



Certifications

**CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS
PURSUANT TO ARTICLE 154-BIS OF LEGISLATIVE DECREE 58 OF
FEBRUARY 24, 1998, AND PURSUANT TO ARTICLE 81-TER OF CONSOB
REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED**

1. The undersigned Marco Tronchetti Provera, in his capacity as Executive Vice Chairman and Chief Executive Officer, and Giorgio Luca Bruno, in his capacity as Corporate Financial Reporting Manager of Pirelli & C. S.p.A. hereby certify pursuant to, *inter alia*, Article 154-bis, clauses 3 and 4, of Legislative Decree 58 of February 24, 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application

of the administrative and accounting procedures for preparation of the consolidated financial statements, during the period January 1, 2021 – December 31, 2021.

2. In this regard it should be noted that the adequacy of the administrative and accounting procedures for preparation of the consolidated financial statements for the year ended December 31, 2021 was determined on the basis of an assessment of the internal control system. This assessment was based on a specific process defined in accordance with the criteria laid down in the "Internal Control – Integrated Framework" guidelines issued by the "Committee of Sponsoring Organizations of the Treadway Commission" (COSO), which is a reference framework generally accepted at the international level.

3. We also certify that:

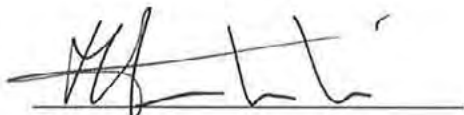
3.1 the consolidated financial statements:

- a. were prepared in accordance with the applicable international accounting standards recognised in the European Union under the terms of Regulation (EC) 1606/2002 of the European Parliament and Council, of July 19, 2002;
- b. correspond to the information in the account ledgers and books;
- c. give a true and fair view of the assets, liabilities, income, expenses and financial position of the reporting entity and of the Group of companies included in the scope of consolidation.

3.2 The report on operations includes a reliable analysis of the performance and results of operations, and of the situation of the reporting entity and of the Group of companies included in the scope of consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

March 17, 2022

The Executive Vice Chairman and
Chief Executive Officer



(Marco Tronchetti Provera)

The Corporate Financial Reporting Manager



(Giorgio Luca Bruno)



PIRELLI & C SPA

**INDEPENDENT AUDITOR'S REPORT IN ACCORDANCE
WITH ARTICLE 14 OF LEGISLATIVE DECREE 39/2010 AND
ARTICLE 10 OF REGULATION (EU) 537/2014**

CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021



Independent auditor's report

in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the shareholders of Pirelli & C SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Pirelli & C SpA and its subsidiaries (Pirelli group), which comprise the statement of financial position as of 31 December 2021, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Pirelli group as of 31 December 2021, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, and with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in section Auditor's Responsibilities for the Audit of the Consolidated Financial Statements of this report. We are independent of Pirelli & C SpA (the Company) based on ethic and independence regulations and standards applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

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Key audit matters**How our audit addressed the key audit matter**

Recoverability of brands with indefinite useful life and goodwill*Note 10 "Intangible assets"*

As of 31 December 2021 the indefinite-lived intangible assets Pirelli brand and goodwill amount to € 2,270 million and € 1,884 million, respectively.

Recoverability of the carrying amount of Pirelli brand and goodwill were tested for impairment at the year-end, in accordance with IAS36 – "Impairment of Assets".

The recoverable amount of Pirelli brand is measured using its fair value less cost to sell, based on an income approach. This requires the use of estimates for revenue projections, implied royalty rates and discount rate.

The recoverable amount of goodwill, entirely allocated to the the group of cash generating units ("CGU") "Consumer segment", which represents the sole sector of activity of Pirelli group, is measured using its fair value less cost to sell, calculated based on the market price of the Company shares.

The recoverable amount of Pirelli Brand is compared with its carrying amount. The recoverable amount of the Consumer segment is compared with the carrying amount of segment assets and liabilities, including brand and goodwill.

Considering the magnitude of the carrying amounts and the subjective judgment in some of the assumptions used for the calculation of the recoverable amounts, the impairment test of Pirelli brand and goodwill represented a key matter in the audit of the consolidated financial statements.

