.2) Indicator used to define substantive effect

*Select from:*

☑ EBITDA

## (2.4.3) Change to indicator

*Select from:*

☑ % increase

## (2.4.4) % change to indicator

*Select from:*

☑ 1-10

## (2.4.6) Metrics considered in definition

*Select all that apply*

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

## (2.4.7) Application of definition

*According to our risk management process, a specific risk or opportunity is considered as having a substantive financial or strategic impact, if the resulting deviation from planned earnings exceeds 5% either of EBIT Adjusted or of EBITDA or of net sales target and the probability of occurrence is above 50% over the time horizons. Such print is based on the Operational Risk Annual threshold, which is update on a year-on-year basis and approved by the Operational Risk Committee. Risks and opportunities related to environmental issues that surpass this threshold are therefore considered substantive/strategic.*
*[Add row]*

# (2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

## (2.5.1) Identification and classification of potential water pollutants

*Select from:*

☑ Yes, we identify and classify our potential water pollutants

## (2.5.2) How potential water pollutants are identified and classified

*All the productive plants monitor the quality of wastewater independently from the legal requirements, according to an internal Pirelli procedure. The internal procedure requires that the analysis shall be based on one or more of the following references, according also to the local context (laboratories accreditation, legislation,...): official ISO standards, "Standard Methods for Examination of Water and Wastewater" published by the American Public Health Association (APHA); US EPA Clean Water Act Analytical Methods. The key monitored pollutants are pH, Temperature, BOD, COD, TTS and nitrates. An example the COD in the internal procedure is described as: " Chemical Oxygen Demand (COD). It is used as a measure of the oxygen required to chemically oxidize the organic and inorganic substances present in wastewater. It is an indirect method to measure the level of pollution that cannot be oxidized biologically in a sample of water. During COD test, organic and inorganic matters are converted to carbon dioxide and water. The result of a chemical oxygen demand test indicates the amount of water-dissolved oxygen consumed by the contaminants. The higher the chemical oxygen demand, the higher the level of pollution in the test sample. The primary sources of COD in tire manufacturing are activities involving oil, hydrocarbons and organic chemicals; high concentration values of COD could be due to chemicals or lubricant contamination.*
*[Fixed row]*

# (2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

## Row 1

### (2.5.1.1) Water pollutant category

*Select from:*

☑ Nitrates

### (2.5.1.2) Description of water pollutant and potential impacts

*This pollutant is mainly generated by human activities, on average 50 mg per ton of tyre has been released in 2023. The Group average concentration of nitrates is around 8mg/l: a value that is pretty lower than the concentration limit of drinking water according to U.S. Environmental Protection Agency standard for nitrate in drinking water for public water supplies (which is 10mg/l). In light of this, the potential impact related to the presence of nitrate is not material.*

### (2.5.1.3) Value chain stage

*Select all that apply*

☑ Direct operations

### (2.5.1.4) Actions and procedures to minimize adverse impacts

*Select all that apply*

☑ Water recycling

☑ Upgrading of process equipment/methods

### (2.5.1.5) Please explain

*Notwithstanding the very low concentration, Pirelli continuously works on water management improvement which is based on preventing as far as feasible the generation of the pollutant, also through the upgrading of productive processes and equipment, and promoting the water recycling.*
*[Add row]*

# C3. Disclosure of risks and opportunities

## (3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

### Climate change

### (3.1.1) Environmental risks identified

*Select from:*

☑ Yes, both in direct operations and upstream/downstream value chain

### Forests

### (3.1.1) Environmental risks identified

*Select from:*

☑ No

### (3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

*Select from:*

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

### (3.1.3) Please explain

*Pirelli, after carrying out a detailed risk assessment that was based on the Pirelli Sustainable Natural Rubber Policy, considered the risks identified as not substantive from a financial and strategic point of view. However, this does not mean that Pirelli and its suppliers will not mitigate the risks identified. In fact, the analysis and related risks assessments carried out at local level were used by Pirelli suppliers to define the roadmaps (the first one for the years 2019-2021, the current one for 2022-2025), with measurable action plans and performance indicators, whose results are reported on the webpage and in the Annual Report. Such roadmaps should guide the mitigation of the risks identified within the supply chain, covering 100% of the volumes purchased, and are in line with the Global Platform for Sustainable Natural Rubber (GPSNR), of which Pirelli is a founding member.*

## Water

### (3.1.1) Environmental risks identified

*Select from:*

☑ No

### (3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

*Select from:*

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

### (3.1.3) Please explain

*The assessment is based on climate model that takes into account physical stress (including drought and flood). The results of the Climate Change and Water Stress Risk Assessment has been internally cross checked with Pirelli Impact metric to gauge whether they can be considered relevant/substantive. To this extent, no risk events have been highlighted as substantive since their potential financial impact hoover below 5% of EBIT Adjusted, EBITDA and Net sales target. This is the case, for example, of the risks related to floods and droughts in the productive plants. The presences of these specific risks have been identified, anyhow the potential magnitude coupled with the likelihood (probability and frequency) results in an estimated number of Business Interruption Days which lead to related economical impacts well below the group threshold defined for the identification of the substantive impact.*

## Plastics

### (3.1.1) Environmental risks identified

*Select from:*

☑ No

### (3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

*Select from:*

☑ No standardized procedure

## (3.1.3) Please explain

*Through the assessment of the Group Environmental Footprint, the materiality of the different life cycle stages (Raw material production, tyre manufacturing, distribution, use and end of life) has been evaluated, according to the key environmental impact categories (CO2, Water, Eutrophication,....). In addition to this, as far as the use phase, for many years, Pirelli has paid great attention to the theme of "Tyre and Road Wear Particles" (TRWP), the micrometric particles produced by the combined wear and tear of the road and tyre during vehicle circulation. The phenomenon of TRWP is complex, since the generation of these particles is not only linked to the combined wear of the road and tyre, but also substantially to the characteristics and conditions of use of the vehicle (weight, mass distribution, correct tyre pressure, etc.), the characteristics of the roads (material and roughness of the roads, being straight or winding, uphill or downhill, etc.), environmental conditions (dry or humid climate, hot or cold) and driving style (aggressive or relaxed, at high or moderate speeds, with sharp or progressive braking, etc.). Scientific studies conducted so far have not shown significant risks to human health and the environment: however, the definition and implementation of effective actions for the mitigation of TRWP generation is strongly linked to the variety and number of causal factors mentioned above: it should be noted that some of them, such as driving style, road and vehicle characteristics, have more influence than the tyre considered individually.*
*[Fixed row]*

# (3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

## Climate change

### (3.1.1.1) Risk identifier

*Select from:*
☑ Risk1

### (3.1.1.3) Risk types and primary environmental risk driver

**Acute physical**
☑ Flooding (coastal, fluvial, pluvial, groundwater)

### (3.1.1.4) Value chain stage where the risk occurs

*Select from:*
☑ Direct operations

## (3.1.1.6) Country/area where the risk occurs

*Select all that apply*

☑ China

☑ Germany

☑ United Kingdom of Great Britain and Northern Ireland

## (3.1.1.9) Organization-specific description of risk

*More frequent extreme precipitation events could cause FLOOD DAMAGES to some Pirelli tyre manufacturing facilities by interrupting the production (slow / shut down) with a potential financial impact for the plant (a tyre manufacturing plant operates 24/7). Floods risks have been assessed for 2025, 2030 and 2050 horizons by means of a climate model that takes into account physical stress in our production site areas (Pirelli has production plants in Europe, North America, APAC, South America and Russia): a site specific analysis has been performed for all Pirelli's tyre production plant. According to our Climate Change Risk Assessment the plants with the higher inherent potential financial impacts due to floods at 2050 are located one in UK, one in Germany and one in China. Indeed, these plants are located in areas close to rivers and some of them exposed to flood hazard: the Trent river (UK), the Mümling river (Germany), the Si river (China). The climate scenarios considered in the CCRA analysis are the IPCC's RCP 4.5 (most likely scenario) and RCP 8.5 (business as usual scenario).*

## (3.1.1.11) Primary financial effect of the risk

*Select from:*

☑ Decreased revenues due to reduced production capacity

## (3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Long-term

## (3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

*Select from:*

☑ Likely

## (3.1.1.14) Magnitude

*Select from:*

☑ Medium-low

## (3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Possible financial loss (EBIT Adjusted loss) due to stop of production for a potential shut down evaluated in terms of business interruption days of one Pirelli tyre manufacturing plant (the most exposed to the risk before additional countermeasures).*

## (3.1.1.17) Are you able to quantify the financial effect of the risk?

*Select from:*

☑ Yes

## (3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

*3400000*

## (3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

*5500000*

## (3.1.1.25) Explanation of financial effect figure

*The anticipated financial effect figure represents the possible financial loss due to a potential shut down of one Pirelli tyre manufacturing plant. The value is the result of potential business interruption in days (number) multiplied by potential integrated daily EBIT Adjusted loss (EUR) due to stop production (before additional countermeasures). Financial Impact (EUR) "days of business interruption" * "daily EBIT Adjusted loss (EUR)". The value of daily EBIT Adjusted generation (EUR) cannot be disclosed as such data are confidential both from a financial and business perspective (for this purpose, to avoid backward calculation, the number of days is also not indicated). The calculation is based on climate model that takes into account physical stress in our production site areas and the quantified impact refers to the worst case scenario (IPCC RPC 8.5) on the most vulnerable production site at 2050. The minimum impact is derived from the loss curve at 50 percentile, while the maximum at 95 percentile.*

## (3.1.1.26) Primary response to risk

**Infrastructure, technology and spending**

☑ Other infrastructure, technology and spending, please specify :rain-water physical structures like flood barriers and drainage systems

## (3.1.1.27) Cost of response to risk

*1000000*

## (3.1.1.28) Explanation of cost calculation

*CAPEX approved by the investment committee for flood risks mitigation projects at the Pirelli production sites that guarantee business continuity such as rain-water physical structures like barriers and drainage systems (e.g. new flood barrier to protect the Chinese plant from the potential flooding of the Si river).*

## (3.1.1.29) Description of response

*[Management Approach] The increasing likelihood of precipitation extremes in some of Pirelli production site areas (Pirelli has plants in EU, North and South America, APAC and Russia) raises the risks of major flood that would harm tyre production. Pirelli Enterprise Risk Management monitors for these events: the probability; the economic impact of the physical damage and the damage on business continuity; the level of local control of these risks. Based on this analysis, Pirelli manages risks from floods and potential reduced revenue from decreased production capacity by: investing on projects that guarantee business continuity even in cases of extreme events (such as rain-water physical structures like barriers and drainage systems); implementing water saving activities; insurance policies. [Cost of Management] The Cost of management of these activities is the CAPEX on flood risks mitigation projects for the Pirelli sites. With this perspective (following the positive experience already occurred in Germany) a new flood barrier was built to protect the Chinese plant from the potential flooding of the Si river, fully mitigating the risk. [Case-study]: [Situation] In 2008 the Pirelli plant of Breuberg in Germany was hit by heavy rains that caused the flood of the Mümling river (the factory borders the river bank), which led to a flooding of the site causing the interruption of production in different departments. [Task] To protect the site from these phenomena, and mitigate the economic risks associated with the shutdown of the plant, Pirelli evaluated the possible mitigation measures to be implemented on the site. Among the options, a physical mitigation structure was chosen, [Action] The following year, Pirelli built a river water-barrier structure and a rain drainage system. [Result] Thanks to these mitigation measures, no events like that of 2008 have occurred to date, avoiding further slowdowns in tyre production due to extreme weather events.*

# Climate change

## (3.1.1.1) Risk identifier

*Select from:*

☑ Risk2

## (3.1.1.3) Risk types and primary environmental risk driver

**Acute physical**

☑ Drought

## (3.1.1.4) Value chain stage where the risk occurs

*Select from:*

☑ Direct operations

## (3.1.1.6) Country/area where the risk occurs

*Select all that apply*

☑ China

☑ Mexico

☑ Romania

## (3.1.1.9) Organization-specific description of risk

*The evolution of Climate-related events, and in particular the change in precipitation patterns (quantity and frequency of rains), is increasing the likelihood of DROUGHTS that may cause water shortages to some Pirelli tyre manufacturing plants. This occurrence could cause the slow/shut down of the production with a potential financial impact for the plant as the water is essential to the tyre manufacturing process. Water is, indeed, consumed to produce steam, which is the heat carrier traditionally used in manufacturing for tyre curing process, and therefore relevant to Pirelli's business as necessary for the production of tyres. Droughts risks have been assessed for 2030 and 2050 horizons by means of a climate model that takes into account physical stress in our production site areas (Pirelli has production plants in Europe, North and South America, APAC and Russia): a site-specific analysis has been performed for all Pirelli's tyre production plant using, among others, specific analysis tools (such as the Global Water Tool of the World Business Council for Sustainable Development and the Aqueduct Water Risks Atlas of the World Resources Institute). According to our Climate Change Risk Assessment the plants with the higher potential financial impacts due to droughts at 2050 are located one in China, one in Mexico and one in Romania. The climate scenarios considered in the CCRA analysis are the IPCC's RCP 4.5 (most likely scenario) and RCP 8.5 (business as usual scenario).*

## (3.1.1.11) Primary financial effect of the risk

*Select from:*

☑ Decreased revenues due to reduced production capacity

## (3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Long-term

## (3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

*Select from:*

☑ Likely

## (3.1.1.14) Magnitude

*Select from:*

☑ Medium-low

## (3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Possible financial loss (EBIT Adjusted loss) due to stop of production for a potential shut down evaluated in terms of business interruption days of one Pirelli tyre manufacturing plant (the most exposed to the risk before additional countermeasures).*

## (3.1.1.17) Are you able to quantify the financial effect of the risk?

*Select from:*

☑ Yes

## (3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

*2200000*

## (3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

*2300000*

## (3.1.1.25) Explanation of financial effect figure

*The anticipated financial effect figure represents the possible financial loss due to a potential shut down of one Pirelli tyre manufacturing plant. The value is the result of potential business interruption days (number) multiplied by potential integrated daily EBIT Adjusted loss (EUR) due to stop production (before additional countermeasures). Financial Impact (EUR) "days of business interruption" * "daily EBIT Adjusted loss (EUR)". The value of daily EBIT Adjusted generation (EUR) cannot be disclosed as such data are confidential both from a financial and business perspective (for this purpose, to avoid backward calculation, the number of days is also not indicated). The calculation is based on climate model that takes into account physical stress in our production site areas and the quantified impact refers to*

*the worst case scenario (IPCC RPC 8.5 - business as usual) on the most vulnerable production site at 2050. The minimum impact is derived from the loss curve at 50 percentile, while the maximum at 95 percentile.*

## (3.1.1.26) Primary response to risk

**Infrastructure, technology and spending**

☑ Adopt water efficiency, water reuse, recycling and conservation practices

## (3.1.1.27) Cost of response to risk

*150000*

## (3.1.1.28) Explanation of cost calculation

*CAPEX on drought risks mitigation projects at the Pirelli production sites that guarantee business continuity such as water storage physical structures or implementing water saving activities*

## (3.1.1.29) Description of response

*[Management Approach] The increasing likelihood of droughts in some of Pirelli production site areas (Pirelli has plants in EU, North and South America, APAC and Russia) raises the risks of water scarcity that would harm tyre production. Pirelli Enterprise Risk Management monitors for these events: the probability; the economic impact of the physical damage and the damage on business continuity; the level of local control of these risks. Based on this analysis, Pirelli manages risks from droughts and potential reduced revenue from decreased production capacity by: investing on projects that guarantee business continuity even in cases of extreme events (such as water storage physical structures); implementing water saving activities; insurance policies. [Cost of Management] The Cost of management of these activities is the CAPEX on drought risks mitigation projects for the Pirelli sites. [Case-study]: [Situation] In early 2010s UK factories of Carlisle and Burton identified the need to limit their dependency on water resource, also due to economic reason (water consumption has a direct impact on operating costs). [Task] To optimize water management and mitigate the economic risks linked to the future availability of water and the relate potential increase in tariffs, Pirelli started an evaluation process on the possible measures to be implemented at these sites. The assessment was also carried out by comparing the best practice solutions on water between all Pirelli plants (closure of water cycles, efficient water usage, leakages mapping and fixing). [Actions] Many initiatives have been implemented in UK since 2015: optimization of water sources and cooling water re-circulation, improvement of boilers blowdown control and installation of water saving devices in toilets (e.g. water saving showers, taps, etc.) [Result] These activities brought a reduction of 20% of the specific water withdrawal from 2015 to 2023, with a cumulated water saving 200,000 m3.*

# Climate change

## (3.1.1.1) Risk identifier

*Select from:*

☑ Risk3

## (3.1.1.3) Risk types and primary environmental risk driver

**Policy**

☑ Carbon pricing mechanisms

## (3.1.1.4) Value chain stage where the risk occurs

*Select from:*

☑ Direct operations

## (3.1.1.6) Country/area where the risk occurs

*Select all that apply*

☑ China

☑ Italy

☑ Brazil

☑ Mexico

☑ Turkey

☑ United Kingdom of Great Britain and Northern Ireland

☑ Germany

☑ Romania

☑ Argentina

☑ Russian Federation

☑ United States of America

## (3.1.1.9) Organization-specific description of risk

*The introduction/tightening of the Cap and Trade/Carbon tax systems in the countries where the Pirelli tyre production plants are located could lead to an increase in production operating costs with a potential financial impact for the group. This event could also affect the selling price of our products with potential loss of market share. Discrepancy among national regulations may increase the risk relevance. The risks have been evaluated taking in consideration the EU ETS (Emissions Trading System) scheme and the other mechanisms already scheduled or in consideration for the regions where Pirelli operates. This phenomenon could happen not only at a European level, but also in other economies that already have carbon taxation policies in place or in the evaluation phase (China, Brazil, Mexico, among others). Cap and Trade schemes/Carbon taxes have been assessed by means of IEA energy transition scenarios with a 2050 horizon. The Cap and Trade/Carbon tax regimes have been assessed through the IEA energy transition scenarios (STEPS, APS and NZE) with a 2050 time horizon. The potential financial impact refers to the worst case. The 3 European Pirelli factories are directly subjected to EU-ETS regulation and the evolution of the mechanism could bring new restrictions to the*

*credits availability. In addition, new regulations that are under implementation/evaluation may affect other 5 Pirelli Plants: the 2 in China, the 2 in Brazil and the Mexican one.*

## (3.1.1.11) Primary financial effect of the risk

*Select from:*

☑ Increased indirect [operating] costs

## (3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Long-term

## (3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

*Select from:*

☑ About as likely as not

## (3.1.1.14) Magnitude

*Select from:*

☑ Medium-low

## (3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Possible increase of operational costs due to a potential evolution of the EU ETS and introduction of new Cap and Trade schemes/Carbon taxes. The additional costs are evaluated considering a carbon price to be paid on residual emissions - both direct (scope 1) and indirect (scope 2) - of each Pirelli tyre manufacturing plant in 2050.*

## (3.1.1.17) Are you able to quantify the financial effect of the risk?

*Select from:*

☑ Yes

## (3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

*24000000*

## (3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

*24000000*

## (3.1.1.25) Explanation of financial effect figure

*The anticipated financial effect figure represents the possible increase of operational costs due to a potential evolution of the EU ETS and introduction of new Cap and Trade schemes/Carbon taxes. The value is the result of the 2050 residual emissions [ton CO2 eq], both direct (scope 1) and indirect (scope 2), of each Pirelli tyre manufacturing plant (estimated projection also considering the actions to reduce emissions envisaged in the industrial plan) multiplied by the carbon prices (EUR/ton CO2 eq) expected for 2050 based on IEA energy transition scenarios (STEPS, APS and NZE). The potential financial impact is based on the worst case scenario for Pirelli (stricter regulations/IEA NZE scenario) and takes into account all Pirelli production sites. Financial Impact (EUR)  Sum of the "Financial Impacts of each Pirelli manufacturing plant (EUR)". Financial Impact of each Pirelli manufacturing plant (EUR)  "expected CO2 emissions (ton) of the plant" * "expected carbon price (EUR/ton) in the country where the plant is located". The expected CO2 emissions (ton) of each plant at 2050, cannot be disclosed as such data are confidential both from a financial and business perspective and, for the same purpose to avoid backward calculation, also the expected carbon prices (EUR/ton) of each country where the plant is located are not indicated. Considering the average of the carbon price values expected in the different countries, an indicative carbon price average value is around 300 eur/ton at 2050 (projections made by the IEA for NZE scenario and the United Nations IPCC). The minimum and maximum impacts coincide because they consider a single price projection to 2050 of 300 eur/ton.*

## (3.1.1.26) Primary response to risk

**Policies and plans**

☑ Develop a climate transition plan

## (3.1.1.27) Cost of response to risk

*9200000*

## (3.1.1.28) Explanation of cost calculation

*CAPEX on energy efficiency projects, low carbon technology, electrification of processes and renewable energy production at the Pirelli production sites that support the group emission reduction target and enable the transition plan.*

## (3.1.1.29) Description of response

*[Management Approach] The Pirelli management method follows the approaches: investing in low carbon technology, energy efficiency projects, low carbon energy installation (renewables) to reduce CO2 emissions and mitigate these impacts; examining the environmental policies evolution of each Country (through ISO 14001), the direct impact of the inclusion in cap and trade mechanism like the EU-ETS and the indirect impact due to the increase of energy cost and raw material price. [Cost of Management] The Cost of management of these activities includes investments in energy efficiency projects and initiatives to reduce emissions. The amount indicated refers to these kinds of projects launched in 2023. Among others: the modernization of the compressed air systems (1.4 M), the improvement of LED lighting (1.7 M), the expansion of the thermal insulations (2.0 M) and the machines/equipment replacement with new, more efficient ones (0.8 M). [Case-study]: [Situation] According to the world bank Observatory on Carbon Pricing, the Brazilian government had carried out studies on the possible implementation of market instruments like ETS to meet its mitigation targets and reduce overall mitigation costs. Pirelli has 2 production sites in Brazil, which could be affected by the increase in operating costs from the introduction of similar mechanism on emissions. [Task] Starting in the mid-2010s, Pirelli began evaluating options for LATAM to reduce its exposure to GHG emissions and mitigate the risks associated with possible CO2 taxation. [Action] As example, in 2018 and in 2021 Pirelli has started the sourcing of steam from biomass (waste wood from local supply chains) from new boiler houses built-up in Brazil, respectively in Campinas and Feira de Santana. [Results] In the year 2023, these initiatives have allowed replacing around 80 GWh of energy from fossil sources, with a savings in terms of CO2 emissions avoided that exceeded 15 ktons (Scope 2).*
*[Add row]*

# (3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

## Climate change

## (3.1.2.1) Financial metric

*Select from:*
☑ Revenue

## (3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

*0*

## (3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

*Select from:*

☑ Less than 1%

## (3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

*0*

## (3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

*Select from:*

☑ Less than 1%

## (3.1.2.7) Explanation of financial figures

*As per ERM impact metrics, expected losses are deemed not substantive (value 0) both for transition and physical climate-related risks. [Approach to the calculation of vulnerability to risk]: Risk scenarios related to natural or accidental events (fires, floods, earthquakes, etc.) can cause property damage and the reduction and/or interruption of production, particularly if the event affects high volume or specific product (high-end range) production sites. Pirelli monitors their vulnerability to catastrophic natural events (particularly floods, hurricanes and earthquakes) and estimates any potential damage (based on the given probability of occurrence) for all the Group's production sites. Analyses confirm an adequate management of business interruption risks, thanks to an elaborate series of security measures, systems for the prevention of damaging events and for the mitigation of the possible impacts on the business, also in light of the current business continuity plans, as well as the insurance policies in place, to cover property damages and business interruptions that could impact the Group's production plants.*
*[Add row]*

# (3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

## (3.3.1) Water-related regulatory violations

*Select from:*

☑ No

## (3.3.3) Comment

*The monitoring of this aspect is ensured by the Environmental Management Systems certified according to ISO 14001 which is validated on an annual base. As a result of the EMS implemented in factories, and the implementation of procedures dedicated to emergency prevention and response, constant and timely monitoring and intervention is ensured on potential emergency situations that may occur, as well as on reports received from stakeholders. In 2023, an oil spill occurred at the Campinas plant in Brazil, affecting an area of about 50 m2, without affecting surface or ground water. The cause of the contamination was promptly identified and remedied, and the oil and soil involved were disposed of in line with local regulations, without any sanction from the local authorities. Apart from this, there were no significant incidents, complaints or penalties related to environmental issues. In general, sanctions that exceed the threshold of 10,000 dollars are considered relevant/significant.*
*[Fixed row]*

## (3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

*Select from:*
☑ Yes

## (3.5.1) Select the carbon pricing regulation(s) which impact your operations.

*Select all that apply*
☑ EU ETS

## (3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

## EU ETS

### (3.5.2.1) % of Scope 1 emissions covered by the ETS

*26*

### (3.5.2.2) % of Scope 2 emissions covered by the ETS

*0*

### (3.5.2.3) Period start date

*12/31/2022*

## (3.5.2.4) Period end date

*12/30/2023*

## (3.5.2.5) Allowances allocated

*13255*

## (3.5.2.6) Allowances purchased

*57000*

## (3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

*53666*

## (3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

*0*

## (3.5.2.9) Details of ownership

*Select from:*

☑ Facilities we own and operate

## (3.5.2.10) Comment

*Tyre manufacturing industry is not carbon intensive: it is covered by the European Emission Trading Scheme only in reference to thermal plants having more than 20 MW of installed power. The Company is not subject to other specific regulations at the global level.*
*[Fixed row]*

## (3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

*Pirelli's strategy is to fulfill the regulation minimizing the related economic and environmental impact. Pirelli covers the financial risk associated to the European ETS with four approaches: (1) the Company monitors and forecasts carbon emission in the strategic plan ( 3 years); (2) the Company makes plans to reach the*

*economic/energetic balance analyzing energy costs and carbon credits costs; (3) the Company monitors the volatility of the carbon credits market price; (4) the Company exploits opportunities of the regulation, but still without trading. The carbon emission price monitoring and forecasting process make use of sensitivity analysis and carbon price tools in order to better evaluate the possible financial impacts.In a medium-term view (2030) the Pirelli Climate Change and Water Stress risk Assessment shows that ETS and Carbon taxes could potentially impact eight Pirelli tyre Manufacturing sites worldwide. Basically, Pirelli manages this risk investing in low carbon technology as energy efficiency projects and low carbon energy installation/purchase (renewables) to reduce CO2 emissions and mitigate these impacts. In this regard, Pirelli has already adapted its production strategy with regard to energy procurement, with a plan which aims to reach 100% of electricity purchased from renewable sources by 2025, with the improvement of the energy efficiency of production plants with the 2025 target of specific energy consumption that is 10% lower than 2019 levels, and with the progressive electrification of productyion processes. As Example, in the Pirelli tyre production plant of Slatina (Romania), which is under EU-ETS, a dirty condensate heat recovery was implemented with an estimated saving of approx 700 tonCO2 /year due to reduction of total Natural Gas consumption. This should bring positive effects in terms of EU-ETS verified emissions and allowances. Furthermore, as regards Pirelli's strategy to reduce overall CO2 emissions, the current target envisages a reduction of 42% in CO2 absolute emissions (scope 1 and 2) by 2025 compared to 2015 values. This target is fully in line with the 1.5C" scenario developed by the Science Based Target Initiative and it has been already approved by SBTi.This commitment, together with a progressive electrification of production processes in the factories (75% of curing presses electrified by 2030 with 22 mln /year Capex 2024-30 and 80% energy efficiency), will also help the company to reduce its exposure to the ETS thanks to the path of reducing CO2 emissions.*

## (3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

## Climate change

### (3.6.1) Environmental opportunities identified

*Select from:*

☑ Yes, we have identified opportunities, and some/all are being realized

## Forests

### (3.6.1) Environmental opportunities identified

*Select from:*

☑ No

### (3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

*Select from:*

☑ Opportunities exist, but none anticipated to have a substantive effect on organization

## (3.6.3) Please explain

*Pirelli, after carrying out a detailed risk assessment that was based on the Pirelli Sustainable Natural Rubber Policy, considered the opportunities identified as not substantive from a financial and strategic point of view. However, this does not mean that Pirelli and its suppliers will not take advantages from the opportunities identified. In fact, the analysis and related risks & opportunities assessments carried out at local level were used by Pirelli suppliers to define the roadmaps (the first one for the years 2019-2021, the current one for 2022-2025), with measurable action plans and performance indicators, whose results are reported on the webpage and in the Annual Report. Such roadmaps should guide the implementation of opportunities identified within the supply chain, covering 100% of the volumes purchased, and are in line with the Global Platform for Sustainable Natural Rubber (GPSNR), of which Pirelli is a founding member. As example of opportunity related to the Increased supply chain transparency, Pirelli is committed to increasing the transparency and traceability of the natural rubber supply chain, and to this end it explores both individually and at the sector level the tools that are being developed on the market with a view to best meeting Stakeholders' expectations and at the same time intervening to support the sustainable development of the chain from upstream to downstream. A significant result, also in terms of innovation, was obtained by Pirelli in 2021, with the production of the first tyre line, at the world level, certified by the Forest Stewardship Council (FSC) for natural rubber and rayon; FSC forest management certification confirms that plantations are managed in such a way as to preserve biological diversity and bring benefits to the lives of local communities and workers, while ensuring economic sustainability. (see also: https://press.pirelli.com/pirelli-produces-the-worlds-first-fsc-certified-tyre/) As example of opportunity related to the Increased resilience to impacts of biodiversity loss, In October 2021, Pirelli together with BMW and Birdlife launched a new project aimed at improving the quality of life of the indigenous community by protecting farmers' land rights and promoting women's rights, conserving a deforestation-free area of 2,700 hectares and protecting several endangered species.*

# Water

## (3.6.1) Environmental opportunities identified

*Select from:*

☑ No

## (3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

*Select from:*

☑ Opportunities exist, but none anticipated to have a substantive effect on organization

## (3.6.3) Please explain

*In order to asses new opportunities Pirelli includes water resource in the Climate Change and Water Stress Risk Assessment. This type of assessment is repeated two times per year. The results of the Climate Change and Water Stress Risk Assessment has been internally cross checked with Pirelli Impact metric to gauge whether they can be considered relevant/substantive. To this extent, even if there are several opportunities related to the improvement of the Pirelli's water performances, no opportunity events have been highlighted as substantive since their potential financial impact hoover below 5% of EBIT Adjusted, EBITDA and Net sales target. For example there are opportunities related to the water saving activities at plant level. In fact, the efficient and conscious water use is one of the*

*principal components of the Pirelli environmental strategy. It has involved and still involves both the overall efficiency of production processes, from design of machinery to facility management, and the contribution which every employee can make towards reducing consumption of this valuable resource. Since 2015, the commitment has led to save around 22.5 million cubic meters of water. Improving the water management, and reducing therefore the specific withdrawal, is a target set up and published in the Pirelli Industrial Plan" therefore it has the potential to contribute to the increase of the brand value. Regarding the upstream, Pirelli issued its Policy on Sustainable Natural Rubber, after a long elaboration process based on stakeholders' engagement. As stated in the Policy, Pirelli undertakes to promote, develop and implement sustainable and responsible procurement and use of natural rubber throughout its entire value chain. This activity will results also in the improvement of the water management of the natural rubber production process.*
*[Fixed row]*

## (3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

## Climate change

### (3.6.1.1) Opportunity identifier

*Select from:*
☑ Opp1

### (3.6.1.2) Commodity

*Select all that apply*
☑ Not applicable

### (3.6.1.3) Opportunity type and primary environmental opportunity driver

**Products and services**
☑ Shift in consumer preferences

### (3.6.1.4) Value chain stage where the opportunity occurs

*Select from:*
☑ Downstream value chain

## (3.6.1.5) Country/area where the opportunity occurs

*Select all that apply*

- ☑ China
- ☑ Italy
- ☑ Brazil
- ☑ Mexico
- ☑ Turkey
- ☑ United Kingdom of Great Britain and Northern Ireland
- ☑ Germany
- ☑ Romania
- ☑ Argentina
- ☑ Russian Federation
- ☑ United States of America

## (3.6.1.8) Organization specific description

*The development of clients' sensibility towards environmental and climate change issues is leading to a potential increase in the demand of low-carbon products. According to the Tire Labeling Reg. (EU 2020/740), the Rolling Resistance (RR) parameter rates the tire's energy efficiency (indirect impact on the car's fuel consumption and related GHG emissions). To exploit this opportunity, Pirelli's strategy aims to increase the volumes of car tyres on the market with A or B of RR (max efficiency). Pirelli has set the target of achieving by 2025 the 35% in volumes of sold car tyres characterized by Rolling Resistance in classes A or B.*

## (3.6.1.9) Primary financial effect of the opportunity

*Select from:*

☑ Increased revenues resulting from increased demand for products and services

## (3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Short-term

## (3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

*Select from:*

☑ Likely (66–100%)

## (3.6.1.12) Magnitude

*Select from:*

☑ Medium-low

## (3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Potential increase in revenues driven by the growth of the volumes of sold car tyres characterized by Rolling Resistance in classes A or B.*

## (3.6.1.15) Are you able to quantify the financial effects of the opportunity?

*Select from:*

☑ Yes

## (3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

*6750000*

## (3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

*15750000*

## (3.6.1.23) Explanation of financial effect figures

*The potential financial impact reflects the projected evolution of the share of revenues directly coming from the growth of the sales from car tyres with A or B label of Rolling Resistance (RR), over a 2-years time period, on the back of the target to achieve 35% of volumes by 2025, vs the 30% recorded in 2023, and calculated on the potential positive delta increases of the group's revenues expected in the short term (2025). Financial Impact (EUR) "growth of delta revenues (EUR) from car tyres with A or B of RR expected in 2025 vs 2023, according to the Reasonable Case Scenario (35%)" minus " growth of delta revenues (EUR) from car tyres with A or B of RR expected in 2025 vs 2023, according to the Base Case Scenario (30%)". In detail, the Reasonable Case Scenario is based on economic guidelines of the current Pirelli Industrial Plan, while the Base Case Scenario is a static scenario.*

## (3.6.1.24) Cost to realize opportunity

*4740000*

## (3.6.1.25) Explanation of cost calculation

*To exploit this opportunity, Pirelli's strategy focuses mainly on R&D in low rolling resistance products, as well as increased tyre digitalization. [Cost to realize this opportunity] R&D expenses in 2023 were 4.3% of net sales. By applying the same proportion to the share of the delta revenues in 2025 related to products labelled A and B of Rolling Resistance, the value of 4.74 M was estimated as the cost to realize this opportunity.*

## (3.6.1.26) Strategy to realize opportunity

*The Climate Change Risk Assessment quantified the potential increase of revenues from the car tyres with A or B label of Rolling Resistance estimating the growth of sales of these products on the bases of the 2023 base scenario with a time horizon of 2025 (Industrial Plan). [Case-study]: [Situation] The development of clients' sensibility towards environmental and climate change issues is leading to a potential increase in the demand of low-carbon products. Also in 2023 we saw an increase of climate-related criteria requests included in B2B customers tenders and a shift in B2C markets towards more sustainable products. [Task] To exploit the opportunity and to give Pirelli a competitive advantage over its competitors, Pirelli's strategy focuses on the development of low rolling resistance products, as well as increased tyre digitalization. In support of the R&D and marketing departments, responsible for the execution of the strategy, Pirelli has set public targets (covered by a dedicated investment plan) to have, by 2025, over 70% of new automotive products classified as A or B for rolling resistance and over 90% classified as A or B for "wet grip". [Action] In 2023, Pirelli invested EUR 288.5 millions in research and innovation also to support the low carbon products road-map and offer new products to the market. As example, recently Pirelli launched the new Pirelli P Zero E which is featured by a Triple A Class rating under European labelling, (for rolling resistance, braking in wet conditions and noise), and contains more than 55% of natural and recycled materials. To achieve these performance R&D used the latest virtual simulation technologies. [Results] In 2023 in Europe the Pirelli portfolio in class A/B is represented by 27% of the range, up 4% from the previous year. Specifically, the new labelled codes introduced by Pirelli worldwide in 2023 have a very strong low rolling resistance imprinting: 55% have A/B labels, up to 5% from the previous year (50% in 2022).*

# Climate change

## (3.6.1.1) Opportunity identifier

*Select from:*

☑ Opp2

## (3.6.1.3) Opportunity type and primary environmental opportunity driver

**Energy source**

☑ Use of low-carbon energy sources

## (3.6.1.4) Value chain stage where the opportunity occurs

*Select from:*

☑ Direct operations

## (3.6.1.5) Country/area where the opportunity occurs

*Select all that apply*

- ☑ China
- ☑ Italy
- ☑ Brazil
- ☑ Mexico
- ☑ Turkey
- ☑ United Kingdom of Great Britain and Northern Ireland
- ☑ Germany
- ☑ Romania
- ☑ Argentina
- ☑ Russian Federation
- ☑ United States of America

## (3.6.1.8) Organization specific description

*The potential decrease of the energy price on the back of renewables growth in national energy mixes represents an opportunity in terms of power sourcing. The opportunity, which mainly relates to all the Pirelli tyre production plants in different countries, concerns the chance of procuring energy from renewable sources (useful to support the Group's targets on renewables) at a price that is often equal to / lower than the market (with economic benefit). Furthermore, the transition to renewable energy makes it possible to differentiate the sources of energy supply, with the benefit of balancing price volatility, and to reduce dependence on fossil fuels which are often affected by the effects of international geopolitical scenarios in terms of availability and price (risk mitigation). Specifically, Pirelli has the target to source 100% renewable electricity by 2025: the availability on the market of new shares of renewable energy, at the same cost of the energy from traditional sources, support Pirelli in achieving its target with a lower opex than expected in the Industrial Plan. The benefits for the company also concerns marketing opportunities and competitive advantage towards Original Equipment Customers interested in having tires produced with low CO2 emissions. As example, in the plant of Silao (Mexico) Pirelli activated a Power Purchase Agreement (PPA) for the dedicated supply of electrical energy generated from wind sources with a cost lower than the national grid.*

## (3.6.1.9) Primary financial effect of the opportunity

*Select from:*

☑ Reduced indirect (operating) costs

## (3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ Long-term

## (3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

*Select from:*

☑ More likely than not (50–100%)

## (3.6.1.12) Magnitude

*Select from:*

☑ Low

## (3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

*Possible decrease in operating costs thanks to opportunities in renewable energy initiatives with prices that can be lower than the one available in national markets.*

## (3.6.1.15) Are you able to quantify the financial effects of the opportunity?

*Select from:*

☑ Yes

## (3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

*2000000*

## (3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

*2000000*

## (3.6.1.23) Explanation of financial effect figures

*The impact is based on potential decrease of the energy price on the back of renewables growth in the national energy mixes of the country we operate in. The forecast analysis on electricity price at 2030 is based on IEA scenarios: Stated Energy Policies Scenario (considers only the impact of those policies and measures that are firmly enshrined in legislation) and Announced Pledges Scenario (aligned to the main policies already implemented and forecasted). The Pirelli CCRA shows that an increase in renewables inside national electricity mixes is likely to result in a decrease in the price level (due to more energy available at zero cost) and an increase in volatility. The financial opportunity related to the potential savings on monetary costs represent the average of the calculations made for each of the two scenarios above. For each of the two scenario, the financial impact has been calculated as follows: Financial Impact (EUR)  Sum of the "Financial Impacts of each Pirelli manufacturing plant (EUR)". Financial Impact of each Pirelli manufacturing plant (EUR)  "expected energy consumption (MWh) of the plant" * "expected cost of electricity (EUR/MWh) in the country where the plant is located".*

## (3.6.1.24) Cost to realize opportunity

*30000*

## (3.6.1.25) Explanation of cost calculation

*The estimation is based on a qualitative and quantitative benchmark analysis carried out with the support of the Energy Purchasing Department and local consultants, in order to assess renewable/traditional energy prices and availability. The cost to realize the opportunities is limited to the payment of the benchmark analyzes and the price of the consultancy. The opportunity described here, in fact, exclusively concerns the evolution of electricity market prices due to the energy transition.*

## (3.6.1.26) Strategy to realize opportunity

*In the last Pirelli Climate Change Risk Assessment a cost saving was quantified with 2030 horizon only thanks to the energy transition. This opportunity can be further exploited by expanding the Group renewable energy purchasing strategy. This strategy is focusing on different approaches like: looking at electricity with renewable attributes (Guarantee of Origin in EU) or purchased directly from the generators through Power Purchase Agreement (PPA), while in Brazil Pirelli is taking advantage of the thermal energy produced by biomass that is in turn used to generate steam. Based on a qualitative and quantitative analysis carried out with the support of the Energy Purchasing Department and local consultants (in order to assess renewable/traditional energy prices and availability), we have estimated that this opportunity may be obtained only by expanding the base of possible energy providers. [Case-study]: [Situation] The potential decrease of the energy price on the back of renewables growth in national energy mixes represents an opportunity for Pirelli's tyre production plants to procure directly green energy with 2 main benefits: support the Group CO2 reduction target and purchase energy at a price which, thanks to incentives, in some cases is lower than average market price.[Task] Pirelli decided to enhance the share of renewable energy in all the regions with a manufacturing plants (Europe, North and south America, APAC, and Russia). To exploit the opportunities, Pirelli has implemented a benchmarking program also with the support of consultants. [Action] As example, Pirelli has entered into PPA with wind electricity generator in Mexico for the supply, in 2023, of 17 GWh of renewable electricity, covering more than 10% of the total electrical consumption of the plant of Silao. The cost of the electricity sourced through this agreement is lower than the national grid price, with economic advantages on the operative expenses of the factory. [Results] The annual monetary savings thanks to this initiative is around 60,000 EUR for 2023 (estimated on the difference between the grid and the PPA prices) with an avoided emission of about 8,000 tons of CO2e.*
*[Add row]*

# (3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

## Climate change

## (3.6.2.1) Financial metric

*Select from:*

☑ Revenue

## (3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

*0*

## (3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

*Select from:*

☑ Less than 1%

## (3.6.2.4) Explanation of financial figures

*As per ERM impact metrics, potential gains are deemed not substantive (value 0) for climate-related opportunities.*
*[Add row]*

# C4. Governance

## (4.1) Does your organization have a board of directors or an equivalent governing body?

### (4.1.1) Board of directors or equivalent governing body

*Select from:*

☑ Yes

### (4.1.2) Frequency with which the board or equivalent meets

*Select from:*

☑ More frequently than quarterly

### (4.1.3) Types of directors your board or equivalent is comprised of

*Select all that apply*

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

### (4.1.4) Board diversity and inclusion policy

*Select from:*

☑ Yes, and it is publicly available

### (4.1.5) Briefly describe what the policy covers

*On 14 February 2019, the Board of Directors of Pirelli approved the "Diversity and Independence Statement", which states the criteria of diversity and independence that the Board of Directors suggests to observe in the composition of the Board of Directors and of the Board of Statutory Auditors of Pirelli. Pirelli's objective is to guarantee the inclusion of diverse professional profiles in the Board of Directors and Board of Statutory Auditors. This diversity also takes into account the importance of the balanced presence of independent members, as well as balanced gender representation, in addition to the benefits that can be derived from the presence of a variety of age groups.*

## (4.1.6) Attach the policy (optional)

*Pirelli_Diversity_and_Independence_Statement.pdf*
*[Fixed row]*

## (4.1.1) Is there board-level oversight of environmental issues within your organization?

| | Board-level oversight of this environmental issue |
|---|---|
| Climate change | *Select from:*<br>☑ Yes |
| Forests | *Select from:*<br>☑ Yes |
| Water | *Select from:*<br>☑ Yes |
| Biodiversity | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

### Climate change

## (4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

*Select all that apply*

☑ Chief Executive Officer (CEO)

☑ Board-level committee

## (4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

*Select from:*

☑ Yes

## (4.1.2.3) Policies which outline the positions' accountability for this environmental issue

*Select all that apply*

☑ Board mandate

## (4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

*Select from:*

☑ Scheduled agenda item in every board meeting (standing agenda item)

## (4.1.2.5) Governance mechanisms into which this environmental issue is integrated

*Select all that apply*

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving and/or overseeing employee incentives

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

## (4.1.2.7) Please explain

*Within the BoD, the position of CEO is delegated to sust. topics, including those relating to environm. management and targets. In this role, he is entrusted with the task of overseeing matters related to the group's operations and implementing the guidelines set by the BoD, with the support of the Board Sust. Committee (BSC), established in 2023 by the BoD in compliance with the Code of Corp. Governance and the Bylaws, which considers the results of the environm. issues risk*

*assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance. i) "Reviewing […] risk manag. process": the BoD, supported by the Audit Risks and Corp. Governance Committee, has responsibility for the adoption of an adequate risk management system. In this context, the results of risk assessments on Climate and Water, as well as the materiality mapping of Impacts and the related mitigation and responsible management strategies, are submitted to this Committee and then to the BoD. ii) "Overseeing […] targets": Decarbonization and climate-related targets are proposed to the BoD for approval by the CSO after consultation with all the corp. functions within the Strategic Sust. Committee (body chaired by the CEO and composed of the Top Management). iii) "Monitoring […] targets": The BoD receives updates on Group's performances against targets at least annually. Environm. targets and disclosure on performances are included in the Consolidated Non-Financial Disclosure which is supervised by the Board of Statutory Auditors (BoSA) and approved by the BoD. iv) "Overseeing […] transition plan": The BoD approves objectives and targets of the Group's Industrial Plan which fully integrates the Sust. Plan (incl. the Climate Transition Plan as part of the sust. development strategy). v) "Monitoring […] transition plan": The BoD receives updates on the transition plan implementation at least annually. Environm. targets and disclosure on performances are included in the Consolidated Non-Financial Disclosure, which is supervised by the BoSA and approved by the BoD. vi) "Overseeing […] Strategy": The BoD, supported by the BSC, approves the strategies and objectives for sust. Management, integrated in the Industrial Plan. with reference to all areas of management, including those on climate change. vii) "[…] incentives": The BoD approves the Remuneration Policy. The LTI Plan includes a CO2 reduction target (10% of the bonus total weight) which refers to the Group's absolute CO2 emission (Scope 1 and 2) set in the climate transition plan. Examples of decisions in 2023: the CEO endorsed Pirelli's commitment to the SBTi NZ standard and approved the strategy of achieving Net-Zero emissions by 2040 (the most ambitious in tyre sector); The Sustainability Committee agreed on the strategy and targets (including the ones referring to issue in column 0) to be included in the new industrial plan.*

## Forests

### (4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

*Select all that apply*

☑ Chief Executive Officer (CEO)

☑ Board-level committee

### (4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

*Select from:*

☑ Yes

### (4.1.2.3) Policies which outline the positions' accountability for this environmental issue

*Select all that apply*

☑ Board mandate

### (4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

*Select from:*

☑ Scheduled agenda item in every board meeting (standing agenda item)

## (4.1.2.5) Governance mechanisms into which this environmental issue is integrated

*Select all that apply*

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding the development of a business strategy

## (4.1.2.7) Please explain

*Within the BoD, the position of CEO is delegated to sustainability. topics, including those relating to environm. Management ( including supply chain and Natural Rubber sustainability) and targets. In this role, he is entrusted with the task of overseeing matters related to the group's operations and implementing the guidelines set by the BoD, with the support of the Board Sust. Committee (BSC), established in 2023 by the BoD in compliance with the Code of Corp. Governance and the Bylaws, which considers the results of the environm. issues risk assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance. i) "Reviewing […] risk manag. process": the BoD, supported by the Audit Risks and Corp. Governance Committee, has responsibility for the adoption of an adequate risk management system. In this context, the results of risk assessments on Natural Rubber, as well as the materiality mapping of Impacts and the related mitigation and responsible management strategies, are submitted to this Committee and then to the BoD. ii) "Overseeing […] targets": Forest and Natural rubber related targets are proposed to the BoD for approval by the CSO after consultation with all the corp. functions within the Strategic Sust. Committee (body chaired by the CEO and composed of the Top Management). iii) "Monitoring […] targets": The BoD receives updates on Group's performances against targets at least annually. Environm. targets and disclosure on performances are included in the Consolidated Non-Financial Disclosure which is supervised by the Board of Statutory Auditors (BoSA) and approved by the BoD. iv) "Overseeing […] Strategy": The BoD, supported by the BSC, approves the strategies and objectives for sust. Management, integrated in the Industrial Plan. with reference to all areas of management, including those on natural rubber sustainability. As specified in Pirelli's Sustainable Natural Rubber Policy, Pirelli is committed to increasing the transparency and traceability of the natural rubber supply chain. In terms of Governance, the BoD, supported by the Board Sustainability Committee, approves the environmental management objectives and targets integrated into the Industrial Plan, including those relating to Natural Rubber. In turn, Pirelli's Top Management also plays a strategic role in the full implementation of Pirelli's Environmental Management Model and related strategic objectives on this matter. Natural Rubber and deforestation, such as the other environmental issues, is subject to risk assessments in line with the company's ERM methodology, both with reference to Pirelli's sites and the supply chain. Examples of forest-related decisions: CEO endorsed the integration in the Pirelli's Health, Safety and Environment Policy, of the Group's commitment on minimizing impacts on biodiversity, ecosystem services and the prevention of deforestation.*

# Water

## (4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

*Select all that apply*

☑ Chief Executive Officer (CEO)

☑ Board-level committee

## (4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

*Select from:*

☑ Yes

## (4.1.2.3) Policies which outline the positions' accountability for this environmental issue

*Select all that apply*

☑ Board mandate

## (4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

*Select from:*

☑ Scheduled agenda item in every board meeting (standing agenda item)

## (4.1.2.5) Governance mechanisms into which this environmental issue is integrated

*Select all that apply*

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding the development of a business strategy

## (4.1.2.7) Please explain

*Within the BoD, the position of CEO is delegated to sustainability. topics, including those relating to environm. Management, including water security, and targets. In this role, he is entrusted with the task of overseeing matters related to the group's operations and implementing the guidelines set by the BoD, with the support of the Board Sust. Committee (BSC), established in 2023 by the BoD in compliance with the Code of Corp. Governance and the Bylaws, which considers the results of the environm. issues risk assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance. i) "Reviewing […] risk manag. process": the BoD, supported by the Audit Risks and Corp. Governance Committee, has responsibility for the adoption of an adequate risk management system. In this context, the results of risk assessments on Water Issue, as well as the materiality mapping of Impacts*

*and the related mitigation and responsible management strategies, are submitted to this Committee and then to the BoD. ii) "Overseeing […] targets": water elated targets are proposed to the BoD for approval by the CSO after consultation with all the corp. functions within the Strategic Sust. Committee (body chaired by the CEO and composed of the Top Management). iii) "Monitoring […] targets": The BoD receives updates on Group's performances against targets at least annually. Environm. targets and disclosure on performances are included in the Consolidated Non-Financial Disclosure which is supervised by the Board of Statutory Auditors (BoSA) and approved by the BoD. iv) "Overseeing […] Strategy": The BoD, supported by the BSC, approves the strategies and objectives for sust. Management, integrated in the Industrial Plan. with reference to all areas of management, including those water. Examples of water-related decisions: CEO endorsed the target of the Group related to water specific withdrawal as actually published in the Industrial Plan.*

## Biodiversity

### (4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

*Select all that apply*

☑ Chief Executive Officer (CEO)

☑ Board-level committee

### (4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

*Select from:*

☑ Yes

### (4.1.2.3) Policies which outline the positions' accountability for this environmental issue

*Select all that apply*

☑ Board mandate

### (4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

*Select from:*

☑ Scheduled agenda item in every board meeting (standing agenda item)

### (4.1.2.5) Governance mechanisms into which this environmental issue is integrated

*Select all that apply*

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding the development of a business strategy

## (4.1.2.7) Please explain

*Within the BoD, the position of CEO is delegated to sust. topics, including those relating to environm. management and targets. In this role, he is entrusted with the task of overseeing matters related to the group's operations and implementing the guidelines set by the BoD, with the support of the Board Sust. Committee (BSC), established in 2023 by the BoD in compliance with the Code of Corp. Governance and the Bylaws, which considers the results of the environm. issues risk assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance. i) "Reviewing […] risk manag. process": the BoD, supported by the Audit Risks and Corp. Governance Committee, has responsibility for the adoption of an adequate risk management system. In this context, the results of risk assessments on Biodiversity, as well as the materiality mapping of Impacts and the related mitigation and responsible management strategies, are submitted to this Committee and then to the BoD. ii) "Overseeing […] targets": Biodiverity related targets are proposed to the BoD for approval by the CSO after consultation with all the corp. functions within the Strategic Sust. Committee (body chaired by the CEO and composed of the Top Management). iii) "Monitoring […] targets": The BoD receives updates on Group's performances against targets at least annually. Environm. targets and disclosure on performances are included in the Consolidated Non-Financial Disclosure which is supervised by the Board of Statutory Auditors (BoSA) and approved by the BoD. iv) "Overseeing […] Strategy": The BoD, supported by the BSC, approves the strategies and objectives for sust. Management, integrated in the Industrial Plan. with reference to all areas of management, including those on biodiversity. Pirelli pays the utmost attention to ensuring that corporate activities do not interfere with the biodiversity characteristic of the value chain in which the Company operates. As specified in Pirelli's HSE Policy, Pirelli is committed to minimizing impacts on biodiversity, ecosystems and related ecosystem services. In terms of Governance, the BoD, supported by the Board Sustainability Committee, approves the environmental management objectives and targets integrated into the Industrial Plan, including those relating to biodiversity. In turn, Pirelli's Top Management also plays a strategic role in the full implementation of Pirelli's Environmental Management Model and related strategic objectives on this matter. Biodiversity, such as the other environmental issues, is subject to risk assessments in line with the company's ERM methodology, both with reference to Pirelli's sites and the supply chain. Pirelli applies the "No net loss of biodiversity" model through the "mitigation hierarchy" (i.e. avoid, minimize, restore and compensate).*
*[Fixed row]*

## (4.2) Does your organization's board have competency on environmental issues?

## Climate change

## (4.2.1) Board-level competency on this environmental issue

*Select from:*

☑ Yes

## (4.2.2) Mechanisms to maintain an environmentally competent board

*Select all that apply*

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

## (4.2.3) Environmental expertise of the board member

**Experience**

☑ Active member of an environmental committee or organization

# Forests

## (4.2.1) Board-level competency on this environmental issue

*Select from:*

☑ Yes

## (4.2.2) Mechanisms to maintain an environmentally competent board

*Select all that apply*

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

## (4.2.3) Environmental expertise of the board member

**Experience**

☑ Active member of an environmental committee or organization

## Water

### (4.2.1) Board-level competency on this environmental issue

*Select from:*

☑ Yes

### (4.2.2) Mechanisms to maintain an environmentally competent board

*Select all that apply*

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

### (4.2.3) Environmental expertise of the board member

**Experience**

☑ Active member of an environmental committee or organization

*[Fixed row]*

## (4.3) Is there management-level responsibility for environmental issues within your organization?

| | Management-level responsibility for this environmental issue |
|---|---|
| Climate change | *Select from:*<br>☑ Yes |

| | Management-level responsibility for this environmental issue |
|---|---|
| Forests | *Select from:*<br>☑ Yes |
| Water | *Select from:*<br>☑ Yes |
| Biodiversity | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

### Climate change

### (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Executive Officer (CEO)

### (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

**Strategy and financial planning**

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the board directly

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Within the BoD, the position of CEO is delegated to sustainability topics, including those relating to environmental management and related climate change and decarbonisation targets. In this role, the CEO is entrusted with the task of overseeing matters related to the group's operations and its dynamics of interaction with all stakeholders and implementing the guidelines set by the BoD, with the support of the Board Sustainability Committee (established in 2023 by the BoD and of which the CEO is also a member as a Director) which considers the results of the environmental issues risk assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance.*

# Forests

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Executive Officer (CEO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the board directly

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Within the BoD, the position of CEO is delegated to sustainability topics, including those relating to environmental management, including natural rubber and forest issue, and targets. In this role, the CEO is entrusted with the task of overseeing matters related to the group's operations and its dynamics of interaction with all stakeholders and implementing the guidelines set by the BoD, with the support of the Board Sustainability Committee (established in 2023 by the BoD and of which the CEO is also a member as a Director) which considers the results of the environmental issues risk assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance.*

# Water

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Executive Officer (CEO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the board directly

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Within the BoD, the position of CEO is delegated to sustainability topics, including those relating to environmental management, including water security, and targets. In this role, the CEO is entrusted with the task of overseeing matters related to the group's operations and its dynamics of interaction with all stakeholders and implementing the guidelines set by the BoD, with the support of the Board Sustainability Committee (established in 2023 by the BoD and of which the CEO is also a member as a Director) which considers the results of the environmental issues risk assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance.*

# Biodiversity

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Executive Officer (CEO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the board directly

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Within the BoD, the position of CEO is delegated to sustainability topics, including those relating to environmental management, including biodiversity and nature-related issue, and targets. In this role, the CEO is entrusted with the task of overseeing matters related to the group's operations and its dynamics of interaction with all stakeholders and implementing the guidelines set by the BoD, with the support of the Board Sustainability Committee (established in 2023 by the BoD and of which the CEO is also a member as a Director) which considers the results of the environmental issues risk assessment, and relevant management measures, within their activity related also to all the aspects, risks, strategies, planning and reporting related to ESG governance.*

## Climate change

### (4.3.1.1) Position of individual or committee with responsibility

**Committee**

☑ Sustainability committee

### (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

**Strategy and financial planning**

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

### (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**High level Managerial “Strategic Sustainability Committee” reports to the board through the Board “Sustainability Committee”.

### (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Pirelli's Board Sustainability Committee, and reporting to the latter, there is the Pirelli Group "Sustainability Strategic Committee", a High-level Managerial Committee, chaired by the EV Chairman, that gather top managers from all group's functions to discuss the definition and the implementation of the sustainability strategy (also including climate change) and to share the results achieved. Responsibility has been assigned to this committee, as it represents the highest internal multi-stakeholder groups active on sustainability issues. The Committee has strategic competence and meets quarterly with the aim to set and revise sustainability related targets and define the climate transition plan of the company. In support of this committee, there is an "Operational Sustainability Committee", chaired by the CEO and consisting of the Company's Top Management, with responsibility for the strategic-operational management of the Group's sustainability issues, including, among others, climate change, decarbonization, reduction of environmental impacts of products and processes, supply chain sustainability, ESG risks and opps. This Operational Committee, which meets monthly, oversees the implementation of the initiatives defined and approved by the Strategic Committee. During the meetings, both Strategic and Operational committees receive an update of the main envir. KPIs (incl. Climate) and the progress against targets.*

# Climate change

## (4.3.1.1) Position of individual or committee with responsibility

**Committee**

☑ Risk committee

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

## (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**Reporting to the board through the Audit, Risks and Corporate Governance Board Committee

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Pirelli "Audit, Risks and Corporate Governance board Committee", and reporting to the latter, there is the Group "Risk Committee", a High-level Managerial Committee, which evaluate the climate change risk assessment (Assessing and Managing climate-related Risks and Opportunities) and define the strategies to mitigate these risks, as well as the related opportunities to be brought at the table of the Board Committee. The Risk Management Managerial Committee meets quarterly and has, among others, the responsibility to propose strategies to respond to the risk in relation to the overall and detailed exposure to the various categories of risks. Responsibility has been assigned to this committees, as it represents the highest internal multi-stakeholder groups active on risk issues.*

# Climate change

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Sustainability Officer (CSO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the Chief Executive Officer (CEO)

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Sustainability Strategic Committee, and reporting contextually to the CEO, there is the "Chief Sustainability Officer" (Director of Sustainability and New Mobility Dept.) who is in charge of definition and monitoring the execution of the sustainability activities, including monitoring the progress against climate-related corporate targets. The CSO supervises management at Group level and proposes sustainable development plans to the Sustainability Strategic Committee and he is responsible for overseeing climate change and decarbonisation related topics at Group level and proposing associated targets to the Sustainability Strategic Committee. Together with CRO (i.e. the ERM function), the CSO (i.e. the Sustainability function) assesses and manages climate-related risks and opportunities, carrying out the Group Climate Change Risk Assessment.*

# Climate change

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Risks Officer (CRO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Other**

☑ Other, please specify **:**Managing annual budgets for business continuity also related to climate risks mitigation

## (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**Risk - CRO reporting line

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Risk Committee, there is the "Chief Risk Officer", who is in charge of performing and updating of the risks assessment, coordinating with the CSO on sustainability risks. Being climate-related risks fully integrated in the company risk management, CRO has a fundamental role in monitoring and managing, in coordination with CSO, climate related issues. As example of this coordination, in operative terms, the climate change risk assessment is conducted jointly by the Sustainability and ERM depts. And directly involves the Country Sustainability Officers (who are the country CEOs in Pirelli Organization) and the Country CFOs of the different affiliates in the world, as well as Group and Country HSE and Operation Directors. Together with CSO (i.e. the Sustainability function), the CRO (i.e. the ERM function) assesses and manages climate-related risks and opportunities, carrying out the Group Climate Change Risk Assessment. The CRO also manage the budget for risk management activities.*

# Forests

## (4.3.1.1) Position of individual or committee with responsibility

**Committee**

☑ Sustainability committee

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**High level Managerial “Strategic Sustainability Committee” reports to the board through the Board “Sustainability Committee”.

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Pirelli's Board Sustainability Committee, and reporting to the latter, there is the Pirelli Group "Sustainability Strategic Committee", a High level Managerial Committee, chaired by the EV Chairman, that gather top managers from all group’s functions to discuss the definition and the implementation of the sustainability strategy (also including Natural Rubber and deforestation sustainability issue) and to share the results achieved. Responsibility has been assigned to this committee, as it represents the highest internal multi-stakeholder groups active on sustainability issues. The Committee has strategic competence and meets quarterly with the aim to set and revise sustainability related targets. In support of this committee, there is an “Operational Sustainability Committee”, chaired by the CEO and consisting of the Company’s Top Management, with responsibility for the strategic-operational management of the Group’s sustainability issues, including, among others, climate change, decarbonization, reduction of environmental impacts of products and processes (incl. Natural Rubber and deforestation issue), supply chain sustainability, ESG risks and opps. This Operational Committee, which meets monthly, oversees the implementation of the initiatives defined and approved by the Strategic Committee. During the meetings, both Strategic and Operational committees receive an update of the main envir. KPIs (incl. Natural Rubber and deforestation) and the progress against targets.*

# Forests

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Sustainability Officer (CSO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the Chief Executive Officer (CEO)

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Sustainability Strategic Committee, and reporting contextually to the CEO, there is the "Chief Sustainability Officer" (Director of Sustainability and New Mobility Dept.) who is in charge of definition and monitoring the execution of the sustainability activities, including the sustainability of the natural rubber supply chain. The CSO supervises management at Group level and proposes sustainable development plans to the Sustainability Strategic Committee and he is responsible for overseeing environmental related topics at Group level and proposing associated targets to the Sustainability Strategic Committee.*

# Water

## (4.3.1.1) Position of individual or committee with responsibility

**Committee**

☑ Sustainability committee

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**High level Managerial “Strategic Sustainability Committee” reports to the board through the Board “Sustainability Committee”.

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Pirelli's Board Sustainability Committee, and reporting to the latter, there is the Pirelli Group "Sustainability Strategic Committee", a High level Managerial Committee, chaired by the EV Chairman, that gather top managers from all group’s functions to discuss the definition and the implementation of the sustainability strategy (also including water issue) and to share the results achieved. Responsibility has been assigned to this committee, as it represents the highest internal multi-stakeholder groups active on sustainability issues. The Committee has strategic competence and meets quarterly with the aim to set and revise sustainability related targets. In support of this committee, there is an “Operational Sustainability Committee”, chaired by the CEO and consisting of the Company’s Top Management, with responsibility for the strategic-operational management of the Group’s sustainability issues, including, among others, climate change, decarbonization, reduction of environmental impacts of products and processes (incl. water issue), supply chain sustainability, ESG risks and opps. This Operational Committee, which meets monthly, oversees the implementation of the initiatives defined and approved by the Strategic Committee. During the meetings, both Strategic and Operational committees receive an update of the main envir. KPIs (incl. water) and the progress against targets.*

# Water

## (4.3.1.1) Position of individual or committee with responsibility

**Committee**

☑ Risk committee

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

## (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**Reporting to the board through the Audit, Risks and Corporate Governance Board Committee

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Pirelli "Audit, Risks and Corporate Governance board Committee", and reporting to the latter, there is the Group "Risk Committee", a High-level Managerial Committee, which evaluate the climate change and water stress risk assessment (Assessing and Managing climate-related Risks and Opportunities) and define the strategies to mitigate these risks, as well as the related opportunities to be brought at the table of the Board Committee. The Risk Management Managerial Committee meets quarterly and has, among others, the responsibility to propose strategies to respond to the risk in relation to the overall and detailed exposure to the various categories of risks. Responsibility has been assigned to this committees, as it represents the highest internal multi-stakeholder groups active on risk issues.*

# Water

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Sustainability Officer (CSO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the Chief Executive Officer (CEO)

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Sustainability Strategic Committee, and reporting contextually to the CEO, there is the "Chief Sustainability Officer" (Director of Sustainability and New Mobility Dept.) who is in charge of definition and monitoring the execution of the sustainability activities, including monitoring the progress against water corporate targets. The CSO supervises management at Group level and proposes sustainable development plans to the Sustainability Strategic Committee and he is responsible for overseeing climate change and water stress related topics at Group level and proposing associated targets to the Sustainability Strategic Committee. Together with CRO (i.e. the ERM function), the CSO (i.e. the Sustainability function) assesses and manages environmental risks and opportunities, carrying out the Group Climate Change and water stress Risk Assessment.*

# Water

## (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Risks Officer (CRO)

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

**Other**

☑ Other, please specify **:**Managing annual budgets for business continuity also related to water risks mitigation

## (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**Risk - CRO reporting line

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Risk Committee, there is the "Chief Risk Officer", who is in charge of performing and updating of the risks assessment, coordinating with the CSO on sustainability risks. Being climate-related risks fully integrated in the company risk management, CRO has a fundamental role in monitoring and managing, in coordination with CSO, environmental related issues. As example of this coordination, in operative terms, the climate change and water stress risk assessment is conducted jointly by the Sustainability and ERM depts. And directly involves the Country Sustainability Officers (who are the country CEOs in Pirelli Organization) and the Country CFOs of the different affiliates in the world, as well as Group and Country HSE and Operation Directors. Together with CSO (i.e. the Sustainability function), the CRO (i.e. the ERM function) assesses and manages water and climate-related risks and opportunities, carrying out the Group Climate Change and water stress Risk Assessment. The CRO also manage the budget for risk management activities.*

# Biodiversity

## (4.3.1.1) Position of individual or committee with responsibility

**Committee**

☑ Sustainability committee

## (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

## (4.3.1.4) Reporting line

*Select from:*

☑ Other, please specify **:**High level Managerial “Strategic Sustainability Committee” reports to the board through the Board “Sustainability Committee”.

## (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

## (4.3.1.6) Please explain

*Below the Pirelli's Board Sustainability Committee, and reporting to the latter, there is the Pirelli Group "Sustainability Strategic Committee", a High level Managerial Committee, chaired by the EV Chairman, that gather top managers from all group’s functions to discuss the definition and the implementation of the sustainability strategy (also including biodiversity issue) and to share the results achieved. Responsibility has been assigned to this committee, as it represents the highest internal multi-stakeholder groups active on sustainability issues. The Committee has strategic competence and meets quarterly with the aim to set and revise sustainability related targets. In support of this committee, there is an “Operational Sustainability Committee”, chaired by the CEO and consisting of the Company’s Top Management, with responsibility for the strategic-operational management of the Group’s sustainability issues, including, among others, climate change, decarbonization, reduction of environmental impacts of products and processes (incl. biodiersity issue), supply chain sustainability, ESG risks and opps. This*

*Operational Committee, which meets monthly, oversees the implementation of the initiatives defined and approved by the Strategic Committee. During the meetings, both Strategic and Operational committees receive an update of the main envir. KPIs (incl. biodiversity) and the progress against targets.*

## Biodiversity

### (4.3.1.1) Position of individual or committee with responsibility

**Executive level**

☑ Chief Sustainability Officer (CSO)

### (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Measuring progress towards environmental corporate targets

### (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the Chief Executive Officer (CEO)

### (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Quarterly

### (4.3.1.6) Please explain

*Below the Sustainability Strategic Committee, and reporting contextually to the CEO, there is the "Chief Sustainability Officer" (Director of Sustainability and New Mobility Dept.) who is in charge of definition and monitoring the execution of the sustainability activities, including monitoring the progress against nature-related*

*corporate targets (incl. biodiversity). The CSO supervises management at Group level and proposes sustainable development plans to the Sustainability Strategic Committee and he is responsible for overseeing Nature related topics at Group level and proposing associated targets to the Sustainability Strategic Committee. [Add row]*

## (4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

### Climate change

#### (4.5.1) Provision of monetary incentives related to this environmental issue

*Select from:*

☑ Yes

#### (4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

*15*

#### (4.5.3) Please explain

*Both the Chief Executive Officer (CEO), the Chief Procurement Officer (CPO), Senior Managers and Executives have part of their variable remuneration linked to Group's CO2 emissions reduction target. They're beneficiary of the Long-Term Incentive (LTI) Plan. which is linked to the achievement of annual economic-financial or functional objectives, to which two sustainability objectives are included: CO2 emission reduction (15% of the total weight); Pirelli's positioning in the Dow Jones Sustainability World Index ATX Auto Component sector (10% of the total weight). Regarding the CO2 emission reduction objective, it refers to the Group's absolute CO2 emission (Scope 1 and scope 2 market based). The targets set in the LTI plans represent a performance consistent with the corresponding targets disclosed to the market and approved by the SBTi.*

### Forests

#### (4.5.1) Provision of monetary incentives related to this environmental issue

*Select from:*

☑ Yes

#### (4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

*2*

## (4.5.3) Please explain

*The purchasing department is responsible for the purchase of natural rubber which impacts compliance with the EUDR regulation. The buyer of Natural Rubber have an Annual Incentive Plan which includes specific target on extra cost containment for the purchase of EUDR-compliant natural rubber (vs Natural rubber non-EUDR compliant). In addition, the Chief Executive Officer (CEO), the Chief Procurement Officer (CPO), Senior Managers and Executives are beneficiary of the Long-Term Incentive (LTI) Plan which is linked to the achievement of annual economic-financial or functional objectives, to which two sustainability objectives are included: CO2 emission reduction (15% of the total weight); Pirelli's positioning in the Dow Jones Sustainability World Index ATX Auto Component sector (10% of the total weight). The latter also includes the performances recorded for forest management.*

# Water

## (4.5.1) Provision of monetary incentives related to this environmental issue

*Select from:*

☑ Yes

## (4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

*10*

## (4.5.3) Please explain

*HSE Director have an Annual Incentive Plan which includes specific targets on water withdrawal reduction and the improvement of water efficiency in operations (with a weight of 5% of the total). In addition, together with Employees, Senior Managers and Executives who have a Short Time Incentive (STI) Plan has also a target on low carbon product ("Volumes of Eco & Safety Performance tyres") that indirectly impact water consumption downstream (with a weight of 5% of the total). Eco & Safety Performance products identify the low rolling resistance car tyres that Pirelli produces throughout the world. These products reduce vehicle CO2 emissions and the water indirect impact, due to fuel production, in the use phase compared to standard tyres: by increasing volumes from this products, the company reduces the overall water footprint of its business. Therefore The "Eco & Safety Volumes" also represent a KPI of indirect water impact reduction of the value chain.*
*[Fixed row]*

## (4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

## Climate change

### (4.5.1.1) Position entitled to monetary incentive

**Board or executive level**

☑ Chief Executive Officer (CEO)

### (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus - % of salary

### (4.5.1.3) Performance metrics

**Emission reduction**

☑ Reduction in absolute emissions

### (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)

### (4.5.1.5) Further details of incentives

*The Chief Executive Officer is beneficiary of the Long-Term Incentive (LTI) Plan. The LTI Plan is linked to the achievement of annual economic-financial or functional objectives, to which two sustainability objectives are included: CO2 emission reduction (15% of the total weight); Pirelli's positioning in the Dow Jones Sustainability World Index ATX Auto Component sector (10% of the total weight).*

### (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*The reduction objective refers to the Group's absolute CO2 emission (Scope 1 and scope 2 market based). The targets set in the LTI plan represent a performance consistent with the corresponding targets (approved by SBTi) disclosed to the market) and aligned with the organization's climate transition plan.*

## Forests

### (4.5.1.1) Position entitled to monetary incentive

**Senior-mid management**

☑ Buyers/purchasers

### (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus - % of salary

### (4.5.1.3) Performance metrics

**Targets**

☑ Other targets-related metrics, please specify **:**Target to limit the spread of average purchase costs of EUDR-compliant natural rubber compared to non-EUDR-compliant natural rubber

### (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

### (4.5.1.5) Further details of incentives

*The purchasing department is also responsible for the purchase of natural rubber which impacts compliance with the EUDR regulation. The NR buyer has the incentive on a target of extra cost containment for the purchase of EUDR-compliant natural rubber*

### (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*The incentive contributes to cost containment in relation to the group target for compliance with the entry into force of the EUDR relating to natural rubber.*

## Water

### (4.5.1.1) Position entitled to monetary incentive

**Board or executive level**

☑ Other C-Suite Officer, please specify **:**HSE Director

### (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus - % of salary

### (4.5.1.3) Performance metrics

**Resource use and efficiency**

☑ Reduction of water withdrawals – direct operations

☑ Improvements in water efficiency – direct operations

### (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

### (4.5.1.5) Further details of incentives

*the HSE dept. management has the oversight of group water management and in particular on the reduction of water withdrawal. Consequently the STI incentive scheme has specific function objectives including the targets for the reduction of water withdrawal*

### (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*The incentive contributes to the group target related to the water withdrawal reduction as disclosed in the industrial plan*

## Climate change

### (4.5.1.1) Position entitled to monetary incentive

**Board or executive level**

☑ Chief Procurement Officer (CPO)

### (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus - % of salary

### (4.5.1.3) Performance metrics

**Emission reduction**

☑ Reduction in absolute emissions

### (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)

### (4.5.1.5) Further details of incentives

*The Chief Procurement Officer is beneficiary of the Long-Term Incentive (LTI) Plan. The LTI Plan is linked to the achievement of annual economic-financial or functional objectives, to which two sustainability objectives are included: CO2 emission reduction (15% of the total weight); Pirelli's positioning in the Dow Jones Sustainability World Index ATX Auto Component sector (10% of the total weight).*

### (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*The reduction objective refers to the Group's absolute CO2 emission (Scope 1 and scope 2 market based). The targets set in the LTI plan represent a performance consistent with the corresponding targets (approved by SBTi) disclosed to the market) and aligned with the organization's climate transition plan.*

## Climate change

### (4.5.1.1) Position entitled to monetary incentive

**Board or executive level**

☑ Corporate executive team

### (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus - % of salary

### (4.5.1.3) Performance metrics

**Emission reduction**

☑ Reduction in absolute emissions

### (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)

### (4.5.1.5) Further details of incentives

*Senior Managers and Executives (determined according to the responsibility assigned and the skills required by the role held) are beneficiaries of a Long-Term Incentive (LTI) Plan. The LTI Plan is linked to the achievement of annual economic-financial or functional objectives, to which two sustainability objectives are included: CO2 emission reduction (15% of the total weight); Pirelli's positioning in the Dow Jones Sustainability World Index ATX Auto Component sector (10% of the total weight).*

### (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*The reduction objective refers to the Group's absolute CO2 emission (Scope 1 and scope 2 market based). The targets set in the LTI plan represent a performance consistent with the corresponding targets (approved by SBTi) disclosed to the market) and aligned with the organization's climate transition plan.*

## Climate change

### (4.5.1.1) Position entitled to monetary incentive

**Senior-mid management**

☑ Other senior-mid manager, please specify :All Employees, Senior Managers and Executives who have an Annual Incentive Plan

### (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus - % of salary

### (4.5.1.3) Performance metrics

**Strategy and financial planning**

☑ Increased proportion of revenue from low environmental impact products or services

### (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

### (4.5.1.5) Further details of incentives

*All Employees, Senior Managers and Executives who have an Annual Incentive Plan are covered by the Short Time Incentive (STI) Plan. The STI Plan is linked to the achievement of annual economic financial or functional objectives, to which a sustainability objective is added, named "Volumes of Eco & Safety Performance tyres" (with a weight of 5% of the total). Eco & Safety Performance products identify the low rolling resistance car tyres (that reduce the vehicle CO2 emissions compared to standard tyres) that Pirelli produces worldwide, which fall into the rolling resistance and wet grip classes A, B measured according to the labelling parameters established by European standards. The "Eco & Safety Volumes" also represent a KPI of indirect emission reduction of the value chain (Scope 3).*

## (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*With a low rolling resistance, Eco & Safety performance tyres, when compared to standard products, REDUCE the vehicle CO2 emissions during the use phase. Therefore, by increasing "Eco & Safety Performance Volumes", the scope 3 indirect emissions from the use phase of the vehicles are reduced. The objectives underlying the STI plan represent performance consistent with the corresponding objectives disclosed to the market, in particular the objectives for obtaining the incentive at minimum level are set as equal to the value disclosed to the market.*

# Climate change

## (4.5.1.1) Position entitled to monetary incentive

**Board or executive level**

☑ Corporate executive team

## (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus – set figure

## (4.5.1.3) Performance metrics

**Emission reduction**

☑ Implementation of an emissions reduction initiative

## (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ The incentives are not linked to an incentive plan, or equivalent (e.g. discretionary bonus in the reporting year)

## (4.5.1.5) Further details of incentives

*Company car fleet policy. At the end of 2011 the company's car policy was reviewed integrating new environmental issues, regarding in particular climate change. This policy is applied to all the executives in Italy who benefits from a company car. This policy has the objective to contribute to decrease the total CO2 emission of the Pirelli car fleet year by year. On top of this, the policy requires that the CO2 emissions emitted by each vehicle need to be offset by means of reforestation of areas inside and outside Italy or by support renewable energy initiatives, which are duly and officially certified. The economic weight of this offsetting is shared by Pirelli in a fixed part, and by the car users in a variable part. More specifically, the discriminating factor for this allocation is the coefficient (as measured in gCO2/km) of the least polluting car among the models provided by Pirelli. The Company covers this threshold, while the compensation of the higher emissions will be economically covered by the employee that uses the vehicle. So, the more emitting car is chosen by the employee, the higher is the "carbon tax" has to be paid.*

## (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*Aside from being an incentive to choose more sustainable cars, the new Policy has the merit of spreading the culture of environmental responsibility in a simple, tangible way, through the direct participation of employees.*

# Water

## (4.5.1.1) Position entitled to monetary incentive

**Board or executive level**

☑ Corporate executive team

## (4.5.1.2) Incentives

*Select all that apply*

☑ Bonus - % of salary

## (4.5.1.3) Performance metrics

**Strategy and financial planning**

☑ Increased proportion of revenue from low environmental impact products or services

## (4.5.1.4) Incentive plan the incentives are linked to

*Select from:*

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

## (4.5.1.5) Further details of incentives

*All Employees, Senior Managers and Executives who have an Annual Incentive Plan are covered by the Short Time Incentive (STI) Plan. The STI Plan is linked to the achievement of annual economic financial or functional objectives, to which a sustainability objective is added, named "Volumes of Eco & Safety Performance tyres" (with a weight of 5% of the total). Eco & Safety Performance products identify the low rolling resistance car tyres that Pirelli produces throughout the world and that fall under rolling resistance and wet grip classes A, B according to the labelling parameters set by European legislation. Eco & Safety Performance products reduce vehicle CO2 emissions and the water indirect impact, due to fuel production, in the use phase compared to standard tyres: by increasing volumes from this products, the company reduces the overall water footprint of its business.*

## (4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

*With a low rolling resistance, Eco & Safety performance tyres, when compared to standard products, REDUCE the vehicle fuel/energy consumption during the use phase. Therefore, by increasing "Eco & Safety Performance Volumes", the company reduces the overall water footprint of its business related to the water indirect impact due to fuel/energy production related to the use phase, compared to standard tyres. The "Eco & Safety Volumes" also represent a KPI of indirect water impact reduction of the value chain.*
*[Add row]*

# (4.6) Does your organization have an environmental policy that addresses environmental issues?

| | Does your organization have any environmental policies? |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (4.6.1) Provide details of your environmental policies.

## Row 1

### (4.6.1.1) Environmental issues covered

*Select all that apply*

☑ Climate change

☑ Forests

☑ Water

☑ Biodiversity

### (4.6.1.2) Level of coverage

*Select from:*

☑ Organization-wide

### (4.6.1.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

### (4.6.1.4) Explain the coverage

*Pirelli has a corporate equivalent policy in place, which is publicly available on our Corporate Website, including the directions and goals to address these environmental issues. To demonstrate its commitment to taking action, Pirelli included directly in the "Pirelli Industrial Plan and related multi-year strategic sustainability targets (2025-30-40)". Pirelli set targets related to all the commitments selected in column 5 "Environmental policy content" as reported in the corresponding questions of the 'Environmental Performance' modules [Please note that the page numbers provided refer to the PDF document itself (i.e. not to the footers)]: - circular economy strategy: page 68 - stakeholder engagement and capacity building: pages 28, 63 (on supplier decarbonization program), 64 (on raw material suppliers actions), 79, 80 - 100% renewable energy: pages 28, 63 - net-zero emissions: pages 10, 27, 28, 60, 62, 63 - Reduce water withdrawal volumes: page 73 - safely managed WASH: page 73 - conservation of freshwater ecosystem: page 73 - promote gender equality and women's empowerment: page 77.*

### (4.6.1.5) Environmental policy content

**Environmental commitments**

☑ Commitment to a circular economy strategy

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to stakeholder engagement and capacity building on environmental issues

**Climate-specific commitments**

☑ Commitment to 100% renewable energy

☑ Commitment to net-zero emissions

**Water-specific commitments**

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to reduce water withdrawal volumes

☑ Commitment to safely managed WASH in local communities

☑ Commitment to the conservation of freshwater ecosystems

**Social commitments**

☑ Commitment to promote gender equality and women's empowerment

**Additional references/Descriptions**

☑ Reference to timebound environmental milestones and targets

## (4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

*Select all that apply*

☑ Yes, in line with the Paris Agreement

☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

☑ Yes, in line with another global environmental treaty or policy goal, please specify **:**with the following SDGs: 3 Good Health & Well-being; 5 Gender Equality; 6 Clean Water; 7 Affordable & Clean Energy; 9 Industry, Innovation…; 11 Sustainable Cities…; 12 Resp. Consumption...; 13 Climate Action; 14 Life Below water; 15 Life on Land.

## (4.6.1.7) Public availability

*Select from:*

☑ Publicly available

## (4.6.1.8) Attach the policy

*Pirelli_Industrial_Plan_24Update.pdf*

### Row 3

## (4.6.1.1) Environmental issues covered

*Select all that apply*

☑ Forests

## (4.6.1.2) Level of coverage

*Select from:*

☑ Organization-wide

## (4.6.1.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

## (4.6.1.4) Explain the coverage

*Coverage: Pirelli is committed to promoting, developing and implementing a sustainable and responsible procurement (upstream) and use (direct operation) of natural rubber throughout its entire value chain. The n. rubber supply chain includes Producers/Farmers, Dealers, Processing Plants, Trading Companies, and Manufacturers. Pirelli is positioned at the last step of the chain, as a Tyre Manufacturer that does not own either natural rubber plantations or processing plants. Within this context Pirelli strives to be an active player in global efforts towards natural rubber sustainability, and to this aim will work together with its value chain and industrial sector to enhance transparency and further develop processes and instruments to enhance traceability, using a risk-based approach. Pirelli requires from its JV, suppliers and their subcontractors involved in producing, processing and marketing natural rubber to have appropriate management systems to ensure compliance with laws and regulations and to conform with the principles of this Policy, which is based on the following 12 pillars. I. TAKING CARE OF PEOPLE II. PROTECTING ECOSYSTEMS, FLORA AND FAUNA III. NO DEFORESTATION, NO PEAT, NO BURN IV. PRESERVING RESOURCES V. ETHICS AS THE BASE VI. TRACEABILITY AND RISK MAPPING VII. GOVERNANCE VIII. COOPERATION AND CONSTRUCTIVE DIALOGUE AS KEY LEVERS IX. INTERNATIONALLY RECOGNIZED FORMS OF CERTIFICATION X. POLICY IMPLEMENTATION XI. COMMUNICATION ON PROGRESS XII. COMPLAINT PROCEDURE*

## (4.6.1.5) Environmental policy content

**Environmental commitments**

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to stakeholder engagement and capacity building on environmental issues

**Forests-specific commitments**

☑ Commitment to no development on peat regardless of depth

☑ Commitment to best management practices for soils and peat

☑ Commitment to no land clearance by burning or clearcutting

☑ Commitment to the use of the High Conservation Value (HCV) approach

☑ Commitment to facilitate the inclusion of smallholders into the value chain

☑ Commitment to no deforestation, to no planting on peatlands, and to no exploitation (NDPE) by target date, please specify **:**Natural rubber from areas deforested or where HCVs have been degraded after the cut-off date of 1 April 2019 is considered to be non-conforming with this policy.

☑ Commitment to no-deforestation by target date, please specify **:**Natural rubber from areas deforested or where HCVs have been degraded after the cut-off date of 1 April 2019 is considered to be non-conforming with this policy.

**Social commitments**

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities

☑ Commitment to respect internationally recognized human rights

☑ Commitment to secure Free, Prior, and Informed Consent (FPIC) of indigenous people and local communities

**Additional references/Descriptions**

☑ Description of commodities covered by the policy

☑ Reference to timebound environmental milestones and targets

## (4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

*Select all that apply*

☑ Yes, in line with another global environmental treaty or policy goal, please specify **:**New York Declaration on Forests and with the following SDGs: 6 Clean Water; 15 Life on Land.

## (4.6.1.7) Public availability

*Select from:*

☑ Publicly available

## (4.6.1.8) Attach the policy

*6932_SUSTAINABLE_NATURAL_RUBBER_POLICY-DEC_2021_ENG.pdf*

### Row 4

## (4.6.1.1) Environmental issues covered

*Select all that apply*

☑ Climate change

☑ Water

☑ Biodiversity

## (4.6.1.2) Level of coverage

*Select from:*

☑ Organization-wide

## (4.6.1.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

## (4.6.1.4) Explain the coverage

*The HSE Policy applies to all Group operations conducted by Pirelli; where Pirelli does not have operational control, all business partners […] are expected to comply with the principles stated in this Policy. Pirelli: - undertakes to govern its activities with regard to the […] the environment, in full compliance with the applicable […] laws & regulations […]; - [...] communicates to its Stakeholder specific goals for […] improvement of […] environm. performances […]; - undertakes to develop products […] in compliance with the principles of the circular economy, […] to pursue climate change mitigation […] along the value chain, responsible use and reduction of consumption of natural resources and minimize pollutant emissions; - is committed to minimizing impact on biodiversity […] by adopting the principle of*

*No net loss of biodiversity […], ensuring the preservation of ecosystem services and […] deforestation; - sets environmental targets […] to reduce its products and services life cycle impacts on air, soil and water […]; - collaborates […] with institutional […] bodies concerned with the regulation […]; - requires its suppliers to apply the same […] approach at their sites and along the supply chain […] in accordance with international standards and the laws […] of the countries […]; - encourages the recipients of this document to report […] any act or omission by anyone at Pirelli […]. The Group Whistleblowing Policy, […] sets out the procedure for submitting reports.*

## (4.6.1.5) Environmental policy content

**Environmental commitments**

☑ Commitment to No Net Loss

☑ Commitment to a circular economy strategy

☑ Commitment to respect legally designated protected areas

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to stakeholder engagement and capacity building on environmental issues

☑ Commitment to implementation of nature-based solutions that support landscape restoration and long-term protection of natural ecosystems

**Climate-specific commitments**

☑ Other climate-related commitment, please specify :pursue climate change mitigation and decarbonisation along the value chain

**Water-specific commitments**

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to reduce water consumption volumes

**Additional references/Descriptions**

☑ Description of environmental requirements for procurement

☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

## (4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

*Select all that apply*

☑ Yes, in line with another global environmental treaty or policy goal, please specify **:** the European Union’s new growth strategy (known as “Green Deal”)

## (4.6.1.7) Public availability

*Select from:*

☑ Publicly available

## (4.6.1.8) Attach the policy

*8227_Policy_HSE_Aug2023_EN.pdf*

### Row 5

## (4.6.1.1) Environmental issues covered

*Select all that apply*

☑ Climate change

☑ Forests

☑ Water

☑ Biodiversity

## (4.6.1.2) Level of coverage

*Select from:*

☑ Organization-wide

## (4.6.1.3) Value chain stages covered

*Select all that apply*

☑ Upstream value chain

## (4.6.1.4) Explain the coverage

*Pirelli Supplier Code of Conduct sets out the values and the requirements Pirelli expects all its Suppliers to respect and implement, provided they shall always comply with national, international, regional and/or local laws and regulations applicable in the Countries they operate in and/or to the goods and services they supply. This Supplier Code of Conduct shall constitute an integral part of the relationship between Pirelli and its Suppliers.*

## (4.6.1.5) Environmental policy content

**Social commitments**

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to respect internationally recognized human rights

**Additional references/Descriptions**

☑ Description of environmental requirements for procurement

## (4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

*Select all that apply*

☑ No, and we do not plan to align in the next two years

## (4.6.1.7) Public availability

*Select from:*

☑ Publicly available

## (4.6.1.8) Attach the policy

*7320_Supplier_Code_of_Conduct-ENG.pdf*
*[Add row]*

# (4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

## (4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

*Select from:*

☑ Yes

## (4.10.2) Collaborative framework or initiative

*Select all that apply*

☑ UN Global Compact
☑ Pledge to Net Zero
☑ New York Declaration on Forests
☑ Forest Stewardship Council (FSC)
☑ Science-Based Targets Initiative (SBTi)
☑ Global Platform on Sustainable Natural Rubber (GPSNR)
☑ Task Force on Climate-related Financial Disclosures (TCFD)
☑ World Business Council for Sustainable Development (WBCSD)
☑ Other, please specify **:BUSINESS AMBITION FOR 1.5°C**

## (4.10.3) Describe your organization's role within each framework or initiative

*FSC: In line with its commitment to safeguarding the forests where natural rubber is derived, Pirelli was in 2021 the first company in the world to equip a mass production vehicle with FSC certified tyres and beginning with the 2024 season it will introduce the same certification for all tyres produced and used in F1. The goal is to bring 100% FSC certified natural rubber to European production by 2026. GPSNR: Pirelli is a founding member of the Global Platform for Sustainable Natural Rubber (GPSNR) NEW YORK DECLARATION ON FOREST: Reference document of the Pirelli sustainable natural rubber policy. PLEDGE TO NET ZERO: In 2022, Pirelli expressed to SBTi its commitment to the Net Zero standard for the formalisation, within two years of a long-term target to reduce value chain emissions by around 90% by 2050 at the latest. SBTi: In 2020, 2022 and 2024 Pirelli received the validation from SBTi for its corporate targets on GHG emissions reduction. TCFD: In 2018, Pirelli joined the Task Force on Climate-related Financial Disclosures (TCFD), committing to voluntarily disclose information on risks and opportunities related to Climate Change as outlined in the TCFD recommendations. UN GLOBAL COMPACT: Pirelli has been an active member since 2004 and since 2011 has been part of the Global Compact Lead Companies. Since December 2019, Pirelli has also been on the Board of the Global Compact Network Italia. In 2023, Pirelli joined the "Forward Faster" initiative of the United Nations Global Compact, pledging to set ambitious, credible and measurable goals on two of the reported areas for action: of climate and finance and investment WBCSD: Pirelli for years has been a member of the WBCSD. In 2023 Pirelli endorsed three projects: Tire Industry Project, Transport and Mobility Pathways, Future of Work and SOS 1.5. The latter, in particular, is designed to support the companies in developing the strategy to shift their corporate footprint to net-zero carbon, to collectively identify and remove barriers to a low-carbon economy and to mobilise their value chain in the same direction. BUSINESS AMBITION FOR 1.5C: Pirelli is a member of this initiative following the approval in 2022 from SBTi of its GHG emission reduction targets in line with the level that science requires to keep climate warming within 1.5C*
*[Fixed row]*

# (4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

## (4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

*Select all that apply*

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

## (4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

## (4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

*Select all that apply*

☑ Paris Agreement

## (4.11.4) Attach commitment or position statement

*C4C-Policy_Engagement-2015.pdf*

## (4.11.5) Indicate whether your organization is registered on a transparency register

*Select from:*

☑ Unknown

## (4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

*Pirelli is active on the trade association environmental related working group (e.g. on climate/decarbonization, resources/water management, materials/natural rubber) and while participating contributes and propose its position in line with the overall company environmental strategy. Periodically the updates and outcomes of the working groups are shared with internal stakeholder, especially before any decision (votes). The involved internal stakeholders include top managers with relevant expertise. The Group environmental strategy is defined through a decision-making process which involves the Sustainability Steering Committee. This body is composed by the top management of the Company, including sustainability, operation and R&D. This shared worktable has also, among others, the function to adapt the engagement actions towards external stakeholder to the short and long term Group strategy. This strategy is included in the Sustainability plan that is also prepared involving, in the decision-making process, the local HSE/Environmental managers. Then it is approved by the Board and presented to the market within the Group Industrial Plan. The coherence between the advocacy activities and the Company environmental strategy is granted since the representatives of the Company actively engaging in international policies also belong to the same functions involved in definition of Pirelli strategy and targets.*

*[Fixed row]*

## (4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

### Row 1

### (4.11.2.1) Type of indirect engagement

*Select from:*

☑ Indirect engagement via a trade association

### (4.11.2.4) Trade association

**Global**

☑ Other global trade association, please specify :ETRMA (European Tyre and Rubber Manufacturers Association)

### (4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

*Select all that apply*

☑ Climate change

☑ Forests

☑ Water

### (4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

*Select from:*

☑ Consistent

### (4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

*Select from:*

☑ Yes, we publicly promoted their current position

## (4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

*Pirelli is member of ETRMA (European Tyre and Rubber Manufacturers Association). ETRMA is the main partner of the EU institutions for the sustainable development of new European policies for the tyre sector and for their proper implementation. With the institutional support of the Pirelli Group, during 2023 ETRMA supported the ambitious new European climate targets. ETRMA welcomes the EU's commitment to allocate more than 30% of the Next Generation EU to support green projects. This commitment is part of the EU's ambitious goal to become the first climate neutral continent by 2050. The European tyre industry is committed to reducing its CO2 footprint throughout the tyre lifecycle and investing in innovation. ETRMA has carried out intensive advocacy work, presenting to the European Commission the industry's contribution in pursuing the goals of the Green Deal, highlighting the industry's role in creating greener, safer and more efficient mobility. In particular, the contribution to the reduction of CO2 emissions through the improvement of tyre rolling resistance, the improvement of road safety through new wet grip limits even for worn tyres, which also leads to a positive impact on the Circular Economy. The industry is also strongly committed to the development of a robust tyre abrasion test methodology to support the European Commission's targets, defined in the new EURO 7 regulation, to mitigate the emission of particulate matter into the environment. ETRMA maintains a proactive role in the development of cognitive studies related to environmental issues, e.g. Tyre Road Wear Particles (TRWPs), micrometric particles produced by combined road and tyre wear during vehicle operation. To monitor and respond to the European Commission's supply chain and sustainable finance impact legislation, the Taxonomy and Sustainable Supply Chain working groups are active with the support of Pirelli. The latter assisted the European Commission in defining the proposed requirements on deforestation, which have a strong impact on the production, marketing and use of natural rubber, and the corresponding delegated acts. As part of its ETRMA activity, Pirelli also supported the adoption of the new European Regulation on the eco-design of sustainable products, which imposes new performance requirements and information obligations to promote product circularity. Pirelli's position is fully consistent with the association's position.*

## (4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

*182000*

## (4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

*Membership purpose. The company actively participated in activities of ETRMA in order to contribute to outline, among others, trade association's position on environmental issues and climate change.*

## (4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have evaluated, and it is aligned

## (4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

*Select all that apply*

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

### Row 2

## (4.11.2.1) Type of indirect engagement

*Select from:*

☑ Indirect engagement via a trade association

## (4.11.2.4) Trade association

**Global**

☑ Other global trade association, please specify :U.S. Tire Manufacturers Association

## (4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

*Select all that apply*

☑ Climate change

☑ Forests

☑ Water

## (4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

*Select from:*

☑ Consistent

## (4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

*Select from:*

☑ Yes, we publicly promoted their current position

## (4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

*Pirelli is member of USTMA (U.S. Tire Manufacturers Association). Pirelli participates in the USTMA board of directors, committees and working groups, sharing the association's vision for a sustainable tyre future in the context of the Paris Agreement's goal of reducing CO2 emissions. The USTMA supports incentives for the development of low-carbon products, such as fuel-efficient tyres and tyres that contain sensors or other performance monitoring and communication technologies. The USTMA supports policies that promote the development of materials with a lower carbon footprint than virgin raw materials and research to better understand and improve the environmental impact of tyres. For example, the USTMA and the U.S. Geological Survey (USGS) are collaborating on a research project to evaluate and refine methods for assessing potential alternatives to 6PPD for use in tyres. The USTMA supports the flexibility of alternative fuels, such as tyre-derived fuel (TDF), and pyrolysis, which is key to building a circular economy for tyres. The USTMA supports investment in research to develop sustainable infrastructure such as rubberised asphalt to better understand the long-term benefits, performance and environmental impacts. The MTSMA supports the development of electric vehicles and the infrastructure that supports them. USTMA's committees and technical working groups are composed of experts from member companies, including Pirelli, who work directly on issues related to tyre efficiency and decarbonisation, safety, materials and chemicals. Pirelli's position is fully consistent with the association's position.*

## (4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

*299000*

## (4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

*Membership purpose. The company actively participated in activities of USTMA in order to contribute to outline, among others, trade association's position on environmental issues and climate change.*

## (4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have evaluated, and it is aligned

## (4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

*Select all that apply*

☑ Paris Agreement

### Row 3

## (4.11.2.1) Type of indirect engagement

*Select from:*

☑ Indirect engagement via other intermediary organization or individual

## (4.11.2.2) Type of organization or individual

*Select from:*

☑ Other, please specify **:**multi-stakeholder platfom

## (4.11.2.3) State the organization or position of individual

*Global Platform for Sustainable Natural Rubber (GPSNR)*

## (4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

*Select all that apply*

☑ Forests

## (4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

*Select from:*

☑ Consistent

## (4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

*Select from:*

☑ Yes, we publicly promoted their current position

## (4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

*in 2017 Pirelli played a proactive role in the creation of the Global Platform for Sustainable Natural Rubber – GPSNR, together with tyre manufacturers which are also part of the Tyre Industry Project Group, within the World Business Council for Sustainable Development. The Platform, launched in Singapore in October 2018 with the participation of the first "founding members", including Pirelli, is independent, based on multi-stakeholder dialogue and aims to support the sustainable development of the natural rubber business globally, for the benefit of the entire value chain through shared tools and initiatives based on respect for human and labour rights, prevention of land grabbing, respect for biodiversity and increased plant productivity, especially those of small owners. The first GPSNR General Assembly was held in March 2019.*

## (4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

*15000*

## (4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

*Membership purpose: support the sustainable development of the natural rubber business globally, for the benefit of the entire value chain through shared tools and initiatives based on respect for human and labour rights, prevention of land grabbing, respect for biodiversity and increased plant productivity, especially those of small owners.*

## (4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have evaluated, and it is aligned

## (4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

*Select all that apply*

☑ Another global environmental treaty or policy goal, please specify **:** GPSNR Policy Framework

### Row 4

## (4.11.2.1) Type of indirect engagement

*Select from:*

☑ Indirect engagement via other intermediary organization or individual

## (4.11.2.2) Type of organization or individual

*Select from:*

☑ Other, please specify **:**CEO-led organization of international companies

## (4.11.2.3) State the organization or position of individual

*World Business Council for Sustainable Development (WBCSD)*

## (4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

*Select all that apply*

☑ Climate change

☑ Forests

☑ Water

## (4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

*Select from:*

☑ Consistent

## (4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

*Select from:*

☑ Yes, we publicly promoted their current position

## (4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

*Pirelli for years has been a member of the WBCSD. This is a Geneva-based association of more than 225 multinational companies based in 8 regions of the world that have made a voluntary commitment to link economic growth to sustainable development. The numerous initiatives and projects launched by the WBCSD cover several environmental issues and advocate for and support the implementation of some global environmental treaties such as the SDGs, the Paris Agreement and the Kunming-Montreal Global Biodiversity Framework by governments and other stakeholders. In particular, Pirelli in 2023 endorsed four projects: Tire Industry Project, Transforming Urban Mobility, Future of Work and SOS 1.5.*

## (4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

*95000*

## (4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

*Membership Purpose: in line with WBCSD mission of accelerating the transition to a sustainable world and helping make more sustainable businesses more successful.*