We have performed an understanding and evaluation of the internal controls in place over the impairment testing of brand and goodwill.

We have tested the operating effectiveness of such controls.

We have performed, with the support of PwC experts, the following audit procedures:

- assessment over the adequacy of the impairment testing process in accordance with the requirement of the accounting standard;
- assessment of the key assumptions used when determining the fair value of Pirelli brand, with focus to revenue projections, implied royalty rates and discount rate, including benchmarking and sensitivity analysis;
- assessment of the allocation of goodwill to CGUs;
- testing of the accuracy of the carrying amounts of assets and liabilities directly attributable to the Consumer segment;
- testing the mathematical accuracy of the calculation model used;
- assessment of variances between projections used in previous years and actual results to evaluate reliability and coherence with market trends.

We have tested the accuracy and completeness of the disclosure presented in the notes to the consolidated financial statements.



Key audit matters

How our audit addressed the key audit matter

Revenue recognition

Note 3 “Adopted Accounting Standards”

Revenue recognition, in accordance with the accounting standard IFRS15 - “Revenue from contracts with customers”, considering the magnitude and the high volume of sales transactions carried out through a global distribution network, different sales channels and logistic platforms, represented a key matter in the audit of the consolidated financial statements.

We have carried out our procedures to verifying existence, completeness, accuracy and cut off of sales transactions.

We have performed, with the support of PwC specialists, the following audit procedures:

- for the main revenue streams identified using the requirements of IFRS15, we have performed an understanding and evaluation of the internal controls over the revenue recognition process and a validation of relevant controls;
- we have tested the proper recognition of revenue through testing samples of sales transactions, obtaining appropriate supporting evidence with specific attention to key contractual terms regulating the various performance obligations;
- we have performed external confirmation procedures over accounts receivable balances with the objective of validating trade receivable balances recorded in the consolidated accounts;
- we have tested samples of sales returns transactions, credit notes and year-end accruals.

We have tested the accuracy and completeness of the disclosure presented in the notes to the consolidated financial statements.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is responsible for assessing the group ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, management uses the going concern basis of accounting unless management intends either to liquidate Pirelli & C SpA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing, in the terms prescribed by law, the group financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. Furthermore:

- we identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we design and perform audit procedures responsive to those risks; we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group internal control;
- we evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- we conclude on the appropriateness of management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



related to events or conditions that may cast significant doubt on the group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;

- we evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report.

Additional Disclosures required by Article 10 of Regulation (EU) 537/2014

We were appointed by the shareholders of Pirelli & C SpA at the general meeting held on 1 August 2017 to perform the audit of the Company consolidated and separate financial statements for the years ending 31 December 2017 through 31 December 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to those charged with governance, in their capacity as audit committee, prepared in accordance with article 11 of the aforementioned Regulation.



Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

Management of Pirelli & C SpA is responsible for the application of the provisions of the Commission Delegated Regulation (EU) 815/2019 concerning the regulatory technical standards for the specification of a single electronic reporting format ESEF – European Single Electronic Format (Commission Delegated Regulation) to the consolidated financial statements, to be included in the annual report.

We have performed the procedures required under auditing standard (SA Italia) 700B to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree 39/2010 and Article 123-bis, paragraph 4, of Legislative Decree 58/1998

Management of Pirelli & C SpA is responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the Pirelli group as of 31 December 2021, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements of the Pirelli group as of 31 December 2021 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the consolidated financial statements of the Pirelli group as of 31 December 2021 and are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the group obtained in the course of the audit, we have nothing to report.



Statement in accordance with article 4 of Consob Regulation implementing Legislative Decree 254/2016

Management of Pirelli & C SpA is responsible for the preparation of the non-financial disclosure in accordance with Legislative Decree 254/2016. We have verified that the non-financial disclosure was approved by the board of directors.

In accordance with article 3, paragraph 10, of Legislative Decree 254/2016, the non-financial disclosure is subject to separate audit reporting by our firm.