## (4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

*Select from:*

☑ Yes, we have evaluated, and it is aligned

## (4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

*Select all that apply*

☑ Paris Agreement

☑ Kunming-Montreal Global Biodiversity Framework

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

*[Add row]*

## (4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

*Select from:*

☑ Yes

## (4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

### Row 1

### (4.12.1.1) Publication

*Select from:*

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

### (4.12.1.2) Standard or framework the report is in line with

*Select all that apply*

☑ GRI

☑ IFRS

☑ TCFD

☑ Other, please specify :SASB

### (4.12.1.3) Environmental issues covered in publication

*Select all that apply*

☑ Climate change

☑ Forests

☑ Water

☑ Biodiversity

## (4.12.1.4) Status of the publication

*Select from:*

☑ Complete

## (4.12.1.5) Content elements

*Select all that apply*

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Content of environmental policies

☑ Deforestation- and conversion-free (DCF) status metrics

☑ Value chain engagement

☑ Dependencies & Impacts

☑ Public policy engagement

☑ Water accounting figures

☑ Water pollution indicators

## (4.12.1.6) Page/section reference

*Content of environmental policies: Page 145 Governance: Page 146 Public policy engagement: Pages 221-228, paragraph EXTERNAL COMMUNITY/INSTITUTIONAL RELATIONS OF THE PIRELLI GROUP Dependency & impacts: Page 149 Risks & opportunities: Page 148, Strategy: Pages 146, 147 Value chain engagement: Page 149 Emissions figures: Pages 166, 168 Emission targets: Page 165, Deforestation and conversion-free status metrics: Page 140, Water accounting figures: Pages 170-171 Water pollution indicators: Page 170*

## (4.12.1.7) Attach the relevant publication

*PIRELLI_ANNUAL_REPORT_2023_ENG.pdf*

## (4.12.1.8) Comment

*The Pirelli 2023 integrated Annual Report is publicly available on the corporate website*

## Row 2

### (4.12.1.1) Publication

*Select from:*

☑ In voluntary communications

### (4.12.1.3) Environmental issues covered in publication

*Select all that apply*

☑ Climate change

### (4.12.1.4) Status of the publication

*Select from:*

☑ Complete

### (4.12.1.5) Content elements

*Select all that apply*

☑ Value chain engagement

### (4.12.1.6) Page/section reference

*pages 1 and 2*

### (4.12.1.7) Attach the relevant publication

*cs-pirellisupplierday2023eng.pdf*

### (4.12.1.8) Comment

*Pirelli Supplier's Day (Awards)*

*[Add row]*

## C5. Business strategy

## (5.1) Does your organization use scenario analysis to identify environmental outcomes?

### Climate change

### (5.1.1) Use of scenario analysis

*Select from:*
☑ Yes

### (5.1.2) Frequency of analysis

*Select from:*
☑ More than once a year

### Forests

### (5.1.1) Use of scenario analysis

*Select from:*
☑ Yes

### (5.1.2) Frequency of analysis

*Select from:*
☑ Annually

### Water

### (5.1.1) Use of scenario analysis

*Select from:*

☑ Yes

## (5.1.2) Frequency of analysis

*Select from:*
☑ Annually
*[Fixed row]*

## (5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

## Climate change

## (5.1.1.1) Scenario used

**Climate transition scenarios**
☑ IEA NZE 2050

## (5.1.1.3) Approach to scenario

*Select from:*
☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*
☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*
☑ Policy
☑ Market

☑ Reputation
☑ Technology
☑ Liability

## (5.1.1.6) Temperature alignment of scenario

*Select from:*
☑ 1.5°C or lower

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*
☑ 2025
☑ 2030
☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**
☑ Climate change (one of five drivers of nature change)

**Stakeholder and customer demands**
☑ Consumer sentiment

**Regulators, legal and policy regimes**
☑ Global regulation
☑ Level of action (from local to global)

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. The IEA's NZE 2050, APS and STEPS scenarios were selected as the relevant energy transition scenarios to assess the transitional Risks/Opportunities for Pirelli. Company-wide scenario analysis have been performed to assess the potential impacts of topics like "Energy" and "Carbon" linked to climate change on Pirelli business, considering three time-horizons: 2025 (short-) 2030 (medium-) and 2050 (long-term). Among others, the main organizational areas that were considered as part of the scenario analysis were operations and purchases; the scope of the assessment also included all the Pirelli plants located in different countries. Among the risks arose in the field of emerging regulation, emerged the one about the spreading of CAP AND TRADE SCHEMES. New and higher fees, taxes and energy-related regulations might affect operating and/or raw-materials costs. [Example] With a 2030 view the CCRA shows that ETS and Carbon taxes could potentially impact 8 Pirelli tyre Manufacturing Sites (3 in EU, 2 in China, 1 in Mexico, 2 in Brazil). These facilities cover around 80% of the Group total tyres production. As risk management method, Pirelli is investing in low carbon technology to reduce CO2 emissions and mitigate potential impacts. [Example] Pirelli is using boiler houses powered by wood waste in Brazil, replacing factories lighting system with power LED technology and purchasing renewable electricity in EU, US, MX, Turkey and China. In terms of the Group's business strategy, this scenario analysis has led to the definition of new targets aimed at mitigating this specific risk in the mid-term such as: by 2025 the procurement of 100% of renewable electricity and the reduction of 42% of the absolute CO2 emissions compared to 2015 (target already approved by SBTi in line with the 1,5C scenario); the Group's carbon neutrality by 2030; Net-Zero emissions by 2040 (SBTi Approved).*

## (5.1.1.11) Rationale for choice of scenario

*The IEA's NZE 2050, APS and STEPS scenarios were selected by expert consultants as the relevant energy transition scenarios to assess the transitional Risks/Opportunities for Pirelli. Company-wide scenario analysis have been performed to assess the potential impacts of topics like "Energy" and "Carbon" linked to climate change on Pirelli business, considering three time-horizons: 2025 (short-) 2030 (medium-) and 2050 (long-term). These time-frames are relevant for our organization as in line with the targets in the current Industrial Plan. Among others, the main organizational areas that were considered as part of the scenario analysis were operations and purchases; the scope of the assessment also included all the Pirelli plants located in different countries. Three different Policies Scenarios (NZE 2050, APS and STEPS) have been considered for each risk/opportunity, giving a broader sensitivity of impacts on Pirelli's business.*

# Forests

## (5.1.1.1) Scenario used

**Forests scenarios**

☑ Customized publicly available forests scenario, please specify **:**IPBES Scenarios and Models of Biodiversity and Ecosystem Services, ENCORE, WRI Aqueduct, WWF Biodiversity and Water Risk Filter, IBAT

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Chronic physical

☑ Policy

☑ Reputation

☑ Liability

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2030

☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**

☑ Changes to the state of nature

☑ Changes in ecosystem services provision

☑ Speed of change (to state of nature and/or ecosystem services)

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*The methodology adopted for site-specific analysis follows the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) and the Science Based Targets Network for Nature (SBTN). Each of Pirelli's operational sites was assessed according to the four basic criteria provided by the TNFD LEAP (Locate, Evaluate, Assess, Prepare) framework and the criteria of biodiversity importance, ecosystem integrity, water stress and potentially significant dependencies or impacts. The assessment was conducted using public tools and datasets (e.g. ENCORE, WRI Aqueduct, WWF Biodiversity and Water Risk Filter, IBAT). In addition to these criteria, STAR indicators and location-specific indicators (location specific approach) of environmental performance (e.g. Environmental KPIs, IBAT) were considered and applied. The sites analysed were then assigned a priority level to identify areas where mitigation actions could bring the most significant results, leading to the selection of five priority sites for further analysis to quantify the magnitude of impacts/dependencies and risks/opportunities related to nature, which in turn were linked to the five drivers of biodiversity loss and ecosystem degradation identified by IPBES (i.e. land/water/sea use change, resource exploitation, climate change, pollution and invasive non-native species).*

## (5.1.1.11) Rationale for choice of scenario

*The scenario has been built by expert consultants to allow users to analyze the future evolution of Nature/Forest/Biodiversity risks and opportunities.*

# Water

## (5.1.1.1) Scenario used

**Water scenarios**

☑ WRI Aqueduct

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Acute physical

☑ Chronic physical
☑ Policy
☑ Reputation
☑ Liability

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*
☑ 2025
☑ 2030
☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**
☑ Climate change (one of five drivers of nature change)
☑ Other local ecosystem asset interactions, dependencies and impacts driving forces, please specify :urbanization

**Regulators, legal and policy regimes**
☑ Global regulation

**Macro and microeconomy**
☑ Domestic growth

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. WRI (Water Resources Institute) scenario wase used to modeled the following indicators/parameters: The "water stress" indicator is a metric used to measure the level of competitionfor water resources in a given region. It takes into account the amount of available water resources and*

*the demand for it from various sectors (e.g. agriculture, industry, domestic). A high water stress score indicates that there is limited water availability relative to the demand, and the region is facing water scarcity. This indicator should be considered together with the previous ones. The "water quality" parameter assesses the suitability of water for human and industrial uses based on its chemical and physical characteristics. A low water risk quality score indicates the water is suitable for industrial use, while an high risk score indicates it may be contaminated and unsuitable. An important parameter modeled is the Untreated Connected Wastewater index, which measures the percentage of domestic wastewater that is connected through a sewerage system and not treated to at least a primary treatment level.*

## (5.1.1.11) Rationale for choice of scenario

*WRI's Aqueduct Water Stress Projections were selected by expert consultants as the relevant scenario to allow users to analyze different future demand and supply scenarios at a sub-catchment level, based on the latest data from IPCC.*

# Climate change

## (5.1.1.1) Scenario used

**Climate transition scenarios**

☑ IEA APS

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Policy

☑ Market

☑ Reputation

☑ Technology
☑ Liability

## (5.1.1.6) Temperature alignment of scenario

*Select from:*
☑ 1.6ºC - 1.9ºC

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*
☑ 2025
☑ 2030
☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**
☑ Climate change (one of five drivers of nature change)

**Stakeholder and customer demands**
☑ Consumer sentiment

**Regulators, legal and policy regimes**
☑ Global regulation
☑ Level of action (from local to global)

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. The IEA's NZE 2050, APS and STEPS scenarios were selected as the relevant energy transition scenarios to assess the transitional Risks/Opportunities for Pirelli. Company-wide scenario analysis have been performed to assess the potential impacts of topics like "Energy" and "Carbon" linked to climate change on Pirelli business, considering three time-horizons: 2025 (short-) 2030 (medium-) and 2050 (long-term). Among others, the main organizational areas that were considered as part of the scenario analysis were operations and purchases; the scope of the assessment also included all the Pirelli plants located in different countries. Among the risks arose in the field of emerging regulation, emerged the one about the spreading of CAP AND TRADE SCHEMES. New and higher fees, taxes and energy-related regulations might affect operating and/or raw-materials costs. [Example] With a 2030 view the CCRA shows that ETS and Carbon taxes could potentially impact 8 Pirelli tyre Manufacturing Sites (3 in EU, 2 in China, 1 in Mexico, 2 in Brazil). These facilities cover around 80% of the Group total tyres production. As risk management method, Pirelli is investing in low carbon technology to reduce CO2 emissions and mitigate potential impacts. [Example] Pirelli is using boiler houses powered by wood waste in Brazil, replacing factories lighting system with power LED technology and purchasing renewable electricity in EU, US, MX, Turkey and China. In terms of the Group's business strategy, this scenario analysis has led to the definition of new targets aimed at mitigating this specific risk in the mid-term such as: by 2025 the procurement of 100% of renewable electricity and the reduction of 42% of the absolute CO2 emissions compared to 2015 (target already approved by SBTi in line with the 1,5C scenario); the Group's carbon neutrality by 2030; Net-Zero emissions by 2040 (SBTi Approved).*

## (5.1.1.11) Rationale for choice of scenario

*The IEA's NZE 2050, APS and STEPS scenarios were selected by expert consultants as the relevant energy transition scenarios to assess the transitional Risks/Opportunities for Pirelli. Company-wide scenario analysis have been performed to assess the potential impacts of topics like "Energy" and "Carbon" linked to climate change on Pirelli business, considering three time-horizons: 2025 (short-) 2030 (medium-) and 2050 (long-term). These timeframes are relevant for our organization as in line with the targets in the current Industrial Plan. Among others, the main organizational areas that were considered as part of the scenario analysis were operations and purchases; the scope of the assessment also included all the Pirelli plants located in different countries. Three different Policies Scenarios (NZE 2050, APS and STEPS) have been considered for each risk/opportunity, giving a broader sensitivity of impacts on Pirelli's business.*

# Climate change

## (5.1.1.1) Scenario used

**Climate transition scenarios**

☑ IEA STEPS (previously IEA NPS)

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Liability

## (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 2.5ºC - 2.9ºC

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**

☑ Climate change (one of five drivers of nature change)

**Stakeholder and customer demands**

☑ Consumer sentiment

**Regulators, legal and policy regimes**

☑ Global regulation

☑ Level of action (from local to global)

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. The IEA's NZE 2050, APS and STEPS scenarios were selected as the relevant energy transition scenarios to assess the transitional Risks/Opportunities for Pirelli. Company-wide scenario analysis have been performed to assess the potential impacts of topics like "Energy" and "Carbon" linked to climate change on Pirelli business, considering three time-horizons: 2025 (short-) 2030 (medium-) and 2050 (long-term). Among others, the main organizational areas that were considered as part of the scenario analysis were operations and purchases; the scope of the assessment also included all the Pirelli plants located in different countries. Among the risks arose in the field of emerging regulation, emerged the one about the spreading of CAP AND TRADE SCHEMES. New and higher fees, taxes and energy-related regulations might affect operating and/or raw-materials costs. [Example] With a 2030 view the CCRA shows that ETS and Carbon taxes could potentially impact 8 Pirelli tyre Manufacturing Sites (3 in EU, 2 in China, 1 in Mexico, 2 in Brazil). These facilities cover around 80% of the Group total tyres production. As risk management method, Pirelli is investing in low carbon technology to reduce CO2 emissions and mitigate potential impacts. [Example] Pirelli is using boiler houses powered by wood waste in Brazil, replacing factories lighting system with power LED technology and purchasing renewable electricity in EU, US, MX, Turkey and China. In terms of the Group's business strategy, this scenario analysis has led to the definition of new targets aimed at mitigating this specific risk in the mid-term such as: by 2025 the procurement of 100% of renewable electricity and the reduction of 42% of the absolute CO2 emissions compared to 2015 (target already approved by SBTi in line with the 1,5C scenario); the Group's carbon neutrality by 2030; Net-Zero emissions by 2040 (SBTi Approved).*

## (5.1.1.11) Rationale for choice of scenario

*The IEA's NZE 2050, APS and STEPS scenarios were selected by expert consultants as the relevant energy transition scenarios to assess the transitional Risks/Opportunities for Pirelli. Company-wide scenario analysis have been performed to assess the potential impacts of topics like "Energy" and "Carbon" linked to climate change on Pirelli business, considering three time-horizons: 2025 (short-) 2030 (medium-) and 2050 (long-term). These timeframes are relevant for our organization as in line with the targets in the current Industrial Plan. Among others, the main organizational areas that were considered as part of the scenario analysis were operations and purchases; the scope of the assessment also included all the Pirelli plants located in different countries. Three different Policies Scenarios (NZE 2050, APS and STEPS) have been considered for each risk/opportunity, giving a broader sensitivity of impacts on Pirelli's business.*

## Climate change

## (5.1.1.1) Scenario used

**Physical climate scenarios**

☑ RCP 2.6

## (5.1.1.2) Scenario used SSPs used in conjunction with scenario

*Select from:*

☑ SSP1

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Acute physical

☑ Chronic physical

## (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 1.5°C or lower

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**

☑ Climate change (one of five drivers of nature change)

**Direct interaction with climate**

☑ On asset values, on the corporate

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption. Among the risks arose in the field of acute physical phenomena, emerged the one about the EXTREME WEATHER EVENTS AND CHANGES IN PRECIPITATION PATTERNS. Increasing severity of extreme weather events such as storms, cyclones and strong winds or freezing and snow accumulation might cause manufacturing/logistics interruptions and damages to sites, higher logistic and raw material costs, and increased insurance premiums. With a 2030 timeframe the CCRA shows that the Pirelli's tyre production plants with the higher potential financial impacts due to storms are located one in Brazil and one in China. As risk management method Pirelli is investing on projects that guarantee business continuity even in cases of extreme events such as rain-water physical structures, like barriers and drainage systems, implementing water management activities and insurance policies. In addition, audit campaigns are planned for the sites interested by this risk. In terms of the Group's business strategy, this scenario analysis has led to the definition of new targets aimed at mitigating this particular risk in the mid-term such as: by 2025 the procurement of 100% of renewable electricity and the reduction of 42% of the absolute CO2 emissions compared to 2015 (target already approved by SBTi in line with the 1,5C scenario); the Group's carbon neutrality by 2030; Net-Zero emissions by 2040 (SBTi Approved).*

## (5.1.1.11) Rationale for choice of scenario

*The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). These timeframes are relevant for our organization as in line with the current Industrial Plan, published in 2021, including sustainability targets for 2025 and 2030. The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption.*

## Climate change

### (5.1.1.1) Scenario used

**Physical climate scenarios**

☑ RCP 4.5

### (5.1.1.2) Scenario used SSPs used in conjunction with scenario

*Select from:*

☑ SSP2

### (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

### (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

### (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Acute physical

☑ Chronic physical

## (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 2.0ºC - 2.4ºC

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**

☑ Climate change (one of five drivers of nature change)

**Direct interaction with climate**

☑ On asset values, on the corporate

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption. Among the risks arose in the field of acute physical phenomena, emerged the one about the EXTREME WEATHER EVENTS AND CHANGES IN PRECIPITATION PATTERNS. Increasing severity of extreme weather events such as storms, cyclones and strong winds or freezing and snow accumulation might cause manufacturing/logistics interruptions and damages to sites, higher logistic and raw material costs, and increased insurance premiums. With a 2030 timeframe the CCRA shows that the Pirelli's tyre production plants with the higher potential financial impacts due to storms are located one in*

*Brazil and one in China. As risk management method Pirelli is investing on projects that guarantee business continuity even in cases of extreme events such as rain-water physical structures, like barriers and drainage systems, implementing water management activities and insurance policies. In addition, audit campaigns are planned for the sites interested by this risk. In terms of the Group's business strategy, this scenario analysis has led to the definition of new targets aimed at mitigating this particular risk in the mid-term such as: by 2025 the procurement of 100% of renewable electricity and the reduction of 42% of the absolute CO2 emissions compared to 2015 (target already approved by SBTi in line with the 1,5C scenario); the Group's carbon neutrality by 2030; Net-Zero emissions by 2040 (SBTi Approved).*

## (5.1.1.11) Rationale for choice of scenario

*The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). These timeframes are relevant for our organization as in line with the current Industrial Plan, published in 2021, including sustainability targets for 2025 and 2030. The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption.*

# Climate change

## (5.1.1.1) Scenario used

**Physical climate scenarios**

☑ RCP 7.0

## (5.1.1.2) Scenario used SSPs used in conjunction with scenario

*Select from:*

☑ SSP5

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Acute physical

☑ Chronic physical

## (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 3.0ºC - 3.4ºC

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**

☑ Climate change (one of five drivers of nature change)

**Direct interaction with climate**

☑ On asset values, on the corporate

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption. Among the risks arose in the field of acute physical phenomena, emerged the one about the EXTREME WEATHER EVENTS AND CHANGES IN PRECIPITATION PATTERNS. Increasing severity of extreme weather events such as storms, cyclones and strong winds or freezing and snow accumulation might cause manufacturing/logistics interruptions and damages to sites, higher logistic and raw material costs, and increased insurance premiums. With a 2030 timeframe the CCRA shows that the Pirelli's tyre production plants with the higher potential financial impacts due to storms are located one in Brazil and one in China. As risk management method Pirelli is investing on projects that guarantee business continuity even in cases of extreme events such as rain-water physical structures, like barriers and drainage systems, implementing water management activities and insurance policies. In addition, audit campaigns are planned for the sites interested by this risk. In terms of the Group's business strategy, this scenario analysis has led to the definition of new targets aimed at mitigating this particular risk in the mid-term such as: by 2025 the procurement of 100% of renewable electricity and the reduction of 42% of the absolute CO2 emissions compared to 2015 (target already approved by SBTi in line with the 1,5C scenario); the Group's carbon neutrality by 2030; Net-Zero emissions by 2040 (SBTi Approved).*

## (5.1.1.11) Rationale for choice of scenario

*The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). These timeframes are relevant for our organization as in line with the current Industrial Plan, published in 2021, including sustainability targets for 2025 and 2030. The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption.*

# Climate change

## (5.1.1.1) Scenario used

**Physical climate scenarios**

☑ RCP 8.5

## (5.1.1.2) Scenario used SSPs used in conjunction with scenario

*Select from:*

☑ SSP5

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Acute physical

☑ Chronic physical

## (5.1.1.6) Temperature alignment of scenario

*Select from:*

☑ 3.5ºC - 3.9ºC

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2025

☑ 2030

☑ 2050

## (5.1.1.9) Driving forces in scenario

**Local ecosystem asset interactions, dependencies and impacts**

☑ Climate change (one of five drivers of nature change)

**Direct interaction with climate**

☑ On asset values, on the corporate

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*Pirelli's process for identifying and assessing climate-related risks and opportunities is based on a comprehensive Climate Change and Water Stress Risk Assessment (CCRA) updated twice a year. The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption. Among the risks arose in the field of acute physical phenomena, emerged the one about the EXTREME WEATHER EVENTS AND CHANGES IN PRECIPITATION PATTERNS. Increasing severity of extreme weather events such as storms, cyclones and strong winds or freezing and snow accumulation might cause manufacturing/logistics interruptions and damages to sites, higher logistic and raw material costs, and increased insurance premiums. With a 2030 timeframe the CCRA shows that the Pirelli's tyre production plants with the higher potential financial impacts due to storms are located one in Brazil and one in China. As risk management method Pirelli is investing on projects that guarantee business continuity even in cases of extreme events such as rain-water physical structures, like barriers and drainage systems, implementing water management activities and insurance policies. In addition, audit campaigns are planned for the sites interested by this risk. In terms of the Group's business strategy, this scenario analysis has led to the definition of new targets aimed at mitigating this particular risk in the mid-term such as: by 2025 the procurement of 100% of renewable electricity and the reduction of 42% of the absolute CO2 emissions compared to 2015 (target already approved by SBTi in line with the 1,5C scenario); the Group's carbon neutrality by 2030; Net-Zero emissions by 2040 (SBTi Approved).*

## (5.1.1.11) Rationale for choice of scenario

*The IPCC's RCP 2.6, RCP 4.5, RCP 7.0 and RCP 8.5 were selected by expert consultants as the relevant climate scenarios to assess the Physical Risks/Opportunities for Pirelli Group. Company-wide scenario analysis have been performed to assess the potential impacts of physical events linked to the climate change evolution on Pirelli business, considering three time-horizons: 2025 (short-term) 2030 (medium-term) and 2050 (long-term). These timeframes are relevant for our organization as in line with the current Industrial Plan, published in 2021, including sustainability targets for 2025 and 2030. The scope of the assessment included all the Pirelli plants located in different countries evaluating the potential financial impacts of Physical Climate events caused by possible business interruption.*

# Water

## (5.1.1.1) Scenario used

**Water scenarios**

☑ Customized publicly available water scenario, please specify :Use of RCP 4.5 and RCP 8.5 to model up to 2050 the scenario of the 4 indicators (dry days, aridity, maximum temperature of summer days) on which is based the dry risk method for droughts

## (5.1.1.3) Approach to scenario

*Select from:*

☑ Qualitative and quantitative

## (5.1.1.4) Scenario coverage

*Select from:*

☑ Organization-wide

## (5.1.1.5) Risk types considered in scenario

*Select all that apply*

☑ Chronic physical

## (5.1.1.7) Reference year

*2023*

## (5.1.1.8) Timeframes covered

*Select all that apply*

☑ 2030

☑ 2050

## (5.1.1.9) Driving forces in scenario

**Direct interaction with climate**

☑ On asset values, on the corporate

## (5.1.1.10) Assumptions, uncertainties and constraints in scenario

*According to the RCP4.5 and RCP8.5 scenario, the company decided to model present and future risk for Pirelli plant, adopting a multi-dimensional risk approach, which accounts for four different climatic indicators (dry days, aridity, maximum temperature of summer days). The four chosen indicators offer indications on the evolution of temperatures, evapotranspiration and land surface processes. In this way, the definition of an overall dry likelihood score is less dependent on the variability and uncertainties of single indicators and proves more robust. [example] Dry provides information on the frequency of low precipitation events. When there are more dry days in a year, it indicates that there is a lower amount of precipitation and therefore a higher likelihood of drought. This is because drought is typically defined as a prolonged period of below average precipitation that leads to water scarcity and impacts the growth of crops, vegetation, and water availability for various human and animal needs.*

## (5.1.1.11) Rationale for choice of scenario

*The scenario has been built by expert consultants to allow users to analyze the future evolution of water dry risks.*
*[Add row]*

# (5.1.2) Provide details of the outcomes of your organization's scenario analysis.

# Climate change

## (5.1.2.1) Business processes influenced by your analysis of the reported scenarios

*Select all that apply*

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

## (5.1.2.2) Coverage of analysis

*Select from:*

☑ Organization-wide

## (5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

*1) Risk and opportunities identification, assessment and management. 1a) Physical risks identified: increased extreme weather events such as storms, cyclones and strong winds might cause manufacturing/logistics interruptions and damages to sites, higher logistic and raw material costs, and increased insurance premiums. Also identified risks of droughts; flooding and wildfire. [Example] Using RCP 8.5 scenario, we have identified that the largest potential financial impacts from storms and floods can affect one Pirelli plant in China with potential losses of euro 5.5 millions by 2050 due to production disruptions. [Decision/Action influenced] CAPEX approved by the investment committee for flood risks mitigation projects at the Pirelli production sites that guarantee business continuity such as rain-water physical structures like barriers and drainage systems (e.g. new flood barrier to protect the Chinese plant from the potential flooding of the Si river). 1b) Transition risks identified: tightening or Introduction of carbon pricing schemes in countries where Pirelli facilities are located; new labelling regulations and thresholds in market where Pirelli sells its tyres; changes in legal compliance due to context evolution. [Example] Using IEA NZE scenario, we have identified that, based on the geographical distribution of the factories and the residual Group's emissions at 2050, a potential economic impact of euro 24 millions could result from a worst-case scenario considering the expansion of these taxation schemes in all the countries where we operate, in accordance with carbon price projections made by the IEA and the UN IPCC. [Decision/Action influenced] CAPEX approved for energy efficiency projects and initiatives launched in 2023 to reduce emissions: the modernization of the compressed air systems (1.4 M), the improvement of LED lighting (1.7 M), the expansion of the thermal insulations (2.0 M) and the machines/equipment replacement with new, more efficient ones (0.8 M). 1c) Identified climate-related opportunities: growing electric vehicle tyres portfolio; changes in urban mobility landscape; changes in consumer behavior. [Example] The opportunities for Pirelli could derive mainly from the market considering the change in consumers' behavior and the good positioning of Pirelli R&D in the development of low carbon products. The Pirelli Cycling business can also benefit from the growing demand for soft mobility. Further opportunities exist associated with the diversification of resources, and enhanced product labeling which might favor Pirelli's product: at the end of 2023, 73% of the car tyre revenues came from the Pirelli Eco & Safety performance product which identifies car tyres with rolling resistance and wet grip classified A, B, C of EU labelling. [Decision/Action influenced] In 2023 Pirelli launched the PZERO E, the first UHP tire on the market with more than 55% of materials of natural and recycled origin, scoring a triple A rating on the European tire label throughout the range and specifically developed for battery electric vehicles. 2) target setting and transition planning. To manage the possible risks and benefits identified, Pirelli has developed its decarbonisation strategy and the group's climate transition plan aligned to 1.5C. Pirelli will become the first tyre maker to achieve Net Zero by 2040, through the target for the reduction of absolute GHG emissions of Scope 1, 2 and 3 of at least 90% compared with the base year 2018. Pirelli foresees, in addition, reducing absolute GHG emissions as follows: 60% reduction of Scope 1 and 2 by 2025 and 80% by 2030 compared to 2018; 27% reduction of Scope 3 by 2025 and 30% by 2030 compared to 2018. [Decision/Action influenced] The company submitted the 2030 and 2040 goals to the SBTi receiving its approval. 3) Strategy and Financial Planning. To achieve its decarbonization targets, Pirelli has launched programs and investments in the manufacturing area. [Decision/Action influenced] In 2023 was set the program to be disclosed in the Industrial plan: by 2025 all factories at the global level will use 100% renewable electric energy (already achieved for the factories in EU, North America and LATAM); by 2030, 75% of the curing presses will be electrified with 22Mln /year Capex 2024-30 and 80% energy efficiency. 4) Capacity building Relating the issue of emissions and the effects on climate change, in 2023 the company introduced a series of training activities for employees in addition to the periodic awareness-raising campaigns already in place. [Decision/Action influenced] In 2023, an information campaign for employees was launched on the company intranet with periodic releases of video clips dedicated to emissions and climate change. 5) Resilience Pirelli manages risks by investing in business continuity projects; implementing water/energy saving activities; contingency plans; loss prevention CAPEX/OPEX; insurance policies.*

## Forests

### (5.1.2.1) Business processes influenced by your analysis of the reported scenarios

*Select all that apply*

☑ Scenario analysis has not influenced our business processes

## Water

### (5.1.2.1) Business processes influenced by your analysis of the reported scenarios

*Select all that apply*

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

### (5.1.2.2) Coverage of analysis

*Select from:*

☑ Organization-wide

### (5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

*1) Risk and opportunities identification, assessment and management. 1a) Physical risks identified: increased likelihood of droughts due to Climate might cause manufacturing interruptions and higher raw material costs. [Example] Using RCP 8.5 scenario, we have identified that the largest potential financial impacts from droughts can affect one Pirelli plant in MX with potential losses of around euro 2.3 millions by 2050 due to production disruptions. [Decision/Action influenced] CAPEX approved by the investment committee for drought risks mitigation projects at the Pirelli production sites that guarantee business continuity such as water storage physical structures or implementing water saving activities. 2) target setting and transition planning. To manage possible risks, Pirelli has developed a strategy aimed at reducing dependence and preserving the quality of fresh-water by adopting Model and Targets according to the Program of Excellence in Water Management Program. [Decision/Action influenced] In 2023 was set the program and targets to be disclosed in the Industrial plan that envisage a reduction of the specific water withdrawal at group level of 60% (with a focus on water stress areas of 45%) by 2030 vs 2015. 3) Strategy and Financial Planning To achieve these targets, and in order to promote efficient and responsible use of water in production processes and at work sites, Pirelli adopts water efficiency management programs as part of the environmental management systems implemented at sites and certified ISO 14001. Opportunities for water efficiency are identified starting from the assessment of water use at production sites and contribute to the definition of improvement objectives, both quantitative and qualitative, specific to each site. [Decision/Action influenced] CAPEX and OPEX approved in 2023 for the implementation of actions on water concerning the reduction of its use, its recycling, the quality of discharges, facility management activities and machinery design. 4) Capacity building With regard to the issue of water, employee awareness campaigns are in place. [Decision/Action influenced] In 2023, an information campaign for employees was launched on the company intranet with periodic releases of video clips dedicated to the responsible use of resources including water. 5) Resilience Pirelli manages risks by investing in projects that guarantee business continuity; implementing water/energy saving activities in factories; contingency plans; CAPEX/OPEX loss prevention dept, insurance policies.*
*[Fixed row]*

## (5.2) Does your organization’s strategy include a climate transition plan?

### (5.2.1) Transition plan

*Select from:*

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

### (5.2.3) Publicly available climate transition plan

*Select from:*

☑ Yes

### (5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

*Select from:*

☑ No, and we do not plan to add an explicit commitment within the next two years

### (5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

*The Transition plan commits to the progressive electrification of all production processes and to the purchase of 100% of electricity from renewable sources but does not explicitly state that it will cease all expenditure and revenue generation deriving from activities that contribute to the expansion of fossil fuels.*

### (5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

*Select from:*

☑ We have a different feedback mechanism in place

### (5.2.8) Description of feedback mechanism

*Feedback mechanisms: i) The transition plan is integrated in the Pirelli Industrial Plan (see attachment pages 61-67 [slides 60-66]) and the related target and objectives are also reported yearly into existing mainstream filings within the chapter “Report on responsible management of the value chain” of the corporate Annual*

*Report together with the description of progress against the plan. In the agenda of the ordinary shareholders meeting is included the approval of the financial statements, the Presentation of the consolidated financial statements and the Presentation of the Report on responsible management of the value chain. ii) To provide its Stakeholders with an adequate representation of Group activities and the most relevant sustainability issues for the business, Pirelli annually updates the mapping of the materiality of the Group's impacts on the economy, the environment (including the Climate Transition Plan), people and human rights. The findings, together with stakeholder assessments and expectations, are considered in updating Group objectives and strategies. Pirelli updates its materiality also through Stakeholder Engagement that allow the observation of the priorities assigned by the main Stakeholders relating to a panel of critical sustainability issues for Pirelli, including its Climate Transition Plan and decarbonization roadmap. The panel of Stakeholders covered all the Regions in the world and included: Original Equipment Customers; 650 End Customers; Dealers; Employees worldwide; several Pirelli Suppliers; Financial Analysts; institutions and public administrations; Media; NGOs; Academic world and Universities. iii) Pirelli has a channel for managing and incentivize the dialogue with its Financial Market Stakeholders which can be freely addressed to the Company and to the CEO of Pirelli, by contacting the Investor Relations office at the addresses provided in the specific Pirelli website. The dialogue could include sustainability matters providing also feedback on the Company's strategy and plans. The collection of feedback can take place at different times during the year depending on the open dialogues with the individual stakeholders. iv) All the GHG emission reduction targets included in the Climate transition plan have been developed in line with the standards developed by the non-governmental organizations Science Based Targets initiative and they all received the formal approval from the SBTi.*

## (5.2.9) Frequency of feedback collection

*Select from:*

☑ Annually

## (5.2.10) Description of key assumptions and dependencies on which the transition plan relies

*Transition plan key assumptions: projections about future market trends, regulatory changes, technological advancements, evolution of Mobility demand. Dependencies on which the transition plan relies: government policies, stakeholder cooperation, availability of resources. Allocation of resources for the transition plan.*

## (5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

*This in 2023 saw us improve in all areas of sustainability: on the environmental front, particularly, we have reached our CO2 reduction targets two years ahead schedule while pushing forward to achieve carbon neutrality by 2030 and Net Zero in 2040, the most ambitious in our industry.*

## (5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

*Pirelli_Industrial_Plan_24Update.pdf*

## (5.2.13) Other environmental issues that your climate transition plan considers

*Select all that apply*

☑ No other environmental issue considered

*[Fixed row]*

## (5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

### (5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

*Select from:*

☑ Yes, both strategy and financial planning

### (5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

*Select all that apply*

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

*[Fixed row]*

## (5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

## Products and services

### (5.3.1.1) Effect type

*Select all that apply*

☑ Opportunities

### (5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

*Select all that apply*

☑ Climate change

## (5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

*Opportunity in labeling regulations and standards (Ref. Opp1 of the 3.6.1) may have a high impact on our Products and Services thanks to the request from the market of more low-emissions goods and services. The influence of this topic on the Group's strategy led to the definition of new targets on products aimed to accelerate the development and the introduction on the market of increasingly sophisticated products characterized by high performance in terms of braking and, at the same time, improved environmental performance. [Strategy and time horizon]: Pirelli wants to increase the portion of volumes and consequently of the revenues coming from the car tyres that Pirelli produces throughout the world that fall only under rolling resistance and wet grip classes A, B according to the labeling parameters set by European legislation). According to the industrial plan in force during the reporting period, Pirelli has the target of reaching the volume of 35% of total car sale from these tires (AB classes of Rolling Resistance and Wet Grip) by 2025, from 30% of 2023. This target will also ensure a significant reduction in overall emissions related to the use phase of the product (climate change mitigation activity). The business strategy, based on the development of these product line, is aimed at guaranteeing Pirelli a competitive advantage over competitors in this growing market: according to our CCRA analysis, the potential positive impact for Pirelli could be estimated from 7 to 16 million over a 2-years' time period (2023 vs 2025). [Example of strategic decision] To support the target on the revenues coming from the Pirelli Eco & safety Performance products, by 2025 the evolution of the total product range will see more than 70% of new products in Rolling Resistance Class A/B and more than 90% of new products in Wet Grip Class A/B. The Cinturato P7 BLUE is an example of product green evolution and is the evidence of how Climate Change is influencing the Pirelli business strategy: with this tyre Pirelli has been the 1st producer in the world to offer a tyre carrying a double A rating on the Eurolabel scale.*

### Upstream/downstream value chain

## (5.3.1.1) Effect type

*Select all that apply*

☑ Risks

## (5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

*Select all that apply*

☑ Climate change

## (5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

*According to our CCRA analysis, among the raw materials, the natural rubber production and availability could be highly influenced by floods and droughts caused by the climate change within a 2030 time horizon 2030 (physical risk not identified as substantive in question 3.1.1). These risks could affect the productivity or the quality of the Natural Rubber supply chain. In the first case, the lower productivity may potentially cause the increase of natural rubber prices. On the other hand, different quality of the Natural Rubber may have consequences on the manufacturing process of tyres. [Strategy and time horizon]: since natural rubber is a*

*fundamental raw material for the production of tires, in 2023 it represented 12% of the Group's total expenditure on raw materials, Pirelli is committed to strengthening partnership and collaboration with our natural rubber suppliers. To support this objective, Pirelli published its Sustainable Natural Rubber Policy, resulting from a long drafting process based on consultations with key Stakeholders within the value chain, and knowledge sharing activities with Corporations that have experience in the sustainable sourcing of natural raw materials. In line with its Sustainable Natural Rubber Policy, Pirelli established multi-year roadmaps (the first one for the years 2019-2021, the current one for 2022-2025), with measurable action plans and performance indicators, whose results are reported annually in our Annual Report and on the dedicated web-page on the Pirelli website. Among the pillars the policy is based on, our supplier are requested to avoid fires to clear spaces for new plantation, not to cultivate in peat bogs and to adhere strictly to the internationally recognized High Conservation Value and High Carbon Stock guidelines to conserve the ecosystem. All these measures contribute to mitigate the effect of climate change (climate change mitigation). [Example of strategic decision] Following its strong commitment on the sustainable management of the natural rubber supply chain, in May 2021 Pirelli decided to launch the world's first FSC (Forest Stewardship Council) certified tyres designed for BMW's hybrid model. These tyres contain FSC-certified natural rubber and rayon, representing a new horizon for increasingly sustainable tyre production.*

## Investment in R&D

### (5.3.1.1) Effect type

*Select all that apply*

☑ Opportunities

### (5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

*Select all that apply*

☑ Climate change

### (5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

*Opportunity in labeling regulations and standards (Ref. Opp1 of the 3.6.1) may have a high impact on Investment in R&D thanks to the request from the market of more low-emissions goods and services. [Strategy and time horizon]: Pirelli wants to increase its offer to the market of product lines with high performance in terms of safety and environment. This translates into targets (published in the current Pirelli Industrial Plan) on the evolution of the total Pirelli's product range that will see by 2025 to more than 70% of new products in Rolling Resistance Class A/B and more than 90% of new products in Wet Grip Class A/B according to the highest standards of European labeling. These targets will also ensure a significant reduction in overall emissions related to the use phase of the product (climate change mitigation activity). To achieve these objectives, it is clear that research and development activities on new products play the main role, with a dedicated investment plan. Research & Development expenses for 2023 already amounted to euro 288.5 millions, representing 4,3% of net sales, and refer to expenses for product and process innovation, as well as for the development of new materials. [Example of strategic decision]: Activated a collaboration with the Milan Polytechnic for the integrated use of their dynamic simulator with the static simulator at the Pirelli R&D centre in Milan for virtual tyre development activities. The virtual simulation technologies have been used to develop tread pattern and the profile of new tyres. The Pirelli Powergy, launched in 2021, is an example of product that benefited*

*from the virtual simulator. It is a summer tyre for crossovers, SUVs, sedans and MPVs, which is characterised by class A labeling for wet grip, class B for rolling resistance and low noise emission (minimum value on the label).*

## Operations

### (5.3.1.1) Effect type

*Select all that apply*

☑ Opportunities

### (5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

*Select all that apply*

☑ Climate change

### (5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

*The potential decrease of the energy price on the back of renewables growth in national energy mixes represents an opportunity in terms of power sourcing (Ref. Opp2 of the 3.6.1) in our operations. According to our CCRA analysis, a cost saving was quantified in euro 2 millions with 2030 horizon only thanks to the energy transition. This opportunity mainly concerns the Pirelli tyre production sites located in different countries and can be further exploited by expanding Pirelli renewable energy purchasing strategy for the manufacturing plants. [Strategy and time horizon]: Pirelli aims to maximize the consumption of low carbon energy focusing both on electrical and on thermal energy. The influence of this topic on the group strategy led to the definition of the renewable electricity target, published in the current Pirelli industrial plan, which envisages to achieve the source of 100% renewable electricity by 2025. [Example of strategic decision]: a Carbon Action Plan on annual base has been developed in Pirelli's factories with the aim to increase the use of energy from renewable sources. In 2023, the plan included the procurement of electricity from renewable sources for all the EU, LATAM, US, MX, Turkey, China, and UK plants. and the supply of steam generated by biomass at the two Brazilian plants. Also thanks to these initiatives, in 2023 the share of electricity from renewable sources used by the Group rose to over 80% of the total consumption, compared to 74% in 2022, with a positive impact also on CO2 emissions. All these measures contribute to mitigate the effect of climate change (climate change mitigation).*
*[Add row]*

## (5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

## Row 1

### (5.3.2.1) Financial planning elements that have been affected

*Select all that apply*

☑ Revenues

## (5.3.2.2) Effect type

*Select all that apply*

☑ Opportunities

## (5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

*Select all that apply*

☑ Climate change

## (5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

*Opportunity in increasing demand from the market of low-carbon products and service drive by clients' sensibility towards environmental and climate change issues and by the Tire Labeling Reg. (EU 2020/740) on Rolling Resistance (parameter indirectly influencing the impact on the car's fuel consumption and related GHG emissions) may have a potential impact on Group revenues (Ref. Opp1 of the 3.6.1). [Example] Pirelli identified as low-carbon products the car tyres that Pirelli produces throughout the world with classes A, B of rolling resistance (the two most efficient classes) in according to the labelling parameters set by European legislation. The Potential positive delta increases in company revenues (vs. base case scenario), which reflects the projected evolution of the share of revenues directly coming from the growth of the sales from car tyres with A or B label of Rolling Resistance on the back of the target to achieve 35% of volumes by 2025 (Industrial Plan) vs the 30% recorded in 2023, it ranges from 7 to 16 million over a 2-years' time period (2023 vs 2025).*

### Row 2

## (5.3.2.1) Financial planning elements that have been affected

*Select all that apply*

☑ Access to capital

## (5.3.2.2) Effect type

*Select all that apply*

☑ Opportunities

## (5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

*Select all that apply*

☑ Climate change

## (5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

*Pirelli's proactive approach to tackling the issue of climate change is opening up opportunities in the short term to access new forms of financing linked to sustainability topics. As at 31 December 2023, sustainability index-linked loans accounted for almost 67.6% of the Group's total gross debt (including leasing). In detail: "sustainable" bank lines amount to 3.1 billion, of which 2.1 billion was utilised and 1.0 billion was available in the form of committed revolving credit facilities; Sustainability Linked Bonds (SLBs) amount to 600 million. [Example] In 2023, Pirelli debuted its first Sustainability-linked bond with a total nominal amount of 600 million. The issue was placed with more than 190 international investors and saw demand equal almost six times the supply, which amounted to approximately 3.5 billion. This is the first Sustainability-linked issue with size benchmark of this type placed by a global tyre company. The transaction reaffirms the company's commitment to integrating sustainability into its business strategy and is linked to the 2025 targets for the reduction of absolute greenhouse gas emissions (Scopes 1 and 2) and emissions from purchased raw materials (Scope 3) that are contained in Pirelli's first "Sustainability-linked financing Framework".*

### Row 3

## (5.3.2.1) Financial planning elements that have been affected

*Select all that apply*

☑ Indirect costs

## (5.3.2.2) Effect type

*Select all that apply*

☑ Risks

## (5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

*Select all that apply*

☑ Climate change

## (5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

*The Pirelli European plants [eg. Slatina plant in Romania] are directly subjected to EU-ETS regulation and the evolution of the mechanism could bring new restrictions to the credits availability. [Example] In 2023, around 54,000 Scope 1 emissions in metric tons CO2, corresponding to about 25% of the Group's total scope 1 emissions, have been regulated according to this mechanism. In addition to the three EU plants, new regulations that are under implementation/evaluation may affect in the medium term (2030) other 5 Pirelli's Plants: the two facilities in China, two in Brazil and the Mexican one. Considering a long term time horizon, the potential impact of euro 24 millions in 2050 represents the possible increase of operational costs due to a potential evolution of the EU ETS and introduction of new Cap and Trade schemes/Carbon taxes. The value is the result of the direct scope 1 emissions (ton CO2 equivalent) of each Pirelli tyre manufacturing plant multiplied by the carbon prices (EUR/ton CO2 eq) forecasted to 2050 accordingly to projections made by the United Nations IPCC and the IEA NZE energy transition scenario and relative to each country. The financial impact is based on the worst case scenario for Pirelli (stricter regulations) and takes into account all Pirelli production sites. Results were validated by a Monte Carlo simulation which took into account over 400 different price evolution pathways.*
*[Add row]*

# (5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

| | Identification of spending/revenue that is aligned with your organization's climate transition | Methodology or framework used to assess alignment with your organization's climate transition | Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy |
|---|---|---|---|
| | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ A sustainable finance taxonomy | *Select from:*<br>☑ At both the organization and activity level |

*[Fixed row]*

# (5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

## Row 1

## (5.4.1.1) Methodology or framework used to assess alignment

*Select from:*

☑ A sustainable finance taxonomy

## (5.4.1.2) Taxonomy under which information is being reported

*Select from:*

☑ EU Taxonomy for Sustainable Activities

## (5.4.1.3) Objective under which alignment is being reported

*Select from:*

☑ Climate change mitigation

## (5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

*Select from:*

☑ Yes

## (5.4.1.5) Financial metric

*Select from:*

☑ Revenue/Turnover

## (5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

*2094950000*

## (5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

*32*

## (5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

*35*

## (5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

*50*

## (5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

*67*

## (5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

*33*

## (5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

*The figure here reported is the share of total revenues from our business activities in FY2023 that were mapped to the EU Taxonomy for environmentally sustainable economic activities (objective climate change mitigation) and that we consider aligned with a 1.5C world. In the absence of a shared interpretative model with respect to the actual method of application of the Taxonomy to the tyre sector, Pirelli has evaluated its positioning with respect to the economic activity 3.6 “Manufacture of other low carbon technologies”, by determining the KPIs relating to TURNOVER, CAPEX and OPEX required by the regulations Pirelli identified the share of “eligible” economic activities with the turnover deriving from tyres dedicated to vehicles with low environmental impact and from tyres with high energy efficiency in terms of rolling resistance, considering the values envisaged by the European labelling as a reference parameter (Regulation (EU) 2020/740 “(4) [...] Tyres, mainly due to their rolling resistance, account for between 20% and 30% of vehicle fuel consumption. A reduction of the rolling resistance of tyres would therefore contribute significantly to the fuel efficiency of road transport and thus to the reduction of GHG and the decarbonisation of the transport sector”). With reference to the parameter to be considered for the calculation of the “alignment”, on the basis of Life Cycle Assessment analyses to determine the Carbon Footprint along the product life cycle, it is deemed that the Rolling Resistance (RR), as already described, is the best reference currently available to demonstrate the contribution of tyres to the transport sector in reducing greenhouse gas emissions. Among the RR classes that were considered for the eligibility. i.e. A, B, C, in consideration of the fact that the “C” class is the most widespread on the market, it is deemed that the “C” cannot be included among the “best alternatives on the market” and that, therefore, the “C” class should not be included among the economic activities “aligned” with the Taxonomy. For this reason, it is deemed that taxonomy aligned economic activities should be referred only to the A and B classes of RR. Contextually, it is considered that the rolling resistance classes A and B, which represent very high and high energy efficiency levels, express the best alternatives available on the market and are therefore aligned with the requirements of the Taxonomy. With reference to the best available solutions in terms of climate change mitigation in production processes and the supply chain, Pirelli can boast near-term targets for the reduction of absolute CO2 emissions (Scope 1, 2 and 3) approved by the Science Based Targets initiative (SBTi) in line with the most ambitious scenario for keeping climate warming within 1.5C. In addition, Pirelli aims to achieve Net-Zero emission by 2040 with respect to the Corporate Net Zero Standard of the SBTi. The allocation of turnover to the numerator was done by means of the system tracking of the European labelling for each tyre produced. It should also be noted that turnover from the sale of car and van tyres produced by the Group with rolling resistance values consistent with European labelling parameters was also taken into account by reparametrizing non-EU labelling to EU labelling values. The risk of double counting with regard to the turnover KPI is excluded as it is entirely attributed to economic activity 3.6. The denominator of the KPI is the consolidated revenue for the FY 2023 as reported in the consolidated financial statements. It should be noted that the expected % of alignment in 2025 and 2030 are an estimate derived from the group targets on the percentage of volume of sold tires with Rolling Resistance and Wet Grip belonging to classes AB envisaged in the industrial plan for 2025 (35%) and 2030 (50%).*

## Row 2

### (5.4.1.1) Methodology or framework used to assess alignment

*Select from:*

☑ A sustainable finance taxonomy

### (5.4.1.2) Taxonomy under which information is being reported

*Select from:*

☑ EU Taxonomy for Sustainable Activities

### (5.4.1.3) Objective under which alignment is being reported

*Select from:*

☑ Climate change mitigation

### (5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

*Select from:*

☑ Yes

### (5.4.1.5) Financial metric

*Select from:*

☑ CAPEX

### (5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

*171220000*

### (5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

*34*

## (5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

*37*

## (5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

*52*

## (5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

*75*

## (5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

*25*

## (5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

*The figure here reported is the share of total capital expenditure (capex) in the fiscal year 2023 that were mapped to the EU Taxonomy for environmentally sustainable economic activities (objective climate change mitigation) and that we consider aligned with a 1.5C world. In the absence of a shared interpretative model with respect to the actual method of application of the Taxonomy to the tyre sector, Pirelli has evaluated its positioning with respect to the economic activity 3.6 “Manufacture of other low carbon technologies”, by determining the Key Performance Indicators relating to turnover, capital expenditure and operating expenditure required by the regulations. The share of “aligned” economic activities with reference to capital expenditure refers mainly to productive investments directly related to the above-mentioned “aligned” revenues, which have been determined proportionally as allocation drivers in the case of investments in manufacturing that are common to several types of products. As already specified in the above description of the “methodology used to identify spending/revenue that is aligned”, since class C of rolling resistance is the most widespread on the market, it is considered that it cannot be included among the "best alternatives available on the market" and, therefore, should not be included among the economic activities "aligned" to the Taxonomy, while it is considered that the aligned economic activities should refer only to the rolling resistance classes A and B, which represent the best alternatives available on the market. For this reason, the alignment indicator of Operating Expenses was determined by considering only classes AB and excluding C. To this amount was added the entirety of the investments aimed at the development of cycling products and investments in energy efficiency at the Group’s factories related to the environmental objective of mitigating climate change have also been taken into account; these are therefore economic activities included in sector 7. Construction and real estate activities of the Climate Delegated Act that refer to the construction and rehabilitation of buildings or the installation of energy efficiency devices, instruments and devices for measuring, regulating and controlling the energy performance of buildings and renewable energy technologies. In this case the numerator was determined by involving Group companies and individual production sites that were asked to make an assessment of the individual investments made during the year to identify “eligible” investments for taxonomy purposes and to verify compliance with the Technical Screening Criteria and Do No Significant Harm. Finally, investments made during the year in technologies to optimise the development and testing of tyres were considered as Activity 9.1 Research, Development and Innovation close to the market. The denominator of the KPI is the sum of the gross additions recognised in 2023 in respect of property, plant and equipment owned, rights of use and intangible assets, as disclosed in the consolidated financial statements. It should be noted that the expected % of alignment in 2025 and 2030 are an estimate derived from the group targets on the percentage of*

*volume of sold tires with Rolling Resistance and Wet Grip belonging to classes AB envisaged in the industrial plan for 2025 (35%) and 2030 (50%), considering that capital expenditure refers mainly to productive investments directly related to the above-mentioned "aligned" revenues, which have been determined proportionally as allocation drivers in the case of investments in manufacturing that are common to several types of products.*

## Row 3

### (5.4.1.1) Methodology or framework used to assess alignment

*Select from:*

☑ A sustainable finance taxonomy

### (5.4.1.2) Taxonomy under which information is being reported

*Select from:*

☑ EU Taxonomy for Sustainable Activities

### (5.4.1.3) Objective under which alignment is being reported

*Select from:*

☑ Climate change mitigation

### (5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

*Select from:*

☑ Yes

### (5.4.1.5) Financial metric

*Select from:*

☑ OPEX

### (5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

*85300000*

## (5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

*23*

## (5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

*26*

## (5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

*41*

## (5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

*32*

## (5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

*68*

## (5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

*The figure here reported is the share of total operating expenses (opex) in the fiscal year 2023 that were mapped to the EU Taxonomy for environmentally sustainable economic activities (objective climate change mitigation) and that we consider aligned with a 1.5C world. In the absence of a shared interpretative model with respect to the actual method of application of the Taxonomy to the tyre sector, Pirelli has evaluated its positioning with respect to the economic activity 3.6 “Manufacture of other low carbon technologies”, by determining the Key Performance Indicators relating to turnover, capital expenditure and operating expenditure required by the regulations. The share of “aligned” economic activities with regard to operating expenses refers mainly to production costs incurred for research and development, which, if carried out in-house and with the aim of improving the rolling resistance parameter of A and B labelled tyres, was considered as part of activity 3.6, otherwise as economic activity 9.1 ‘Research, development and innovation close to the market’. In addition, the operating costs related to the investments in energy efficiency were considered. As already specified in the above description of the “methodology used to identify spending/revenue that is aligned”, since class C of rolling resistance is the most widespread on the market, it is considered that it cannot be included among the "best alternatives available on the market" and, therefore, should not be included among the economic activities "aligned" to the Taxonomy, while it is considered that the aligned economic activities should refer only to the rolling resistance classes A and B, which represent the best alternatives available on the market. For this reason, the alignment indicator of Operating Expenses was determined by considering only classes AB and excluding C. The denominator of the KPI, as required by regulation, is non-capitalised direct costs related to research and development, building renovation, rent, maintenance, repairs and other direct expenses related to the day-to-day operation of assets incurred in 2023. It should be noted that the expected % of alignment in 2025 and 2030 are an estimate derived from the group targets on the percentage of volume of sold*

*tires with Rolling Resistance and Wet Grip belonging to classes AB envisaged in the industrial plan for 2025 (35%) and 2030 (50%), considering that operating expenses refers mainly to production costs incurred for research and development, directly related to the above-mentioned "aligned" revenues.*
*[Add row]*

## (5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

### Row 1

### (5.4.2.1) Economic activity

*Select from:*
☑ Manufacture of other low carbon technologies

### (5.4.2.2) Taxonomy under which information is being reported

*Select from:*
☑ EU Taxonomy for Sustainable Activities

### (5.4.2.3) Taxonomy alignment

*Select from:*
☑ Taxonomy-aligned

### (5.4.2.4) Financial metrics

*Select all that apply*
☑ Turnover
☑ CAPEX
☑ OPEX

### (5.4.2.5) Types of substantial contribution

*Select all that apply*

☑ Activity enabling mitigation

## (5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

*2094450000*

## (5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

*31.5*

## (5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

*31.5*

## (5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

*0*

## (5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

*167330000*

## (5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

*33*

## (5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

*33*

## (5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

*0*

## (5.4.2.20) Taxonomy-aligned OPEX from this activity in the reporting year (currency)

*84120000*

## (5.4.2.21) Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

*22.3*

## (5.4.2.22) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

*22.3*

## (5.4.2.23) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

*0*

## (5.4.2.27) Calculation methodology and supporting information

*In the absence of a shared interpretative model with respect to the actual method of application of the Taxonomy to the tyre sector, Pirelli has evaluated its positioning with respect to the economic activity 3.6 "Manufacture of other low carbon technologies", by determining the Key Performance Indicators relating to turnover, capital expenditure and operating expenditure required by the regulations. Pirelli identified the share of "eligible" economic activities with the KPIs deriving from tyres dedicated to vehicles with low environmental impact and from tyres with high energy efficiency in terms of rolling resistance, considering the values envisaged by the European labelling as a reference parameter (Regulation EU 2020/740).*

## (5.4.2.28) Substantial contribution criteria met

*Select from:*

☑ Yes

## (5.4.2.29) Details of substantial contribution criteria analysis

*The process of verifying the eco-sustainability of the economic activities of Pirelli (the so-called "alignment" to the Taxonomy) involved the verification of the Technical Screening Criteria to assess the actual contribution of the economic activity to a given environmental objective, respecting the principle of technology neutrality and taking into account the long-term and short-term impact of the economic activity. With reference to the parameter to be considered for the calculation of the "alignment", on the basis of LCA analyses to determine the Carbon Footprint along the product life cycle, it is deemed that the rolling resistance parameter is the best reference currently available to demonstrate the contribution of tyres to the transport sector in reducing GHG emissions. Among the rolling resistance classes that were considered for the eligibility. i.e. A, B, C, in consideration of the fact that the C class is the most widespread on the market, it is deemed that the C cannot be included among the "best alternatives on the market" and that, therefore, the C class should not be included among the economic activities aligned with the Taxonomy. For this reason, it is deemed that taxonomy aligned economic activities should be referred only to the A and B classes of rolling resistance. Contextually, it is considered that the rolling resistance classes A and B, which represent very high and high energy efficiency levels, express the best alternatives available on the market and are therefore aligned with the requirements of the Taxonomy. With reference to the best available solutions in terms of climate change mitigation in production processes and the supply chain, Pirelli can boast near-term targets for the reduction of absolute CO2 emissions (Scope 1, 2 and 3) approved by the Science Based Targets initiative (SBTi) in line with the most ambitious scenario for keeping climate warming within 1.5C. In addition, Pirelli aims to achieve Net-Zero emission by 2040 with respect to the Corporate Net Zero Standard of the SBTi.*

## (5.4.2.30) Do no significant harm requirements met

*Select from:*

☑ Yes

## (5.4.2.31) Details of do no significant harm analysis

*The "DNSH" (Do No Significant Harm) criteria to ensure that the economic activity does not cause significant harm to any of the other environmental objectives has been verified for the Key Performance Indicators relating both to turnover, capital expenditure and operating expenditure and the analysis has been performed for each production plant.*

## (5.4.2.32) Minimum safeguards compliance requirements met

*Select from:*

☑ Yes

## (5.4.2.33) Attach any supporting evidence

*PIRELLI_ANNUAL_REPORT_2023_ENG.pdf,PIRELLI_ANNUAL_REPORT_2023_ENG.pdf*
*[Add row]*

## (5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

### (5.4.3.1) Details of minimum safeguards analysis

*Article 18.1 of the EU Taxonomy Regulation describes social minimum safeguards as procedures implemented by a company to ensure that its business activities are conducted in accordance with the internationally recognised principles set out in the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business an Human Rights (UNGPs). Compliance with the minimum safeguards, for the purposes of alignment, was assessed at Group level. Specifically, the Pirelli Group considered all the issues set out in the principles contained in the above documents, analysing both compliance and the presence of any sanctions in this regard and, where appropriate, the relative management and remedial methods. In order to identify, manage and mitigate risks related to the above issues, the Pirelli Group has adopted Policies, Management Models, prevention actions and remedial mechanisms in the areas of human rights, labour, environment, corruption, consumer protection, science, technology and innovation, competition, taxation. Pirelli promotes respect for human rights and adherence to applicable international standards among its partners and stakeholders. Pirelli aligns its governance with the United Nations Global Compact, the ISO 26000 Guidelines, the dictates of the SA8000 Standard and underlying international ILO regulations, the International Charter of Human Rights, the OECD Guidelines on Due Diligence and the recommendations contained in the United Nations Guiding Principles on Business and Human Rights, implementing the Protect, Respect and Remedy Framework. In line with international standards, Human Rights due diligence at Pirelli includes the following activities: adoption and integration of a human rights due diligence commitment within company policies and procedures; Identification and assessment of risks and negative impacts, including through stakeholder involvement; Commitment to interrupt, prevent, mitigate and remedy negative impacts; Monitoring of the implementation of these actions and their results; Public communication of the approach to human rights due diligence and the actions taken to avoid and address negative impacts; Commitment to remedy any negative impacts, including establishing or participating in grievance mechanisms where individuals and groups can voice grievances and human rights concerns.*

### (5.4.3.2) Additional contextual information relevant to your taxonomy accounting

*Please see our Pirelli 2023 annual report publicly available on our website (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) paragraph "THE EUROPEAN REGULATION ON THE TAXONOMY OF ENVIRONMENTALLY SUSTAINABLE ECONOMIC ACTIVITIES" at page 175.*

### (5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

*Select from:*

☑ No

### (5.4.3.4) Please explain why you will not be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

*In Italy, the assurance activities by the Independent Auditors linked to the European Taxonomy Regulation exclusively involved verifying the preparation and publication of the information required by Reg. 852/20, in compliance with the indications given by Assirevi to the Independent Auditors through Research Document No. 243 of February 2022, entitled "Auditor's activity on the disclosure pursuant to Article 8 of Regulation 2020/852 - Taxonomy Regulation".*
*[Fixed row]*

## (5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

### (5.9.1) Water-related CAPEX (+/- % change)

*0*

### (5.9.2) Anticipated forward trend for CAPEX (+/- % change)

*0*

### (5.9.3) Water-related OPEX (+/- % change)

*6*

### (5.9.4) Anticipated forward trend for OPEX (+/- % change)

*3*

### (5.9.5) Please explain

*The data entered refers to operations at group level (no exclusions) and are estimates. No relevant changes in the yearly CAPEX due constant budget allocation. While for OPEX the increase vs. previous year is related to an increasing trend of "water cost", that is expected to be confirmed also for the coming year even if with lower impact expected due to an expected reduction ofwater consumption. CAPEX covers all the investments needed to improve, upgrade, maintain, the water systems. OPEX covers all the operative expenditures related to the management of water and water systems (water invoices, analysis, fees, consumables of water systems,...).*
*[Fixed row]*

## (5.10) Does your organization use an internal price on environmental externalities?

| | Use of internal pricing of environmental externalities | Environmental externality priced |
|---|---|---|
| | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Carbon |

*[Fixed row]*

## (5.10.1) Provide details of your organization's internal price on carbon.

### Row 1

### (5.10.1.1) Type of pricing scheme

*Select from:*

☑ Shadow price

### (5.10.1.2) Objectives for implementing internal price

*Select all that apply*

☑ Drive energy efficiency

☑ Drive low-carbon investment

☑ Identify and seize low-carbon opportunities

☑ Navigate regulations

☑ Other, please specify :Stakeholder expectations

### (5.10.1.3) Factors considered when determining the price

*Select all that apply*

☑ Alignment with the price of allowances under an Emissions Trading Scheme

☑ Scenario analysis

## (5.10.1.4) Calculation methodology and assumptions made in determining the price

*The value of the internal carbon price adopted for all regions of the Group in 2023 is in line with the trading price of emission allowances on the European Union Emissions Trading System (EU ETS). The entered value is based on the average market price of the EU ETS in the reference year. The evolution of the price follows the trend envisaged by the Announced Policies Scenario (APS) of the International Energy Agency IEA for advanced economies with net-zero pledge (European Union - APS 2030) which predicts a value of 120 by 2030 euro.*

## (5.10.1.5) Scopes covered

*Select all that apply*

☑ Scope 1

☑ Scope 2

## (5.10.1.6) Pricing approach used – spatial variance

*Select from:*

☑ Uniform

## (5.10.1.8) Pricing approach used – temporal variance

*Select from:*

☑ Evolutionary

## (5.10.1.9) Indicate how you expect the price to change over time

*Expected an increase of 3.5% per year over time, achieving in 2030 the value of 120 euros, as envisaged by the Announced Policies Scenario (APS) of the International Energy Agency IEA for the advanced economies with net-zero pledges (European Union - APS 2030).*

## (5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

*83.5*

## (5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

*83.5*

## (5.10.1.12) Business decision-making processes the internal price is applied to

*Select all that apply*

☑ Capital expenditure

☑ Operations

## (5.10.1.13) Internal price is mandatory within business decision-making processes

*Select from:*

☑ Yes, for some decision-making processes, please specify **:**In the Operations area, for the assessment of new investments with potential impacts on the Group's decarbonisation roadmap, the internal price of carbon is used to quantify the impact deriving from GHG emissions in order to integrate the potential m

## (5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

*3.3*

## (5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

*Select from:*

☑ Yes

## (5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

*A dedicated tool working on a "shadow price" of carbon has been developed to quantify and compare the environmental impacts of different projects in terms of capital expenditure and operations. This aims at facilitating the choice of solutions with lower GHG emissions. To date, the tool adopted to apply the internal carbon price has been used to validate and promote selected energy efficiency initiatives. While no relevant impacts on business were recorded, the internal carbon price contributes (marginally) to the implementation of the organization's climate transition plan. As example, the carbon price assessment has supported the initiative to install LED lighting systems to replace traditional one in all our production plants, thanks to the fact that the new solution guarantees up to 50% of CO2 emissions reduction generated by electrical consumption dedicate to lightning. During 2023, the LED installation program was completed at almost all production sites in EU, LATAM and continued in APAC, reaching a coverage of close to 85% in the Group's plants.*

## Row 2

### (5.10.1.1) Type of pricing scheme

*Select from:*

☑ Internal fee

### (5.10.1.2) Objectives for implementing internal price

*Select all that apply*

☑ Set a carbon offset budget

☑ Other, please specify :Change internal behavior

### (5.10.1.3) Factors considered when determining the price

*Select all that apply*

☑ Price/cost of voluntary carbon offset credits

### (5.10.1.4) Calculation methodology and assumptions made in determining the price

*This kind of Internal Carbon Price has the objective to contribute to decrease the total CO2 emission of the Pirelli car fleet year by year (as has happened since the issue of this policy). Aside from being an incentive to choose more sustainable cars, the Policy has the merit of spreading the culture of environmental responsibility in a simple, tangible way, through the direct participation of employees. With the same purpose of changing internal behaviour, the car fleet policy also requires that the amount gathered with the "carbon tax" has to fund offset projects (reforestation or renewable energy initiatives) to compensate the CO2 emitted by each vehicle.*

### (5.10.1.5) Scopes covered

*Select all that apply*

☑ Scope 1

☑ Scope 3, Category 8 - Upstream leased assets

### (5.10.1.6) Pricing approach used – spatial variance

*Select from:*

☑ Uniform

### (5.10.1.8) Pricing approach used – temporal variance

*Select from:*

☑ Static

### (5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

*15*

### (5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

*15*

### (5.10.1.12) Business decision-making processes the internal price is applied to

*Select all that apply*

☑ Remuneration

### (5.10.1.13) Internal price is mandatory within business decision-making processes

*Select from:*

☑ No

### (5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

*0.4*

### (5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

*Select from:*

☑ No

*[Add row]*

## (5.11) Do you engage with your value chain on environmental issues?

| | Engaging with this stakeholder on environmental issues | Environmental issues covered |
|---|---|---|
| Suppliers | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change<br>☑ Forests<br>☑ Water |
| Smallholders | *Select from:*<br>☑ Yes | *Select all that apply* |
| Customers | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change<br>☑ Forests<br>☑ Water |
| Investors and shareholders | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change |
| Other value chain stakeholders | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change |

*[Fixed row]*

## (5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

## Climate change

### (5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

*Select from:*

☑ Yes, we assess the dependencies and/or impacts of our suppliers

## (5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

*Select all that apply*

☑ Contribution to supplier-related Scope 3 emissions

## (5.11.1.3) % Tier 1 suppliers assessed

*Select from:*

☑ 1-25%

## (5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

*In our context, the suppliers are classified as "having substantive impact" based on the percentage of Pirelli's scope 3 emissions for which they're responsible. [Threshold]: Following an evaluation of the suppliers' contribution to the carbon-footprint of our company, Raw Material Suppliers accounts 90% of upstream Scope 3 CO2 emissions. Hence we focus our engagement on these group of suppliers to reduce our supply chain emission in line with the targets set by Pirelli and approved by the SBTi.*

## (5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*Select from:*

☑ 1-25%

## (5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*200*

# Forests

## (5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

*Select from:*

☑ Yes, we assess the dependencies and/or impacts of our suppliers

## (5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

*Select all that apply*

☑ Impact on deforestation or conversion of other natural ecosystems

☑ Impact on pollution levels

## (5.11.1.3) % Tier 1 suppliers assessed

*Select from:*

☑ Less than 1%

## (5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

*In our context, the suppliers are classified as "having substantive impact" based on the impact on deforestation and pollution levels. [Threshold]: The economic, social and environmental sustainability of the natural rubber supply chain is among Pirelli's priorities, aware that the origins of this commodity have an impact in forestry terms. Hence we focus our engagement on these group of suppliers to promote and implement the responsible sourcing and use of natural rubber across the value chain.*

## (5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*Select from:*

☑ Less than 1%

## (5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*25*

# Water

## (5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

*Select from:*

☑ Yes, we assess the dependencies and/or impacts of our suppliers

## (5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

*Select all that apply*

☑ Impact on water availability

☑ Impact on pollution levels

☑ Other, please specify :legal compliance including the presence of legal environmental permit

## (5.11.1.3) % Tier 1 suppliers assessed

*Select from:*

☑ Less than 1%

## (5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

*In our context, the suppliers are classified as "having substantive impact" based on the impact on water availability and pollution levels, also considering the presence of legal environmental permits. [Threshold]: Considering the water footprint along the life cycle of Pirelli products, the main impacts are in the field of raw materials and specifically in the processing of natural rubber. Hence we focus our engagement on these group of suppliers to reduce our water footprint.*

## (5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*Select from:*

☑ Less than 1%

## (5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*25*
*[Fixed row]*

## (5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

## Climate change

### (5.11.2.1) Supplier engagement prioritization on this environmental issue

*Select from:*

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

### (5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

*Select all that apply*

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☑ Material sourcing

☑ Strategic status of suppliers

### (5.11.2.4) Please explain

*Rationale for using the criteria selected: Following an evaluation of the suppliers' contribution to the carbon-footprint of our organization, raw Material Suppliers accounts 90% of upstream Scope 3 CO2 emissions. Hence we focus our engagement on suppliers of raw material to reduce our supply chain emission in line with the targets set by Pirelli and approved by the SBTi.*

## Forests

### (5.11.2.1) Supplier engagement prioritization on this environmental issue

*Select from:*

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

### (5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

*Select all that apply*

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to forests

☑ Material sourcing

### (5.11.2.4) Please explain

*Rationale for using the criteria selected: The economic, social and environmental sustainability of the natural rubber supply chain is among the priorities of Pirelli, with the full awareness that the origins of its rubber supply chain impact in forestry terms. Hence we focus our engagement on suppliers of natural rubber to promote, develop and implement the sustainable and responsible sourcing and use of natural rubber throughout its value chain.*

## Water

### (5.11.2.1) Supplier engagement prioritization on this environmental issue

*Select from:*

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

### (5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

*Select all that apply*

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

☑ Material sourcing

### (5.11.2.4) Please explain

*Rationale for using the criteria selected: Considering to the water footprint along the life cycle of Pirelli products, the impacts are prevalent in the area of raw materials and specifically in the area of natural rubber processing, a material on which particular attention is also paid in terms of preventing the risk of deforestation and protecting biodiversity. Hence we focus our engagement on suppliers of raw material to reduce our water footprint.*
*[Fixed row]*

## (5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

## Climate change

### (5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

*Select from:*

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

## (5.11.5.2) Policy in place for addressing supplier non-compliance

*Select from:*

☑ Yes, we have a policy in place for addressing non-compliance

## (5.11.5.3) Comment

*Pirelli contractually reserves the right to suspend or terminate the contractual relationship in the event of non-compliance with the Code of Conduct, and/or refusal to enter into a corrective action/improvement plan, or failure to implement an agreed corrective action/improvement plan.*

### Forests

## (5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

*Select from:*

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

## (5.11.5.2) Policy in place for addressing supplier non-compliance

*Select from:*

☑ Yes, we have a policy in place for addressing non-compliance

## (5.11.5.3) Comment

*Pirelli contractually reserves the right to suspend or terminate the contractual relationship in the event of non-compliance with the Code of Conduct, and/or refusal to enter into a corrective action/improvement plan, or failure to implement an agreed corrective action/improvement plan.*

### Water

## (5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

*Select from:*

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

## (5.11.5.2) Policy in place for addressing supplier non-compliance

*Select from:*

☑ Yes, we have a policy in place for addressing non-compliance

## (5.11.5.3) Comment

*Pirelli contractually reserves the right to suspend or terminate the contractual relationship in the event of non-compliance with the Code of Conduct, and/or refusal to enter into a corrective action/improvement plan, or failure to implement an agreed corrective action/improvement plan.*
*[Fixed row]*

# (5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

## Climate change

## (5.11.6.1) Environmental requirement

*Select from:*

☑ Compliance with an environmental certification, please specify **:**Pirelli expects its Suppliers to comply with national & international env. regulations & standards and to operate an effective and certified environmental management system according to ISO 14001, Eco-Management and Audit Scheme (EMAS) or equivalent

## (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ Supplier self-assessment

## (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 26-50%

## (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 26-50%

## (5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*

☑ None

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

## (5.11.6.12) Comment

## Forests

### (5.11.6.1) Environmental requirement

*Select from:*

☑ No deforestation or conversion of other natural ecosystems

### (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ Geospatial monitoring tool

### (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 1-25%

### (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 1-25%

### (5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

*Select from:*

☑ Less than 1%

### (5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*

☑ None

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

## (5.11.6.12) Comment

*Based on the areas of sourcing, in late 2019/beginning 2020, Pirelli started a first trial of a deforestation monitoring system, which uses satellite images and algorithms to identify deforestation hot-spots. The first trial focused the analysis on South Sumatra, Indonesia and, among all villages we source natural rubber from, 5 Villages were identified as potentially risky in terms of deforestation. Since the algorithm adopted for the analysis was only able. Risks in terms of deforestation however cannot be attributed to rubber with certainty as the analysis is able to pinpoint deforestation hot-spots caused by multiple crops, not only by natural rubber.*

# Water

## (5.11.6.1) Environmental requirement

*Select from:*

☑ Total water withdrawal volumes reduction

## (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ On-site third-party audit

## (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 1-25%

## (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 1-25%

## (5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

*Select from:*

☑ Less than 1%

## (5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*

☑ None

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

## (5.11.6.12) Comment

*Please consider that every year selected suppliers from raw material sector are audited to verify their respect of the sustainability clauses. On the basis of audit findings, and where non-conformities are found, the supplier signs off a corrective action plan suggested by the independent auditor, to be implemented within specific deadlines. The actual return from non-compliance within the prescribed time limit is then verified through follow-up activities followed by the third-party auditor who reports to Pirelli. In the event of refusal by the Supplier to implement an action plan requested by Pirelli or failure to implement an agreed action plan, Pirelli may suspend with immediate effect the execution of the Contract and/or the Order, and/or terminate the contractual relationship. It is also worthwhile to mention that Pirelli manages water risk assessment according with a "risk based approach" and focusing on materiality, in terms of both economic and environmental impacts.*

# Climate change

## (5.11.6.1) Environmental requirement

*Select from:*

☑ Setting a science-based emissions reduction target

## (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ Supplier self-assessment

## (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 26-50%

## (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 1-25%

## (5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

*Select from:*

☑ 1-25%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*

☑ 76-99%

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Providing information on appropriate actions that can be taken to address non-compliance

## (5.11.6.12) Comment

*Raw Material Suppliers represent 46% of the value of the group's purchases and accounts 90% of upstream Scope 3 CO2 emissions. in line with the Capacity Building & Engagement for the topic decarbonization, Pirelli requires its raw material suppliers to set a science based emission target by 2025 and to use 100% renewable electricity as reported in the Group Industrial Plan.*

# Climate change

## (5.11.6.1) Environmental requirement

*Select from:*

☑ Adoption of the UN International Labour Organization Principles

## (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ On-site third-party audit

☑ Supplier self-assessment

## (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*

☑ None

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

## (5.11.6.12) Comment

*In line with the requirements of the Pirelli Supplier Code of Conduct, which set out the values and the requirements Pirelli expects from its Suppliers and constitutes an integral part of the relationship between Pirelli and its Suppliers to respect and implement, the Pirelli Suppliers: - shall always comply at least with the minimum standard established by national, international, regional and/or local laws and regulations, including collective bargaining agreements, where applicable, as well as international standards defined by the United Nations and the International Labour Organization or other relevant international organizations (e.g. International Organization for Standardization (ISO)). - are called upon to observe the principles and rights set forth in the guidelines of the UN Initiative "Global Compact" and the "ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up" and to align their due diligence process with the requirements of the United Nations' Guiding Principles on Business and Human Rights. In addition, every year Pirelli conducts an on-site third-party ESG audit campaign at active suppliers' sites to cover all product and geographic areas of purchase. The annual Audit Campaign covers suppliers considered critical and significant based on the results of economic materiality and ESG risk criteria of the country, sector and commodity.*

# Water

## (5.11.6.1) Environmental requirement

*Select from:*

☑ Adoption of the UN International Labour Organization Principles

## (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ On-site third-party audit

☑ Supplier self-assessment

## (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*
☑ 100%

## (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*
☑ 100%

## (5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

*Select from:*
☑ 100%

## (5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

*Select from:*
☑ 100%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*
☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*
☑ None

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

## (5.11.6.12) Comment

*In line with the requirements of the Pirelli Supplier Code of Conduct, which set out the values and the requirements Pirelli expects from its Suppliers and constitutes an integral part of the relationship between Pirelli and its Suppliers to respect and implement, the Pirelli Suppliers: - shall always comply at least with the minimum standard established by national, international, regional and/or local laws and regulations, including collective bargaining agreements, where applicable, as well as international standards defined by the United Nations and the International Labour Organization or other relevant international organizations (e.g. International Organization for Standardization (ISO)). - are called upon to observe the principles and rights set forth in the guidelines of the UN Initiative "Global Compact" and the "ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up" and to align their due diligence process with the requirements of the United Nations' Guiding Principles on Business and Human Rights. In addition, every year Pirelli conducts an on-site third-party ESG audit campaign at active suppliers' sites to cover all product and geographic areas of purchase. The annual Audit Campaign covers suppliers considered critical and significant based on the results of economic materiality and ESG risk criteria of the country, sector and commodity.*

# Forests

## (5.11.6.1) Environmental requirement

*Select from:*

☑ Adoption of the UN International Labour Organization Principles

## (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ On-site third-party audit

☑ Supplier self-assessment

## (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*

☑ None

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

## (5.11.6.12) Comment

*In line with the requirements of the Pirelli Supplier Code of Conduct, which set out the values and the requirements Pirelli expects from its Suppliers and constitutes an integral part of the relationship between Pirelli and its Suppliers to respect and implement, the Pirelli Suppliers: - shall always comply at least with the minimum standard established by national, international, regional and/or local laws and regulations, including collective bargaining agreements, where applicable, as well as international standards defined by the United Nations and the International Labour Organization or other relevant international organizations (e.g. International Organization for Standardization (ISO)). - are called upon to observe the principles and rights set forth in the guidelines of the UN Initiative "Global Compact" and the "ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up" and to align their due diligence process with the requirements of the United Nations' Guiding Principles on Business and Human Rights. In addition, every year Pirelli conducts an on-site third-party ESG audit campaign at active suppliers' sites to cover all product and geographic areas of purchase. The annual Audit Campaign covers suppliers considered critical and significant based on the results of economic materiality and ESG risk criteria of the country, sector and commodity.*

## Water

### (5.11.6.1) Environmental requirement

*Select from:*

☑ Setting and monitoring withdrawal reduction targets

### (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*

☑ Supplier self-assessment

### (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*

☑ 1-25%

### (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*

☑ 1-25%

### (5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

*Select from:*

☑ Less than 1%

## (5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

*Select from:*

☑ 100%

## (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*

☑ Retain and engage

## (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*

☑ None

## (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

## (5.11.6.12) Comment

*In line with the requirements of the Pirelli Supplier Code of Conduct (which set out the values and the requirements Pirelli expects from its Suppliers and constitutes an integral part of the relationship between Pirelli and its Suppliers to respect and implement) the Pirelli Suppliers: - beyond the compliance to the legal requirements, are expected to prevent, reduce and mitigate any form of environmental pollution (air, water, soil & groundwater, etc.), to prevent environmental accidents and to promptly recover and restore in case they occur. - shall monitor, record, document and upon request provide Pirelli with environmental quantitative data and performances, Life Cycle Inventories/Assessment reports or Environmental Footprints. - are expected to responsibly preserve and manage water resources ("Water Stewardship"), optimize their water use, set targets to reduce its exploitation and returning water with a quality suitable for the interested ecosystem, with special care of those located in water stressed area or those with a high environmental and biodiversity value, possibly beyond the legal requirements.*
*[Add row]*

## (5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

## Climate change

### (5.11.7.2) Action driven by supplier engagement

*Select from:*

☑ Emissions reduction

### (5.11.7.3) Type and details of engagement

**Capacity building**

☑ Provide training, support and best practices on how to measure GHG emissions

**Information collection**

☑ Collect climate transition plan information at least annually from suppliers

☑ Collect environmental risk and opportunity information at least annually from suppliers

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect targets information at least annually from suppliers

### (5.11.7.4) Upstream value chain coverage

*Select all that apply*

☑ Tier 1 suppliers

### (5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

*Select from:*

☑ 26-50%

### (5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

*Select from:*

☑ 76-99%

## (5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

*[Rationale for the coverage of this engagement]: Climate related disclosure through a public platform (CDP Supply Chain). Pirelli selects the suppliers to be invite to the CDP Supply Chain based on the impact they have in terms of CO2 Scope 3 emissions on its value chain. In 2023, 111 key suppliers - belonging to the Raw Materials (67), Logistics (20) and Energy (24) categories - were invited to respond to the CDP SC questionnaire on climate change. They were selected on the basis of the extent of their impact on Pirelli's Carbon Footprint. Therefore, expense ratio is not a direct criterion used for their selection. [Example] As example, in the raw materials cluster, a Pareto analysis was used to select the suppliers with the highest impact in terms of CO2 emissions, covering at least 90% of the scope 3 emissions of the "Raw Materials" life cycle phase. The energy cluster, on the other hand, includes all the energy suppliers for the Pirelli plants with an active contract in 2023, while Logistics considers the suppliers with greater volumes/distances covered in 2023 for Pirelli. [Impact of engagement and Measure of success]: Pirelli set the target of increasing the response rate of CDP SC in the "Raw Materials" supplier category to 90% by 2024 (in 2022, achieved 88% as published in the Pirelli Annual Report 2023) in order to directly monitor Scope 3 emissions and collect primary data from suppliers of raw materials. Furthermore, the impact of the commitment through the CDP Supply Chain allows Pirelli to ensure adequate awareness of suppliers on climate change issues to identify and activate all possible opportunities to reduce greenhouse gas emissions. [Example] 26% of our suppliers who responded in 2023 reported collaborative opportunities to be developed with Pirelli such as the implementation of energy reduction projects or the optimization of logistics/routes. Furthermore the % of Pirelli suppliers disclosing to CDP with a structured target raised to 81% in 2023 from 79% in the previous year (for Pirelli it is important that suppliers undertake a strategy to reduce emissions with public and measurable targets). Through the involvement in the CDP program, suppliers can also access support tools, training and examples of good practices made available by CDP, to measure and report greenhouse gas emissions and set their own decarbonization strategy.*

## (5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

*Select from:*

☑ Yes, please specify the environmental requirement :provide support to complete and submit the CDP questionnaire that is a requirement from Pirelli to selected suppliers  (Pirelli set the target to achieve a 90% response rate for raw material suppliers by 2024).

## (5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

*Select from:*

☑ Yes

# Forests

## (5.11.7.1) Commodity

*Select from:*

☑ Rubber

## (5.11.7.2) Action driven by supplier engagement

*Select from:*

☑ No deforestation and/or conversion of other natural ecosystems

## (5.11.7.3) Type and details of engagement

**Capacity building**

☑ Support suppliers to set their own environmental commitments across their operations

**Information collection**

☑ Other information collection activity, please specify :Supply Chain Mapping

## (5.11.7.4) Upstream value chain coverage

*Select all that apply*

☑ Tier 1 suppliers

## (5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

*Select from:*

☑ 1-25%

## (5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

*Select from:*

☑ Less than 1%

## (5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

*Relating to the Natural Rubber Policy implementation, since 2019 six workshops, each of the duration of three days, were organized by Pirelli in five countries: two in Indonesia, one in Thailand, one in Malaysia, one in China and one in Brazil, covering the countries Pirelli sources its natural rubber from. All direct Pirelli suppliers, and in some cases, national authorities and associations, participated in the training sessions that were conducted by local specialists in native language, making the training particularly effective and appreciated by participants. The training covered all the pillars of the Pirelli Sustainable Natural Rubber Policy and of the relevant Implementation Manual. In addition to this, Pirelli worked and supported its suppliers to develop a roadmap of activities that will help them to be aligned with Pirelli Sustainable Natural Rubber Policy. The activities stated into the suppliers' roadmaps are based on the risk analysis and the gap analysis carried out at local level. All the measures are thus tailored based on the reality of each suppliers. In addition to this, in line with its commitment to safeguarding the forests where natural rubber is derived, Pirelli's strategy focus on the increasing use of natural rubber FSC Certified with a target to bring 100% FSC certified natural rubber to European production by 2026 (Pirelli was also the first company in the world to equip a mass production vehicle with FSC certified tyres in 2021 and beginning with the 2024 season it will introduce the same certification for all tyres produced and used in F1). In this context, relating to the Suppliers, FSC certification requires the implementation of FSC Forest Management standard at plantation level (Tier 4).*

## (5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

*Select from:*

☑ Yes, please specify the environmental requirement **:**FSC Chain of custody

## (5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

*Select from:*

☑ Yes

# Water

## (5.11.7.2) Action driven by supplier engagement

*Select from:*

☑ Total water withdrawal volumes reduction

## (5.11.7.3) Type and details of engagement

**Innovation and collaboration**

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

## (5.11.7.4) Upstream value chain coverage

*Select all that apply*

☑ Tier 1 suppliers

## (5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

*Select from:*

☑ 1-25%

## (5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

*Select from:*

☑ Less than 1%

## (5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

*[Rationale for the coverage of this engagement] Since 2012, Pirelli has provided training on issues of environmental and social responsibility and business ethics to its suppliers, identifying from year to year the reference participants based on strategic issues, spending value, operations of suppliers in countries considered at risk. In line with the Roadmap on the implementation of the Policy on the sustainable management of Natural Rubber (NR), Pirelli organized several training sessions dedicated to the issues covered by the Group Policy, including water management related issues. Up to 2023 the Pirelli NR Suppliers trained on Pirelli Sustainable NR Policy and the Implementation Manual was 99,5% according to the roadmap 2022-2025 which aims to reach 100% in the 2025. The percentage reported above refers only to NR suppliers, which are our higher risk suppliers (considering the entire supply chain they account for less than 1%). [Impact of the engagement and measures of success] The training activity aims to support suppliers in understanding the Pirelli sustainability model and the related requirements that must be respected to guarantee a sustainable business relationship with the Company. The measure of success of the last training campaign focused on the Sustainable NR Policy implementation was the participation of 100% NR Suppliers. In 2023, the Group and its supplier Kirana Megatara confirmed the continued awarding of scholarships to the children of local producers, in the belief that the future sustainability of the natural rubber business cannot ignore the new generations and their right to study. 80 scholarships were awarded and 150 farmers were trained on the correct ways to extract natural rubber, so as to protect natural resources and maximise yields while preserving and prolonging the life of rubber trees. In addition to this, Pirelli's strategy focuses on the increasing use of natural rubber FSC Certified with a target to bring 100% FSC certified NR to EU production by 2026 (Pirelli was also the first company in the world to equip a mass production vehicle with FSC certified tyres in 2021). In this context, relating to the Suppliers, FSC certification requires the implementation of FSC Forest Management standard at plantation level (Tier 4), which includes requirements on protection of the quality and quantity of water in streams, ponds and lakes, and the vegetation beside the forest.*

## (5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

*Select from:*

☑ Yes, please specify the environmental requirement :FSC Chain of custody

## (5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

*Select from:*

☑ Yes

*[Add row]*

## (5.11.8) Provide details of any environmental smallholder engagement activity

### Row 1

## (5.11.8.1) Commodity

*Select from:*

☑ Rubber

## (5.11.8.2) Type and details of smallholder engagement approach

**Capacity building**

☑ Provide training, support and best practices on sustainable agriculture practices and nutrient management

## (5.11.8.3) Number of smallholders engaged

*150*

## (5.11.8.4) Effect of engagement and measures of success

*Pirelli's long-standing support of local producers continued in 2023 together with the Indonesian supplier Kirana Megatara: 80 scholarships were given to children of local farmers and 150 farmers were trained on the correct ways to extract natural rubber, so as to protect natural resources and maximise yields while preserving and prolonging the life of rubber trees. Effect of engagement: the engagement activity potentially affected natural rubber extraction performance of the smallholders maximising yields. measures of success: the metrics used to assess success is the participation ratio of the farmers at the event.*
*[Add row]*

## (5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

## Climate change

### (5.11.9.1) Type of stakeholder

*Select from:*
☑ Customers

### (5.11.9.2) Type and details of engagement

**Education/Information sharing**
☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

### (5.11.9.3) % of stakeholder type engaged

*Select from:*
☑ 51-75%

### (5.11.9.4) % stakeholder-associated scope 3 emissions

*Select from:*
☑ 1-25%

### (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*[Rationale for selecting this group of customers and scope of engagement] In 2023, continued the campaign (launched in 2022) dedicated to dealers on topics related to the energy transition in mobility, setting a specific training session to provide information on how to manage Electric Vehicles (EVs) and dedicated tyres offer*

*currently in the Pirelli portfolio relating to end-users demand for EVs. Electric mobility represents a key step for the mitigation of climate change, reducing the vehicles GHG emissions in the use phase; tyres are enablers of this transition. [Rationale] For Pirelli business, specialized dealers play a key role in the tyre replacement market, since represent a fundamental point of contact between the Group and the end consumer. The European market was the first to be involved in this campaign following the European leadership in term of active policies to promote the shift from endothermic to electric powered vehicles. % of customers by number refers to the amount of dealers participated in the training course out of the total number of those in Europe. The % stakeholder-associated scope 3 emissions has been calculated considering the Category 10 "Processing of sold products" and Category 11 "Use of sold products" since we identify as "costumers" both dealers and end-users..*

## (5.11.9.6) Effect of engagement and measures of success

*[Impact of engagement]: The target of this initiative is to reach 99% of European dealers with the course followed and the certification for EVs operations obtained by 2025. [Results] in 2023, 51% out of the more than 1000 dealers that represent Pirelli's European network have followed the training course, obtaining certification for EVs operations. [Measure of success]: Considering that the initiative will develop over the period 2022-2025 (4 years), the expected result for 2023 was at least 50% participation of the stakeholders involved (calculated as 25%/year on a timeframe of 4 years). The 2023 value exceeded the target given the participation of 51%.*

# Forests

## (5.11.9.1) Type of stakeholder

*Select from:*

☑ Customers

## (5.11.9.2) Type and details of engagement

**Other**

☑ Other, please specify **:**Consumer activation to promote afforestation in suburb areas

## (5.11.9.3) % of stakeholder type engaged

*Select from:*

☑ Less than 1%

## (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*[Rationale for selecting this group of customers and scope of engagement] Pirelli has promoted the initiative in spring 2023 (from 20 march to 29 April 2023), following the good results achieved in the previous years. Launched for the French market the initiative "RESTAUREZ LES FORÊTS FRANÇAISES AVEC PIRELLI" aims to involve its end users customers of the retail market in a project, developed in collaboration with REFOREST'ACTION a company that aims to preserve and restore forests around the world, to help plant trees in France according to the number of tires purchased. [Rationale]: the rationale for selecting this group of customers is linked to a local commercial promotion launched in France on final consumers, through the purchase (including assembly and installation) of new tyres. In 2023, Pirelli's initiative was attended by around 1,800 final consumers. [Scope of engagement]: the aim of the initiative is to raise awareness among the end-users on the importance of natural capital to fight the climate change and to give them a tool to concretely contribute to the protection of their Country forests.*

### (5.11.9.6) Effect of engagement and measures of success

*[Impact of engagement]: The target of this initiative for 2023 was to safeguard French fauna and flora by planting more than 13,000 trees which correspond to about 2,000 tons of CO2 absorbed and sunk. [Measure of success]: For 2023, Pirelli's goal can be considered achieved as 10,000 trees have been planted (as disclosed last year). The progress and performance of the initiative is mapped through the public platform at the link "https://www.reforestaction.com/pirelli". The success of the initiative has meant that Pirelli is renewing its commitment alongside Reforest'Action and plans to plant an additional 8,000 trees in 2024.*

## Water

### (5.11.9.1) Type of stakeholder

*Select from:*

☑ Customers

### (5.11.9.2) Type and details of engagement

**Education/Information sharing**

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

### (5.11.9.3) % of stakeholder type engaged

*Select from:*

☑ 51-75%

### (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*[Rationale for selecting this group of customers and scope of engagement] In 2023, continued the campaign (launched in 2022) dedicated to dealers on topics related to the energy transition in mobility, setting a specific training session to provide information on how to manage Electric Vehicles (EVs) and dedicated tyres offer currently in the Pirelli portfolio relating to end-users demand for EVs. Electric mobility represents a key step for the mitigation of climate change, reducing the vehicles GHG emissions and the INDIRECT WATER IMPACT, in the use phase; tyres are enablers of this transition. [Rationale] For Pirelli business, specialized dealers play a key role in the tyre replacement market, since represent a fundamental point of contact between the Group and the end consumer. The European market was the first to be involved in this campaign following the European leadership in term of active policies to promote the shift from endothermic to electric powered vehicles. % of customers by number refers to the amount of dealers participated in the training course out of the total number of those in Europe.*

## (5.11.9.6) Effect of engagement and measures of success

*[Impact of engagement]: The target of this initiative is to reach 99% of European dealers with the course followed and the certification for EVs operations obtained by 2025. [Results] in 2023, 51% out of the more than 1000 dealers that represent Pirelli's European network have followed the training course, obtaining certification for EVs operations. [Measure of success]: Considering that the initiative will develop over the period 2022-2025 (4 years), the expected result for 2023 was at least 50% participation of the stakeholders involved (calculated as 25%/year on a timeframe of 4 years). The 2023 value exceeded the target given the participation of 51%.*

# Climate change

## (5.11.9.1) Type of stakeholder

*Select from:*

☑ Investors and shareholders

## (5.11.9.2) Type and details of engagement

**Education/Information sharing**

☑ Share information on environmental initiatives, progress and achievements

## (5.11.9.3) % of stakeholder type engaged

*Select from:*

☑ 1-25%

## (5.11.9.4) % stakeholder-associated scope 3 emissions

*Select from:*

☑ Less than 1%

## (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*[Rationale for selecting this group of stakeholders and scope of engagement] Pirelli believes that constant dialogue with shareholders and, more generally, with key financial market stakeholders contributes to the creation of sustainable value for the Company. Over time, the company has developed multiple channels of communication with shareholders and stakeholders the financial market.*

## (5.11.9.6) Effect of engagement and measures of success

*[Impact of engagement] During 2023, this communication activity continued with meetings, roadshows and participation in industry conferences. [Results] and [Measure of success]: Relating to Investors, important steps were taken in the area of sustainable finance: in 2023, Pirelli - the first company in the global tire industry - placed a 600-million-euro sustainability-linked bond with more than 190 international investors in 2023, with demand almost 6 times the supply. KPIs and ESG Features of the bond focus on emission reduction performance (Climate Change) and water.*

### Climate change

## (5.11.9.1) Type of stakeholder

*Select from:*

☑ Other value chain stakeholder, please specify **:**employees

## (5.11.9.2) Type and details of engagement

**Education/Information sharing**

☑ Share information on environmental initiatives, progress and achievements

☑ Other education/information sharing, please specify **:**training activities on HSE, health and safety and resource management (water and waste), product sustainability, Climate Change and energy saving.

## (5.11.9.3) % of stakeholder type engaged

*Select from:*

☑ 1-25%

## (5.11.9.4) % stakeholder-associated scope 3 emissions

*Select from:*

☑ Less than 1%

## (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*[Rationale for selecting this group of stakeholders and scope of engagement]: Pirelli considers its employees as stakeholders to be engaged on environmental issues. Among the training campaigns provided by Pirelli to its employees, an important novelty in 2023 was the introduction of a series of training activities on HSE, health and safety and resource management (water and waste), product sustainability, Climate Change and energy saving.*

## (5.11.9.6) Effect of engagement and measures of success

*[Impact of engagement] and [results]: Total training provided in 2023 was 7.4 average training days per capita, in line with the 2022 figure. In terms of coverage, 97% of employees (considering the average workforce of the year) participated in at least one training activity lasting one hour or more during the year. [Measure of success]: Health, Safety and Environment topics accounted for 26% of the total training, up from 19% in the previous year.*

# Climate change

## (5.11.9.1) Type of stakeholder

*Select from:*

☑ Customers

## (5.11.9.2) Type and details of engagement

**Education/Information sharing**

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

## (5.11.9.3) % of stakeholder type engaged

*Select from:*

☑ 51-75%

## (5.11.9.4) % stakeholder-associated scope 3 emissions

*Select from:*

☑ 1-25%

## (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*[Rationale for selecting this group of customers and scope of engagement] In 2023, continued the campaign (launched in 2022) dedicated to dealers on topics related to the energy transition in mobility, setting a specific training session to provide information on how to manage Electric Vehicles (EVs) and dedicated tyres offer currently in the Pirelli portfolio relating to end-users demand for EVs. Electric mobility represents a key step for the MITIGATION OF CLIMATE CHANGE, REDUCING THE VEHICLES GHG EMISSIONS and the indirect water impact, in the use phase; tyres are enablers of this transition. [Rationale] For Pirelli business, specialized dealers play a key role in the tyre replacement market, since represent a fundamental point of contact between the Group and the end consumer. The European market was the first to be involved in this campaign following the European leadership in term of active policies to promote the shift from endothermic to electric powered vehicles. % of customers by number refers to the amount of dealers participated in the training course out of the total number of those in Europe. The % stakeholder-associated scope 3 emissions (which is around 3%) has been calculated considering the Category 10 "Processing of sold products" and Category 11 "Use of sold products" since we identify as "costumers" both dealers and end-users.*

## (5.11.9.6) Effect of engagement and measures of success

*[Impact of engagement]: The target of this initiative is to reach 99% of European dealers with the course followed and the certification for EVs operations obtained by 2025. [Results] in 2023, 51% out of the more than 1000 dealers that represent Pirelli's European network have followed the training course, obtaining certification for EVs operations. [Measure of success]: Considering that the initiative will develop over the period 2022-2025 (4 years), the expected result for 2023 was at least 50% participation of the stakeholders involved (calculated as 25%/year on a timeframe of 4 years). The 2023 value exceeded the target given the participation of 51%. [Add row]*

# (5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

### Row 1

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

## Row 2

### (5.12.1) Requesting member

*Select from:*

### (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

### (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

### (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

### (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

### (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 3

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion.*

*Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 4

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

# Row 5

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 6

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify :knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 7

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion.*

*Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 8

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

## Row 9

### (5.12.1) Requesting member

*Select from:*

### (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

### (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

### (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

### (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

### (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 10

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 11

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 12

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

## Row 13

### (5.12.1) Requesting member

*Select from:*

### (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

### (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

### (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

### (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

### (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 14

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 15

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 16

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

## Row 17

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 18

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify :knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 19

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

## Row 20

### (5.12.1) Requesting member

*Select from:*

### (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

### (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

### (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

### (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

### (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

### (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 21

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 22

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 23

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 24

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 25

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 26

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

# Row 27

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 28

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 29

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 30

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify :knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 31

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Climate change

## (5.12.4) Initiative category and type

**Change to supplier operations**

☑ Assess life-cycle impact of products or services to identify efficiencies

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 1-3 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

## Row 32

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Forests

## (5.12.3) Commodities the initiative relates to

*Select all that apply*

☑ Rubber

## (5.12.4) Initiative category and type

**Traceability and transparency**

☑ Improve existing traceability system

## (5.12.5) Details of initiative

*Pirelli will further implement its traceability system, with the strong conviction that the success in tracing the chain till upstream is inextricably linked to a strong on-site engagement (instead of asking for self-assessments) as well as to the capability to engage suppliers with a supporting and trust-building approach. This is the distinctive approach Pirelli puts at the core of its strategy, on which results and progresses made will be publicly reported. Projected outcome: Improved traceability system, always respecting the confidentiality of the information received.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Increased transparency of upstream/downstream value chain

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*

### Row 33

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*

☑ Water

## (5.12.4) Initiative category and type

**Other**

☑ Other initiative type, please specify **:**knowledge sharing

## (5.12.5) Details of initiative

*Pirelli is strongly committed in the calculation and in the management of the environmental footprint of its products. For Pirelli the challenge falls on the reduction of rolling resistance, the major lever with which it is possible to have a material benefit in terms of energy efficiency and so of carbon emissions and water depletion. Pirelli thinks that a joint activity of analysis on this topic, maximizing the sharing of our knowledge, could be not only appreciated by all our stakeholders, but it also could be the opportunity to strengthen the inclusion of environmental performance in the design of our products. A collaboration between Customers and Suppliers in assessing products or services life cycle footprint can help to identify and implement efficiencies.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 3-5 years

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ No

## (5.12.11) Please explain

*For further details, we suggest dedicated in-depth meetings*
*[Add row]*

# (5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

| | Environmental initiatives implemented due to CDP Supply Chain member engagement | Primary reason for not implementing environmental initiatives | Explain why your organization has not implemented any environmental initiatives |
|---|---|---|---|
| | *Select from:*<br>☑ No, and we do not plan to within the next two years | *Select from:*<br>☑ No standardized procedure | *Generally any initiative undertaken with the customer is discussed and planned in different ways* |

*[Fixed row]*

# C6. Environmental Performance - Consolidation Approach

## (6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

### Climate change

#### (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

#### (6.1.2) Provide the rationale for the choice of consolidation approach

*Pirelli uses a boundary defined with an "operational control" approach. This approach was chosen to cover the same scope of the Group's financial consolidation, including the impacts of all units under operational control: from industrial realities to commercial and administrative sites.*

### Forests

#### (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

#### (6.1.2) Provide the rationale for the choice of consolidation approach

*Pirelli uses a boundary defined with an "operational control" approach. This approach was chosen to cover the same scope of the Group's financial consolidation, including the impacts of all units under operational control: from industrial realities to commercial and administrative sites.*

### Water

#### (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

## (6.1.2) Provide the rationale for the choice of consolidation approach

*Pirelli uses a boundary defined with an "operational control" approach. This approach was chosen to cover the same scope of the Group’s financial consolidation, including the impacts of all units under operational control: from industrial realities to commercial and administrative sites.*

# Plastics

## (6.1.1) Consolidation approach used

*Select from:*
☑ Operational control

## (6.1.2) Provide the rationale for the choice of consolidation approach

*Pirelli uses a boundary defined with an "operational control" approach. This approach was chosen to cover the same scope of the Group’s financial consolidation, including the impacts of all units under operational control: from industrial realities to commercial and administrative sites.*

# Biodiversity

## (6.1.1) Consolidation approach used

*Select from:*
☑ Operational control

## (6.1.2) Provide the rationale for the choice of consolidation approach

*Pirelli uses a boundary defined with an "operational control" approach. This approach was chosen to cover the same scope of the Group’s financial consolidation, including the impacts of all units under operational control: from industrial realities to commercial and administrative sites.*
*[Fixed row]*

# C7. Environmental performance - Climate Change

## (7.1) Is this your first year of reporting emissions data to CDP?

*Select from:*
☑ No

## (7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

| | Has there been a structural change? |
|---|---|
| | *Select all that apply*<br>☑ No |

*[Fixed row]*

## (7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

| | Change(s) in methodology, boundary, and/or reporting year definition? |
|---|---|
| | *Select all that apply*<br>☑ No |

*[Fixed row]*

## (7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

*Select all that apply*

☑ ISO 14064-1

☑ IEA CO2 Emissions from Fuel Combustion

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ IPCC Guidelines for National Greenhouse Gas Inventories, 2006

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## (7.3) Describe your organization’s approach to reporting Scope 2 emissions.