Milan, 24 March 2022

PricewaterhouseCoopers SpA

Signed by

Paolo Caccini
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

**CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS
PURSUANT TO ARTICLE 154-BIS OF LEGISLATIVE DECREE 58 OF
FEBRUARY 24, 1998, AND PURSUANT TO ARTICLE 81-TER OF CONSOB
REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED**

1. The undersigned Marco Tronchetti Provera, in his capacity as Executive Vice Chairman and Chief Executive Officer, and Giorgio Luca Bruno, in his capacity as Corporate Financial Reporting Manager of Pirelli & C. S.p.A. hereby certify pursuant to, *inter alia*, Article 154-bis, clauses 3 and 4, of Legislative Decree 58 of February 24, 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application

of the administrative and accounting procedures for preparation of the separate financial statements, during the period January 1, 2021 – December 31, 2021.

2. In this regard it should be noted that the adequacy of the administrative and accounting procedures for preparation of the separate financial statements for the year ended December 31, 2021 was determined on the basis of an assessment of the internal control system. This assessment was based on a specific process defined in accordance with the criteria laid down in the "Internal Control – Integrated Framework" guidelines issued by the "Committee of Sponsoring Organizations of the Treadway Commission" (COSO), which is a reference framework generally accepted at the international level.

3. We also certify that:

3.1 the separate financial statements:

- a. were prepared in accordance with the applicable international accounting standards recognised in the European Union under the terms of Regulation (EC) 1606/2002 of the European Parliament and Council, of July 19, 2002;
- b. correspond to the information in the account ledgers and books;
- c. give a true and fair view of the assets, liabilities, income, expenses and financial position of the reporting entity and of the Group of companies included in the scope of consolidation.

3.2 The report on operations includes a reliable analysis of the performance and results of operations, and of the situation of the reporting entity, together with a description of the principal risks and uncertainties to which they are exposed.

March 17, 2022

The Executive Vice Chairman and
Chief Executive Officer



(Marco Tronchetti Provera)

The Corporate Financial Reporting Manager



(Giorgio Luca Bruno)



PIRELLI & C SPA

**INDEPENDENT AUDITOR'S REPORT IN ACCORDANCE
WITH ARTICLE 14 OF LEGISLATIVE DECREE 39/2010 AND
ARTICLE 10 OF REGULATION (EU) 537/2014**

SEPARATE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2021



Independent auditor's report

in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the shareholders of Pirelli & C SpA

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Pirelli & C SpA (the "Company"), which comprise the statement of financial position as of 31 December 2021, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of the Company as of 31 December 2021, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, and with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in section Auditor's Responsibilities for the Audit of the Separate Financial Statements of this report. We are independent of the Company based on ethic and independence regulations and standards applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

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Key audit matter**How our audit addressed the key audit matter**

Recoverability of brands with indefinite useful life

Note 9 “Intangible assets”

As of 31 December 2021 the indefinite-lived intangible asset Pirelli brand amounts to € 2,270 million.

Recoverability of the carrying amount of Pirelli brand was tested for impairment at the year-end, in accordance with IAS36 – “Impairment of Assets”.

The recoverable amount of Pirelli brand is measured using its fair value less cost to sell, based on an income approach. This requires the use of estimates for revenue projections, implied royalty rates and discount rate.

The recoverable amount of Pirelli brand is compared with its carrying amount.

Considering the magnitude of the carrying amount and the subjective judgment in some of the assumptions used for the calculation of the fair value less cost to sell, the impairment test of Pirelli brand represented a key matter in the audit of the separate financial statements.

We have performed an understanding and evaluation of the internal controls in place over the impairment testing of the Pirelli brand. We have tested the operating effectiveness of such controls.

We have performed, with the support of PwC experts, the following audit procedures:

- assessment over the adequacy of the impairment testing process in accordance with the requirement of the accounting standard;
- assessment of the key assumptions used when determining the fair value of Pirelli brand, with focus on revenue projections, implied royalty rates and discount rate, including benchmarking and sensitivity analysis;
- testing the mathematical accuracy of the calculation model used;
- assessment of variances between projections used in previous years and actual results to evaluate the reliability and coherence with market trends.

We have tested the accuracy and completeness of the disclosure presented in the notes to the separate financial statements.



Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation of separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Management is responsible for assessing the Company ability to continue as a going concern and, in preparing the separate financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the separate financial statements, management uses the going concern basis of accounting unless management intends either to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing, in the terms prescribed by law, the Company financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the separate financial statements.

As part of an audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. Furthermore:

- we identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error; we design and perform audit procedures responsive to those risks; we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company internal control;



- we evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- we conclude on the appropriateness of management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our report.

Additional Disclosures required by Article 10 of Regulation (EU) 537/2014

We were appointed by the shareholders of Pirelli & C SpA at the general meeting held on 1 August 2017 to perform the audit of the Company consolidated and separate financial statements for the years ending 31 December 2017 through 31 December 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the audit.

We confirm that the opinion on the separate financial statements expressed in this report is consistent with the additional report to those charged with governance, in their capacity as audit committee, prepared in accordance with article 11 of the aforementioned Regulation.



Report on Compliance with other Laws and Regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

Management of Pirelli & C SpA is responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning the regulatory technical standards for the specification of a single electronic reporting format ESEF - European Single Electronic Format (Commission Delegated Regulation) to the separate financial statements, to be included in the annual report.

We have performed the procedures required under auditing standard (SA Italia) 700B to express an opinion on the compliance of the separate financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the separate financial statements have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree 39/2010 and Article 123-bis, paragraph 4, of Legislative Decree 58/1998

Management of Pirelli & C SpA is responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Pirelli & C SpA as of 31 December 2021, including their consistency with the relevant separate financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the separate financial statements of the Company as of 31 December 2021 and on their compliance with the law, as well as to issue a statement on material misstatement, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the separate financial statements of the Company as of 31 December 2021 and are prepared in compliance with the law.



With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company obtained in the course of the audit, we have nothing to report.

Milan, 24 March 2022

PricewaterhouseCoopers SpA

Signed by

Paolo Caccini
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

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	102-10 Significant changes to the organization and its supply chain	117-118, 151, 195		
	102-11 Precautionary Principle or approach	74-81		
	102-12 External initiatives	90-91, 119-121, 177-178		
	102-13 Membership of associations	171-182		
	102-14 Statement from senior decision-maker	Corporate website (www.pirelli.com) sustainability area/Pirelli's model		
	102-15 Key impacts, risks, and opportunities	74-81		
	102-16 Values, principles, standards, and norms of behavior	95-96, 109, 119, 155, 164, 195-196, corporate website (www.pirelli.com) sustainability area/main sustainability policies		
	102-17 Mechanisms for advice and concerns about ethics	95-97		Business Ethics & Integrity
	102-18 Governance structure	194, 201-203, 205-208, 210-213, 219-220		Corporate Governance
	102-19 Delegating authority	91, 216, 219-220		Corporate Governance
	102-20 Executive-level responsibility for economic, environmental, and social topics	91		Corporate Governance
	102-21 Consulting stakeholders on economic, environmental, and social topics	91, 93, 112-114		Corporate Governance, Corporate Citizenship
	102-22 Composition of the highest governance body and its committees	202-204, 212-216, 219-220, 234-235,		Corporate Governance
	102-23 Chair of the highest governance body	202-204		Corporate Governance
	102-24 Nominating and selecting the highest governance body	194, 202-203		Corporate Governance
	102-25 Conflicts of interest	221		Corporate Governance
	102-26 Role of highest governance body in setting purpose, values, and strategy	91, 216, 219-220		Corporate Governance
	102-27 Collective knowledge of highest governance body	205		Corporate Governance
	102-28 Evaluating the highest governance body's performance	205-208		Corporate Governance
	102-29 Identifying and managing economic, environmental, and social impacts	216		Corporate Governance