### (7.3.1) Scope 2, location-based

*Select from:*

☑ We are reporting a Scope 2, location-based figure

### (7.3.2) Scope 2, market-based

*Select from:*

☑ We are reporting a Scope 2, market-based figure

### (7.3.3) Comment

*The Pirelli 2023 Annual Report accounts the Scope 2 emissions following both the location-based methods and market based methods (two different figures). Thus, we are reporting annually both a Scope 2, location-based figure and a Scope 2 market-based figure.*
*[Fixed row]*

## (7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

*Select from:*

☑ Yes

## (7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

### Row 1

### (7.4.1.1) Source of excluded emissions

*Source of direct emissions in manufacturing operations, whose contributions are not significant compared with primary activities: organic additives or process auxiliaries; organic CO2 and technical gases; fugitive emissions (HFC, HCFC); fire-fighting systems with GHG; dry ice; acetylene welding.*

### (7.4.1.2) Scope(s) or Scope 3 category(ies)

*Select all that apply*

☑ Scope 1

### (7.4.1.3) Relevance of Scope 1 emissions from this source

*Select from:*

☑ Emissions are not relevant

### (7.4.1.10) Explain why this source is excluded

*Pirelli monitors and reports all the GHG emissions of the whole Group perimeter, which correspond to the financial report boundary. Pirelli excludes from the GHG inventory those emissions whose contributions is considered as not relevant, or whose evaluation is not technically or economically feasible. Pirelli defines not relevant sources whose contribution is under a 2% threshold ("de minimis" threshold) against total emissions. Therefore, through audits and periodic checks on significant installations, the following source categories have been excluded: organic additives or process auxiliaries; organic CO2 and technical gases; fugitive emissions (HFC, HCFC); fire-fighting systems with GHG; dry ice; acetylene welding.*

### (7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

*Through audits and periodic checks on significant installations in different plants, we assess the emissions that these excluded sources represent over a period of time. Using the data collected as a proxy, we estimate the emission on an annual basis for the plants, also through a benchmarking approach to estimate / verify the emissions of the other production facilities. Excluded sources mainly generate direct emissions (Scope 1).*
*[Add row]*

## (7.5) Provide your base year and base year emissions.

### Scope 1

### (7.5.1) Base year end

*12/31/2015*

### (7.5.2) Base year emissions (metric tons CO2e)

*193596.0*

### (7.5.3) Methodological details

*Scope 1 emissions in 2015 were 193,596 metric tons CO2e. The 2015 is the base year of the company-wide target to reduce of 42% the company's absolute Scope 12 (market based) emissions by 2025 compared to 2015 values (Abs1 reported in 7.53.1 and approved by the Science Based Target initiative). [Measurement approach and Reporting]: Greenhouse gases are generated by the combustion of hydrocarbons at production sites, mainly used to operate heat generators that power Group plants, and particularly those that produce steam for vulcanisers (Scope 1), or by the consumption of electrical or thermal energy (Scope 2). The emissions are reported according to the models proposed by the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Scope 2 Guidance. [Emissions factors, inputs, and assumptions]: Performance is calculated on the basis of emission factors obtained from the following sources: IPCC Guidelines for National Greenhouse Gas Inventories (2006); Within location-based Scope 2: National emission factors taken from IEA Emission factors; Within market-based Scope 2: Specific emission factors of suppliers where available, Residual-mix emission factors taken from AIB European Residual Mixes (EU) and Green-e Residual Mix Emissions Rates (US); Emission factors used in the context of location-based method if other sources of data are not available.*

### Scope 2 (location-based)

### (7.5.1) Base year end

*12/31/2015*

### (7.5.2) Base year emissions (metric tons CO2e)

*653643.0*

## (7.5.3) Methodological details

*Scope 2 location based is not currently considered for any Group target relating to the reduction of CO2 emissions (the company-wide target of reducing 42% the Scope 1  2 absolute emissions by 2025 compared to 2015 values, target approved by the SBTi, considers the Scope 1  2 market based). [Measurement approach and Reporting]: Greenhouse gases are generated by the combustion of hydrocarbons at production sites, mainly used to operate heat generators that power Group plants, and particularly those that produce steam for vulcanisers (Scope 1), or by the consumption of electrical or thermal energy (Scope 2). The emissions are reported according to the models proposed by the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Scope 2 Guidance. [Emissions factors, inputs, and assumptions]: Performance is calculated on the basis of emission factors obtained from the following sources: IPCC Guidelines for National Greenhouse Gas Inventories (2006); Within location-based Scope 2: National emission factors taken from IEA Emission factors; Within market-based Scope 2: Specific emission factors of suppliers where available, Residual-mix emission factors taken from AIB European Residual Mixes (EU) and Green-e Residual Mix Emissions Rates (US); Emission factors used in the context of location-based method if other sources of data are not available.*

# Scope 2 (market-based)

## (7.5.1) Base year end

*12/31/2015*

## (7.5.2) Base year emissions (metric tons CO2e)

*731881.0*

## (7.5.3) Methodological details

*Scope 2 market based emissions in 2015 were 731,881 metric tons CO2e. The 2015 is the base year of the company-wide target of reducing 42% the Scope 12 (market based) absolute emissions by 2025 compared to 2015 values (Abs1 reported in 7.53.1 and approved by the Science Based Target initiative). [Measurement approach and Reporting]: Greenhouse gases are generated by the combustion of hydrocarbons at production sites, mainly used to operate heat generators that power Group plants, and particularly those that produce steam for vulcanisers (Scope 1), or by the consumption of electrical or thermal energy (Scope 2). The emissions are reported according to the models proposed by the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Scope 2 Guidance. [Emissions factors, inputs, and assumptions]: Performance is calculated on the basis of emission factors obtained from the following sources: IPCC Guidelines for National Greenhouse Gas Inventories (2006); Within location-based Scope 2: National emission factors taken from IEA Emission factors; Within market-based Scope 2: Specific emission factors of suppliers where available, Residual-mix emission factors taken from AIB European Residual Mixes (EU) and Green-e Residual Mix Emissions Rates (US); Emission factors used in the context of location-based method if other sources of data are not available.*

# Scope 3 category 1: Purchased goods and services

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*2600000.0*

## (7.5.3) Methodological details

*Scope 3 emissions from Purchased goods and services in 2018 were 2,600,000 metric tons CO2e. The 2018 is the base year of the company-wide target of reducing 9% the Scope 3 emissions from Purchased goods and services by 2025 compared to 2018 values (target approved by the Science Based Target initiative). [Measurement approach]: supplier specific method, Hybrid method and average data method. [Emissions factors, inputs, and assumptions]: To calculate "purchased goods and services" emissions, Pirelli uses GaBi software, an eco-design tool developed on the basis of the Life Cycle Analysis approach and in line with ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data form certified commercial databases. In this tool procurement volumes are brought together with tailored emission factors (EFs) to calculate the GHG emissions. [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

# Scope 3 category 2: Capital goods

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

## (7.5.3) Methodological details

*Pirelli assess its environmental footprint including the GHG emissions using the LCA methodology according to ISO 14040 family, integrated with the indication of the product category rules for tyres developed by the Tyre Industry Project Group of the World Business Council for Sustainable Development according to ISO 14025. The PCR clearly exclude from the scope of LCA evaluation the capital equipment manufacture (capital goods). In order to ensure the consistency with this rule, capital goods are not considered since they are not relevant.*

# Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*450000.0*

## (7.5.3) Methodological details

*[Measurement approach]: average data method. [Emissions factors, inputs, and assumptions]: To compute all type of "fuel and energy related activities" emissions, fossil and biogenic, Pirelli uses GaBi software, an eco-design tool developed on the basis of the Life Cycle Analysis approach and in line with ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data form certified commercial databases. This software uses secondary emission factors (industry average, etc.) for upstream emissions per unit of consumption. It relies on a knowledge of what and how much fuel is used in the plants, as primary data. This information is available based on scope 1 and 2 emissions calculation. For electricity, the country of generation is also recorded, and emissions calculation is based on market approach. [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

# Scope 3 category 4: Upstream transportation and distribution

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*60000.0*

## (7.5.3) Methodological details

*[Measurement approach]: distance based method. [Emissions factors, inputs, and assumptions]: Pirelli uses an internal tool compliant with the GHG protocol. The tool uses information on the Suppliers and Pirelli plants' locations to calculate the transportation distances and the volumes of raw materials purchased (input data: km and tons) and combines them with secondary GaBi Emission Factors of the transport mode and vehicle type. GaBi software is an eco-design tool developed on the basis of the Life Cycle Analysis approach and in line with ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data form certified commercial databases. [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

# Scope 3 category 5: Waste generated in operations

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

## (7.5.3) Methodological details

*According to a LCA simplified pre-screening analysis the emissions derived from the waste generated in operation in 2018 were "Not Relevant" (negligible). [Measurement approach]: Waste-type-specific method and average data method. [Emissions factors, inputs, and assumptions]: Waste-type-specific method involves using emission factors for specific waste types and waste treatment methods. Emissions from waste depend on the type of waste being disposed of, and the waste diversion method. [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

# Scope 3 category 6: Business travel

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*1545.0*

## (7.5.3) Methodological details

*[Measurement approach]: distance based method. In 2018 we did not track the impact of Scope 3 emissions from business travel on Pirelli's carbon-footprint. To have the same boundary of the Scope 3 categories calculated in answer 7.7, we entered here the value measured in the 2021 reporting year as a proxy, considering that, in any case, these emissions are "Not Relevant". The 2021 data used as a proxy were communicated by the company's travel agency.*

# Scope 3 category 7: Employee commuting

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*1250.0*

## (7.5.3) Methodological details

*[Measurement approach]: distance based method. [Emissions factors, inputs, and assumptions]: This value was calculated for the Pirelli Italian HQ and factories and it was provided by the mobility manager of Pirelli headquarter on number of employees and the home-work distance. [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

# Scope 3 category 8: Upstream leased assets

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*773.0*

## (7.5.3) Methodological details

*For Pirelli the operated (upstream) leased assets are not relevant. [Measurement approach]: average data method and distance based method. [Emissions factors, inputs, and assumptions]: This value was calculated in 2018 for some non-operated vehicles leased by the company. [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

# Scope 3 category 9: Downstream transportation and distribution

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*90000.0*

## (7.5.3) Methodological details

*[Measurement approach]: distance based method. [Emissions factors, inputs, and assumptions]: To calculate Downstream transportation and distribution Pirelli uses an internal tool compliant with the GHG protocol. The tool uses information on Pirelli plants' locations and customers to calculate the transportation distances of the final products (input data: km and tons of finished products) and combines them with secondary GaBi Emission Factors of the transport mode and vehicle type. GaBi software is an eco-design tool developed on the basis of the Life Cycle Analysis approach and in line with ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data form certified commercial databases. [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

# Scope 3 category 10: Processing of sold products

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

## (7.5.3) Methodological details

*No processing of sold product (car tyre) is necessary after sale. Tyres are not, by definition, a semi-finished product. Therefore, the category Processing of sold products is not relevant to our organization. The actions of fitting the tyre on the car produce negligible emissions because it is mainly a manual operation.*

# Scope 3 category 11: Use of sold products

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*40187000.0*

## (7.5.3) Methodological details

*[Measurement approach]: hybrid method and average data method. [Emissions factors, inputs, and assumptions]: Use of sold products emissions were calculated following the Tyres Product Category Rules. The five main parameters determining the total amount of emission of the tyre are: - rolling resistance of the tyre (owned datum) – the tyre mass (owned datum) – the mileage of the tyre (owned datum) – the vehicle efficiency which fits the tyre (external) - the fuel characteristics (external). [Rationale for the choices]: currently considered as the most reliable solution for our Company. Please note that the use phase of a tyre does not contribute to the boundary that tyre makers have to consider for their value chain emission reduction goals. The exclusion of the use phase is required both by the GHG Protocol (Corporate Value Chain Scope 3 Standard), which considers emissions from the use phase of a tyre as "Indirect" as already included in those of the vehicle supplied, and by the SBTi Criteria, which exclude them (since "indirect use-phase emissions") from the Scope 3 boundary to be considered.*

## Scope 3 category 12: End of life treatment of sold products

### (7.5.1) Base year end

*12/31/2018*

### (7.5.2) Base year emissions (metric tons CO2e)

*2500.0*

### (7.5.3) Methodological details

*[Measurement approach]: average data method and waste type specific method. [Emissions factors, inputs, and assumptions]: emissions were calculated following the Tyres Product Category Rules. Input data are: total mass of sold products, Country-specific percentage of waste treated by different methods and Average waste-treatment specific-emission factors based on all waste treatment types [Rationale for the choices]: currently considered as the most reliable solution for our Company.*

## Scope 3 category 13: Downstream leased assets

### (7.5.1) Base year end

*12/31/2018*

### (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

### (7.5.3) Methodological details

*Pirelli does not own (downstream) assets that are leased to other entities, not already included in Scope 1 or 2.*

## Scope 3 category 14: Franchises

### (7.5.1) Base year end

*12/31/2018*

### (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

### (7.5.3) Methodological details

*At the time, this category was not relevant to our organization.*

## Scope 3 category 15: Investments

### (7.5.1) Base year end

*12/31/2018*

### (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

### (7.5.3) Methodological details

*As a pure tyres manufacturer, Pirelli's main activity is not related to investments (it does not provide financial services, etc.), thus this category does not apply to us.*

## Scope 3: Other (upstream)

### (7.5.1) Base year end

*12/31/2018*

### (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

## (7.5.3) Methodological details

*No Scope 3 emissions associated with other upstream activities.*

## Scope 3: Other (downstream)

## (7.5.1) Base year end

*12/31/2018*

## (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

## (7.5.3) Methodological details

*No Scope 3 emissions associated with other downstream activities.*
*[Fixed row]*

## (7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

## Reporting year

## (7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

*205490*

## (7.6.3) Methodological details

*[Measurement Approach]: The Pirelli management, calculation and reporting model of GHG emissions was defined according to the ISO 14064 Standard and the related data were subjected to specific limited audit, by independent third party, according to ISAE 3000. The figures are reported according to the models proposed by: - GHG Protocol: Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. [Emissions factors, inputs, and assumptions]: performance as measured by energy and greenhouse gas emissions is calculated on the basis of emission factors obtained from the following sources: (i) IPCC Guidelines for*

*National Greenhouse Gas Inventories – 2006 (emission factors expressed in CO2 equivalent, obtained by considering the GWP coefficients based on 100 years of the IPCC – AR6); Within Scope 2 location-based: (ii) National emission factors taken from IEA Emissions factors (2023 Publication with update to the 2022 figure); Within Scope 2 market-based: (iii) Specific emission factors of suppliers where available; (iv) Residual-mix emission factors taken from AIB European Residual Mixes (EU) and Green-e Residual Mix Emissions Rates (US); (v) Emission factors used in the context of location-based if other sources of data are not available.*
*[Fixed row]*

## (7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

### Reporting year

### (7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

*505396*

### (7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

*249475*

### (7.7.4) Methodological details

*[Measurement Approach]: The Pirelli management, calculation and reporting model of GHG emissions was defined according to the ISO 14064 Standard and the related data were subjected to specific limited audit, by independent third party, according to ISAE 3000. The figures are reported according to the models proposed by: - GHG Protocol: Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. [Emissions factors, inputs, and assumptions]: performance as measured by energy and greenhouse gas emissions is calculated on the basis of emission factors obtained from the following sources: (i) IPCC Guidelines for National Greenhouse Gas Inventories – 2006 (emission factors expressed in CO2 equivalent, obtained by considering the GWP coefficients based on 100 years of the IPCC – AR6); Within Scope 2 location-based: (ii) National emission factors taken from IEA Emissions factors (2023 Publication with update to the 2022 figure); Within Scope 2 market-based: (iii) Specific emission factors of suppliers where available; (iv) Residual-mix emission factors taken from AIB European Residual Mixes (EU) and Green-e Residual Mix Emissions Rates (US); (v) Emission factors used in the context of location-based if other sources of data are not available. [Contractual instruments]: To support the goal of reducing greenhouse gas emissions, Pirelli has defined a specific Climate Transition Plan which includes the access to renewable energy sources, necessary to complete the gradual transition from fossil fuels, including different kind of Contractual instruments as: PPAs, Retail supply contract with an electricity supplier (retail green electricity) and Unbundled procurement of energy attribute certificates (EACs) for renewable electricity sourcing; Steam supply agreement for the sourcing of steam generated by biomass.*
*[Fixed row]*

## (7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

## Purchased goods and services

### (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

### (7.8.2) Emissions in reporting year (metric tons CO2e)

*2074948*

### (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Supplier-specific method

☑ Hybrid method

☑ Average data method

### (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*90*

### (7.8.5) Please explain

*To calculate Purchased goods and services emissions, Pirelli uses an internal tool compliant with the GHG protocol. In this tool procurement volumes are brought together with tailored emission factors (EFs) to calculate the GHG emissions. The use of primary data, either directly provided by the suppliers or modelized using industry/literature data is prioritize over the use of secondary data taken from the GaBi Database. The figure includes the purchase of all the relevant raw material and auxiliaries, throughout extraction and production. Adding to this figure the Scope 3 emissions from Upstream transportation and distribution, we obtain the total carbon footprint of the "raw material" phase as published in the Pirelli Annual Report 2023.*

## Capital goods

### (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Pirelli assess its environmental footprint including the GHG emissions using the LCA methodology according to ISO 14040 family, integrated with the indication of the product category rules for tyres developed by the Tyre Industry Project Group of the World Business Council for Sustainable Development according to ISO 14025. The PCR clearly exclude from the scope of LCA evaluation the capital equipment manufacture (capital goods). In order to ensure the consistency with this rule, capital goods are not considered since they are not relevant.*

# Fuel-and-energy-related activities (not included in Scope 1 or 2)

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*232608*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*0*

## (7.8.5) Please explain

*To calculate "Fuel-and-energy-related activities (not included in Scope 1 or 2)" emissions, fossil and biogenic, Pirelli uses GaBi software, an eco-design tool developed on the basis of the Life Cycle Analysis approach and in line with ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data form certified commercial databases. This software uses secondary emission factors (industry average, etc.) for upstream emissions per unit of consumption. It relies on a knowledge of what and how much fuel is used in the plants, as primary data. This information is available based on scope 1 and 2 emissions calculation. For electricity, the country of generation is also recorded, and emissions calculation is based on market approach. Adding to this figure Scope*

*1 and 2 (market based) emissions, Scope 3 Group's business air travel, the commuting of employees and upstream leased assets, we obtain the total carbon footprint of the manufacturing phase as published in the Pirelli Annual Report 2023.*

## Upstream transportation and distribution

### (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

### (7.8.2) Emissions in reporting year (metric tons CO2e)

*99819*

### (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Distance-based method

### (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*0*

### (7.8.5) Please explain

*To calculate Upstream transportation and distribution Pirelli uses an internal tool compliant with the GHG protocol. The tool uses information on the Suppliers and Pirelli plants' locations to calculate the transportation distances and the volumes of raw materials purchased (input data: km and tons) and combines them with secondary GaBi Emission Factors of the transport mode and vehicle type. GaBi software is an eco-design tool developed on the basis of the Life Cycle Analysis approach and in line with ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data form certified commercial databases. Adding to this figure Scope 3 emissions from Purchased goods and services, we obtain the total carbon footprint of the raw material phase as published in the Pirelli Annual Report 2023.*

## Waste generated in operations

### (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*According to previous LCA pre-screening analysis, done in the past years, the emissions derived from the waste generated in operation are not relevant, as they account for less than 0,1% of the total Company Scope 3 emissions. The methods used for assessing the emissions were both Average-data method and Waste-type-specific method, which involves using emission factors for specific waste types and waste treatment methods (emissions from waste depend on the type of waste being disposed of, and the waste diversion method).*

# Business travel

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*10434*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Distance-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*100*

## (7.8.5) Please explain

*The data is provided by the company's travel agency for business air travel of the Group for the whole reporting year.*

# Employee commuting

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*23450*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Distance-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*100*

## (7.8.5) Please explain

*Emissions calculation methodology used: Distance-based method. This value was estimated for all employees on the basis of surveys carried out by mobility managers in which data were collected on the home-work route and the means of transport used.*

# Upstream leased assets

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*0*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

☑ Distance-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*100*

## (7.8.5) Please explain

*In the reporting year no emissions were recorded deriving from the operation of assets that are leased by the company that are not already included included in the reporting company's scope 1 or scope 2 inventories*

### Downstream transportation and distribution

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*115459*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Distance-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*0*

## (7.8.5) Please explain

*Emissions calculation methodology used: Distance-based method. To calculate Downstream transportation and distribution Pirelli uses an internal tool compliant with the GHG protocol. The tool uses information on Pirelli plants' locations and customers to calculate the transportation distances of the final products (input data: km and tons of finished products) and combines them with secondary GaBi Emission Factors of the transport mode and vehicle type. GaBi software is an eco-design tool developed on the basis of the Life Cycle Analysis approach and in line with ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data form certified commercial databases.*

## Processing of sold products

### (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

### (7.8.5) Please explain

*No processing of sold product (car tyre) is necessary after sale. Tyres are not, by definition, a semi-finished product. Therefore, the category Processing of sold products is not relevant to our organization. The actions of fitting the tyre on the car produce negligible emissions because it is mainly a manual operation*

## Use of sold products

### (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

### (7.8.2) Emissions in reporting year (metric tons CO2e)

*19229777*

### (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Hybrid method

☑ Average data method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*60*

## (7.8.5) Please explain

*Use of sold products emissions were calculated following the Tyres Product Category Rules (new version 3.05 used for 2023 data calculation). The figure depends both on the tyres volumes and on 5 main parameters of the tyre: rolling resistance (owned datum); the tyre mass (owned datum); the mileage (owned datum); the vehicle efficiency(external); the fuel (external). It should be noted that the use phase of a tyre does not contribute to the boundary that tyre makers have to consider for their value chain emission reduction goals. The exclusion of the use phase is required both by the GHG Protocol, which considers emissions from the use phase of a tyre as "Indirect" as already included in those of the vehicle supplied, and by the SBTi Criteria, which exclude them (since "indirect use-phase emissions") from the Scope 3 boundary to be considered.*

# End of life treatment of sold products

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*2295*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

☑ Waste-type-specific method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*0*

## (7.8.5) Please explain

*To calculate End of life treatment of sold products Pirelli use an eco-design tool, developed on the basis of the LCA methodology and in line with the ISO 14040-44 standard. This is a commercial software customized for Pirelli using secondary data from certified commercial databases. Input data are: total mass of sold products, Country-specific percentage of waste treated by different methods and Average waste-treatment specific-emission factors based on all waste treatment types.*

## Downstream leased assets

### (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

### (7.8.5) Please explain

*Pirelli does not own (downstream) assets that are leased to other entities, not already included in Scope 1 or 2.*

## Franchises

### (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

### (7.8.5) Please explain

*The company is not a franchisor, therefore this category is currently not relevant to our organization.*

## Investments

### (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

### (7.8.5) Please explain

*As a pure tyres manufacturer, Pirelli's main activity is not related to investments (it not provides financial services, etc.), thus this category does not apply to us.*

## Other (upstream)

### (7.8.1) Evaluation status

*Select from:*
☑ Not relevant, explanation provided

### (7.8.5) Please explain

*There are no Scope 3 emissions associated with other upstream activities in the reporting year.*

## Other (downstream)

### (7.8.1) Evaluation status

*Select from:*
☑ Not relevant, explanation provided

### (7.8.5) Please explain

*There are no Scope 3 emissions associated with other downstream activities in the reporting year.*
*[Fixed row]*

## (7.9) Indicate the verification/assurance status that applies to your reported emissions.

| | Verification/assurance status |
|---|---|
| Scope 1 | *Select from:* |

| | Verification/assurance status |
|---|---|
| | ☑ Third-party verification or assurance process in place |
| Scope 2 (location-based or market-based) | *Select from:*<br>☑ Third-party verification or assurance process in place |
| Scope 3 | *Select from:*<br>☑ Third-party verification or assurance process in place |

*[Fixed row]*

## (7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

### Row 1

### (7.9.1.1) Verification or assurance cycle in place

*Select from:*
☑ Annual process

### (7.9.1.2) Status in the current reporting year

*Select from:*
☑ Complete

### (7.9.1.3) Type of verification or assurance

*Select from:*
☑ Limited assurance

## (7.9.1.4) Attach the statement

*PIRELLI_Annual_Report_w_GHG_Verification_Letter.pdf*

## (7.9.1.5) Page/section reference

*Please note that the page numbers provided refer to the PDF document itself (i.e. not to the footers). [GHG emissions subject of the assurance]: page 602. [Scope 1 emissions]: pages 166 and 602. [Covered period]: page 603. [Verification standard]: 603. [Opinion or finding which confirms verification]: page 598.*

## (7.9.1.6) Relevant standard

*Select from:*

☑ ISAE3000

## (7.9.1.7) Proportion of reported emissions verified (%)

*100*
*[Add row]*

### (7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

### Row 1

## (7.9.2.1) Scope 2 approach

*Select from:*

☑ Scope 2 location-based

## (7.9.2.2) Verification or assurance cycle in place

*Select from:*

☑ Annual process

## (7.9.2.3) Status in the current reporting year

*Select from:*

☑ Complete

## (7.9.2.4) Type of verification or assurance

*Select from:*

☑ Limited assurance

## (7.9.2.5) Attach the statement

*PIRELLI_Annual_Report_w_GHG_Verification_Letter.pdf*

## (7.9.2.6) Page/ section reference

*Please note that the page numbers provided refer to the PDF document itself (i.e. not to the footers). [GHG emissions subject of the assurance]: page 602. [Scope 2 emissions]: pages 166 and 602. [Covered period]: page 603. [Verification standard]: page 603. [Opinion or finding which confirms verification]: page 598*

## (7.9.2.7) Relevant standard

*Select from:*

☑ ISAE3000

## (7.9.2.8) Proportion of reported emissions verified (%)

*100*

### Row 2

## (7.9.2.1) Scope 2 approach

*Select from:*

☑ Scope 2 market-based

## (7.9.2.2) Verification or assurance cycle in place

*Select from:*

☑ Annual process

## (7.9.2.3) Status in the current reporting year

*Select from:*

☑ Complete

## (7.9.2.4) Type of verification or assurance

*Select from:*

☑ Limited assurance

## (7.9.2.5) Attach the statement

*PIRELLI_Annual_Report_w_GHG_Verification_Letter.pdf*

## (7.9.2.6) Page/ section reference

*Please note that the page numbers provided refer to the PDF document itself (i.e. not to the footers). [GHG emissions subject of the assurance]: page 602. [Scope 2 emissions]: pages 166 and 602. [Covered period]: page 603. [Verification standard]: page 603. [Opinion or finding which confirms verification]: page 598*

## (7.9.2.7) Relevant standard

*Select from:*

☑ ISAE3000

## (7.9.2.8) Proportion of reported emissions verified (%)

*100*
*[Add row]*

## (7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

### Row 1

### (7.9.3.1) Scope 3 category

*Select all that apply*

- ☑ Scope 3: Business travel
- ☑ Scope 3: Employee commuting
- ☑ Scope 3: Use of sold products
- ☑ Scope 3: Upstream leased assets
- ☑ Scope 3: Purchased goods and services
- ☑ Scope 3: Waste generated in operations
- ☑ Scope 3: End-of-life treatment of sold products
- ☑ Scope 3: Upstream transportation and distribution
- ☑ Scope 3: Downstream transportation and distribution
- ☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

### (7.9.3.2) Verification or assurance cycle in place

*Select from:*

☑ Annual process

### (7.9.3.3) Status in the current reporting year

*Select from:*

☑ Complete

### (7.9.3.4) Type of verification or assurance

*Select from:*

☑ Limited assurance

### (7.9.3.5) Attach the statement

*PIRELLI_Annual_Report_w_GHG_Verification_Letter.pdf*

### (7.9.3.6) Page/section reference

*[Please note that the page numbers provided refer to the PDF document itself (i.e. not to the footers). [GHG emissions subject of the assurance]: page 602. [Scope 3 categories emissions]: pages 168 and 602 [Covered period]: page 603. [Verification standard]: page 603. [Opinion or finding which confirms verification]: page 598.*

### (7.9.3.7) Relevant standard

*Select from:*

☑ ISAE3000

### (7.9.3.8) Proportion of reported emissions verified (%)

*100*
*[Add row]*

## (7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

*Select from:*

☑ Decreased

## (7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

## Change in renewable energy consumption

### (7.10.1.1) Change in emissions (metric tons CO2e)

*56953*

### (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Decreased

### (7.10.1.3) Emissions value (percentage)

*10.39*

## (7.10.1.4) Please explain calculation

*Gross Scope 12 (market based) emissions decreased by 10.39%, due to additional purchases of renewable energy in the reporting year compared to the previous one. All the 18 initiatives of low carbon energy consumption implemented in the reporting year, and reported in 7.55.2, account for a CO2e savings of 320,357 tons CO2e. As the previous year the CO2e savings due to purchases of renewable energy were 263,404 tons CO2e, the additional emission reduction can be considered of 56,953 tons CO2e (320,357-263,404)  56,953. Thus the change in S1S2 emissions attributed to the change in renewable energy consumption is -56,953. Our total S1S2 (market based) emissions in the previous year was 548,132 tons CO2e, therefore we calculated -10.39% through the formula: (-56,953/548,132) * 100  -10.39% (i.e. a 10.39% decrease in emissions).*

### Other emissions reduction activities

## (7.10.1.1) Change in emissions (metric tons CO2e)

*14939*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Decreased

## (7.10.1.3) Emissions value (percentage)

*2.73*

## (7.10.1.4) Please explain calculation

*Gross Scope 12 (market base) emissions decreased by 2,73%, due to the 8 initiatives of energy efficiency in production processes/buildings implemented in the reporting year, and reported in 7.55.2, which accounts for a CO2e savings of 14,939 tons CO2e. So the change in S1S2 emissions attributed to the change in other emissions reduction activities is -14,939. Our total S1S2 (market based) emissions in the previous year was 548,132 tons CO2e, therefore we calculated -2,73% through the formula: (-14,939/548,132) * 100  -2.73% (i.e. a 2,73% decrease in emissions).*

### Divestment

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

### (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

### (7.10.1.3) Emissions value (percentage)

*0*

### (7.10.1.4) Please explain calculation

*No divestments in the reporting year with impacts on changes in gross global emissions.*

## Acquisitions

### (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

### (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

### (7.10.1.3) Emissions value (percentage)

*0*

### (7.10.1.4) Please explain calculation

*No Acquisitions in the reporting year with impacts on changes in gross global emissions.*

## Mergers

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*No mergers in the reporting year with impacts on changes in gross global emissions.*

### Change in output

## (7.10.1.1) Change in emissions (metric tons CO2e)

*10798*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Decreased

## (7.10.1.3) Emissions value (percentage)

*1.97*

## (7.10.1.4) Please explain calculation

*In 2023 the amount of finished product was around 747,000 tons compared to 762,000 tons of the previous year. Thus Gross Scope 12 emissions decreased by 1.97%, due to a fall in production volumes calculated on a like-for like basis, and calculated as follow: ((747,000-762,000)/762,000)*100  -1.97% (i.e. a 1.97%*

*reduction in emissions). Our total S1S2 (market based) emissions in the previous year was 548,132 tons CO2e, therefore the change in emissions of -1.97% corresponds to -10,798 tons of CO2e calculated through the formula: (829,035 *-1.97/100  -10,798).*

## Change in methodology

### (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

### (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

### (7.10.1.3) Emissions value (percentage)

*0*

### (7.10.1.4) Please explain calculation

*Not applicable*

## Change in boundary

### (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

### (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

### (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*Not applicable*

### Change in physical operating conditions

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*Not applicable*

### Unidentified

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

### (7.10.1.4) Please explain calculation

*Not applicable*

## Other

### (7.10.1.1) Change in emissions (metric tons CO2e)

*10477*

### (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Decreased

### (7.10.1.3) Emissions value (percentage)

*1.91*

### (7.10.1.4) Please explain calculation

*Gross Scope 12 (market base) emissions decreased by 1,91%, thanks to the efficiencies linked to an optimization of the plants saturation and changes in mix production. Thus the change in S1S2 emissions attributed to these phenomena was estimated in 10,477 tons CO2e. Our total S1 and S2 market based emissions in the previous year was 548,132 tons CO2e, therefore we calculated -1,91% through the formula: (-10,477/548,132) * 100  -1,91% (i.e. an 1,91% decrease in emissions).*
*[Fixed row]*

## (7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

*Select from:*

☑ Market-based

## (7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

*Select from:*
☑ No

## (7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

*Select from:*
☑ Yes

## (7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

### Row 1

#### (7.15.1.1) Greenhouse gas

*Select from:*
☑ CO2

#### (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*205278*

#### (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

### Row 2

#### (7.15.1.1) Greenhouse gas

*Select from:*

☑ CH4

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*109*

## (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

### Row 3

## (7.15.1.1) Greenhouse gas

*Select from:*
☑ N2O

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*103*

## (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Sixth Assessment Report (AR6 - 100 year)
*[Add row]*

### (7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

### Argentina

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*19579*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*13616*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Australia

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*16*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*16*

### Austria

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*96*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*2*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*2*

## Belgium

### (7.16.1) Scope 1 emissions (metric tons CO2e)

*38*

### (7.16.2) Scope 2, location-based (metric tons CO2e)

*10*

### (7.16.3) Scope 2, market-based (metric tons CO2e)

*10*

## Brazil

### (7.16.1) Scope 1 emissions (metric tons CO2e)

*32864*

### (7.16.2) Scope 2, location-based (metric tons CO2e)

*15189*

### (7.16.3) Scope 2, market-based (metric tons CO2e)

*563*

## Canada

### (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*1*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Chile

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*26*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*0*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### China

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*2029*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*152242*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*125158*

### Colombia

#### (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

#### (7.16.2) Scope 2, location-based (metric tons CO2e)

*0*

#### (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Czechia

#### (7.16.1) Scope 1 emissions (metric tons CO2e)

*36*

#### (7.16.2) Scope 2, location-based (metric tons CO2e)

*0*

#### (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Egypt

#### (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

#### (7.16.2) Scope 2, location-based (metric tons CO2e)

*36*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*36*

### France

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*200*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*6*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*12*

### Germany

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*2829*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*75138*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*55790*

### Greece

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*49*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*32*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*52*

### Hungary

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*25*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*3*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*5*

### India

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*11*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*11*

### Italy

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*24236*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*36642*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*762*

### Japan

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*16*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*16*

### Mexico

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*29295*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*54800*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Netherlands

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*26*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*0*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Poland

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*114*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*12*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*16*

### Republic of Korea

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*31*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*31*

### Romania

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*53180*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*63380*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Russian Federation

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*16719*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*63436*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*63058*

### Saudi Arabia

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*52*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*0*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### Singapore

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*22*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*22*

### Slovakia

#### (7.16.1) Scope 1 emissions (metric tons CO2e)

*14*

#### (7.16.2) Scope 2, location-based (metric tons CO2e)

*0*

#### (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### South Africa

#### (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

#### (7.16.2) Scope 2, location-based (metric tons CO2e)

*37*

#### (7.16.3) Scope 2, market-based (metric tons CO2e)

*37*

### Spain

#### (7.16.1) Scope 1 emissions (metric tons CO2e)

*185*

#### (7.16.2) Scope 2, location-based (metric tons CO2e)

*211*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*9*

### Sweden

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*148*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*62*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*34*

### Switzerland

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*760*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*14*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*1*

### Turkey

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*66*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*9269*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*3819*

### United Arab Emirates

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*15*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*15*

### United Kingdom of Great Britain and Northern Ireland

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*17778*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*12667*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*

### United States of America

## (7.16.1) Scope 1 emissions (metric tons CO2e)

*5146*

## (7.16.2) Scope 2, location-based (metric tons CO2e)

*8480*

## (7.16.3) Scope 2, market-based (metric tons CO2e)

*0*
*[Fixed row]*

## (7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

*Select all that apply*
☑ By activity

## (7.17.3) Break down your total gross global Scope 1 emissions by business activity.

| | Activity | Scope 1 emissions (metric tons CO2e) |
|---|---|---|
| Row 1 | *Pirelli Industrial Countries with Production Plants* | *203721* |
| Row 2 | *Pirelli R&D, Administration and Commercial Countries* | *1769* |

*[Add row]*

## (7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

*Select all that apply*

☑ By activity

## (7.20.3) Break down your total gross global Scope 2 emissions by business activity.

| | Activity | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|---|---|---|---|
| Row 1 | *Pirelli Industrial Countries with Production Plants* | *504859* | *249150* |
| Row 2 | *Pirelli R&D, Administration and Commercial Countries* | *537* | *325* |

*[Add row]*

## (7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

### Consolidated accounting group

### (7.22.1) Scope 1 emissions (metric tons CO2e)

*205490*

### (7.22.2) Scope 2, location-based emissions (metric tons CO2e)

*505396*

### (7.22.3) Scope 2, market-based emissions (metric tons CO2e)

*249475*

## (7.22.4) Please explain

*Emissions here reported refer to all entities that fall within the consolidated accounting group (same values of emissions reported in 7.6 and 7.7).*

### All other entities

## (7.22.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.22.2) Scope 2, location-based emissions (metric tons CO2e)

*0*

## (7.22.3) Scope 2, market-based emissions (metric tons CO2e)

*0*

## (7.22.4) Please explain

*Entered zero in each column for the "All other entities" row, since our response does not include any other entities (emissions data reported in 7.6 and 7.7 refers to the group of entities that fall within the consolidated accounting group).*
*[Fixed row]*

## (7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

*Select from:*
☑ Yes

## (7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

### Row 1

## (7.23.1.1) Subsidiary name

*Pirelli Industrie Pneumatici S.r.l.*

## (7.23.1.2) Primary activity

*Select from:*
☑ Tires

## (7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

*Select all that apply*
☑ LEI number

## (7.23.1.9) LEI number

*81560020AB40042E9C74*

## (7.23.1.12) Scope 1 emissions (metric tons CO2e)

*21925*

## (7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

*28069*

## (7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

*0*

## (7.23.1.15) Comment

*Pirelli Industrie Pneumatici S.r.l. consolidates the two Italian production plants of Settimo Torinese (car tyres) and Bollate (cycling tyres).*
*[Add row]*

## (7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

### Row 1

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*
☑ Scope 1

### (7.26.4) Allocation level

*Select from:*
☑ Company wide

### (7.26.6) Allocation method

*Select from:*
☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*
☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

### (7.26.9) Emissions in metric tonnes of CO2e

*13*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 2

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*1.501*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 3

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*11.904*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 4

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*6.927*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 5

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*4.328*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 6

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*5.017*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 7

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*3.501*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 8

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*266*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 9

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*5.663*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii)Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 10

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*1*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 11

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 1

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*1512*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes emissions from boilers inside Pirelli plants (mostly fueled by natural gas, a marginal percentage by fuel oil). Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 12

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*15*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 13

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*1823*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 14

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*14452*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 15

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*8410*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 16

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*5254*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 17

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*6091*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 18

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*4250*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 19

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*323*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 20

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*6875*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 21

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*1*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 22

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: market-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*1836*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*(i) Scope 1 emissions: energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IPCC 2006 emission factors. (ii) Scope 2 emissions (data refer to market-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 23

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*31*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 24

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*3692*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 25

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*29277*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 26

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*17038*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 27

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*10645*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 28

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*12340*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 29

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*8611*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 30

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*653*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 31

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*13928*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 32

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*2*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*

## Row 33

### (7.26.1) Requesting member

*Select from:*

### (7.26.2) Scope of emissions

*Select from:*

☑ Scope 2: location-based

### (7.26.4) Allocation level

*Select from:*

☑ Company wide

### (7.26.6) Allocation method

*Select from:*

☑ Allocation based on the market value of products purchased

### (7.26.7) Unit for market value or quantity of goods/services supplied

*Select from:*

☑ Currency

### (7.26.8) Market value or quantity of goods/services supplied to the requesting member

*0*

## (7.26.9) Emissions in metric tonnes of CO2e

*3719*

## (7.26.10) Uncertainty (±%)

*7*

## (7.26.11) Major sources of emissions

*This amount includes indirect emission from electricity and steam purchased. Other sources don't exceed the "de minimis" threshold.*

## (7.26.12) Allocation verified by a third party?

*Select from:*

☑ No

## (7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*In its carbon management system, Pirelli uses a boundary defined with an "operational control" approach. Pirelli's industrial operations generate direct greenhouse gas emissions (SCOPE 1) because of the transformation of fossil fuels (principally natural gas) into thermal energy and then steam. The CO2 emissions are directly calculated on the amount of purchased fuels. Pirelli monitors and consolidates "CO2 equivalents" for direct emissions, insofar as it also accounts for the contribution – albeit marginal – made by methane (CH4) and nitrous oxide (N2O). Indirect emissions (SCOPE 2) derive instead from the production of energy by third parties, which is then purchased by the Group (electricity and steam). In the Pirelli Annual Report, the Scope 2 emissions are reported in two separate ways: location-based and market-based (as required by the methodology introduced by the GHG Protocol Scope 2 Guidance). The Scope 2 data here quantified refer to market-based method. Performance, as measured by energy and greenhouse gas emissions, is calculated on the basis of emission factors obtained from the following sources: - IPCC: Guidelines for National Greenhouse Gas Inventories (2006); - Within Scope 2 location-based: National emission factors taken from IEA: CO2 Emissions from Fuel Combustion; - Within Scope 2 market-based: 1- Specific emission factors of suppliers where available; 2-Residual-mix emission factors taken from REDISS AIB (EU) and Green-e (US); 3-Emission factors used in the context of location-based if other sources of data are not available; and are reported in the Pirelli Annual Report according to the models proposed by: - GHG Protocol: A Corporate Accounting and Reporting Standard; - GHG Protocol Scope 2 Guidance. Consolidated GHG results have been verified by third party with limited assurance (see our Annual Report available on Corporate website at the link: https://corporate.pirelli.com/corporate/en-ww/sustainability/reports). Other sources of emission not mentioned here have been classified as "not relevant" under a criterion with a de minimis threshold of 2%. The Market value or quantity of goods/services supplied to the requesting member is a confidential information.*

## (7.26.14) Where published information has been used, please provide a reference

*Scope 2 emissions (data refer to location-based method): energy primary data from metering and invoices (in accordance to the Pirelli GHG Corporate Standard) has been used associated with IEA (International Energy Agency) locally-specific updated ("CO2 emissions from fuel combustion" - Edition 2023) emission factors for electricity. Purchased steam has been converted with a third party certified emission factor based on Pirelli operations. On the Pirelli Annual Report 2023 (https://corporate.pirelli.com/corporate/en-ww/sustainability/reports) you can find further information on sources and models used for GHG calculation (paragraph MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN).*
*[Add row]*

## (7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

### Row 1

### (7.27.1) Allocation challenges

*Select from:*
☑ We face no challenges

### (7.27.2) Please explain what would help you overcome these challenges

*We face no challenge in allocating emissions based on the market value of purchased products*
*[Add row]*

## (7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

### (7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

*Select from:*
☑ Yes

### (7.28.2) Describe how you plan to develop your capabilities

*The development of joint calculation model for the impact deriving from the use phase of a tyre (scope 3) would be strongly appreciated due to the complexity and the number of parameters of this part of calculation.*
*[Fixed row]*

## (7.29) What percentage of your total operational spend in the reporting year was on energy?

*Select from:*
☑ More than 5% but less than or equal to 10%

## (7.30) Select which energy-related activities your organization has undertaken.

| | Indicate whether your organization undertook this energy-related activity in the reporting year |
|---|---|
| Consumption of fuel (excluding feedstocks) | *Select from:*<br>☑ Yes |
| Consumption of purchased or acquired electricity | *Select from:*<br>☑ Yes |
| Consumption of purchased or acquired heat | *Select from:*<br>☑ No |
| Consumption of purchased or acquired steam | *Select from:*<br>☑ Yes |
| Consumption of purchased or acquired cooling | *Select from:*<br>☑ No |
| Generation of electricity, heat, steam, or cooling | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

### Consumption of fuel (excluding feedstock)

#### (7.30.1.1) Heating value

*Select from:*

☑ LHV (lower heating value)

#### (7.30.1.2) MWh from renewable sources

*0*

#### (7.30.1.3) MWh from non-renewable sources

*989813*

#### (7.30.1.4) Total (renewable and non-renewable) MWh

*989813*

### Consumption of purchased or acquired electricity

#### (7.30.1.1) Heating value

*Select from:*

☑ LHV (lower heating value)

#### (7.30.1.2) MWh from renewable sources

*932605*

#### (7.30.1.3) MWh from non-renewable sources

*302492*

## (7.30.1.4) Total (renewable and non-renewable) MWh

*1235097*

### Consumption of purchased or acquired steam

## (7.30.1.1) Heating value

*Select from:*
☑ LHV (lower heating value)

## (7.30.1.2) MWh from renewable sources

*78791*

## (7.30.1.3) MWh from non-renewable sources

*521412*

## (7.30.1.4) Total (renewable and non-renewable) MWh

*600203*

### Consumption of self-generated non-fuel renewable energy

## (7.30.1.1) Heating value

*Select from:*
☑ LHV (lower heating value)

## (7.30.1.2) MWh from renewable sources

*0*

## (7.30.1.4) Total (renewable and non-renewable) MWh

*0*

## Total energy consumption

### (7.30.1.1) Heating value

*Select from:*
☑ LHV (lower heating value)

### (7.30.1.2) MWh from renewable sources

*1011396*

### (7.30.1.3) MWh from non-renewable sources

*1813717*

### (7.30.1.4) Total (renewable and non-renewable) MWh

*2825113*
*[Fixed row]*

## (7.30.6) Select the applications of your organization’s consumption of fuel.

| | Indicate whether your organization undertakes this fuel application |
|---|---|
| Consumption of fuel for the generation of electricity | *Select from:*<br>☑ No |
| Consumption of fuel for the generation of heat | *Select from:* |

| | Indicate whether your organization undertakes this fuel application |
|---|---|
| | ☑ Yes |
| Consumption of fuel for the generation of steam | *Select from:*<br>☑ Yes |
| Consumption of fuel for the generation of cooling | *Select from:*<br>☑ No |
| Consumption of fuel for co-generation or tri-generation | *Select from:*<br>☑ No |

*[Fixed row]*

## (7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

### Sustainable biomass

### (7.30.7.1) Heating value

*Select from:*

☑ LHV

### (7.30.7.2) Total fuel MWh consumed by the organization

*0*

### (7.30.7.4) MWh fuel consumed for self-generation of heat

*0*

### (7.30.7.5) MWh fuel consumed for self-generation of steam

*0*

## (7.30.7.8) Comment

*Pirelli did not consume sustainable biomass fuels in the reporting year*

### Other biomass

## (7.30.7.1) Heating value

*Select from:*
☑ LHV

## (7.30.7.2) Total fuel MWh consumed by the organization

*0*

## (7.30.7.4) MWh fuel consumed for self-generation of heat

*0*

## (7.30.7.5) MWh fuel consumed for self-generation of steam

*0*

## (7.30.7.8) Comment

*Pirelli did not consume other biomass fuels in the reporting year*

### Other renewable fuels (e.g. renewable hydrogen)

## (7.30.7.1) Heating value

*Select from:*
☑ LHV

## (7.30.7.2) Total fuel MWh consumed by the organization

*0*

## (7.30.7.4) MWh fuel consumed for self-generation of heat

*0*

## (7.30.7.5) MWh fuel consumed for self-generation of steam

*0*

## (7.30.7.8) Comment

*Pirelli did not consume other renewable fuels in the reporting year*

### Coal

## (7.30.7.1) Heating value

*Select from:*
☑ LHV

## (7.30.7.2) Total fuel MWh consumed by the organization

*0*

## (7.30.7.4) MWh fuel consumed for self-generation of heat

*0*

## (7.30.7.5) MWh fuel consumed for self-generation of steam

*0*

## (7.30.7.8) Comment

*Pirelli did not consume coal in the reporting year*

## Oil

### (7.30.7.1) Heating value

*Select from:*
☑ LHV

### (7.30.7.2) Total fuel MWh consumed by the organization

*26549*

### (7.30.7.4) MWh fuel consumed for self-generation of heat

*26549*

### (7.30.7.5) MWh fuel consumed for self-generation of steam

*0*

### (7.30.7.8) Comment

*Oil consumption includes the following fuels: Fuel oil: 3807 MWh (Emission factor: 3137.1893 kg CO2e/ton - source: IPCC 2006 Guidelines for National Greenhouse Gas Inventories/ GWP on 100 years AR6) Gasoline: 1215 MWh (Emission factor: 3081.2068 kg CO2e/ton - source: IPCC 2006 Guidelines for National Greenhouse Gas Inventories/ GWP on 100 years AR6) Diesel oil: 7536 MWh (Emission factor: 3197.1876 kg CO2e/ton - source: IPCC 2006 Guidelines for National Greenhouse Gas Inventories/ GWP on 100 years AR6) LPG: 15426 MWh (Emission factor: 2987.3308 kg CO2e/ton - source: IPCC 2006 Guidelines for National Greenhouse Gas Inventories/ GWP on 100 years AR6) This type of fuels are mainly used for handling / transport purposes (forklifts, vehicles,...) or for emergency auxiliary systems.*

## Gas

### (7.30.7.1) Heating value

*Select from:*
☑ LHV

## (7.30.7.2) Total fuel MWh consumed by the organization

*963264*

## (7.30.7.4) MWh fuel consumed for self-generation of heat

*0*

## (7.30.7.5) MWh fuel consumed for self-generation of steam

*963264*

## (7.30.7.8) Comment

*Emission factor: 1.9652 kg CO2e/m3 (source: IPCC 2006 Guidelines for National Greenhouse Gas Inventories/ GWP on 100 years AR6). In 2023 the Natural Gas was used for the steam generation.*

### Other non-renewable fuels (e.g. non-renewable hydrogen)

## (7.30.7.1) Heating value

*Select from:*
☑ LHV

## (7.30.7.2) Total fuel MWh consumed by the organization

*0*

## (7.30.7.4) MWh fuel consumed for self-generation of heat

*0*

## (7.30.7.5) MWh fuel consumed for self-generation of steam

*0*

## (7.30.7.8) Comment

*Pirelli did not consume other non-renewable fuels in the reporting year*

### Total fuel

## (7.30.7.1) Heating value

*Select from:*
☑ LHV

## (7.30.7.2) Total fuel MWh consumed by the organization

*989813*

## (7.30.7.4) MWh fuel consumed for self-generation of heat

*26549*

## (7.30.7.5) MWh fuel consumed for self-generation of steam

*963264*

## (7.30.7.8) Comment

*In the reporting year, Pirelli used natural gas for the self-generation of steam, while Oil fuels were mainly used for handling/transport purposes (forklifts, trucks,...) or for emergency auxiliary systems.*
*[Fixed row]*

### (7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

### Electricity

## (7.30.9.1) Total Gross generation (MWh)

*0*

## (7.30.9.2) Generation that is consumed by the organization (MWh)

*0*

## (7.30.9.3) Gross generation from renewable sources (MWh)

*0*

## (7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

*0*

### Heat

## (7.30.9.1) Total Gross generation (MWh)

*0*

## (7.30.9.2) Generation that is consumed by the organization (MWh)

*0*

## (7.30.9.3) Gross generation from renewable sources (MWh)

*0*

## (7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

*0*

### Steam

## (7.30.9.1) Total Gross generation (MWh)

*963264*

## (7.30.9.2) Generation that is consumed by the organization (MWh)

*963264*

## (7.30.9.3) Gross generation from renewable sources (MWh)

*0*

## (7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

*0*

### Cooling

## (7.30.9.1) Total Gross generation (MWh)

*0*

## (7.30.9.2) Generation that is consumed by the organization (MWh)

*0*

## (7.30.9.3) Gross generation from renewable sources (MWh)

*0*

## (7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

*0*
*[Fixed row]*

## (7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

### Row 1

### (7.30.14.1) Country/area

*Select from:*

☑ Mexico

### (7.30.14.2) Sourcing method

*Select from:*

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

### (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

### (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Wind

### (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*17054*

### (7.30.14.6) Tracking instrument used

*Select from:*

☑ Contract

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Mexico

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2015*

## (7.30.14.10) Comment

*Procurement (PPA) of electrical energy from a wind power plant at the factory in Mexico. The supply covered the entire year 2023 and it is regulated by a L/T agreement. In the year 2023, the portion of electricity from this renewable source covered around 12% of the total electricity consumption of the production site.*

### Row 2

## (7.30.14.1) Country/area

*Select from:*

☑ Mexico

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Wind

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*129520*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ I-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Mexico

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2021*

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Mexico. In the year 2023, the portion of electricity certified from this renewable source covered around 88% of the total electricity consumption of the production site.*

### Row 3

## (7.30.14.1) Country/area

*Select from:*

☑ United Kingdom of Great Britain and Northern Ireland

## (7.30.14.2) Sourcing method

*Select from:*

☑ Retail supply contract with an electricity supplier (retail green electricity)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Renewable energy mix, please specify **:**wind, solar, hydro

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*63177*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ REGO

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Denmark

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources for UK plants/facilities. In the year 2023, the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

### Row 4

## (7.30.14.1) Country/area

*Select from:*

☑ Romania

## (7.30.14.2) Sourcing method

*Select from:*

☑ Retail supply contract with an electricity supplier (retail green electricity)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Large hydropower (>25 MW)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*237825*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ GO

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Romania

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*1966*

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Romania. In the year 2023, the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

### Row 5

## (7.30.14.1) Country/area

*Select from:*

☑ Germany

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Large hydropower (>25 MW)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*52981*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ GO

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Spain

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*1982*

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources for German plant/facilities. In the year 2023, the portion of electricity certified from renewable sources covered 43% of the total electricity consumption.*

### Row 6

## (7.30.14.1) Country/area

*Select from:*

☑ Italy

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Renewable energy mix, please specify :Solar, Renewable-Bioliquids-Vegetable oil

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*101990*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ GO

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Italy

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources for Italian plants/HQ/facilities. In the year 2023, the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

### Row 7

## (7.30.14.1) Country/area

*Select from:*

☑ Spain

## (7.30.14.2) Sourcing method

*Select from:*

☑ Retail supply contract with an electricity supplier (retail green electricity)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Renewable energy mix, please specify **:**multiple sources

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*1227*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ Contract

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Spain

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Spain In the year 2023, the portion of electricity certified from renewable sources covered 97% of the total electricity consumption.*

### Row 8

## (7.30.14.1) Country/area

*Select from:*

☑ Turkey

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Large hydropower (>25 MW)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*12946*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ I-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Turkey

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2009*

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Turkey. In the year 2023, the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

### Row 9

## (7.30.14.1) Country/area

*Select from:*

☑ United States of America

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Hydropower (capacity unknown)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*24105*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ US-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ United States of America

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in US. In the year 2023 the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

### Row 10

## (7.30.14.1) Country/area

*Select from:*

☑ China

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Large hydropower (>25 MW)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*45382*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ I-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ China

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2015*

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in China. In the year 2023 the portion of electricity certified from renewable sources covered 25% of the total electricity consumption.*

### Row 11

## (7.30.14.1) Country/area

*Select from:*

☑ Canada

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Hydropower (capacity unknown)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*6*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ US-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ United States of America

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Canada. In the year 2023 the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

### Row 12

## (7.30.14.1) Country/area

*Select from:*

☑ Sweden

## (7.30.14.2) Sourcing method

*Select from:*

☑ Retail supply contract with an electricity supplier (retail green electricity)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Hydropower (capacity unknown)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*3946*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ Contract

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Sweden

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Sweden. In the year 2023 the portion of electricity certified from renewable sources covered 82% of the total electricity consumption.*

### Row 13

## (7.30.14.1) Country/area

*Select from:*

☑ Switzerland

## (7.30.14.2) Sourcing method

*Select from:*

☑ Retail supply contract with an electricity supplier (retail green electricity)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Hydropower (capacity unknown)

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*582*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ Contract

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Switzerland

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Switzerland. In the year 2023 the portion of electricity certified from renewable sources covered 92% of the total electricity consumption.*

### Row 14

## (7.30.14.1) Country/area

*Select from:*

☑ Argentina

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Wind

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*44510*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ I-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Argentina

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Argentina. In the year 2023 the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

### Row 15

## (7.30.14.1) Country/area

*Select from:*

☑ Brazil

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Wind

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*196313*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ I-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Brazil

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Brazil. In the year 2023 the portion of electricity certified from renewable sources covered 100% of the total electricity consumption.*

## Row 16

### (7.30.14.1) Country/area

*Select from:*

☑ Russian Federation

### (7.30.14.2) Sourcing method

*Select from:*

☑ Retail supply contract with an electricity supplier (retail green electricity)

### (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

### (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Solar

### (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*1040*

### (7.30.14.6) Tracking instrument used

*Select from:*

☑ Contract

### (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Russian Federation

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*Procurement of electrical energy from renewable sources in Russia. In the year 2023 the portion of electricity certified from renewable sources covered 1% of the total electricity consumption.*

### Row 17

## (7.30.14.1) Country/area

*Select from:*

☑ Brazil

## (7.30.14.2) Sourcing method

*Select from:*

☑ Heat/steam/cooling supply agreement

## (7.30.14.3) Energy carrier

*Select from:*

☑ Steam

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Other biomass

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*15818*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ Contract

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Brazil

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2018*

## (7.30.14.10) Comment

*Supply of steam from a boiler house (12.5 MW) powered by waste wood from local supply chains (biomass), for the plants of Feira de Santana in Brazil. The steam is produced by the supplier and then sold to Pirelli (purchase contract). The biomass used by the supplier comes from waste wood but, at this time, we are unable to provide the details of the supplier's biomass certification. The steam supply was active throughout the 2023. Please note that it is applied an emission factor equal to zero for the CO2 component but, considering also CH4 and N2O, the value of 0.00715 is applied as the emission factor expressed in units of metric tons CO2e per MWh.*

### Row 18

## (7.30.14.1) Country/area

*Select from:*

☑ Brazil

## (7.30.14.2) Sourcing method

*Select from:*

☑ Heat/steam/cooling supply agreement

## (7.30.14.3) Energy carrier

*Select from:*

☑ Steam

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Other biomass

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*62972*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ Contract

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ Brazil

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2015*

## (7.30.14.10) Comment

*Supply of steam from a boiler house (10.5 MW) powered by waste wood from local supply chains (biomass), for the plants of Campinas in Brazil. The steam is produced by the supplier and then sold to Pirelli (purchase contract). The biomass used by the supplier comes from waste wood but, at this time, we are unable to provide the details of the supplier's biomass certification. The steam supply was active throughout the 2023. Please note that it is applied an emission factor equal to zero for the CO2 component but, considering also CH4 and N2O, the value of 0.00715 is applied as the emission factor expressed in units of metric tons CO2e per MWh.*
*[Add row]*

# (7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

# Argentina

## (7.30.16.1) Consumption of purchased electricity (MWh)

*44510*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*94776*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*139286.00*

## Australia

### (7.30.16.1) Consumption of purchased electricity (MWh)

*26*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*26.00*

## Austria

### (7.30.16.1) Consumption of purchased electricity (MWh)

*17*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*17.00*

## Belgium

### (7.30.16.1) Consumption of purchased electricity (MWh)

*66*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*40*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*106.00*

## Brazil

### (7.30.16.1) Consumption of purchased electricity (MWh)

*196313*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*78791*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*148859*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*423963.00*

### Canada

## (7.30.16.1) Consumption of purchased electricity (MWh)

*6*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*6.00*

## Chile

### (7.30.16.1) Consumption of purchased electricity (MWh)

*0*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*0.00*

## China

### (7.30.16.1) Consumption of purchased electricity (MWh)

*179094*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*224377*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*5815*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*409286.00*

## Colombia

### (7.30.16.1) Consumption of purchased electricity (MWh)

*0*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*0.00*

## Czechia

## (7.30.16.1) Consumption of purchased electricity (MWh)

*0*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*0.00*

### Eygpt

## (7.30.16.1) Consumption of purchased electricity (MWh)

*89*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*89.00*

## France

### (7.30.16.1) Consumption of purchased electricity (MWh)

*97*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*97.00*

## Germany

### (7.30.16.1) Consumption of purchased electricity (MWh)

*124552*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*134364*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*3073*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*261989.00*

### Greece

## (7.30.16.1) Consumption of purchased electricity (MWh)

*98*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*98.00*

## Hungary

### (7.30.16.1) Consumption of purchased electricity (MWh)

*17*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*17.00*

## India

### (7.30.16.1) Consumption of purchased electricity (MWh)

*15*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*15.00*

### Italy

## (7.30.16.1) Consumption of purchased electricity (MWh)

*101990*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*3769*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*113607*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*219366.00*

### Japan

## (7.30.16.1) Consumption of purchased electricity (MWh)

*34*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*34.00*

### Mexico

## (7.30.16.1) Consumption of purchased electricity (MWh)

*146574*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*143727*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*290301.00*

## Netherlands

### (7.30.16.1) Consumption of purchased electricity (MWh)

*0*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*0.00*

## Poland

### (7.30.16.1) Consumption of purchased electricity (MWh)

*19*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*19.00*

## Republic of Korea

### (7.30.16.1) Consumption of purchased electricity (MWh)

*70*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*70.00*

## Romania

### (7.30.16.1) Consumption of purchased electricity (MWh)

*237825*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*262545*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*500370.00*

## Russian Federation

### (7.30.16.1) Consumption of purchased electricity (MWh)

*96625*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*140009*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*80607*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*317241.00*

### Saudi Arabi

## (7.30.16.1) Consumption of purchased electricity (MWh)

*0*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*0.00*

### Singapore

## (7.30.16.1) Consumption of purchased electricity (MWh)

*55*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*55.00*

### Slovakia

## (7.30.16.1) Consumption of purchased electricity (MWh)

*0*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*0.00*

### South Africa

## (7.30.16.1) Consumption of purchased electricity (MWh)

*41*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*41.00*

### Spain

## (7.30.16.1) Consumption of purchased electricity (MWh)

*1261*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*1261.00*

## Sweden

### (7.30.16.1) Consumption of purchased electricity (MWh)

*4810*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*248*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*5058.00*

## Switzerland

### (7.30.16.1) Consumption of purchased electricity (MWh)

*634*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*146*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*780.00*

## Turkey

### (7.30.16.1) Consumption of purchased electricity (MWh)

*12946*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*18893*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*31839.00*

## United Arab Emirates

### (7.30.16.1) Consumption of purchased electricity (MWh)

*31*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*31.00*

## United Kingdom of Great Britain and Northern Ireland

### (7.30.16.1) Consumption of purchased electricity (MWh)

*63177*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*84726*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*147903.00*

## United States of America

### (7.30.16.1) Consumption of purchased electricity (MWh)

*24105*

### (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

### (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*0*

### (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*25095*

### (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*49200.00*
*[Fixed row]*

## (7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

### Row 1

## (7.45.1) Intensity figure

*0.000068*

## (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*454965*

## (7.45.3) Metric denominator

*Select from:*
☑ unit total revenue

## (7.45.4) Metric denominator: Unit total

*6650063000*

## (7.45.5) Scope 2 figure used

*Select from:*
☑ Market-based

## (7.45.6) % change from previous year

*17.4*

## (7.45.7) Direction of change

*Select from:*
☑ Decreased

## (7.45.8) Reasons for change

*Select all that apply*
☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in output

☑ Change in revenue

## (7.45.9) Please explain

*In 2023, compared to 2022, Pirelli recorded a 17% decrease in absolute CO2 emissions and a 0,5% growth in revenues. The reasons for the positive trend of the 2023 index include the growth in the share of electricity from renewable sources consumed by the Group, new emissions reduction activities and a slightly lower production volumes (both contributed to the reduction of CO2 emissions), as well as sales growth compared to 2022.*

### Row 2

## (7.45.1) Intensity figure

*0.609*

## (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*454965*

## (7.45.3) Metric denominator

*Select from:*

☑ metric ton of product

## (7.45.4) Metric denominator: Unit total

*746968*

## (7.45.5) Scope 2 figure used

*Select from:*

☑ Market-based

## (7.45.6) % change from previous year

*15.3*

## (7.45.7) Direction of change

*Select from:*

☑ Decreased

## (7.45.8) Reasons for change

*Select all that apply*

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in output

## (7.45.9) Please explain

*In 2023, compared to 2022, Pirelli recorded a 17% decrease in absolute CO2 emissions and a 2% reduction in volumes of finished product. The reasons for the positive trend of the 2023 index include the growth in the share of electricity from renewable sources consumed by the Group and new emissions reduction activities (both contributed to the reduction of CO2 emissions). The overall index improved despite the slight reduction of production volumes (denominator).*

### Row 3

## (7.45.1) Intensity figure

*14.6*

## (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*454965*

## (7.45.3) Metric denominator

*Select from:*

☑ full time equivalent (FTE) employee

## (7.45.4) Metric denominator: Unit total

*31072*

## (7.45.5) Scope 2 figure used

*Select from:*

☑ Market-based

## (7.45.6) % change from previous year

*16.4*

## (7.45.7) Direction of change

*Select from:*

☑ Decreased

## (7.45.8) Reasons for change

*Select all that apply*

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in output

☑ Other, please specify :decrease of FTE employees

## (7.45.9) Please explain

*In 2023, compared to 2022, Pirelli recorded a decrease of 17% in absolute CO2 emissions and a net decrease of 229 employees compared to the previous year (-0.7%). The reasons for the positive trend of the 2023 index include the growth in the share of electricity from renewable sources consumed by the Group, new emissions reduction activities and a slightly lower production volumes (both contributed to the reduction of CO2 emissions). The overall index improved despite the slight reduction of FTE employees (denominator).*
*[Add row]*

## (7.52) Provide any additional climate-related metrics relevant to your business.

### Row 1

### (7.52.1) Description

*Select from:*
☑ Other, please specify :water withdrawal

### (7.52.2) Metric value

*7*

### (7.52.3) Metric numerator

*cubic meter of water withdrawn*

### (7.52.4) Metric denominator (intensity metric only)

*ton of finished product*

### (7.52.5) % change from previous year

*14*

### (7.52.6) Direction of change

*Select from:*
☑ Decreased

### (7.52.7) Please explain

*In 2023, the specific water withdrawal benefited from the water management and efficiency actions implemented in the factories.*

### Row 2

## (7.52.1) Description

*Select from:*

☑ Energy usage

## (7.52.2) Metric value

*13.62*

## (7.52.3) Metric numerator

*GJ of energy consumed*

## (7.52.4) Metric denominator (intensity metric only)

*ton of finished product*

## (7.52.5) % change from previous year

*2*

## (7.52.6) Direction of change

*Select from:*

☑ Decreased

## (7.52.7) Please explain

*In 2023, the energy efficiency index benefited from the energy efficiency actions implemented, despite the negative impact of the Russian conflict on the full operation of plants in the region and in response to an increasingly dynamic automotive market. The result was achieved despite a high internal complexity of the factories aimed at coping with an increased demand for flexibility and a production mix increasingly oriented towards High-Value products, characterised by higher energy intensity in the production phase compared to standard tyres.*
*[Add row]*

# (7.53) Did you have an emissions target that was active in the reporting year?

*Select all that apply*

☑ Absolute target

## (7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

## Row 1

### (7.53.1.1) Target reference number

*Select from:*

☑ Abs 1

### (7.53.1.2) Is this a science-based target?

*Select from:*

☑ Yes, and this target has been approved by the Science Based Targets initiative

### (7.53.1.3) Science Based Targets initiative official validation letter

*Pirelli_SBTi_Target Update Approval Letter_5-4-2022.pdf*

### (7.53.1.4) Target ambition

*Select from:*

☑ 1.5°C aligned

### (7.53.1.5) Date target was set

*12/30/2020*

### (7.53.1.6) Target coverage

*Select from:*

☑ Organization-wide

## (7.53.1.7) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

## (7.53.1.8) Scopes

*Select all that apply*

☑ Scope 1

☑ Scope 2

## (7.53.1.9) Scope 2 accounting method

*Select from:*

☑ Market-based

## (7.53.1.11) End date of base year

*12/31/2015*

## (7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

*193596*

## (7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

*731881*

## (7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

*0.000*

## (7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

*925477.000*

## (7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

*100*

## (7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

*100*

## (7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

*100*

## (7.53.1.54) End date of target

*12/30/2025*

## (7.53.1.55) Targeted reduction from base year (%)

*42*

## (7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

*536776.660*

## (7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

*205490*

## (7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

*249475*

## (7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

*454965.000*

## (7.53.1.78) Land-related emissions covered by target

*Select from:*

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

## (7.53.1.79) % of target achieved relative to base year

*121.05*

## (7.53.1.80) Target status in reporting year

*Select from:*

☑ Achieved

## (7.53.1.82) Explain target coverage and identify any exclusions

*This target is company-wide and covers 100% of both Group's Scope 1 and 2 absolute emissions. The SBTi has validated (May 2022) the target as aligned with a 1.5C global warming scenario (42% reduction of scope 1 and 2 absolute emissions by 2025 vs. 2015). This has been an upgrade of the original target set in 2020 and approved by the SBTi (June 2020) as in line with the "well below 2C" scenario (25% reduction of scope 1 and 2 absolute emissions by 2025 vs. 2015). CO2 emissions or removals from bio-energy are not relevant for our organization and we not have included within the target boundary.*

## (7.53.1.83) Target objective

*The strategic objective of this target is fully in line with the Group's decarbonisation strategy which aims to bring forward compliance with the EU's Net Zero commitment by 10 years, consolidate its leading position in the sector with commercial benefits, reduce exposure to climate risks and obtain positive impacts on the lower cost of capital.*

## (7.53.1.85) Target derived using a sectoral decarbonization approach

*Select from:*

☑ No

## (7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

*To achieve its decarbonization targets, Pirelli has launched a series of programs and investments in the manufacturing area. In detail: by 2025 all factories at the global level will use 100% renewable electric energy (objective already achieved for the factories in Europe, North America and LATAM); the ongoing program of electrification of the curing presses (75% by 2030); the energy efficiency plan in the factories.*

## Row 2

### (7.53.1.1) Target reference number

*Select from:*

☑ Abs 2

### (7.53.1.2) Is this a science-based target?

*Select from:*

☑ Yes, and this target has been approved by the Science Based Targets initiative

### (7.53.1.3) Science Based Targets initiative official validation letter

*Pirelli_SBTi_Target Update Approval Letter_5-4-2022.pdf*

### (7.53.1.4) Target ambition

*Select from:*

☑ 2°C aligned

### (7.53.1.5) Date target was set

*12/30/2020*

### (7.53.1.6) Target coverage

*Select from:*

☑ Organization-wide

### (7.53.1.7) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

## (7.53.1.8) Scopes

*Select all that apply*

☑ Scope 3

## (7.53.1.10) Scope 3 categories

*Select all that apply*

☑ Scope 3, Category 1 – Purchased goods and services

## (7.53.1.11) End date of base year

*12/30/2018*

## (7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

*2600000*

## (7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

*2600000.000*

## (7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

*2600000.000*

## (7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

*100.0*

## (7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

*80.0*

## (7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

*100.0*

## (7.53.1.54) End date of target

*12/30/2025*

## (7.53.1.55) Targeted reduction from base year (%)

*9*

## (7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

*2366000.000*

## (7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

*2074948*

## (7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

*2074948.000*

## (7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

*2074948.000*

## (7.53.1.78) Land-related emissions covered by target

*Select from:*

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

## (7.53.1.79) % of target achieved relative to base year

*224.38*

## (7.53.1.80) Target status in reporting year

*Select from:*

☑ Achieved

## (7.53.1.82) Explain target coverage and identify any exclusions

*This target is company-wide and covers 80% of Group's Scope 3 absolute emissions. The SBTi has validated (May 2022) the target as in line with the "well below 2C" scenario for the reduction of the absolute scope 3 emissions from purchased raw materials by 9% by 2025, compared to 2018.*

## (7.53.1.83) Target objective

*The strategic objective of this target is fully in line with the Group's decarbonisation strategy which aims to bring forward compliance with the EU's Net Zero commitment by 10 years, consolidate its leading position in the sector with commercial benefits, reduce exposure to climate risks and obtain positive impacts on the lower cost of capital.*

## (7.53.1.85) Target derived using a sectoral decarbonization approach

*Select from:*

☑ No

## (7.53.1.86) List the emissions reduction initiatives which contributed most to achieving this target

*To achieve its decarbonization targets, Pirelli has launched a series of programs of engagement and partnership with its suppliers to reduce GHG emissions in the supply chain. The Company has also SET GROWTH TARGETS FOR NATURAL AND RECYCLED MATERIALS. for selected product lines: the current Industrial Plan sets TARGETS for an increasing use of MATERIALS FROM NATURAL ORIGIN AND RECYCLED SOURCES, with the aim of using more than 40% of the*

*former by 2025 (more than 60% by 2030), more than 8% of the latter73 (more than 12% by 2030) and reducing the use of fossil-derived raw materials to less than 40% (less than 30% by 2030).*

### Row 3

## (7.53.1.1) Target reference number

*Select from:*

☑ Abs 3

## (7.53.1.2) Is this a science-based target?

*Select from:*

☑ Yes, and this target has been approved by the Science Based Targets initiative

## (7.53.1.3) Science Based Targets initiative official validation letter

*Near-Term approval letter - Pirelli 2024.pdf*

## (7.53.1.4) Target ambition

*Select from:*

☑ 1.5°C aligned

## (7.53.1.5) Date target was set

*12/30/2023*

## (7.53.1.6) Target coverage

*Select from:*

☑ Organization-wide

## (7.53.1.7) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

## (7.53.1.8) Scopes

*Select all that apply*

☑ Scope 1

☑ Scope 2

## (7.53.1.9) Scope 2 accounting method

*Select from:*

☑ Market-based

## (7.53.1.11) End date of base year

*12/30/2018*

## (7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

*190046*

## (7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

*662820*

## (7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

*0.000*

## (7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

*852866.000*

## (7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

*100*

## (7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

*100*

## (7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

*100*

## (7.53.1.54) End date of target

*12/30/2030*

## (7.53.1.55) Targeted reduction from base year (%)

*80*

## (7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

*170573.200*

## (7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

*205490*

## (7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

*265287*

## (7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

*470777.000*

## (7.53.1.78) Land-related emissions covered by target

*Select from:*

☑ Yes, it covers land-related and non-land related emissions (e.g. SBT approved before the release of FLAG target-setting guidance)

## (7.53.1.79) % of target achieved relative to base year

*56.00*

## (7.53.1.80) Target status in reporting year

*Select from:*

☑ New

## (7.53.1.82) Explain target coverage and identify any exclusions

*This target is company-wide and covers 100% of both Group's Scope 1 and 2 absolute emissions. As part of the new Industrial Plan, Pirelli has set new near-term 2030 GHG reduction targets (80% reduction in absolute scope 1 and 2 GHG emissions by 2030 from a 2018 base year; 30% reduction in absolute scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, and upstream transportation and distribution within the same timeframe) and the long-term 2040 Net Zero GHG emission target (90% reduction in absolute scope 1 and 2 GHG from a 2018 base year; 90% reduction in absolute scope 3 GHG emissions within the same timeframe). Both have been submitted to SBTi for approval and their validation process was completed in Aug 2024 and published in Sept 24. Upon validation, only these latest targets will be published on the SBTi portal.*

## (7.53.1.83) Target objective

*This target is part of the company's Climate Transition Plan, which aims to achieve Net Zero (in line with the SBTi Corporate Net Zero standard) by 2040 following a decarbonization path in line with the goal of limiting global warming to 1.5C. The strategic objective of this target is fully in line with the Group's decarbonisation strategy which aims to bring forward compliance with the EU's Net Zero commitment by 10 years, consolidate its leading position in the sector with commercial benefits, reduce exposure to climate risks and obtain positive impacts on the lower cost of capital.*

## (7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

*The plan for achieving the target is based on the tyre production processes transformation which aims to electrify 75% of the curing presses by 2030 and the supply of 100% renewable electric energy by 2025.*

## (7.53.1.85) Target derived using a sectoral decarbonization approach

*Select from:*

☑ No

### Row 4

## (7.53.1.1) Target reference number

*Select from:*

☑ Abs 4

## (7.53.1.2) Is this a science-based target?

*Select from:*

☑ Yes, and this target has been approved by the Science Based Targets initiative

## (7.53.1.3) Science Based Targets initiative official validation letter

*Near-Term approval letter - Pirelli 2024.pdf*

## (7.53.1.4) Target ambition

*Select from:*

☑ Well-below 2°C aligned

## (7.53.1.5) Date target was set

*12/30/2023*

## (7.53.1.6) Target coverage

*Select from:*

☑ Organization-wide

## (7.53.1.7) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

## (7.53.1.8) Scopes

*Select all that apply*

☑ Scope 3

## (7.53.1.10) Scope 3 categories

*Select all that apply*

☑ Scope 3, Category 1 – Purchased goods and services

☑ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)

☑ Scope 3, Category 4 – Upstream transportation and distribution

## (7.53.1.11) End date of base year

*12/30/2018*

## (7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

*3095333*

## (7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

*375793*

## (7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

*217893*

## (7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

*3689019.000*

## (7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

*3689019.000*

## (7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

*100*

## (7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

*100*

## (7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

*100*

## (7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

*90*

## (7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

*100*

## (7.53.1.54) End date of target

*12/30/2030*

## (7.53.1.55) Targeted reduction from base year (%)

*30*

## (7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

*2582313.300*

## (7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

*2369478*

## (7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

*166994*

## (7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

*223816*

## (7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

*2760288.000*

## (7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

*2760288.000*

## (7.53.1.78) Land-related emissions covered by target

*Select from:*

☑ Yes, it covers land-related and non-land related emissions (e.g. SBT approved before the release of FLAG target-setting guidance)

## (7.53.1.79) % of target achieved relative to base year

*83.92*

## (7.53.1.80) Target status in reporting year

*Select from:*

☑ New

## (7.53.1.82) Explain target coverage and identify any exclusions

*This target is company-wide and covers 90% of Scope 3 absolute emissions. As part of the new Industrial Plan, Pirelli has set new near-term 2030 GHG reduction targets (80% reduction in absolute scope 1 and 2 GHG emissions by 2030 from a 2018 base year; 30% reduction in absolute scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, and upstream transportation and distribution within the same timeframe) and the long-term 2040 Net Zero GHG emission target (90% reduction in absolute scope 1 and 2 GHG from a 2018 base year; 90% reduction in absolute scope 3 GHG emissions within the same timeframe). Both have been submitted to SBTi for approval and their validation process was completed in Aug 2024 and published in Sept 24. Upon validation, only these latest targets will be published on the SBTi portal.*

## (7.53.1.83) Target objective

*This target is part of the company's Climate Transition Plan, which aims to achieve Net Zero (in line with the SBTi Corporate Net Zero standard) by 2040 following a decarbonization path in line with the goal of limiting global warming to 1.5C. The strategic objective of this target is fully in line with the Group's decarbonisation strategy which aims to bring forward compliance with the EU's Net Zero commitment by 10 years, consolidate its leading position in the sector with commercial benefits, reduce exposure to climate risks and obtain positive impacts on the lower cost of capital.*

## (7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

*The plan for achieving the target is based on the partnership and engagement with suppliers and the switch to bio-bases and recycled raw materials with a lower carbon-footprint.*

## (7.53.1.85) Target derived using a sectoral decarbonization approach

*Select from:*

☑ No

*[Add row]*

## (7.54) Did you have any other climate-related targets that were active in the reporting year?

*Select all that apply*

☑ Targets to increase or maintain low-carbon energy consumption or production

☑ Net-zero targets

☑ Other climate-related targets

## (7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

### Row 1

### (7.54.1.1) Target reference number

*Select from:*

☑ Low 1

### (7.54.1.2) Date target was set

*12/31/2020*

### (7.54.1.3) Target coverage

*Select from:*

☑ Organization-wide

### (7.54.1.4) Target type: energy carrier

*Select from:*

☑ Electricity

## (7.54.1.5) Target type: activity

*Select from:*

☑ Consumption

## (7.54.1.6) Target type: energy source

*Select from:*

☑ Renewable energy source(s) only

## (7.54.1.7) End date of base year

*12/31/2019*

## (7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

*1258660*

## (7.54.1.9) % share of low-carbon or renewable energy in base year

*41.2*

## (7.54.1.10) End date of target

*12/31/2025*

## (7.54.1.11) % share of low-carbon or renewable energy at end date of target

*100*

## (7.54.1.12) % share of low-carbon or renewable energy in reporting year

*80.4*

## (7.54.1.13) % of target achieved relative to base year

*66.67*

## (7.54.1.14) Target status in reporting year

*Select from:*

☑ Underway

## (7.54.1.16) Is this target part of an emissions target?

*Yes, this target is part of the actions undertaken to support the Company's absolute Scope 12 emissions reduction target reported in 7.53.1 (Abs1) which is approved by the Science Based Targets initiative.*

## (7.54.1.17) Is this target part of an overarching initiative?

*Select all that apply*

☑ No, it’s not part of an overarching initiative

## (7.54.1.19) Explain target coverage and identify any exclusions

*The Company-wide target to increase the proportion of electricity purchased from renewable sources to 100% by 2025 is part of the company's absolute Scope 12 emissions reduction target reported in 7.53.1 (Abs1).This target has been publicly communicated within the Pirelli Industrial Plan. The figures have been assessed by including both the renewable contributions from direct procurement (initiatives directly implemented by Pirelli) and the renewable share in the national electric grid mix of the countries in which Pirelli operates, based on IEA (International Energy Agency) datasets.*

## (7.54.1.20) Target objective

*This target is part of the company’s Climate Transition Plan, which aims to achieve Net Zero (in line with the SBTi Corporate Net Zero standard) by 2040 following a decarbonization path in line with the goal of limiting global warming to 1.5C. The strategic objective of this target (100% renewable electric energy by 2025) is to facilitate the achievements of corporate’s decarbonization targets, together with the tyre production processes transformation target which aims to electrify 75% of the curing presses by 2030. Another objective of this target is also to reduce the costs of compliance with the EU emissions trading scheme and prevent potential new CO2 taxation schemes that could arise around the world.*

## (7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

*The plan to achieve the target relies on proven market tools and additionalities to fully access renewable electricity sourcing for the company, with a roadmap that provides for the progressive entry of Pirelli sites depending on their Region. Indeed, taking into consideration the different geographies, the target of 100% has already been achieved for the factories in Europe, North America and Latam, while APAC and Russia will join in the next two years.The progress of this target is fully*

*on track with the set pathway. At the end of 2023 the share of renewable electricity is 80.4%, up from 42.1% in 2019 (base year), and in line to reach 100% at the end of 2025.*
*[Add row]*

## (7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

### Row 1

### (7.54.2.1) Target reference number

*Select from:*
☑ Oth 1

### (7.54.2.2) Date target was set

*12/31/2020*

### (7.54.2.3) Target coverage

*Select from:*
☑ Organization-wide

### (7.54.2.4) Target type: absolute or intensity

*Select from:*
☑ Intensity

### (7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

**Energy consumption or efficiency**
☑ GJ

### (7.54.2.6) Target denominator (intensity targets only)

*Select from:*

☑ metric ton of product

## (7.54.2.7) End date of base year

*12/31/2019*

## (7.54.2.8) Figure or percentage in base year

*13.9*

## (7.54.2.9) End date of target

*12/31/2025*

## (7.54.2.10) Figure or percentage at end of date of target

*12.51*

## (7.54.2.11) Figure or percentage in reporting year

*13.62*

## (7.54.2.12) % of target achieved relative to base year

*20.1438848921*

## (7.54.2.13) Target status in reporting year

*Select from:*

☑ Underway

## (7.54.2.15) Is this target part of an emissions target?

*Yes, this target is part of the actions undertaken to support the Company's absolute Scope 12 emissions reduction target reported in 7.53.1 (Abs1) which is approved by the Science Based Target initiative.*

## (7.54.2.16) Is this target part of an overarching initiative?

*Select all that apply*

☑ No, it's not part of an overarching initiative

## (7.54.2.18) Please explain target coverage and identify any exclusions

*The Company-wide target to reduce of 10% the company's specific energy consumption by 2025, compared to 2019 value, includes the impacts of all the units of the Pirelli Group: from industrial realities to commercial and administrative sites.*

## (7.54.2.19) Target objective

*The strategic objective for the target is to support the Company's absolute Scope 12 emissions reduction target (approved by the Science Based Target initiative) with the reduction of the energy consumption required per ton of finished product thanks to energy efficiency programs to be implemented in the production processes.*

## (7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

*By the reporting year, we are slightly under-performing: the 2023 index is around 2% lower than the 2019 figure (the year on which the 2025 reduction target is based). To achieve further improvement in specific energy consumption we have planned several energy efficiency initiatives in our operations as: working on improving energy management systems, improving the quality of energy transformation, recovering energy for secondary uses and applying targeted maintenance plans in order to reduce energy waste. The progress curve is likely to be variable.*

# Row 2

## (7.54.2.1) Target reference number

*Select from:*

☑ Oth 2

## (7.54.2.2) Date target was set

*12/31/2016*

## (7.54.2.3) Target coverage

*Select from:*

☑ Suppliers

## (7.54.2.4) Target type: absolute or intensity

*Select from:*

☑ Absolute

## (7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

**Engagement with suppliers**

☑ Percentage of suppliers (by emissions) actively engaged on climate-related issues

## (7.54.2.7) End date of base year

*12/31/2016*

## (7.54.2.8) Figure or percentage in base year

*74*

## (7.54.2.9) End date of target

*12/31/2024*

## (7.54.2.10) Figure or percentage at end of date of target

*90*

## (7.54.2.11) Figure or percentage in reporting year

*88*

## (7.54.2.12) % of target achieved relative to base year

*87.5000000000*

## (7.54.2.13) Target status in reporting year

*Select from:*

☑ Revised

## (7.54.2.14) Explain the reasons for the revision, replacement, or retirement of the target

*The target has been revised by postponing the year to 2024 (the previous one was 90% by 2023), as in 2023 the response rate was 88%. The 2023 recorded an increase of response rate up to 6% compared to the previous year, the overall trend is constantly growing (88% in 2023, 82% in 2022, 88% in 2021, 84%, in 2020, 81% in 2019, 74% in 2018, 71% in 2017, 74% in 2016), therefore the target has been re-confirmed.*

## (7.54.2.15) Is this target part of an emissions target?

*No, it's not part of emission target*

## (7.54.2.16) Is this target part of an overarching initiative?

*Select all that apply*

☑ No, it’s not part of an overarching initiative

## (7.54.2.18) Please explain target coverage and identify any exclusions

*Implementing its Green Sourcing Policy since 2014 Pirelli has in its turn decided to extend the request for CDP assessment to its own key suppliers at a Group level, identified in accordance with criteria of environmental and economic materiality. First company among tyre manufacturers to have globally introduced the CDP Supply Chain in its own supply chain, Pirelli aims to achieve a response rate for suppliers of Raw Materials of 90% in 2024. The target has been revised by postponing the year to 2024 (the previous one was 90% by 2023), as in 2023 the response rate was 88%.*

## (7.54.2.19) Target objective

*The strategic objective for the target is to support the Company's in engaging raw material suppliers to reduce their emissions with benefit on the Pirelli’s scope3 emissions of the category 1 (purchased goods and services). This target measure the engagement ratio of the suppliers, collecting their emissions reduction target useful to understand and influence suppliers’ strategies.*

## (7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

*To achieve a further improvement in the Pirelli's CDP Supply Chain response rate, we will focus on the suppliers' engagement, also with the support of our purchasing department, and we will improve the information given to them on the CDP program. The response rate recorded in 2023 was 88%. The progress curve is likely to be variable. In addition, it should be noted that the Company is included in the 2023 Supplier Engagement Rating Leaderboard of CDP, having obtained a score of "A" on an assessment of the management of climate issues along its supply chain.*
*[Add row]*

## (7.54.3) Provide details of your net-zero target(s).

### Row 1

### (7.54.3.1) Target reference number

*Select from:*
☑ NZ1

### (7.54.3.2) Date target was set

*12/31/2023*

### (7.54.3.3) Target Coverage

*Select from:*
☑ Organization-wide

### (7.54.3.4) Targets linked to this net zero target

*Select all that apply*
☑ Abs3
☑ Abs4

### (7.54.3.5) End date of target for achieving net zero

*12/31/2040*

## (7.54.3.6) Is this a science-based target?

*Select from:*

☑ Yes, and this target has been approved by the Science Based Targets initiative

## (7.54.3.7) Science Based Targets initiative official validation letter

*Net- Zero Approval Letter - Pirelli 2024.pdf*

## (7.54.3.8) Scopes

*Select all that apply*

☑ Scope 1

☑ Scope 2

☑ Scope 3

## (7.54.3.9) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

## (7.54.3.10) Explain target coverage and identify any exclusions

*100%*

## (7.54.3.11) Target objective

*The target objective is fully in line with the Group's decarbonisation strategy which is in line with a 1.5C trajectory and aims to bring forward compliance with the EU's Net Zero commitment by 10 years, consolidate its leading position in the sector with commercial benefits, reduce exposure to climate risks and obtain positive impacts on the lower cost of capital.*

## (7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

*Select from:*

☑ Yes

## (7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

*Select from:*

☑ Yes, and we have already acted on this in the reporting year

## (7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

*Select all that apply*

☑ Yes, we are currently purchasing and cancelling carbon credits for beyond value chain mitigation

## (7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

*The magnitude of emissions that we plan to neutralize at the net-zero target date (2040) will be at maximum of 10% of base year (2018) emissions (in fact by the target year we will have already reduced emissions by at least 90% through our emissions reduction targets). This 10% is expected to be at max 500 kton. In order to neutralise residual emissions that cannot be reduced, Pirelli plans to adopt a strategy focused on support projects for the permanent removal of carbon from the atmosphere that are associated with high quality carbon removals that are certified and internationally recognised as best practice, for compliance and effectiveness, at the time of purchase. As a mid-term milestone, Pirelli is committed to compensate with carbon credits its residual scope 1 and 2 emissions by 2030 (remaining after having reduced by 80% vs 2018) with the aim of achieving the group's carbon neutrality.*

## (7.54.3.16) Describe the actions to mitigate emissions beyond your value chain

*In addition to the neutralization actions described in column 8.15, Pirelli has already undertaken initiatives in the reporting year to accelerate the global transition to zero emissions beyond our organisation's value chain. In 2023, our organization purchased and canceled high-quality project-based carbon credits from both carbon removal and emissions reduction activities. The latter, for example, come from the Sumatra run-of-river hydroelectric plant and will support the country's transition to renewable energy and the reduction of GHGs, since the emission factor is lower than the emission factor of the national grid.*

## (7.54.3.17) Target status in reporting year

*Select from:*

☑ New

## (7.54.3.19) Process for reviewing target

*The process for reviewing the target is linked to the updates/re-assessments required by the SBTi criteria and to any changes in perimeter / scopes of value chain carbonfootprinnt.*
*[Add row]*

## (7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

*Select from:*
☑ Yes

## (7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---|---|---|
| Under investigation | *0* | *`Numeric input* |
| To be implemented | *8* | *17000* |
| Implementation commenced | *0* | *0* |
| Implemented | *26* | *320357* |
| Not to be implemented | *0* | *`Numeric input* |

*[Fixed row]*

## (7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

### Row 1

### (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Wind

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*7216*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*60000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 6-10 years

## (7.55.2.9) Comment

*Mexico: PPA for direct electricity supply (17 GWh in 2023) from a wind power plant. The supply covered the entire year 2023 and it is regulated by a L/T agreement.*

### Row 2

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Wind

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*54800*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*
☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*
☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 1-2 years

## (7.55.2.9) Comment

*Mexico: International Renewable Energy Certificates for the electricity supply (130 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 3

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Low-carbon electricity mix

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*23069*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*
☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*UK: Guarantees of (renewable) Origin for electricity supply (63 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 4

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Large hydropower (>25 MW)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*65580*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 1-2 years

## (7.55.2.9) Comment

*Romania: Guarantees of (renewable) Origin for the electricity supply (238 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 5

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Large hydropower (>25 MW)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*36241*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 1-2 years

## (7.55.2.9) Comment

*Germany: Guarantees of (renewable) Origin for the electricity supply (53 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 6

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Low-carbon electricity mix

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*46625*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 1-2 years

## (7.55.2.9) Comment

*Italy: Guarantees of (renewable) Origin for the electricity supply (102 GWh in 2023). The supply was active throughout the entire year 2023.*

# Row 7

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Low-carbon electricity mix

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*338*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*
☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*Spain: Guarantees of (renewable) Origin for the electricity supply (1.2 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 8

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Large hydropower (>25 MW)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*5450*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*
☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*
☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*Turkey: International Renewable Energy Certificates for the electricity supply (13 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 9

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Hydropower (capacity unknown)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*9802*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 1-2 years

## (7.55.2.9) Comment

*US: Renewable Energy Certificates for the electricity supply (24 GWh in 2023). The supply was active throughout the entire year 2023.*

## Row 10

### (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Large hydropower (>25 MW)

### (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*27084*

### (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

### (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

### (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

### (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

### (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*China: International Renewable Energy Certificates for the electricity supply (45 GWh in 2023). The supply was active throughout the entire year 2023.*

# Row 11

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Hydropower (capacity unknown)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*1*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*
☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*
☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*
☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*Canada: Renewable Energy Certificates for the electricity supply (6 MWh in 2023). The supply was active throughout the entire year 2023.*

# Row 12

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Hydropower (capacity unknown)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*154*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*
☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*
☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*Sweden: Guarantees of (renewable) Origin for the electricity supply (4 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 13

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Hydropower (capacity unknown)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*13*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 1-2 years

## (7.55.2.9) Comment

*Switzerland: Guarantees of (renewable) Origin for the electricity supply (0.5 GWh in 2023). The supply was active throughout the entire year 2023.*

## Row 14

### (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Wind

### (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*13616*

### (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

### (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

### (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

### (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

### (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*Argentina: International Renewable Energy Certificates for the electricity supply (45 GWh in 2023). The supply was active throughout the entire year 2023.*

# Row 15

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Wind

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*14625*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*
☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*
☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*
☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*Brazil: International Renewable Energy Certificates for the electricity supply (196 GWh in 2023). The supply was active throughout the entire year 2023.*

### Row 16

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Solar PV

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*378*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*
☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*
☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 1-2 years

## (7.55.2.9) Comment

*Russia: Bilateral purchase and sale agreements of electrical energy from solar (1 GWh in 2023). The supply was active throughout the year 2023.*

### Row 17

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**
☑ Other, please specify **:**Steam from Biomass (waste wood from local supply chains)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*3085*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*325000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ 1-3 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 6-10 years

## (7.55.2.9) Comment

*Feira de Santana (Brazil): Supply of steam from a boiler house (12.5 MW) powered by waste wood from local supply chains (biomass). The steam is produced by the supplier and then sold to Pirelli (purchase contract). The biomass used by the supplier comes from waste wood but, at this time, we are unable to provide the details of the supplier's biomass certification. The steam supply was active throughout the 2023.*

# Row 18

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Other, please specify **:**Steam from Biomass (waste wood from local supply chains)

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*12280*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*300000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*0*

## (7.55.2.7) Payback period

*Select from:*

☑ 1-3 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 6-10 years

## (7.55.2.9) Comment

*Campinas (Brazil): Supply of steam from a boiler house (10.5 MW) powered by waste wood from local supply chains (biomass). The steam is produced by the supplier and then sold to Pirelli (purchase contract). The biomass used by the supplier comes from waste wood but, at this time, we are unable to provide the details of the supplier's biomass certification. The steam supply was active throughout the 2023.*

### Row 19

## (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in production processes**

☑ Compressed air

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*129*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*210000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*1430000*

## (7.55.2.7) Payback period

*Select from:*

☑ 4-10 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 11-15 years

## (7.55.2.9) Comment

*Brazil and China: compressed air system efficiency initiatives. These initiatives became fully operational at the end of the year, thus the savings refer just to a limited period of the FY2023.*

# Row 20

## (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in production processes**

☑ Cooling technology

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*1803*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*500000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*820000*

## (7.55.2.7) Payback period

*Select from:*

☑ 1-3 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 11-15 years

## (7.55.2.9) Comment

*China: cooling system implementation/optimization. The initiative became fully operational at the end of the year, so the savings refer just to a limited period of the FY2023.*

## Row 21

### (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in buildings**

☑ Lighting

### (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*4154*

### (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

### (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

### (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*700000*

### (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*1700000*

### (7.55.2.7) Payback period

*Select from:*

☑ 1-3 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 6-10 years

## (7.55.2.9) Comment

*EU, LATAM, APAC: Wide-group lighting replacement program in production facilities.*

# Row 22

## (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in production processes**

☑ Machine/equipment replacement

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*1567*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*180000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*870000*

## (7.55.2.7) Payback period

*Select from:*
☑ 4-10 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*
☑ 11-15 years

## (7.55.2.9) Comment

*Group-wide electrical equipment efficiency program in production facilities.*

### Row 23

## (7.55.2.1) Initiative category & Initiative type

**Company policy or behavioral change**
☑ Other, please specify **:**Employee Energy Awareness

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*1550*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 1

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*38000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*220000*

## (7.55.2.7) Payback period

*Select from:*

☑ 4-10 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 6-10 years

## (7.55.2.9) Comment

*China: energy awareness program. The initiative became fully operational at the end of the year, thus the savings refer just to a limited period of the FY2023.*

# Row 24

## (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in production processes**

☑ Other, please specify :Steam distribution/generation efficiency

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*1746*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*352000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*1674000*

## (7.55.2.7) Payback period

*Select from:*

☑ 4-10 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 6-10 years

## (7.55.2.9) Comment

*Group-wide steam distribution/generation efficiency program in production facilities.*

## Row 25

## (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in production processes**

☑ Other, please specify :Thermal Insulation machine/equipment

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*2794*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 1

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*905000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*2000000*

## (7.55.2.7) Payback period

*Select from:*

☑ 1-3 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 11-15 years

## (7.55.2.9) Comment

*Group-wide Thermal Insulation machine/equipment program in production facilities.*

### Row 26

## (7.55.2.1) Initiative category & Initiative type

**Energy efficiency in production processes**

☑ Waste heat recovery

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*1196*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 1

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*120000*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*480000*

## (7.55.2.7) Payback period

*Select from:*

☑ 4-10 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ 11-15 years

## (7.55.2.9) Comment

*Italy: Waste Heat Recovery program. The initiative became fully operational in the FY2023.*
*[Add row]*

### (7.55.3) What methods do you use to drive investment in emissions reduction activities?

### Row 1

## (7.55.3.1) Method

*Select from:*

☑ Dedicated budget for energy efficiency

### (7.55.3.2) Comment

*As part of the current industrial plan, a dedicated investment plan has been set to support the achievement of Pirelli's target on energy efficiency and CO2 emissions reduction.*

## Row 2

### (7.55.3.1) Method

*Select from:*

☑ Compliance with regulatory requirements/standards

### (7.55.3.2) Comment

*In Europe, some of our thermal power plants falls within the European Emission Trading Scheme.We work on efficiency to comply with the new limits of the Trading Scheme.*

## Row 3

### (7.55.3.1) Method

*Select from:*

☑ Internal price on carbon

### (7.55.3.2) Comment

*In the Operations area, for the assessment of some new investments, the potential impacts associated with GHG emissions are highlighted, evaluating internally a Carbon Price. However, the environmental efficiency associated with projects is one of the guiding criteria to be considered in the context of investment management, as regulated by the relevant internal Group operating rule.*
*[Add row]*

## (7.73) Are you providing product level data for your organization's goods or services?

*Select from:*

☑ No, I am not providing data

## (7.74) Do you classify any of your existing goods and/or services as low-carbon products?

*Select from:*

☑ Yes

## (7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

### Row 1

### (7.74.1.1) Level of aggregation

*Select from:*

☑ Group of products or services

### (7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

*Select from:*

☑ The EU Taxonomy for environmentally sustainable economic activities

### (7.74.1.3) Type of product(s) or service(s)

**Other**

☑ Other, please specify **:**Tyre models with a low Rolling Resistance

### (7.74.1.4) Description of product(s) or service(s)

*In 2023 Pirelli, albeit with the difficulties and limitations deriving from the regulatory context (above all, the lack of a shared interpretative model with respect to the concrete method of applying the Taxonomy to the tyre sector), assessed its positioning with respect to the economic activity "3.6 Manufacture of other low carbon technologies" by gauging the features/revenues of Pirelli Eco & Safety Performance products with the requirements of the EU taxonomy regulation. Pirelli has identified the share of ALIGNED economic activities for the EU taxonomy with the turnover from tyres with high energy efficiency in terms of rolling resistance (RR) considering the EU labelling values as a reference. The RR classes range from A (most efficient) to E (least efficient). In this regard, the % of turnover below reported*

*refers to the sale of cars and vans tyres with EU labeling in RR classes A and B (excluding other classes from C onwards) on the basis that class C is the most widespread on the market and therefore, despite the mid-level of efficiency, cannot be included among the "best alternatives on the market". Specifically, the tyres considered are those that Pirelli produces all over the world, re-parameterizing the non-European labeling to the European labeling values. The KPI's denominator is the FY2023 consolidated revenues as reported in the consolidated financial statements.*

## (7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

*Select from:*

☑ Yes

## (7.74.1.6) Methodology used to calculate avoided emissions

*Select from:*

☑ Other, please specify **:**Internal estimation based on the Tire Industry Project (TIP) Product Category Rules for tyres

## (7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

*Select from:*

☑ Use stage

## (7.74.1.8) Functional unit used

*1000 km mileage per tyre*

## (7.74.1.9) Reference product/service or baseline scenario used

*Tyre with class C label of Rolling Resistance according to EU Regulation (EU) 2020/740*

## (7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

*Select from:*

☑ Use stage

## (7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

*0.001*

## (7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

*Estimated avoided emissions by comparing the reference tyre (Rolling Resistance class C label) with a low carbon tyre with a higher energy efficiency level (Rolling Resistance classes A and B label). Assumptions: Both tyres model are fitted to the same vehicle and cover the same mileage.*

## (7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

*31*
*[Add row]*

## (7.79) Has your organization canceled any project-based carbon credits within the reporting year?

*Select from:*
☑ Yes

## (7.79.1) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

### Row 1

## (7.79.1.1) Project type

*Select from:*
☑ Reforestation

## (7.79.1.2) Type of mitigation activity

*Select from:*
☑ Carbon removal

## (7.79.1.3) Project description

*(i) Project Name; ID: Ejido Kilómetro 120; CAR 1566 (ii) Geographic Location: Country: Mexico, State: Campeche; Municipality: Calakmul (iii) Description: This restoration project is located near the Calakmul Reserve, located in the Mesoamerican Biological Corridor. The forest degradation is primarily due to the construction*

*of roads, fire, the expansion of agriculture and livestock rearing and both legal and illegal logging of mahogany and cedar. Today, the families who live in the reserve are in a precarious position, relying heavily on practices which degrade the forest to meet their needs. With the income from carbon credits, the communities and the project partner have come together to design a range of activities which boost efforts to restore the area. This includes replanting and managing degraded patches of land with native vegetation species; establishing permanent monitoring sites and camera traps to prevent illegal logging, fires and understand the local biodiversity in more detail; training community members to tackle forest fires, poaching and illegal logging; and creating a management plan for the sustainable use of the forest, such as planting latex trees that can be used to produce natural chewing gum. (iv) GHG Removals: Thanks to the project, over 7,800 hectares of degraded forest will be restored, resulting in carbon dioxide being sequestered from the atmosphere and new sustainable livelihoods created.*

## (7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

*530*

## (7.79.1.5) Purpose of cancelation

*Select from:*

☑ Voluntary offsetting

## (7.79.1.6) Are you able to report the vintage of the credits at cancelation?

*Select from:*

☑ Yes

## (7.79.1.7) Vintage of credits at cancelation

*2021*

## (7.79.1.8) Were these credits issued to or purchased by your organization?

*Select from:*

☑ Purchased

## (7.79.1.9) Carbon-crediting program by which the credits were issued

*Select from:*

☑ CAR (The Climate Action Reserve)

## (7.79.1.10) Method the program uses to assess additionality for this project

*Select all that apply*

☑ Consideration of legal requirements

## (7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

*Select all that apply*

☑ Monitoring and compensation

## (7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

*Select all that apply*

☑ Ecological leakage

## (7.79.1.13) Provide details of other issues the selected program requires projects to address

*The Ejido Km 120 is characterized by being a population with a high degree of marginalization, whose quality life can be described as precarious. It has a total population of 183 people. Of According to these data, there are 105 economically active people employed, which implies that There is no unemployment rate.*

## (7.79.1.14) Please explain

*Offset Credit Serial Numbers: CAR-1-MX-1566-42-1130-CP-2021-7201-10936 to 11465 Status of Offset Credits: Retired Status Effective Date: 26 Dec 2023 11:07:47 GMT Has a required corresponding adjustment been applied?: No Average price: 15 Eur Business team sponsor/rationale: HR / In 2023 Pirelli continued in the compensation project of CO2 emissions produced by its fleet of company cars, by purchasing and retiring carbon credits. Direct issuance of the Pirelli auto policy, which introduces an Internal Carbon Price model for the economic quantification of the impacts associated with car emissions, this initiative aims to promote the choice of vehicles with less impact on the environment and support environmental protection projects.*

### Row 2

## (7.79.1.1) Project type

*Select from:*

☑ Hydro

## (7.79.1.2) Type of mitigation activity

*Select from:*

☑ Emissions reduction

## (7.79.1.3) Project description

*(i) Project Name; ID: 210 MW Musi Hydro Power Plant, Bengkulu; Verra 487 (ii) Geographic Location: Country: Indonesia, State: Bengkulu (iii) Description: This grid-connected, run-of-river hydroelectricity plant is built on the upper banks of the Musi River near Sumatra's port city of Bengkulu. By harnessing the kinetic energy of powerful running water, the Musi River Hydro plant has a total-installed capacity of 210 MW and delivers over 765,000 MWh to Sumatra's grid every year – that's enough to meet the demands of over 700,000 Indonesians on average each year. This project addresses issues in rural Sumatra such as poor electricity access and the lack of quality employment opportunities – as well as fostering sustainable economic development. The Musi River Hydro plant has created quality jobs and upskilling opportunities for locals in what has been traditionally a farming community. A portion of project revenue is reinvested in the local community, building an orphanage, constructing new roads, bridges, and a traditional marketplace – giving local farmers better access to their rice paddies and the opportunity to pursue additional income. A reforestation program has also been established in the surrounding catchment area to safeguard the natural landscape. (iv) GHG emission reduction: electricity generation from renewable sources has emission factor lower than the National grid emission factor.*

## (7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

*265*

## (7.79.1.5) Purpose of cancelation

*Select from:*

☑ Voluntary offsetting

## (7.79.1.6) Are you able to report the vintage of the credits at cancelation?

*Select from:*

☑ Yes

## (7.79.1.7) Vintage of credits at cancelation

*2020*

## (7.79.1.8) Were these credits issued to or purchased by your organization?

*Select from:*

☑ Purchased

## (7.79.1.9) Carbon-crediting program by which the credits were issued

*Select from:*

☑ VCS (Verified Carbon Standard)

## (7.79.1.10) Method the program uses to assess additionality for this project

*Select all that apply*

☑ Standardized Approaches

## (7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

*Select all that apply*

☑ No risk of reversal

## (7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

*Select all that apply*

☑ Other, please specify **:**The project activity does not have any leakage emission as per the applied methodology.

## (7.79.1.13) Provide details of other issues the selected program requires projects to address

*Social well-being: - The project contributes to the development of the region by increasing community development and corporate social responsibility of PT. PLN (Persero). - During both construction and operation, various kinds of mechanical work were required, providing opportunities for part-time and full-time employment. Economic well-being: - The project activity generates employment in the local area which is a developing region. - The generated electricity is fed into regional grids through the local grid, thereby improving the grid frequency and availability of electricity to local consumers (villagers and sub-urban inhabitants). Due to increased grid reliability, new opportunities for industries and economic activities arise along with prospects for local employment and overall development. - The project activity leads to diversification of the national energy supply, which is dominated by conventional fuel based generating units. - The project activity contributes to the economic sustainability around the plant sites, which is encouraging economic power decentralization. Environmental well-being: - The project utilizes hydropower to generate electricity, which otherwise would have been generated through alternate fuel- (most likely fossil fuel-) based power plants. This contributes to a reduction in specific emissions (emissions of pollutant/unit of energy generated), including GHG emissions. - As hydroelectric power projects do not produce end-products in the form of solid waste (ash, etc.), they do not have to cope with the problem of solid waste disposal encountered by most other sources of power. - Being a renewable energy source, hydro energy is used to generate electricity that contributes to resource conservation.*

## (7.79.1.14) Please explain

*Serial Numbers: 14561-609001635-609001899-VCS-VCU-262-VER-ID-1-487-01012020-31122020-0 Date of Retirement: 26/12/2023 11:13:41 AM Average price: 15 Eur Business team sponsor/rationale: HR / In 2023 Pirelli continued in the compensation project of CO2 emissions produced by its fleet of company cars, by purchasing and retiring carbon credits. Direct issuance of the Pirelli auto policy, which introduces an Internal Carbon Price model for the economic quantification of the impacts associated with car emissions, this initiative aims to promote the choice of vehicles with less impact on the environment and support environmental protection projects.The project activity does not have any leakage emission as per the applied methodology.*
*[Add row]*

## C8. Environmental performance - Forests

### (8.1) Are there any exclusions from your disclosure of forests-related data?

| | Exclusion from disclosure |
|---|---|
| Rubber | *Select from:*<br>☑ No |

*[Fixed row]*

### (8.2) Provide a breakdown of your disclosure volume per commodity.

| | Disclosure volume (metric tons) | Volume type | Sourced volume (metric tons) |
|---|---|---|---|
| Rubber | *144800* | *Select all that apply*<br>☑ Sourced | *144800* |

*[Fixed row]*

### (8.5) Provide details on the origins of your sourced volumes.

### Rubber

#### (8.5.1) Country/area of origin

*Select from:*

☑ Brazil

## (8.5.2) First level administrative division

*Select from:*

☑ Not disclosing

## (8.5.4) Volume sourced from country/area of origin (metric tons)

*0*

## (8.5.5) Source

*Select all that apply*

☑ Contracted suppliers (processors)

## (8.5.6) List of supplier production and primary processing sites: names and locations (optional)

*Note_for_Question_8.5.pdf*

## (8.5.7) Please explain

*Volume sourced data is available, but not disclosing for competitiveness reasons. The disclosure of information on production and/or consumption data could reveal to the market the cost of production of Pirelli products, with potential impacts from a commercial point of view. In the future, a possible disclosure on production and / or consumption data could be re-evaluated by the company also in light of the new emerging regulations. Pirelli buys its natural rubber from approved processors who have their own processing factories in the sourcing countries.*

# Rubber

## (8.5.1) Country/area of origin

*Select from:*

☑ China

## (8.5.2) First level administrative division

*Select from:*

☑ Not disclosing

## (8.5.4) Volume sourced from country/area of origin (metric tons)

*0*

## (8.5.5) Source

*Select all that apply*

☑ Contracted suppliers (processors)

## (8.5.6) List of supplier production and primary processing sites: names and locations (optional)

*Disclaimer_Question_8.5.docx*

## (8.5.7) Please explain

*Volume sourced data is available, but not disclosing for competitiveness reasons. The disclosure of information on production and/or consumption data could reveal to the market the cost of production of Pirelli products, with potential impacts from a commercial point of view. In the future, a possible disclosure on production and / or consumption data could be re-evaluated by the company also in light of the new emerging regulations. Pirelli buys its natural rubber from approved processors who have their own processing factories in the sourcing countries.*

# Rubber

## (8.5.1) Country/area of origin

*Select from:*

☑ Indonesia

## (8.5.2) First level administrative division

*Select from:*

☑ Not disclosing

## (8.5.4) Volume sourced from country/area of origin (metric tons)

*0*

## (8.5.5) Source

*Select all that apply*

☑ Contracted suppliers (processors)

## (8.5.6) List of supplier production and primary processing sites: names and locations (optional)

*Disclaimer_Question_8.5.docx*

## (8.5.7) Please explain

*Volume sourced data is available, but not disclosing for competitiveness reasons. The disclosure of information on production and/or consumption data could reveal to the market the cost of production of Pirelli products, with potential impacts from a commercial point of view. In the future, a possible disclosure on production and / or consumption data could be re-evaluated by the company also in light of the new emerging regulations. Pirelli buys its natural rubber from approved processors who have their own processing factories in the sourcing countries.*

# Rubber

## (8.5.1) Country/area of origin

*Select from:*

☑ Malaysia

## (8.5.2) First level administrative division

*Select from:*

☑ Not disclosing

## (8.5.4) Volume sourced from country/area of origin (metric tons)

*0*

## (8.5.5) Source

*Select all that apply*

☑ Contracted suppliers (processors)

## (8.5.6) List of supplier production and primary processing sites: names and locations (optional)

*Disclaimer_Question_8.5.docx*

## (8.5.7) Please explain

*Volume sourced data is available, but not disclosing for competitiveness reasons. The disclosure of information on production and/or consumption data could reveal to the market the cost of production of Pirelli products, with potential impacts from a commercial point of view. In the future, a possible disclosure on production and / or consumption data could be re-evaluated by the company also in light of the new emerging regulations. Pirelli buys its natural rubber from approved processors who have their own processing factories in the sourcing countries.*

# Rubber

## (8.5.1) Country/area of origin

*Select from:*

☑ Thailand

## (8.5.2) First level administrative division

*Select from:*

☑ Not disclosing

## (8.5.4)  Volume sourced from country/area of origin (metric tons)

*0*

## (8.5.5) Source

*Select all that apply*

☑ Contracted suppliers (processors)

## (8.5.6) List of supplier production and primary processing sites: names and locations (optional)

*Disclaimer_Question_8.5.docx*

## (8.5.7) Please explain

*Volume sourced data is available, but not disclosing for competitiveness reasons. The disclosure of information on production and/or consumption data could reveal to the market the cost of production of Pirelli products, with potential impacts from a commercial point of view. In the future, a possible disclosure on production and / or consumption data could be re-evaluated by the company also in light of the new emerging regulations. Pirelli buys its natural rubber from approved processors who have their own processing factories in the sourcing countries.*

# Rubber

## (8.5.1) Country/area of origin

*Select from:*

☑ Guatemala

## (8.5.2) First level administrative division

*Select from:*

☑ Not disclosing

## (8.5.4) Volume sourced from country/area of origin (metric tons)

*0*

## (8.5.5) Source

*Select all that apply*

☑ Contracted suppliers (processors)

## (8.5.6) List of supplier production and primary processing sites: names and locations (optional)

*Note_for_Question_8.5.pdf*

## (8.5.7) Please explain

*Volume sourced data is available, but not disclosing for competitiveness reasons. The disclosure of information on production and/or consumption data could reveal to the market the cost of production of Pirelli products, with potential impacts from a commercial point of view. In the future, a possible disclosure on production and / or consumption data could be re-evaluated by the company also in light of the new emerging regulations. Pirelli buys its natural rubber from approved processors who have their own processing factories in the sourcing countries*

# Rubber

## (8.5.1) Country/area of origin

*Select from:*

☑ Viet Nam

## (8.5.2) First level administrative division

*Select from:*

☑ Not disclosing

## (8.5.4) Volume sourced from country/area of origin (metric tons)

*0*

## (8.5.5) Source

*Select all that apply*

☑ Contracted suppliers (processors)

## (8.5.6) List of supplier production and primary processing sites: names and locations (optional)

*Note_for_Question_8.5.pdf*

## (8.5.7) Please explain

*Volume sourced data is available, but not disclosing for competitiveness reasons. The disclosure of information on production and/or consumption data could reveal to the market the cost of production of Pirelli products, with potential impacts from a commercial point of view. In the future, a possible disclosure on production and / or consumption data could be re-evaluated by the company also in light of the new emerging regulations. Pirelli buys its natural rubber from approved processors who have their own processing factories in the sourcing countries*
*[Add row]*

# (8.7) Did your organization have a no-deforestation or no-conversion target, or any other targets for sustainable production/ sourcing of your disclosed commodities, active in the reporting year?

## Rubber

## (8.7.1) Active no-deforestation or no-conversion target

*Select from:*
☑ Yes, we have a no-deforestation target

## (8.7.2) No-deforestation or no-conversion target coverage

*Select from:*
☑ Organization-wide (including suppliers)

## (8.7.5) Other active targets related to this commodity, including any which contribute to your no-deforestation or no-conversion target

*Select from:*
☑ Yes, we have other targets related to this commodity
*[Fixed row]*

# (8.7.1) Provide details on your no-deforestation or no-conversion target that was active during the reporting year.

## Rubber

## (8.7.1.1) No-deforestation or no-conversion target

*Select from:*

☑ No-deforestation

## (8.7.1.2) Your organization's definition of "no-deforestation" or "no-conversion"

*Pirelli's Policy on Sustainable Management of Natural Rubber is aligned with the Policy Framework of the GPSNR. The Policy emphasizes the positioning of Pirelli on the sustainable and responsible sourcing and use of Nat. Rubber throughout its value chain and what is required to the Nat. Rubber suppliers in terms of: no to deforestation, no to the exploitation of the peat bogs, no to the use of the fire, and adoption of the High Conservation Value (HCV) and High Carbon Stock (HCS) methodologies.*

## (8.7.1.3) Cutoff date

*Select from:*

☑ 2019

## (8.7.1.4) Geographic scope of cutoff date

*Select from:*

☑ Applied globally

## (8.7.1.5) Rationale for selecting cutoff date

*Select from:*

☑ Compliance with initiative, please specify **:**GPSNR Policy Framework

## (8.7.1.6) Target date for achieving no-deforestation or no-conversion

*Select from:*

☑ 2025

*[Add row]*

## (8.7.2) Provide details of other targets related to your commodities, including any which contribute to your no-deforestation or no-conversion target, and progress made against them.

## Rubber

### (8.7.2.1) Target reference number

*Select from:*

☑ Target 1

### (8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

*Select from:*

☑ Yes, this target contributes to our no-deforestation target

### (8.7.2.3) Target coverage

*Select from:*

☑ Organization-wide (including suppliers)

### (8.7.2.4) Commodity volume covered by target (metric tons)

*Select from:*

☑ Total commodity volume

### (8.7.2.5) Category of target & Quantitative metric

**Other target category, please specify**

☑ Other target metric, please specify **:**% of procured Natural Rubber volumes from suppliers audited on-site according to Pirelli Natural Rubber Policy

### (8.7.2.8) Date target was set

*12/30/2021*

## (8.7.2.9) End date of base year

*12/30/2021*

## (8.7.2.10) Base year figure

*95*

## (8.7.2.11) End date of target

*12/30/2025*

## (8.7.2.12) Target year figure

*100*

## (8.7.2.13) Reporting year figure

*100*

## (8.7.2.14) Target status in reporting year

*Select from:*

☑ Achieved

## (8.7.2.15) % of target achieved relative to base year

*100.00*

## (8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goals

## (8.7.2.17) Explain target coverage and identify any exclusions

*Engagement with all direct suppliers*

## (8.7.2.19) List the actions which contributed most to achieving or maintaining this target

*engagement and training*

## (8.7.2.20) Further details of target

*With global demand for natural rubber expected to rise, a sustainable natural rubber supply chain is essential in order to preserve forests, biodiversity, and to allow longlasting development for local communities and economies. The natural rubber supply chain – from the upstream to downstream level – includes manufacturers/farmers, dealers, processing plants, sales subsidiaries and manufacturing plants. Pirelli is the end point of this complex chain, as a tyre manufacturer that doesn't own natural rubber plantations or processing plants. Pirelli is committed to promoting, developing and implementing sustainable and responsible procurement and use of natural rubber throughout its entire value chain. The commitment is on many fronts, from the fundamental cooperation with suppliers to monitoring their performance with a view to continuous improvement, as well as collaboration on multi-stakeholder platforms. At the local level, we are committed to protecting biodiversity and developing community projects. We also collaborate with customers and NGOs, while promoting awareness of the world of natural rubber and, importantly, we pay great attention to the innovation of processes, including certification to ensure to the sustainability of the materials' supply chain from its origins.*

# Rubber

## (8.7.2.1) Target reference number

*Select from:*

☑ Target 2

## (8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

*Select from:*

☑ Yes, this target contributes to our no-deforestation target

## (8.7.2.3) Target coverage

*Select from:*

☑ Organization-wide (direct operations only)

## (8.7.2.4) Commodity volume covered by target (metric tons)

*Select from:*

☑ Total commodity volume

## (8.7.2.5) Category of target & Quantitative metric

**Other target category, please specify**

☑ Other target metric, please specify :% of procured volumes from GPSNR members

## (8.7.2.8) Date target was set

*12/30/2021*

## (8.7.2.9) End date of base year

*12/30/2021*

## (8.7.2.10) Base year figure

*50*

## (8.7.2.11) End date of target

*12/30/2025*

## (8.7.2.12) Target year figure

*70*

## (8.7.2.13) Reporting year figure

*90.1*

## (8.7.2.14) Target status in reporting year

*Select from:*

☑ Achieved

## (8.7.2.15) % of target achieved relative to base year

*200.50*

## (8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goals

## (8.7.2.17) Explain target coverage and identify any exclusions

*Engagement with direct suppliers*

## (8.7.2.19) List the actions which contributed most to achieving or maintaining this target

*engagement*

## (8.7.2.20) Further details of target

*Pirelli played a proactive role in the creation of the Global Platform for Sustainable Natural Rubber - GPSNR, together with tyre manufacturers which are also part of the Tyre Industry Project Group, within the World Business Council for Sustainable Development, and wants to increase the procured volumes from its members. The development of the Platform benefited from the contribution, ideas and suggestions of the main categories of Stakeholders involved in the value chain, such as rubber producers, processors, automobile manufacturers, and from the fundamental contribution deriving from the experience of major international NGOs. The Platform, launched in Singapore in October 2018 with the participation of the first "founding members", including Pirelli, is independent, based on multi-stakeholder dialogue and aims to support the sustainable development of the natural rubber business globally, for the benefit of the entire value chain through shared tools and initiatives based on respect for human and labour rights, prevention of land grabbing, respect for biodiversity and increased plant productivity, especially those of small owners.*

# Rubber

## (8.7.2.1) Target reference number

*Select from:*

☑ Target 3

## (8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

*Select from:*

☑ Yes, this target contributes to our no-deforestation target

## (8.7.2.3) Target coverage

*Select from:*

☑ Organization-wide (including suppliers)

## (8.7.2.4) Commodity volume covered by target (metric tons)

*Select from:*

☑ Total commodity volume

## (8.7.2.5) Category of target & Quantitative metric

**Other target category, please specify**

☑ Other target metric, please specify **:**% of procured volumes from suppliers having activated a roadmap in line with Pirelli Sustainable Natural Rubber Policy

## (8.7.2.8) Date target was set

*12/30/2021*

## (8.7.2.9) End date of base year

*12/30/2021*

## (8.7.2.10) Base year figure

*95*

## (8.7.2.11) End date of target

*12/30/2025*

## (8.7.2.12) Target year figure

*100*

## (8.7.2.13) Reporting year figure

*99*

## (8.7.2.14) Target status in reporting year

*Select from:*
☑ Underway

## (8.7.2.15) % of target achieved relative to base year

*80.00*

## (8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

*Select all that apply*
☑ Sustainable Development Goals

## (8.7.2.17) Explain target coverage and identify any exclusions

*Engagement with direct suppliers*

## (8.7.2.18) Plan for achieving target, and progress made to the end of the reporting year

*engagement*

## (8.7.2.20) Further details of target

*Pirelli aims at reaching 100% of procured volumes from suppliers having activated a roadmap of activities in line with Pirelli Sustainable Natural Rubber Policy*

## Rubber

### (8.7.2.1) Target reference number

*Select from:*

☑ Target 4

### (8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

*Select from:*

☑ Yes, this target contributes to our no-deforestation target

### (8.7.2.3) Target coverage

*Select from:*

☑ Organization-wide (including suppliers)

### (8.7.2.4) Commodity volume covered by target (metric tons)

*Select from:*

☑ Total commodity volume

### (8.7.2.5) Category of target & Quantitative metric

**Other target category, please specify**

☑ Other target metric, please specify **:**% of Pirelli Suppliers trained on Pirelli Sustainable Natural Rubber Policy and implementation Manual (% based on purchased volumes)

### (8.7.2.8) Date target was set

*12/30/2021*

### (8.7.2.9) End date of base year

*12/30/2021*

## (8.7.2.10) Base year figure

*95*

## (8.7.2.11) End date of target

*12/30/2025*

## (8.7.2.12) Target year figure

*100*

## (8.7.2.13) Reporting year figure

*99.5*

## (8.7.2.14) Target status in reporting year

*Select from:*

☑ Underway

## (8.7.2.15) % of target achieved relative to base year

*90.00*

## (8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goals

## (8.7.2.17) Explain target coverage and identify any exclusions

*Engagement with direct suppliers*

## (8.7.2.18) Plan for achieving target, and progress made to the end of the reporting year

*engagement and training*

## (8.7.2.20) Further details of target

*Pirelli aims at reaching 100% of the volumes purchased that come from natural rubber suppliers trained in both the Policy and Pirelli's Implementation Manual for Sustainable Natural Rubber Management.*

# Rubber

## (8.7.2.1) Target reference number

*Select from:*

☑ Target 5

## (8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

*Select from:*

☑ Yes, this target contributes to our no-deforestation target

## (8.7.2.3) Target coverage

*Select from:*

☑ Organization-wide (direct operations only)

## (8.7.2.4) Commodity volume covered by target (metric tons)

*Select from:*

☑ Total commodity volume

## (8.7.2.5) Category of target & Quantitative metric

**Third-party certification**

☑ % of volume third-party certified

## (8.7.2.7) Third-party certification scheme

**Forest management unit/Producer certification**

☑ FSC Forest Management certification

## (8.7.2.8) Date target was set

*12/30/2023*

## (8.7.2.9) End date of base year

*12/30/2023*

## (8.7.2.10) Base year figure

*1*

## (8.7.2.11) End date of target

*12/30/2026*

## (8.7.2.12) Target year figure

*100*

## (8.7.2.13) Reporting year figure

*1*

## (8.7.2.14) Target status in reporting year

*Select from:*

☑ Underway

## (8.7.2.15) % of target achieved relative to base year

*0.00*

## (8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goals

## (8.7.2.17) Explain target coverage and identify any exclusions

*[Target]: 100% FSC Natural Rubber used in All European Pirelli tyre manufacturing plants. [Exclusion]: Pirelli tyre manufacturing plants of the other Regions WW.*

## (8.7.2.18) Plan for achieving target, and progress made to the end of the reporting year

*Ramp up of FSC certified volumes and related omologation in the factories.*

## (8.7.2.20) Further details of target

*As Publicly reported in the Pirelli Industrial Plan, the Company aims at reaching 100% of the NR volumes used for tyre production in EU factories FSC Certificated [Add row]*

# (8.8) Indicate if your organization has a traceability system to determine the origins of your sourced volumes and provide details of the methods and tools used.

# Rubber

## (8.8.1) Traceability system

*Select from:*

☑ Yes

## (8.8.2) Methods/tools used in traceability system

*Select all that apply*

☑ Chain-of-custody certification

☑ Internal traceability system

## (8.8.3) Description of methods/tools used in traceability system

*Certification scheme FSC: A significant result, also in terms of innovation, was obtained by Pirelli in 2021, with the production of the first tyre line, at the world level, certified by the Forest Stewardship Council (FSC) for natural rubber and rayon. FSC forest management certification confirms that plantations are managed in such a way as to preserve biological diversity and bring benefits to the lives of local communities and workers, while ensuring economic sustainability. Traceability System: Due to the complexity of the natural rubber supply chain and the sensitivity of the information treated, reaching the source of origin might take some time, especially in areas where multiple layers of dealers might not be willing to share sourcing information for confidentiality reasons. However, Pirelli, through its strong network built locally and thanks to on-site initiatives dedicated to local communities (such as the farmers' tapping competition in Indonesia), is gaining the trust of all the actors involved and is collecting valuable information in terms of traceability of its purchased rubber. As of today, we are able to trace the Natural Rubber we buy up to the province level in all the areas we buy from and, and more precise traceability data are available till upstream level (for example those connected to the certification project of selected products to be identified by Pirelli with the customer). So far, all these data have been gathered, encrypted and standardized in a database that allows Pirelli top management to have an effective view of the origin of the material, always respecting the confidentiality of the info.*
*[Fixed row]*

# (8.8.1) Provide details of the point to which your organization can trace its sourced volumes.

## Rubber

## (8.8.1.1) % of sourced volume traceable to production unit

*1*

## (8.8.1.2) % of sourced volume traceable to sourcing area and not to production unit

*99*

## (8.8.1.3) % sourced volume traceable to country/area of origin and not to sourcing area or production unit

*0*

### (8.8.1.4) % of sourced volume traceable to other point (i.e., processing facility/first importer) not in the country/area of origin

*0*

### (8.8.1.5) % of sourced volume from unknown origin

*0*

### (8.8.1.6) % of sourced volume reported

*100.00*
*[Fixed row]*

## (8.9) Provide details of your organization's assessment of the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of its disclosed commodities.

## Rubber

### (8.9.1) DF/DCF status assessed for this commodity

*Select from:*
☑ Yes, deforestation- and conversion-free (DCF) status assessed

### (8.9.2) % of disclosure volume determined as DF/DCF in the reporting year

*100*

### (8.9.3) % of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance

*1*

### (8.9.4) % of disclosure volume determined as DF/DCF through monitoring of production unit

*0*

## (8.9.5) % of disclosure volume determined as DF/DCF through monitoring of sourcing area

*0*

## (8.9.6) Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?

*Select from:*

☑ No

*[Fixed row]*

### (8.9.1) Provide details of third-party certification schemes used to determine the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of the disclosure volume, since specified cutoff date.

### Rubber

## (8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

**Forest management unit/Producer certification**

☑ FSC Forest Management certification

## (8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

*1*

## (8.9.1.3) Comment

*Volume of production/ consumption certified is not disclosed for confidential reasons*

## (8.9.1.4) Certification documentation

*Note_for_Question_8.9.1_FSC_2.pdf*

## Rubber

### (8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

**Chain-of-custody certification**

☑ FSC Chain-of-Custody certification (any type)

### (8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

*1*

### (8.9.1.3) Comment

*Volume of production/ consumption certified is not disclosed for confidential reasons*

### (8.9.1.4) Certification documentation

*Note_for_Question_8.9.1_FSC.pdf*
*[Add row]*

## (8.10) Indicate whether you have monitored or estimated the deforestation and conversion of other natural ecosystems footprint for your disclosed commodities.

| | Monitoring or estimating your deforestation and conversion footprint | Primary reason for not monitoring or estimating deforestation and conversion footprint | Explain why you do not monitor or estimate your deforestation and conversion footprint |
|---|---|---|---|
| Rubber | *Select from:* | *Select from:* | *We planned to do it in line with the EUDR Regulation.* |

| | Monitoring or estimating your deforestation and conversion footprint | Primary reason for not monitoring or estimating deforestation and conversion footprint | Explain why you do not monitor or estimate your deforestation and conversion footprint |
|---|---|---|---|
| | ☑ No, but we plan to monitor or estimate our deforestation and conversion footprint in the next two years | ☑ Other, please specify :planned to be implemented starting the 30/12/24 in llne with the EUDR Regulation requirements | |

*[Fixed row]*

## (8.12) Indicate if certification details are available for the commodity volumes sold to requesting CDP Supply Chain members.

| | Third-party certification scheme adopted | Certification details are available for the volumes sold to any requesting CDP Supply Chain members |
|---|---|---|
| Rubber | *Select from:*<br>☑ Yes | *Select from:*<br>☑ Unknown |

*[Fixed row]*

## (8.13) Does your organization calculate the GHG emission reductions and/or removals from land use management and land use change that have occurred in your direct operations and/or upstream value chain?

| | GHG emissions reductions and removals from land use management and land use change calculated |
|---|---|
| Rubber | *Select from:*<br>☑ Yes, but not willing to share details with requesting CDP Supply Chain members |

*[Fixed row]*

## (8.14) Indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards, and provide details.

### (8.14.1) Assess legal compliance with forest regulations

*Select from:*

☑ Yes, from suppliers

### (8.14.2) Aspects of legislation considered

*Select all that apply*

☑ Environmental protection

☑ Labor rights

### (8.14.3) Procedure to ensure legal compliance

*Select all that apply*

☑ Third party audits

### (8.14.4) Indicate if you collect data regarding compliance with the Brazilian Forest Code

*Select from:*

☑ No, and we do not plan to collect data on this indicator within the next two years

## (8.14.5) Please explain

*For all potential new suppliers and/or facilities of raw material and high value added parts, thus including all Natural Rubber suppliers, which by their nature can become development/long-term partners for the Company, and which are also attributed much of the spending of purchases, Pirelli conducts a third-party preliminary on-site audit during the qualification phase to verify the level of compliance of the potential supplier with respect to the principal national and international regulations on Work, Environment and Business Ethics. The non-acceptance of the audit and/or not signing the corrective action plan shall block the qualification of the supplier. With regard to the contractual stage, for the past decade the Sustainability and Business Ethics Clauses (including anticorruption) have been included systematically in contracts and orders for the purchase of goods and/or services and/ or works, both with private suppliers and with the Public Administration (or institutes/enterprises under public control) or NGOs, worldwide. Every year Pirelli conducts an on-site third-party ESG audit campaign at active suppliers' sites to cover all product and geographic areas of purchase. Each audit has an average duration of two days in the field and includes a factory visit, interviews with workers, management and trade union representatives. The external auditors carry out verification on the basis of a checklist which, for the case of natural rubber suppliers, is derived from Pirelli Sustainable Natural Rubber Policy.*
*[Fixed row]*

## (8.15) Do you engage in landscape (including jurisdictional) initiatives to progress shared sustainable land use goals?

| | Engagement in landscape/jurisdictional initiatives |
|---|---|
| | *Select from:*<br>☑ Yes, we engage in landscape/jurisdictional initiatives |

*[Fixed row]*

## (8.15.1) Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

## (8.15.1.1) Criteria for prioritizing landscapes/jurisdictions for engagement

*Select all that apply*

☑ Opportunity for increased human well-being in area

☑ Opportunity to increase market access for smallholders and local communities

☑ Opportunity to protect and restore natural ecosystems

## (8.15.1.2) Explain your process for prioritizing landscapes/jurisdictions for engagement

*Indonesian's Ecosystem Protection Project (Hutan Harapan). The project covers an area of 2700 ha within the Hutan Harapan rainforest (Sumatra/Indonesia), which is home to indigenous communities and around 1,350 different animal species. A series of initiatives aims to improve the quality of life of the indigenous communities by protecting farmers' land rights and promoting women's rights, conserving a deforestation-free area and protecting several endangered species. Initiatives consist of training courses to improve good agriculture practices, systems to monitor the forest area (using satellite and drone-based technology), women empowerment, agroforesty projects and activities to monitor and protect biodiversity.*
*[Fixed row]*

# (8.15.2) Provide details of your engagement with landscape/jurisdictional initiatives to sustainable land use during the reporting year.

## Row 1

## (8.15.2.1) Landscape/jurisdiction ID

*Select from:*
☑ LJ1

## (8.15.2.2) Name of initiative

*THE LIVING RUBBER PROJECT*

## (8.15.2.3) Country/area

*Select from:*
☑ Indonesia

## (8.15.2.4) Name of landscape or jurisdiction area

*Hutan Harapan*

## (8.15.2.5) Attach public information about the initiative (optional)

*Note_for_Question_8.15.2_HUTAN HARAPAN.pdf*

## (8.15.2.6) Indicate if you can provide the size of the area covered by the initiative

*Select from:*

☑ Yes

## (8.15.2.7) Area covered by the initiative (ha)

*2700*

## (8.15.2.8) Type of engagement

*Select all that apply*

☑ Partner: Shares responsibility with other stakeholders to manage and implement actions.

☑ Other, please specify :Supporter: Implement activities to support at least one goal

## (8.15.2.9) Engagement start year

*2021*

## (8.15.2.10) Engagement end year

*Select from:*

☑ Please specify :2024

## (8.15.2.11) Estimated investment over the project period

*275000*

## (8.15.2.12) Landscape goals supported by engagement

**Environmental**

☑ Decreased ecosystem degradation rate

☑ Ecosystem services maintained and/or enhanced

☑ Forest fires monitored and prevented

## (8.15.2.13) Organization actions supporting initiative

**Participate in planning and multi-stakeholder alignment**

☑ Collaborate on management/land use planning in the landscape/jurisdiction

☑ Share spatial data and land management plans with other stakeholders in the landscape/jurisdiction

☑ Collaborate to maintain representation from all relevant stakeholders within governance structure of initiative

☑ Co-design and develop goals, strategies and an action plan with timebound targets and milestones for the initiative

☑ Collaborate on establishing and managing monitoring system for deforestation, natural ecosystem conversion and/or degradation

☑ Collaborate on establishing and managing monitoring system for biodiversity, habitat fragmentation and/or threats to IUCN Red List species in priority areas

**Link value chain action to landscape/jurisdictional initiative through private sector collaboration**

☑ Collaborate on commodity traceability

## (8.15.2.14) Type of partners engaged in the initiative design and implementation

*Select all that apply*

☑ Producers

☑ Private sector

☑ Local communities

☑ Indigenous peoples

☑ NGO and/or civil society

☑ Other, please specify **:Direct Suppliers**

## (8.15.2.15) Description of engagement

*Indonesian's Ecosystem Protection Project (Hutan Harapan ) The project covers an area of 2700 ha within the Hutan Harapan rainforest (Sumatra/Indonesia), which is home to indigenous communities and around 1,350 different animal species. A series of initiatives aims to improve the quality of life of the indigenous communities by protecting farmers' land rights and promoting women's rights, conserving a deforestation-free area and protecting several endangered species. Initiatives consist of training courses to improve good agriculture practices, systems to monitor the forest area (using satellite and drone-based technology), women empowerment, agroforesty projects and activities to monitor and protect bio diversity.*

## (8.15.2.16) Collective monitoring framework used to measure progress towards landscape goals and actions

*Select from:*

☑ Yes, progress is monitored using an internally defined framework

## (8.15.2.17) State the achievements of your engagement so far and how progress is monitored

*The KPI monitored is: strengthened understanding, respect, and protection by 60% of the 12 communities who signed before October 2021 the CRMAs (Community Resource Management Agreements). The progress is monitored every 6 month, in 2023 the KPI was on track vs 2025 target year. CRMA further details: 1) The farmer's family is registered as a CRMA member, they must live in the CRMA area 2) Retrieval of main household data, including the number of family members, education, main livelihood, family health 3) Retrieval of business location data, including rubber plantations, area, year and number of rubber trees planted. Polygon map and drone location of each farmer's rubber plantation.*

## (8.15.2.18) Claims made

*Select from:*

☑ Yes, we are making a claim

## (8.15.2.19) Type of claim made

*Select from:*

☑ Individual claim

## (8.15.2.20) Provide further details on your claim

*press release "PIRELLI AND THE BMW GROUP TOGETHER WITH BIRDLIFE INTERNATIONAL INITIATE PROJECT TO CONTRIBUTE TO SAFEGUARDING INDONESIA'S NATURAL ECOSYSTEM"*
*[Add row]*

## (8.15.3) For each of your disclosed commodities, provide details on the disclosure volume from each of the landscapes/jurisdictions you engage in.

### Row 1

### (8.15.3.1) Landscape/jurisdiction ID

*Select from:*

☑ LJ1

### (8.15.3.2) Does any of your produced and/or sourced commodity volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?

*Select from:*

☑ No, we do not produce/source from this landscape/jurisdiction

*[Add row]*

## (8.16) Do you participate in any other external activities to support the implementation of policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains?

*Select from:*

☑ Yes

## (8.16.1) Provide details of the external activities to support the implementation of your policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains

### Row 1

### (8.16.1.1) Commodity

*Select all that apply*

☑ Rubber

## (8.16.1.2) Activities

*Select all that apply*

☑ Involved in industry platforms

## (8.16.1.3) Country/area

*Select from:*

☑ Other, please specify :not focusing on specific areas

## (8.16.1.4) Subnational area

*Select from:*

☑ Not applicable

## (8.16.1.5) Provide further details of the activity

*The Global Platform for Sustainable Natural Rubber, launched in Singapore in October 2018 with the participation of the first "founding members", including Pirelli, is independent, based on multi-stakeholder dialogue and aims to support the sustainable development of the natural rubber business globally, for the benefit of the entire value chain through shared tools and initiatives based on respect for human and labour rights, prevention of land grabbing, respect for biodiversity and increased plant productivity, especially those of small owners. The first General Assembly of GPSNR was held in March 2019.*
*[Add row]*

# (8.17) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

*Select from:*

☑ Yes

# (8.17.1) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

## Row 1

## (8.17.1.1) Project reference

*Select from:*

☑ Project 1

## (8.17.1.2) Project type

*Select from:*

☑ Forest ecosystem restoration

## (8.17.1.3) Expected benefits of project

*Select all that apply*

☑ Protection of land tenure

☑ Protection of human rights

☑ Reduce/halt biodiversity loss

☑ Restoration of natural ecosystem(s)

☑ Net gain in biodiversity and ecosystem integrity

☑ Improvement to sustainability of production practices

☑ Securing continued supply of agricultural commodities

☑ Improvement of standard of living, especially for vulnerable and/or marginalized groups

## (8.17.1.4) Is this project originating any carbon credits?

*Select from:*

☑ No

## (8.17.1.5) Description of project

*Pirelli is committed to guarantee the long -term production of sustainable, deforestation-free natural rubber in Indonesia, with the "Living Rubber" project, launched in 2021 in partnership with BMW and Birdlife International. The aim of the project is protecting 2,700 hectares of rainforest in the Indonesian area of Hutan Harapan from deforestation, conserving several endangered animal species and improving the livelihood of the indigenous community. The forest in Hutan Harapan is one of the last remaining rainforest areas in Sumatra and has more than 1,300 species of flora and 620 species of fauna, including the Sumatran tiger, the Sumatran elephant and a variety of tropical birds. The forest protection objective goes hand in hand with the development of initiatives to sustain the eco-dependent indigenous community by training them in best agro-forestry practices. The initiatives are aligned with the Indonesian government's programme to reduce poverty and improve the quality of life of communities, as well as to implement sustainable forest management.*

## (8.17.1.6) Where is the project taking place in relation to your value chain?

*Select all that apply*

☑ Project based in sourcing area(s)

## (8.17.1.7) Start year

*2021*

## (8.17.1.8) Target year

*Select from:*

☑ 2025

## (8.17.1.9) Project area to date (Hectares)

*2700*

## (8.17.1.10) Project area in the target year (Hectares)

*2700*

## (8.17.1.11) Country/Area

*Select from:*

☑ Indonesia

## (8.17.1.12) Latitude

*-0.589724*

## (8.17.1.13) Longitude

*101.343105*

## (8.17.1.14) Monitoring frequency

*Select from:*

☑ Six-monthly or more frequently

## (8.17.1.15) Total investment over the project period (currency)

*275000*

## (8.17.1.16) For which of your expected benefits are you monitoring progress?

*Select all that apply*

☑ Protection of land tenure

☑ Protection of human rights

☑ Reduce/halt biodiversity loss

☑ Restoration of natural ecosystem(s)

☑ Net gain in biodiversity and ecosystem integrity

☑ Improvement to sustainability of production practice

☑ Securing continued supply of agricultural commodities

☑ Improvement of standard of living, especially for vulnerable and/or marginalized groups

## (8.17.1.17) Please explain

*The different activities are implemented in coherence with the "Desired State" of the Global Platform for Sustainable Natural Rubber (GPSNR). More precisely, the Project sets precise performance KPIs with respect to economic development for natural rubber farming families, community rights, collaboration with institutions, healthy ecosystems and resilient agroecosystems for an ecologically sustainable supply chain. In October 2022 a delegation from BirdLife International, Pirelli and BMW held meetings with the community on a variety of topics such as literacy, women's participation in local community development, quality rubber cultivation, cooperative development, forest protection and biodiversity conservation. The visit provided the opportunity to discuss in detail a number of field results that led to further refinements of the project. In particular the protection of 2,700 hectares has been monitored with satellite imagines and the protection of the endangered species using camera traps and monitoring survey reports.*
*[Add row]*

# C9. Environmental performance - Water security

## (9.1) Are there any exclusions from your disclosure of water-related data?

*Select from:*

☑ No

## (9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

### Water withdrawals – total volumes

#### (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

#### (9.2.2) Frequency of measurement

*Select from:*

☑ Monthly

#### (9.2.3) Method of measurement

*The water withdrawals volumes at site level are monitored using meter reading devices and/or invoices. The sites share this water aspect with HQ every month.*

#### (9.2.4) Please explain

*The water withdrawal volume as absolute parameter or divided by the amount of finished product is one of the key environmental KPI of the Pirelli Group. The Group sets targets and strategy in order to improve this indicator. Pirelli monitors the absolute and the specific water withdrawal's trend and shares them internally during the year and externally once a year in the Annual Report. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

### Water withdrawals – volumes by source

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Monthly

## (9.2.3) Method of measurement

*The water withdrawal volumes by source at site level is monitored using meter reading and/or invoices. The sites share this water aspect with HQ every month.*

## (9.2.4) Please explain

*Monitor the water withdrawal by the different sources enables Pirelli to assess the pressure (and related risks) on the different water sources, and define improvement in order to improve its performances. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management*

# Water withdrawals quality

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*Pirelli productive plants withdrawing water from freshwater sources and groundwater are periodically (at least once a year) monitoring the quality of the inlet water. The frequency and the monitored parameters depend on the local context, the applicable regulations and the source/use of water and the analysis are carried out by an external certified laboratory.*

## (9.2.4) Please explain

*Since 2020, 100% of withdrawn water quality is classified according to to its characteristics as freshwater or not. This quality classification is available for the total Group withdrawn water and it is in addition to the traditional chemical-physical monitoring campaign that are carried out by the productive plants. Pirelli productive plants withdrawing water from freshwater sources and groundwater are periodically (at least once a year) monitoring the quality of the inlet water. The frequency and the monitored parameters depend on the local context, the applicable regulations and the source/use of water. Example of monitored parameters are: pH, Temperature, Metals, Hardness, Biological quality, hydrocarbons,... 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water discharges – total volumes

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Monthly

## (9.2.3) Method of measurement

*The water discharge volume at site level is monitored using meter reading or by estimation when the meters are not available. The sites share this water aspect with HQ every month.*

## (9.2.4) Please explain

*This water aspect is monitored to understand the impact and improve it. Is is also monitored in order calculate the water consumption. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water discharges – volumes by destination

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Monthly

## (9.2.3) Method of measurement

*The water discharge volume by destination at site level is monitored using meter reading or by estimation when the meters are not available. The sites share this water aspect with HQ every month.*

## (9.2.4) Please explain

*The water discharged volume by destination is monitored to assess the impact and ensure the proper water management, including the compliance to the local regulation. Pirelli takes in account that some productive plants discharge also to freshwater bodies.. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water discharges – volumes by treatment method

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*The volume is measured with a monthly frequency and the treatment method is checked annually.*

## (9.2.4) Please explain

*The aspect is important to improve our water efficiency and also to make sure that the quality and quantity of discharged water complies with standards and regulations. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water discharge quality – by standard effluent parameters

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*The analysis are carried out by an external lab at least twice a year. The sites share this water aspect with HQ twice a year.*

## (9.2.4) Please explain

*Since 2020, 100% of discharged water quality is classified according to to its characteristics as freswater or not. This new quality classification is in addition to the traditional chemical-physical monitoring campaign that are carried out in all the of the the productive plants. Each productive plant carries out the wastewater quality analysis according to the local legal requirements and an interal Group procedure. Furthermore, it has been implemented a central data collection covering all the productive plants, requiring all productive plants to monitor and report the wastewater quality every six months. Main parameters monitored are: pH, Temperature, Biochemical Oxygen Demand, Chemical Oxygen Demand, Total Suspended Solids. Also Nitrate Nitrogen and Nitrite Nitrogen are among the parameters monitored. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*The analysis are carried out by an external lab at least twice a year. The sites share this water aspect with HQ twice a year.*

## (9.2.4) Please explain

*Since 2020, 100% of discharged water quality is classified according to its characteristics as freshwater or not. This quality classification is in addition to the traditional chemical-physical monitoring campaign that are carried out in all the productive plants. Each productive plant carries out the wastewater quality analysis according to the local legal requirements and to the specific internal Group procedure. Furthermore, it has been implemented a central data collection covering all the productive plants, requiring each plant to monitor and report the wastewater quality every six months. Main parameters monitored are: pH, Temperature, Biochemical Oxygen Demand, Chemical Oxygen Demand, Total Suspended Solids. Also Nitrates are among the parameters monitored. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water discharge quality – temperature

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Yearly

## (9.2.3) Method of measurement

*The analysis are carried out by an external lab at least twice a year. The sites share this water aspect with HQ twice a year.*

## (9.2.4) Please explain

*Since 2020, 100% of discharged water quality is classified according to its characteristics as freshwater or not. This quality classification is in addition to the traditional chemical-physical monitoring campaign that are carried out in all the productive plants. Each productive plant carries out the wastewater quality analysis according to the local legal requirements and to the specific internal Group procedure. Furthermore, it has been implemented a central data collection covering all the productive plants, requiring each plant to monitor and report the wastewater quality every six months. Main parameters monitored are: pH, Temperature, Biochemical Oxygen Demand, Chemical Oxygen Demand, Total Suspended Solids. Also Nitrates are among the parameters monitored. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water consumption – total volume

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Monthly

## (9.2.3) Method of measurement

*The water consumption volume at HQ level is calculated from water withdrawal volume minus water discharged. The sites share the water withdrawal volume and the water discharged volume with HQ every month.*

## (9.2.4) Please explain

*This water aspect is monitored to understand the impact and improve it. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

# Water recycled/reused

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Monthly

## (9.2.3) Method of measurement

*The water recycled/reused volume at site level is monitoring using meter reading or by estimation when the meters are not available. The sites share this water aspect with HQ every month.*

## (9.2.4) Please explain

*This water aspect is monitored to understand the impact and improve it. 100% of our productive plants monitor this water aspect and this is considered part of the usual facility management.*

### The provision of fully-functioning, safely managed WASH services to all workers

## (9.2.1) % of sites/facilities/operations

*Select from:*

☑ 100%

## (9.2.2) Frequency of measurement

*Select from:*

☑ Other, please specify **:**Frequency align with the local regulations

## (9.2.3) Method of measurement

*The analysis are carried out in line with the local legislation.*

## (9.2.4) Please explain

*This aspect is relevant because Pirelli recognizes the importance of access to safe water, sanitation and hygiene at the workplace at an appropriate level of standard for all employees in all sites. 100% of our productive plants monitor this water aspect, also according to local legislation.*
*[Fixed row]*

## (9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

### Total withdrawals

### (9.2.2.1) Volume (megaliters/year)

*5264*

### (9.2.2.2) Comparison with previous reporting year

*Select from:*
☑ Lower

### (9.2.2.3) Primary reason for comparison with previous reporting year

*Select from:*
☑ Increase/decrease in efficiency

### (9.2.2.4) Five-year forecast

*Select from:*
☑ Much lower

### (9.2.2.5) Primary reason for forecast

*Select from:*
☑ Increase/decrease in efficiency

### (9.2.2.6) Please explain

*In absolute terms, the water withdrawal amounted to approximately 5.3 million cubic metres, down by 16% compared to the 2022 figure. Thanks to the actions implemented, since 2015, Pirelli has saved a total of more than 22,5 million cubic metres of water: an amount almost equivalent to the absolute withdrawal for around three years by the entire Group. In the future Pirelli expects to reduce this volume thanks to the efficiency gains provided by the projects. Lower means a reduction between -2.5% and -25%.*

## Total discharges

### (9.2.2.1) Volume (megaliters/year)

*3235*

### (9.2.2.2) Comparison with previous reporting year

*Select from:*

☑ Lower

### (9.2.2.3) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in efficiency

### (9.2.2.4) Five-year forecast

*Select from:*

☑ Lower

### (9.2.2.5) Primary reason for forecast

*Select from:*

☑ Increase/decrease in efficiency

### (9.2.2.6) Please explain

*In absolute terms, the water discharged amounted to approximately 3.2 million cubic metres, down by 23% compared to the 2022. In the future Pirelli expects to reduce this volume thanks to the efficiency gains provided by the projects. Lower means a reduction between -2.5% and -25%.*

## Total consumption

### (9.2.2.1) Volume (megaliters/year)

*2029*

### (9.2.2.2) Comparison with previous reporting year

*Select from:*

☑ About the same

### (9.2.2.3) Primary reason for comparison with previous reporting year

*Select from:*

☑ Other, please specify **:**water investments focused on water withdrawal reduction

### (9.2.2.4) Five-year forecast

*Select from:*

☑ Lower

### (9.2.2.5) Primary reason for forecast

*Select from:*

☑ Divestment from water intensive technology/process

### (9.2.2.6) Please explain

*In absolute terms, the water consumption amounted to approximately 2 million cubic meters, down by 2% compared to the 2022 figure. In the future Pirelli expects to reduce the water consumptions due to change in production processes, such as electrification of curing presses that will reduce the steam used for this purpose. About the same means between 2.5% and -2.5%. Lower means a reduction between -2.5% and -25%.*
*[Fixed row]*

## (9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

### (9.2.4.1) Withdrawals are from areas with water stress

*Select from:*

☑ Yes

### (9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

*2991*

### (9.2.4.3) Comparison with previous reporting year

*Select from:*

☑ Lower

### (9.2.4.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in efficiency

### (9.2.4.5) Five-year forecast

*Select from:*

☑ Lower

### (9.2.4.6) Primary reason for forecast

*Select from:*

☑ Increase/decrease in efficiency

### (9.2.4.7) % of total withdrawals  that are withdrawn from areas with water stress

*56.82*

## (9.2.4.8) Identification tool

*Select all that apply*

☑ WRI Aqueduct

## (9.2.4.9) Please explain

*The assessment covers all the Pirelli's productive plants. The percentage considering the areas with a "baseline water stress" higher than 40%. Pirelli, in line with its Group water specific withdrawal target, defines proper water intensity targets for all the plants, including those located in these areas, also in order to mitigate as far as possible the related risks. Besides that, it is worthwhile to highlight that no relevant droughts have been recorded in the considered "water stressed areas" so far. It is important to highlight that the water withdrawal of both water stressed, and non-stressed area sites has been decreased. The "% withdrawn from areas with water stress" increase is due to the fact that the relative reduction of the withdrawal of the water stressed area is lower (-7%) vs the non-stressed area (-25%). The reason of this difference is mainly related to the fact that plants in the water stressed area have already better level of water efficiency in comparison to the others and therefore the achievable relative improvement are lower. Also, during this year, one plant located in the "low" water stressed area recorded a sharp improvement. This positive relevant reduction of water withdrawn from area with less water stress impacted negatively in the indicator "% withdrawn from areas with water stress" making it higher in comparison with previous year. In the future Pirelli expects to reduce this volume thanks to the efficiency improvements that will level the differences among the sites. Lower means a reduction between -2.5% and -25%.*
*[Fixed row]*

# (9.2.7) Provide total water withdrawal data by source.

# Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

## (9.2.7.1) Relevance

*Select from:*

☑ Relevant

## (9.2.7.2) Volume (megaliters/year)

*617*

## (9.2.7.3) Comparison with previous reporting year

*Select from:*

☑ Lower

## (9.2.7.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in efficiency

## (9.2.7.5) Please explain

*The Pirelli Group measured directly (reading meter) or indirectly (estimations) the amount of freshwater from surface water. It has been decreased by 22% mainly due to the efficiency gains reached thanks to the implemented improvement plans. This water source is relevant for Pirelli, because it represents the 12% of the withdrawn water. Lower means a reduction between -2.5% and -25%.*

# Brackish surface water/Seawater

## (9.2.7.1) Relevance

*Select from:*

☑ Relevant

## (9.2.7.2) Volume (megaliters/year)

*0*

## (9.2.7.3) Comparison with previous reporting year

*Select from:*

☑ About the same

## (9.2.7.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Other, please specify **:**No plant uses this source

## (9.2.7.5) Please explain

*No plant uses this water source.*

### Groundwater – renewable

## (9.2.7.1) Relevance

*Select from:*

☑ Relevant

## (9.2.7.2) Volume (megaliters/year)

*3163*

## (9.2.7.3) Comparison with previous reporting year

*Select from:*

☑ Lower

## (9.2.7.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in efficiency

## (9.2.7.5) Please explain

*The Pirelli Group measured directly (reading meter) or indirectly (estimations) the amount of groundwater - renewable water has been decreased by 20% mainly due to efficiency reached thanks to the implemented improvement plans. This water source is relevant for Pirelli, because represents the 60% of the withdrawn water. Lower means a reduction between -2.5% and -25%*

### Groundwater – non-renewable

## (9.2.7.1) Relevance

*Select from:*

☑ Relevant

## (9.2.7.2) Volume (megaliters/year)

*0*

## (9.2.7.3) Comparison with previous reporting year

*Select from:*

☑ About the same

## (9.2.7.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Other, please specify **:**No plant uses this water source.

## (9.2.7.5) Please explain

*No plant uses this water source.*

### Produced/Entrained water

## (9.2.7.1) Relevance

*Select from:*

☑ Relevant

## (9.2.7.2) Volume (megaliters/year)

*0*

## (9.2.7.3) Comparison with previous reporting year

*Select from:*

☑ About the same

## (9.2.7.4) Primary reason for comparison with previous reporting year

*Select from:*
☑ Other, please specify :Tyre production process does not produce water.

## (9.2.7.5) Please explain

*Tyre production process does not produce water.*

### Third party sources

## (9.2.7.1) Relevance

*Select from:*
☑ Relevant

## (9.2.7.2) Volume (megaliters/year)

*1484*

## (9.2.7.3) Comparison with previous reporting year

*Select from:*
☑ About the same

## (9.2.7.4) Primary reason for comparison with previous reporting year

*Select from:*
☑ Increase/decrease in efficiency

## (9.2.7.5) Please explain

*The Pirelli Group measured directly (reading meter) or indirectly (estimations) the amount of third party water has been decreased by 2%. This water source is mainly used for civil purpose, so the improvement possibility are lower than for other water source which are used for industrial purposes. This water source is relevant for Pirelli, because represents the 28% of the withdrawn water. About the same means a value between -2.5% and 2.5%. compared to the previous year.*
*[Fixed row]*

## (9.2.8) Provide total water discharge data by destination.

### Fresh surface water

#### (9.2.8.1) Relevance

*Select from:*
☑ Relevant

#### (9.2.8.2) Volume (megaliters/year)

*1336*

#### (9.2.8.3) Comparison with previous reporting year

*Select from:*
☑ Much lower

#### (9.2.8.4) Primary reason for comparison with previous reporting year

*Select from:*
☑ Increase/decrease in efficiency

#### (9.2.8.5) Please explain

*The Pirelli Group measured (directly or indirectly) amount of wastewater discharged to freshwater decreased by 42% mainly due to efficiency gains reached thanks to the implemented improvement plans.. This water source is relevant for Pirelli, because it represents the 41% of the discharged water. Much lower means a reduction over than -25%.*

### Brackish surface water/seawater

## (9.2.8.1) Relevance

*Select from:*

☑ Relevant

## (9.2.8.2) Volume (megaliters/year)

*0*

## (9.2.8.3) Comparison with previous reporting year

*Select from:*

☑ About the same

## (9.2.8.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Other, please specify **:**Wastewater is discharged only in freshwater bodies or in third party networks.

## (9.2.8.5) Please explain

*Wastewater is discharged only in freshwater bodies or in third party networks.*

### Groundwater

## (9.2.8.1) Relevance

*Select from:*

☑ Relevant

## (9.2.8.2) Volume (megaliters/year)

*0*

## (9.2.8.3) Comparison with previous reporting year

*Select from:*

☑ About the same

## (9.2.8.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Other, please specify **:**Wastewater is discharged only in freshwater bodies or in third party networks.

## (9.2.8.5) Please explain

*Wastewater is discharged only in freshwater bodies or in third party networks.*

### Third-party destinations

## (9.2.8.1) Relevance

*Select from:*

☑ Relevant

## (9.2.8.2) Volume (megaliters/year)

*1899*

## (9.2.8.3) Comparison with previous reporting year

*Select from:*

☑ About the same

## (9.2.8.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in efficiency

## (9.2.8.5) Please explain

*The Pirelli Group measured (directly or indirectly) amount of wastewater discharged to third parties has been increased by 1%. This water source is relevant for Pirelli, because it represents the 59% of the discharged water. About the same means between 2.5% and -2.5% compared to previous year.*
*[Fixed row]*

## (9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

### Tertiary treatment

#### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*
☑ Relevant

#### (9.2.9.2) Volume (megaliters/year)

*0*

#### (9.2.9.3) Comparison of treated volume with previous reporting year

*Select from:*
☑ About the same

#### (9.2.9.4) Primary reason for comparison with previous reporting year

*Select from:*
☑ Other, please specify **:**Tertiary treatment is applied to reach the right quality to reuse water inside the plants, so no tertiary treatment is applied to water discharge.

#### (9.2.9.5) % of your sites/facilities/operations this volume applies to

*Select from:*
☑ 100%

#### (9.2.9.6) Please explain

*Tertiary treatment is applied for the treatment of wastewater that are reused within the plant. Therefore it is relevant for water reuse purpose but not for discharge, for this reason the volume is 0. Reported data are referred to 100% Productive plants. About the same means between 2.5% and -2.5% compared to previous year.*

## Secondary treatment

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Relevant

### (9.2.9.2) Volume (megaliters/year)

*31.18*

### (9.2.9.3) Comparison of treated volume with previous reporting year

*Select from:*

☑ About the same

### (9.2.9.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Other, please specify **:**Tertiary treatment are applied to reuse water inside the plants, so no water discharge is subject to tertiary treatment.

### (9.2.9.5) % of your sites/facilities/operations this volume applies to

*Select from:*

☑ 100%

### (9.2.9.6) Please explain

*The relevance of secondary treatment is mainly due to the need to ensure the proper quality level of the discharged water accordingly to the final receptor. Therefore, this type of treatment is adopted whenever the quality level of the water recipient requires this kind of treatment in order to ensure the proper abatement of the discharged contaminants. The 2023 value is similar than the 2022 data (-2%), but compared to 2021 we reached a strong reduction of -33,5% as a result of activities on water efficient management carried out in 2022. In the 2024, value is expected to be slightly reduced as a consequence of the water improvement actions in place. Reported data are referred to 100% Productive plants. About the same means between 2.5% and -2.5% compared to previous year.*

## Primary treatment only

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Relevant

### (9.2.9.2) Volume (megaliters/year)

*1827.48*

### (9.2.9.3) Comparison of treated volume with previous reporting year

*Select from:*

☑ Much lower

### (9.2.9.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in efficiency

### (9.2.9.5) % of your sites/facilities/operations this volume applies to

*Select from:*

☑ 100%

### (9.2.9.6) Please explain

*The relevance of primary treatment is mainly related to the need to ensure the proper quality level of the discharged water accordingly to the final receptor. Therefore, this type of treatment is adopted whenever the quality level of the water recipient requires this kind of treatment in order to ensure the proper abatement of the discharged contaminants. The value is much lower (-31%) in comparison to the previous year, thanks to several improvement activities carried out during the last years. This reduction is strongly linked to the water withdrawal reduction, in particular one plant in latin America reach outstanding performance in making its process water management system more efficient. In the 2024, value is expected to be slightly reduced as a consequence of the water improvement actions in place. Reported data are referred to 100% Productive plants. Much Lower means a reduction over than -25% compared to previous year.*

## Discharge to the natural environment without treatment

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Relevant

### (9.2.9.2) Volume (megaliters/year)

*58.96*

### (9.2.9.3) Comparison of treated volume with previous reporting year

*Select from:*

☑ Much lower

### (9.2.9.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in efficiency

### (9.2.9.5) % of your sites/facilities/operations this volume applies to

*Select from:*

☑ 100%

### (9.2.9.6) Please explain

*Even if the volume is relatively lower than the other routes, it is relevant since this water has to be duly checked and managed in order to ensure a quality level suitable for the reception body. Therefore, this type of treatment is adopted whenever the quality level of the water recipient requires this kind of treatment in order to ensure the proper abatement of the discharged contaminants. The 2023 value is much lower than the 2022 data (-71%), as a result of activities on water efficient management. This reduction is strongly linked to the water withdrawal reduction, in particular one plant in latin America reach outstanding performance in making its process water management system more efficient. 2024 value is expected to be further reduced as a consequence of the water improvement actions in place. Reported data are referred to 100% Productive plants. Much lower means a reduction higher than -25%.*

## Discharge to a third party without treatment

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*

☑ Relevant

### (9.2.9.2) Volume (megaliters/year)

*955.66*

### (9.2.9.3) Comparison of treated volume with previous reporting year

*Select from:*

☑ Higher

### (9.2.9.4) Primary reason for comparison with previous reporting year

*Select from:*

☑ Increase/decrease in business activity

### (9.2.9.5) % of your sites/facilities/operations this volume applies to

*Select from:*

☑ 100%

### (9.2.9.6) Please explain

*The amount of wastewater discharged into public (or third party) sewage systems, generally provided with dedicated wastewater treatment facilities, represents the second destination in term of volume. Therefore, this type of treatment is adopted whenever the quality level of the water recipient requires this kind of treatment in order to ensure the proper abatement of the discharged contaminants As for all other destination, the quality of this wastewater is periodically checked according also to the local applicable regulations. During 2023 the value is higher (3%) vs 2022 mainly due to the reactivation of a facility in Europe that discharge its water into the sewage system. It is foreseen that the 2024 value will benefit from the activities focused on the optimization of the water withdrawal. Reported data are referred to 100% Productive plants. Higher means an increase between 2.5% and 25% compared to the previous year.*

## Other

### (9.2.9.1) Relevance of treatment level to discharge

*Select from:*
☑ Relevant

### (9.2.9.2) Volume (megaliters/year)

*324.42*

### (9.2.9.3) Comparison of treated volume with previous reporting year

*Select from:*
☑ Higher

### (9.2.9.4) Primary reason for comparison with previous reporting year

*Select from:*
☑ Change in accounting methodology

### (9.2.9.5) % of your sites/facilities/operations this volume applies to

*Select from:*
☑ 100%

### (9.2.9.6) Please explain

*The value refers to the volume of water used to irrigate a test track during wet tire testing. The water then evaporates/flows naturally into the natural environment without treatment.*
*[Fixed row]*

## (9.2.10) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

## (9.2.10.1) Emissions to water in the reporting year (metric tons)

*44.8*

## (9.2.10.2) Categories of substances included

*Select all that apply*

☑ Nitrates

## (9.2.10.4) Please explain

*This pollutant is mostly generated from human activities, on average 60g per ton of tyre has been released in 2023. The Group average concentration of nitrates is around 14 mg/l: a value that is pretty lower than the concentration limit of drinking water according to the guideline of United Nations, 50mg/l. Only the 6% of this pollutant has been emitted in high water stress areas. Plans are on going in the activities of Excellence in Water management of Pirelli.*
*[Fixed row]*

# (9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

| | Identification of facilities in the value chain stage | Please explain |
|---|---|---|
| Direct operations | *Select from:*<br>☑ No, we have assessed this value chain stage but did not identify any facilities with water-related dependencies, impacts, risks, and opportunities | *we have assessed this value chain stage but did not identify facilities with substantive water-related dependencies, impacts, risks, and opportunities* |
| Upstream value chain | *Select from:* | *we have assessed this value chain stage but did not identify facilities with substantive water-related dependencies, impacts, risks, and opportunities* |

| | Identification of facilities in the value chain stage | Please explain |
|---|---|---|
| | ☑ No, we have assessed this value chain stage but did not identify any facilities with water-related dependencies, impacts, risks, and opportunities | |

*[Fixed row]*

## (9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

*Select from:*

☑ No facilities were reported in 9.3.1

## (9.5) Provide a figure for your organization’s total water withdrawal efficiency.

### (9.5.1) Revenue (currency)

*6650063000*

### (9.5.2) Total water withdrawal efficiency

*1263309.84*

### (9.5.3) Anticipated forward trend

*The expected future trend of the withdrawal efficiency indicator is a growth in value, in line with the 2030 group target of water withdrawal intensity reduction (see 9.15.2 target 2). Assuming revenues and production volumes (tons) constant over time, by 2030 the reduction in withdrawal could be 25% lower than 2023 and therefore the indicator could rise by 33%*
*[Fixed row]*

## (9.12) Provide any available water intensity values for your organization’s products or services.

### Row 1

### (9.12.1) Product name

*Pirelli monitors the water specific withdrawal and provides the Group consolidated values of the last three financial years in the Annual Report. According to the 2023 Annual Report the average water specific withdrawal is 7.0 m3/ton,FP. As an example, the average water specific withdrawal for a tyre of a weight of 10 kg is 70 liters.*

### (9.12.2) Water intensity value

*7*

### (9.12.3) Numerator: Water aspect

*Select from:*

☑ Water withdrawn

### (9.12.4) Denominator

*tons of Finished Product, i.e. tons of tyres*

### (9.12.5) Comment

*The average water specific withdrawal has been reduced by 14% during the 2023 in comparison to the 2022.*
*[Add row]*

## (9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

| | Products contain hazardous substances |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

### Row 1

### (9.13.1.1) Regulatory classification of hazardous substances

*Select from:*

☑ Candidate List of Substances of Very High Concern for Authorisation above 0.1% by weight (EU Regulation)

### (9.13.1.2) % of revenue associated with products containing substances in this list

*Select from:*

☑ Less than 10%

### (9.13.1.3) Please explain

*No SVHC are used by the Pirelli Group at worldwide level to produce tyres. The tyres are produced by a vulcanization process which requires the use of substances for which the Regulation (EC) 1272/2008 (CLP Regulation) foresees harmonized classification and labelling, but in very low percentage quantity in comparison with the final weight of the tyre. The Pirelli Group is fully involved in medium long term plan to reduce/phase-out such as chemicals by studying the possibilities to substitute them with less hazardous substances.*

*[Add row]*

## (9.14) Do you classify any of your current products and/or services as low water impact?

## (9.14.1) Products and/or services classified as low water impact

*Select from:*

☑ Yes

## (9.14.2) Definition used to classify low water impact

*The use phase of the tyre is the most material life cycle stage in term of water demands: more than 50% of the overall water footprint (calculated according to ISO 14040 family and Tyre Product Category Rules ) is allocated to this stage. The main cause of this impact is related to the water used to produce the fuels/energy consumed by the vehicles due to tyre rolling resistance.Eco & Safety Design identify the low rolling resistance car tyres (that reduce the vehicle CO2 emissions and the water indirect impact compared to standard tyres) that Pirelli produces throughout the world, which fall into the rolling resistance and wet grip classes A, B, C according to the labelling parameters set by European legislation (Reg. EU 2020/740). The "Eco & Safety Performance Revenues" also represent a KPI of indirect CO2 emission reduction of the value chain (Scope 3) as well as the indirect water impact related to the production of fuel/energy.*

## (9.14.4) Please explain

*A Eco & Safety performance tyres (low rolling resistance) has a lower contribution to the fuel/energy consumption of a vehicle in comparison to a standard products. This lower fuel/energy consumption determines an overall lower water demand/impact which is in fact due the fuel/energy production.Therefore, the increase of "Eco & Safety Performance Revenues" due to the increase of the Eco& Safety performance tyres brings a reduction of the water impact related to the use phase.*
*[Fixed row]*

## (9.15) Do you have any water-related targets?

*Select from:*

☑ Yes

## (9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

| | Target set in this category | Please explain |
|---|---|---|
| Water pollution | *Select from:*<br>☑ No, but we plan to within the next two years | *As reported in the industrial plan, Pirelli is committed to ensure safe water and its quality and returning clean water back to ecosystems.* |
| Water withdrawals | *Select from:*<br>☑ Yes | *Rich text input [must be under 1000 characters]* |
| Water, Sanitation, and Hygiene (WASH) services | *Select from:*<br>☑ Yes | *Rich text input [must be under 1000 characters]* |
| Other | *Select from:*<br>☑ No, but we plan to within the next two years | *Pirelli is evaluating other sets of targets focused on preserving water quality towards maximizing water reuse and recycling.* |

*[Fixed row]*

## (9.15.2) Provide details of your water-related targets and the progress made.

### Row 1

### (9.15.2.1) Target reference number

*Select from:*

☑ Target 1

### (9.15.2.2) Target coverage

*Select from:*

☑ Organization-wide (direct operations only)

## (9.15.2.3) Category of target & Quantitative metric

**Water withdrawals**

☑ Reduction in withdrawals per product

## (9.15.2.4) Date target was set

*12/31/2019*

## (9.15.2.5) End date of base year

*12/30/2015*

## (9.15.2.6) Base year figure

*12.9*

## (9.15.2.7) End date of target year

*12/30/2025*

## (9.15.2.8) Target year figure

*7.4*

## (9.15.2.9) Reporting year figure

*7*

## (9.15.2.10) Target status in reporting year

*Select from:*

☑ Achieved

## (9.15.2.11) % of target achieved relative to base year

*107*

## (9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goal 6

## (9.15.2.13) Explain target coverage and identify any exclusions

*100% Consolidated entities*

## (9.15.2.15) Actions which contributed most to achieving or maintaining this target

*The 2025 target has been already achieved during FY 2023 thanks to the completion of activities planned in the global and site-specific water management programmes, especially in the manufacturing sites which represents more than 85% of the total Group water withdrawal. In particular one plant in latin America reach outstanding performance in making its process water management system more efficient, by reducing its specific water withdrawal by more than 45% from the previous year. All the programmes and actions are developed and engineered to ensure that performance is maintained over time, ensuring effective performance over the lifetime of the facilities.*

## (9.15.2.16) Further details of target

*This target is an intensity target: It concerns the group-wide withdrawal of water per ton of finished product (m3/ton). The KPI is calculated by dividing the total group-wide water withdrawal in m3 recorded in the reporting year by the weight in tonnes of tires produced in the entire year. This objective supports the organization in reducing dependence on water resources and therefore mitigating any risks of reduced availability.*

### Row 2

## (9.15.2.1) Target reference number

*Select from:*

☑ Target 2

## (9.15.2.2) Target coverage

*Select from:*

☑ Organization-wide (direct operations only)

## (9.15.2.3) Category of target & Quantitative metric

**Water withdrawals**

☑ Reduction in withdrawals per product

## (9.15.2.4) Date target was set

*12/30/2023*

## (9.15.2.5) End date of base year

*12/30/2015*

## (9.15.2.6) Base year figure

*12.9*

## (9.15.2.7) End date of target year

*12/30/2030*

## (9.15.2.8) Target year figure

*5.2*

## (9.15.2.9) Reporting year figure

*7*

## (9.15.2.10) Target status in reporting year

*Select from:*

☑ New

## (9.15.2.11) % of target achieved relative to base year

77

## (9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goal 6

## (9.15.2.13) Explain target coverage and identify any exclusions

*100% Consolidated entities*

## (9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

*Future actions are focused on improving the water-use efficiency, such as increasing the amount of water that is reused by upgrading existing treatment plants and by installing new ones, in order to ensure the proper quality of water for its use in the production process or other processes by reducing the amount of water withdrawn. Other activity that will result into water withdrawal reduction is the electrification of curing presses. During the reporting year the specific water withdrawal has been reduced by 14% based on the previous year. The reduction curve will be linear during the next years.*

## (9.15.2.16) Further details of target

*This target is an intensity target: It concerns the group-wide withdrawal of water per ton of finished product (m3/ton). The KPI is calculated by dividing the total group-wide water withdrawal in m3 recorded in the reporting year by the weight in tonnes of tires produced in the entire year. This objective supports the organization in reducing dependence on water resources and therefore mitigating any risks of reduced availability.*

### Row 3

## (9.15.2.1) Target reference number

*Select from:*

☑ Target 3

## (9.15.2.2) Target coverage

*Select from:*

☑ Organization-wide (direct operations only)

## (9.15.2.3) Category of target & Quantitative metric

**Water withdrawals**

☑ Reduction in withdrawals per product

## (9.15.2.4) Date target was set

*12/30/2023*

## (9.15.2.5) End date of base year

*12/30/2015*

## (9.15.2.6) Base year figure

*7.8*

## (9.15.2.7) End date of target year

*12/30/2025*

## (9.15.2.8) Target year figure

*5*

## (9.15.2.9) Reporting year figure

*5.4*

## (9.15.2.10) Target status in reporting year

*Select from:*

☑ New

## (9.15.2.11) % of target achieved relative to base year

*86*

## (9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goal 6

## (9.15.2.13) Explain target coverage and identify any exclusions

*Considering only manufacturing plants located in high and very-high water stress area, based on WRI database.*

## (9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

*Future actions are focused on improving the water-use efficiency, such as increasing the amount of water that is reused by upgrading existing treatment plants and by installing new ones, in order to ensure the proper quality of water for its use in the production process or other processes by reducing the amount of water withdrawn. Other activity that will result into water withdrawal reduction is the electrification of curing presses. During the reporting year the specific water withdrawal in high and extremely high water stress area located plants has been reduced by 5% based on the previous year, the reduction is less compared to the entire group because manufacturing plants located in this areas have already achieved efficient performance in water withdrawal, consequently there is less chance of reduction. To find opportunities for improvement, these plants will be audited by third party during the next years. The reduction curve will be linear during the next years.*

## (9.15.2.16) Further details of target

*This target is an intensity target: It concerns the water withdrawal of manufacturing plants located in high and very-high water stress area per ton of finished product (m3/ton) produced in that facilities. The KPI is calculated by dividing the total water withdrawal of manufacturing plants located in high and very-high water stress area in m3 recorded in the reporting year by the weight in tonnes of tires produced that facilities in the entire year. This objective supports the organization in reducing dependence on water resources in geography where this resource has limited availability and therefore mitigating any risks of water scarcity.*

### Row 4

## (9.15.2.1) Target reference number

*Select from:*

☑ Target 4

## (9.15.2.2) Target coverage

*Select from:*

☑ Organization-wide (direct operations only)

## (9.15.2.3) Category of target & Quantitative metric

**Water withdrawals**

☑ Reduction in withdrawals per product

## (9.15.2.4) Date target was set

*12/30/2023*

## (9.15.2.5) End date of base year

*12/30/2015*

## (9.15.2.6) Base year figure

*7.8*

## (9.15.2.7) End date of target year

*12/30/2030*

## (9.15.2.8) Target year figure

*4.3*

## (9.15.2.9) Reporting year figure

*5.4*

## (9.15.2.10) Target status in reporting year

*Select from:*

☑ New

## (9.15.2.11) % of target achieved relative to base year

*69*

## (9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goal 6

## (9.15.2.13) Explain target coverage and identify any exclusions

*Considering only manufacturing plants located in high and very-high water stress area, based on WRI database.*

## (9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

*Future actions are focused on improving the water-use efficiency, such as increasing the amount of water that is reused by upgrading existing treatment plants and by installing new ones, in order to ensure the proper quality of water for its use in the production process or other processes by reducing the amount of water withdrawn. Other activity that will result into water withdrawal reduction is the electrification of curing presses. During the reporting year the specific water withdrawal in high and extremely high water stress area located plants has been reduced by 5% based on the previous year, the reduction is less compared to the entire group because manufacturing plants located in this areas have already achieved efficient performance in water withdrawal, consequently there is less chance of reduction. To find opportunities for improvement, these plants will be audited by third party during the next years. The reduction curve will be linear during the next years.*

## (9.15.2.16) Further details of target

*This target is an intensity target: It concerns the water withdrawal of manufacturing plants located in high and very-high water stress area per ton of finished product (m3/ton) produced in that facilities. The KPI is calculated by dividing the total water withdrawal of manufacturing plants located in high and very-high water stress area in m3 recorded in the reporting year by the weight in tonnes of tires produced that facilities in the entire year. This objective supports the organization in reducing dependence on water resources in geography where this resource has limited availability and therefore mitigating any risks of water scarcity.*

# Row 5

## (9.15.2.1) Target reference number

*Select from:*

☑ Target 5

## (9.15.2.2) Target coverage

*Select from:*

☑ Organization-wide (direct operations only)

## (9.15.2.3) Category of target & Quantitative metric

**Water, Sanitation, and Hygiene (WASH) services**

☑ Other WASH, please specify **:**Implement WASH assessment (as per WASH Pledge Methodology) in 100% of Pirelli’s tyre manufacturing sites by 2026 (intermediate target 75% by 2025).

## (9.15.2.4) Date target was set

*12/30/2023*

## (9.15.2.5) End date of base year

*12/30/2023*

## (9.15.2.6) Base year figure

*0*

## (9.15.2.7) End date of target year

*12/30/2026*

## (9.15.2.8) Target year figure

*100*

## (9.15.2.9) Reporting year figure

*0*

## (9.15.2.10) Target status in reporting year

*Select from:*

☑ New

## (9.15.2.11) % of target achieved relative to base year

*0*

## (9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

*Select all that apply*

☑ Sustainable Development Goal 6

## (9.15.2.13) Explain target coverage and identify any exclusions

*Considering only Pirelli's tyre manufacturing plants.*

## (9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

*Future actions: deployment of a a roll-out plan to implement WASH assessment (as per WASH Pledge Methodology) in 75% of Pirelli's tyre manufacturing sites by 2025, with the target to achieve the 100% by 2026.*

## (9.15.2.16) Further details of target

*This target is a % rate target. It is an internal target and concerns the coverage of the Pirelli's tyre manufacturing plants with a WASH assessment done. The KPI is calculated by dividing the number of Pirelli's factories with a WASH assessment completed by the total number Pirelli's factories multiplied by 100%. This objective supports the organization in the commitment reported in the industrial plan Pirelli to ensure safe water and its quality: "Promotion of safe water, sanitation and hygiene (as per International best practices)".*
*[Add row]*

# C10. Environmental performance - Plastics

## (10.1) Do you have plastics-related targets, and if so what type?

### (10.1.1) Targets in place

*Select from:*

☑ Yes

### (10.1.2) Target type and metric

**Plastic goods/products**

☑ Eliminate single-use plastic products

☑ Reduce the total weight of virgin content in plastic goods/products

☑ Increase the proportion of post-consumer recycled content in plastic goods/products

☑ Increase the proportion of renewable content from responsibly managed sources in plastic goods/products

**Microplastics**

☑ Reduce the potential release of microplastics and plastic particles

**Extended Producer Responsibility (EPR)**

☑ Ensure compliance with EPR policies and schemes

### (10.1.3) Please explain

*In terms of raw materials, for the selected product lines, the current Industrial Plan envisages an increasing use of materials from renewable and recycled sources, with the aim of using more than 40% renewable materials by 2025 (more than 60% by 2030), more than 8% recycled materials (more than 12% by 2030) and reducing the use of fossil derived raw materials to less than 40% (less than 30% by 2030). The volume of raw materials used for tyre production in 2023 was approximately 774,000 tonnes, of which 3.2% is recycled material and 19.3% is renewable material. With reference to Pirelli tyres produced in 2023, the highest share of natural origin and recycled materials in a single product reached 55%, compared to 38% in 2022. The result, obtained for the entire new P ZERO E line, was*

*verified by a third party against ISO 14021, with a view to maximum transparency and solidity of communication with customers and stakeholders in general. Depending on the measure analysed, the content of raw materials of natural and recycled origin varies respectively between 29% and 31% and between 25% and 27%, reaching in all cases the minimum limit of 55% verified during the audit. Moreover, as far as the use of Single Use Plastic (SUP), be aware that Pirelli has adopted the "Single Use Plastic Free Policy" which leads the Company to the elimination of SUP.*
*[Fixed row]*

## (10.2) Indicate whether your organization engages in the following activities.

### Production/commercialization of plastic polymers (including plastic converters)

#### (10.2.1) Activity applies

*Select from:*
☑ No

#### (10.2.2) Comment

*Not Applicable*

### Production/commercialization of durable plastic goods and/or components (including mixed materials)

#### (10.2.1) Activity applies

*Select from:*
☑ Yes

#### (10.2.2) Comment

*The production of tyres falls within the definition of durable plastic goods, since some key raw materials are polymers, such us Natural and Synthetic Rubber*

### Usage of durable plastics goods and/or components (including mixed materials)

#### (10.2.1) Activity applies

*Select from:*

☑ No

## (10.2.2) Comment

*Not Applicable*

### Production/commercialization of plastic packaging

## (10.2.1) Activity applies

*Select from:*
☑ No

## (10.2.2) Comment

*Not Applicable*

### Production/commercialization of goods/products packaged in plastics

## (10.2.1) Activity applies

*Select from:*
☑ No

## (10.2.2) Comment

*Not Applicable*

### Provision/commercialization of services that use plastic packaging (e.g., food services)

## (10.2.1) Activity applies

*Select from:*
☑ No

## (10.2.2) Comment

*Not Applicable*

### Provision of waste management and/or water management services

## (10.2.1) Activity applies

*Select from:*
☑ No

## (10.2.2) Comment

*Not Applicable*

### Provision of financial products and/or services for plastics-related activities

## (10.2.1) Activity applies

*Select from:*
☑ No

## (10.2.2) Comment

*Not Applicable*

### Other activities not specified

## (10.2.1) Activity applies

*Select from:*
☑ No

## (10.2.2) Comment

*Not Applicable*
*[Fixed row]*

## (10.4) Provide the total weight of plastic durable goods and durable components produced, sold and/or used, and indicate the raw material content.

### Durable goods and durable components sold

### (10.4.1) Total weight during the reporting year (Metric tons)

*747000*

### (10.4.2) Raw material content percentages available to report

*Select all that apply*
☑ % virgin renewable content

### (10.4.4) % virgin renewable content

*19.3*

### (10.4.7) Please explain

*The virgin renewable content is mainly related to the presence of natural rubber.*
*[Fixed row]*

## (10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways.

### Production of plastic

### (10.6.1) Total weight of waste generated during the reporting year (Metric tons)

*747000*

## (10.6.2) End-of-life management pathways available to report

*Select all that apply*

☑ Preparation for reuse

## (10.6.3) % prepared for reuse

*100*

## (10.6.12) Please explain

*It is assumed that the amount of plastic waste related to production/commercialization of tyres correspond to the finish product sold. 100% of the tyres produced and sold by Pirelli can be destined for recovery activities, both in terms of material (recycling) or energy. The actual recovery/recycling rate varies depending on the markets and ELT management models in the various countries. Based on the ELT recovery and recycling rates of the markets where Pirelli tyres are sold, it is estimated that 70% of the associated ELTs are sent to recovery (vs. global average of 60%). For countries where ELTs management schemes are active, this percentage rises to 76%, of which 47% is recycled material.*

### Commercialization of plastic

## (10.6.1) Total weight of waste generated during the reporting year (Metric tons)

*747000*

## (10.6.2) End-of-life management pathways available to report

*Select all that apply*

☑ Preparation for reuse

## (10.6.3) % prepared for reuse

*100*

## (10.6.12) Please explain

*It is assumed that the amount of plastic waste related to production/commercialization of tyres correspond to the finish product sold. 100% of the tyres produced and sold by Pirelli can be destined for recovery activities, both in terms of material (recycling) or energy. The actual recovery/recycling rate varies depending on the markets and ELT management models in the various countries. Based on the ELT recovery and recycling rates of the markets where Pirelli tyres are sold, it is estimated that 70% of the associated ELTs are sent to recovery (vs. global average of 60%). For countries where ELTs management schemes are active, this percentage rises to 76%, of which 47% is recycled material.*
*[Fixed row]*

## C11. Environmental performance - Biodiversity

## (11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

### (11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

*Select from:*

☑ Yes, we are taking actions to progress our biodiversity-related commitments

### (11.2.2) Type of action taken to progress biodiversity- related commitments

*Select all that apply*

☑ Land/water protection

*[Fixed row]*

## (11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

| | Does your organization use indicators to monitor biodiversity performance? | Indicators used to monitor biodiversity performance |
|---|---|---|
| | *Select from:*<br>☑ Yes, we use indicators | *Select all that apply*<br>☑ Response indicators |

*[Fixed row]*

## (11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

### Legally protected areas

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ No

## (11.4.2) Comment

*we use IBAT tool to assess the proximity of our sites to areas important for biodiversity.*

### UNESCO World Heritage sites

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ No

## (11.4.2) Comment

*we use IBAT tool to assess the proximity of our sites to areas important for biodiversity.*

### UNESCO Man and the Biosphere Reserves

## (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ Yes

## (11.4.2) Comment

*Vizzola Ticino test track is located the area of the Ticino Park (Italy), a UNESCO MAB reserve. The test track is inside the Park with which there is an active agreement. Furthermore, we use IBAT tool to assess the proximity of our sites to areas important for biodiversity.*

## Ramsar sites

### (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ No

### (11.4.2) Comment

*we use IBAT tool to assess the proximity of our sites to areas important for biodiversity.*

## Key Biodiversity Areas

### (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ Yes

### (11.4.2) Comment

*3 key biodiversity areas are located within 20 km of the site Vizzola Ticino test track. we use IBAT tool to assess the proximity of our sites to areas important for biodiversity.*

## Other areas important for biodiversity

### (11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

*Select from:*

☑ No

### (11.4.2) Comment

*we use IBAT tool to assess the proximity of our sites to areas important for biodiversity.*
*[Fixed row]*

## (11.4.1) Provide details of your organization’s activities in the reporting year located in or near to areas important for biodiversity.

### Row 1

### (11.4.1.2) Types of area important for biodiversity

*Select all that apply*
☑ UNESCO Man and the Biosphere Reserves

### (11.4.1.4) Country/area

*Select from:*
☑ Italy

### (11.4.1.5) Name of the area important for biodiversity

*Lombardy Natural Park of the Ticino Valley*

### (11.4.1.6) Proximity

*Select from:*
☑ Overlap

### (11.4.1.7) Area of overlap (hectares)

*37*

### (11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

*test track area for the tyres*

## (11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

*Select from:*

☑ Yes, but mitigation measures have been implemented

## (11.4.1.10) Mitigation measures implemented within the selected area

*Select all that apply*

☑ Physical controls

☑ Operational controls

## (11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

*Environmental impact on biodiversity in the area are not significant; however, several interventions were carried out, both directly by the Company and by the Park Authority, to mitigate and improve the interactions of Pirelli’s activities with the natural environment, as stipulated in the agreement signed in 2001.*
*[Add row]*

## C13. Further information & sign off

### (13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

| | Other environmental information included in your CDP response is verified and/or assured by a third party |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

### (13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

### Row 1

#### (13.1.1.1) Environmental issue for which data has been verified and/or assured

*Select all that apply*

☑ Climate change

#### (13.1.1.2) Disclosure module and data verified and/or assured

**Environmental performance – Climate change**

☑ Waste data

☑ Carbon removals

☑ Fuel consumption

☑ Renewable fuel consumption

☑ Energy attribute certificates (EACs)

☑ Electricity/Steam/Heat/Cooling consumption

☑ Base year emissions
☑ Progress against targets
☑ Renewable Electricity/Steam/Heat/Cooling consumption
☑ Year on year change in absolute emissions (Scope 1 and 2)
☑ Year on year change in emissions intensity (Scope 1 and 2)
☑ Emissions reduction initiatives/activities
☑ Year on year change in absolute emissions (Scope 3)

## (13.1.1.3) Verification/assurance standard

**General standards**

☑ ISAE 3000

## (13.1.1.4) Further details of the third-party verification/assurance process

*This information is included in the "Report on Responsible Management of the Value Chain - Consolidated non-financial disclosure pursuant to legislative decree of December 30, 2016, N. 254" of the Pirelli Annual Report 2023 and covered by the "INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL DISCLOSURE IN ACCORDANCE WITH ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5 OF CONSOB REGULATION 20267/2018 CONSOLIDATED NON-FINANCIAL DISCLOSURE FOR THE YEAR ENDED 31 DECEMBER 2023" published at pages 594-598 of the Pirelli Annual Report 2023. This process take place annually and covers the Pirelli Group consolidated scope (all the units: from industrial realities to commercial and administrative sites). In details please see: i) the paragraph "ENERGY MANAGEMENT" (pages 162-164) for data on: Fuel consumption; Renewable fuel consumption; Electricity/Steam/Heat/Cooling consumption; Renewable Electricity/Steam/Heat/Cooling consumption, Progress against targets. ii) the paragraph "MANAGEMENT OF GREENHOUSE GAS EMISSIONS AND CLIMATE TRANSITION PLAN" (pages 165-169) for data on: Base year emissions, Progress against targets, Year on year change in absolute emissions (Scope 1 and 2); Year on year change in emissions intensity (Scope 1 and 2); Year on year change in absolute emissions (Scope 3); Emissions reduction initiatives/activities; Carbon removals; Energy attribute certificates (EACs). iii) the paragraph "WASTE MANAGEMENT" (pages 171-173) for the Waste data.*

## (13.1.1.5) Attach verification/assurance evidence/report (optional)

*PIRELLI_ANNUAL_REPORT_2023_ENG.pdf*

# Row 2

## (13.1.1.1) Environmental issue for which data has been verified and/or assured

*Select all that apply*

☑ Forests

## (13.1.1.2) Disclosure module and data verified and/or assured

**Environmental performance – Forests**

☑ Other data point in module 8, please specify **:**SUSTAINABILITY OF THE NATURAL RUBBER SUPPLY CHAIN OF PIRELLI

## (13.1.1.3) Verification/assurance standard

**General standards**

☑ ISAE 3000

## (13.1.1.4) Further details of the third-party verification/assurance process

*This information is included in the "Report on Responsible Management of the Value Chain - Consolidated non-financial disclosure pursuant to legislative decree of December 30, 2016, N. 254" of the Pirelli Annual Report 2023 and covered by the "INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL DISCLOSURE IN ACCORDANCE WITH ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5 OF CONSOB REGULATION 20267/2018 CONSOLIDATED NON-FINANCIAL DISCLOSURE FOR THE YEAR ENDED 31 DECEMBER 2023" published at pages 594-598 of the Pirelli Annual Report 2023. This process take place annually and covers the Pirelli Group consolidated scope (all the units: from industrial realities to commercial and administrative sites). In details please see the paragraph "SUSTAINABILITY OF THE NATURAL RUBBER SUPPLY CHAIN" (pages 139-141).*

## (13.1.1.5) Attach verification/assurance evidence/report (optional)

*PIRELLI_ANNUAL_REPORT_2023_ENG.pdf*

# Row 3

## (13.1.1.1) Environmental issue for which data has been verified and/or assured

*Select all that apply*

☑ Water

## (13.1.1.2) Disclosure module and data verified and/or assured

**Environmental performance – Water security**

☑ Water consumption– total volume
☑ Water discharges– total volumes
☑ Water withdrawals– total volumes
☑ Water withdrawals – volumes by source
☑ Emissions to water in the reporting year
☑ Water discharges – volumes by destination
☑ Water intensities of products and services
☑ Volume withdrawn from areas with water stress (megaliters)

## (13.1.1.3) Verification/assurance standard

**General standards**

☑ ISAE 3000

## (13.1.1.4) Further details of the third-party verification/assurance process

*This information is included in the "Report on Responsible Management of the Value Chain - Consolidated non-financial disclosure pursuant to legislative decree of December 30, 2016, N. 254" of the Pirelli Annual Report 2023 and covered by the "INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL DISCLOSURE IN ACCORDANCE WITH ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5 OF CONSOB REGULATION 20267/2018 CONSOLIDATED NON-FINANCIAL DISCLOSURE FOR THE YEAR ENDED 31 DECEMBER 2023" published at pages 594-598 of the Pirelli Annual Report 2023. This process take place annually and covers the Pirelli Group consolidated scope (all the units: from industrial realities to commercial and administrative sites). In details please see the paragraph "WATER MANAGEMENT" (pages 169-171) for data on: Water withdrawals– total volumes; Water withdrawals – volumes by source; Volume withdrawn from areas with water stress (megaliters); Water discharges– total volumes; Water discharges – volumes by destination; Water consumption– total volume; Emissions to water in the reporting year; Water intensities of products and services.*

## (13.1.1.5) Attach verification/assurance evidence/report (optional)

*PIRELLI_ANNUAL_REPORT_2023_ENG.pdf*

### Row 4

## (13.1.1.1) Environmental issue for which data has been verified and/or assured

*Select all that apply*

☑ Plastics

## (13.1.1.2) Disclosure module and data verified and/or assured

**Environmental performance – Plastics**

☑ End-of-life management pathways

☑ Waste generated

## (13.1.1.3) Verification/assurance standard

**General standards**

☑ ISAE 3000

## (13.1.1.4) Further details of the third-party verification/assurance process

*This information is included in the "Report on Responsible Management of the Value Chain - Consolidated non-financial disclosure pursuant to legislative decree of December 30, 2016, N. 254" of the Pirelli Annual Report 2023 and covered by the "INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL DISCLOSURE IN ACCORDANCE WITH ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5 OF CONSOB REGULATION 20267/2018 CONSOLIDATED NON-FINANCIAL DISCLOSURE FOR THE YEAR ENDED 31 DECEMBER 2023" published at pages 594-598 of the Pirelli Annual Report 2023. This process take place annually and covers the Pirelli Group consolidated scope (all the units: from industrial realities to commercial and administrative sites). In details please see: i) the paragraphs "TYRE WEAR AND TWRP" (page 160) and "MANAGEMENT OF END-OF-LIFE TYRES" (page 161) for the topic "End-of-life management pathways". ii) the paragraph "WASTE MANAGEMENT" (pages 171-173) for the Waste data.*

## (13.1.1.5) Attach verification/assurance evidence/report (optional)

*PIRELLI_ANNUAL_REPORT_2023_ENG.pdf*
*[Add row]*

## (13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

## (13.2.1) Additional information

*The Corporate web site has a section dedicated to sustainability in Pirelli (https://corporate.pirelli.com/corporate/en-ww/sustainability/sustainability). Here you can find more information on the sustainability in Pirelli and you can download the Industrial plan including Sustainability targets (here also attached), the Annual Reports and the policies.*

## (13.2.2) Attachment (optional)

*Pirelli_Industrial_Plan_24Update.pdf*
*[Fixed row]*

## (13.3) Provide the following information for the person that has signed off (approved) your CDP response.

## (13.3.1) Job title

*Head of Sustainability and New Mobility*

## (13.3.2) Corresponding job category

*Select from:*
☑ Chief Sustainability Officer (CSO)
*[Fixed row]*

## (13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

*Select from:*
☑ No