GRI STANDARD	DISCLOSURE	PAGE NUMBER, URL	OMISSION	MATERIAL TOPIC
101: FOUNDATION 2016				
GRI 102: GENERAL DISCLOSURES 2016	102-30 Effectiveness of risk management processes	74-81, 216		Corporate Governance
	102-31 Review of economic, environmental, and social topics	216-217		Corporate Governance
	102-32 Highest governance body's role in sustainability reporting	91, 216		Corporate Governance
	102-33 Communicating critical concerns	216		Corporate Governance
	102-34 Nature and total number of critical concerns		Confidentiality Constraints	Corporate Governance
	102-35 Remuneration policies	245-267		Corporate Governance
	102-36 Process for determining remuneration	247-248		Corporate Governance
	102-37 Stakeholders' involvement in remuneration	247-248		Corporate Governance
	102-38 Annual total compensation ratio		Confidentiality Constraints	Corporate Governance
	102-39 Percentage increase in annual total compensation ratio		Confidentiality Constraints	Corporate Governance
	102-40 List of stakeholder groups	93-94		
	102-41 Collective bargaining agreements	166		
	102-42 Identifying and selecting stakeholders	93		
	102-43 Approach to stakeholder engagement	93		
	102-44 Key topics and concerns raised	93-94		
	102-45 Entities included in the consolidated financial statements	90, 131, 372-377		
	102-46 Defining report content and topic Boundaries	90, 493-500		
	102-47 List of material topics	93-94		
	102-48 Restatements of information	90		
	102-49 Changes in reporting	93-94, 493-500		
	102-50 Reporting period	90		
	102-51 Date of most recent report	90		
	102-52 Reporting cycle	90		
	102-53 Contact point for questions regarding the report	91		
	102-54 Claims of reporting in accordance with the GRI Standards	90		
	102-55 GRI content index	493-500		
102-56 External assurance	506-510			
GRI 201: ECONOMIC PERFORMANCE 2016	GRI 103: Management Approach 2016	76, 99-100, 119-121, 169		
	201-1 Direct economic value generated and distributed	99		Financial Health
	201-2 Financial implications and other risks and opportunities due to climate change	76, 119-121		Financial Health
	201-3 Defined benefit plan obligations and other retirement plans	169, 332-340, 355		Financial Health
	201-4 Financial assistance received from government	100		Financial Health

GRI STANDARD	DISCLOSURE	PAGE NUMBER, URL	OMISSION	MATERIAL TOPIC
101: FOUNDATION 2016				
GRI 202: MARKET PRESENCE	GRI 103: Management Approach 2016	155-160		
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	157		
	202-2 Proportion of senior management hired from the local community	155-156		
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	GRI 103: Management Approach 2016	99, 181-185		
	203-1 Infrastructure investments and services supported	99, 181-189		Corporate Citizenship
	203-2 Significant indirect economic impacts	99, 181-189		
GRI 204: PROCUREMENT PRACTICES 2016	GRI 103: Management Approach 2016	117-118		
	204-1 Proportion of spending on local suppliers	117-118		
GRI 205: ANTI-CORRUPTION 2016	GRI 103: Management Approach 2016	95-96, 109-111		
	205-1 Operations assessed for risks related to corruption	95-97		Business Ethics & Integrity
	205-2 Communication and training about anti-corruption policies and procedures	95-96, 205	Information Unavailable: % of employees trained on anti-corruption currently not disclosed by category and region	Business Ethics & Integrity
	205-3 Confirmed incidents of corruption and actions taken	96-98		Business Ethics & Integrity
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	GRI 103: Management Approach 2016	95-96		
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	96		Business Ethics & Integrity
GRI 207: TAX 2019	GRI 103: Management Approach 2016	359-360 Corporate website (www.pirelli.com) area Sustaibanility/Main Sustainability Policies/ Global Tax Policy Investors/Key financials/ Tax Overview		
	207-1 Approach to tax	Corporate website (www.pirelli.com) area Sustaibanility/Main Sustainability Policies/ Global Tax Policy Investors/Key financials/ Tax Overview		Business Ethics & Integrity, Financial Health
	207-2 Tax governance, control, and risk management	97-98, Corporate website (www.pirelli.com) area Sustaibanility/Main Sustainability Policies/ Global Tax Policy Investors/Key financials/ Tax Overview		Business Ethics & Integrity, Financial Health
	207-3 Stakeholder engagement and management of concerns related to tax	Corporate website (www.pirelli.com) area Sustaibanility/Main Sustainability Policies/ Global Tax Policy		Business Ethics & Integrity, Financial Health
	207-4 Country-by-country reporting	359-360, 372-377	Information Unavailable: information provided by Region	Business Ethics & Integrity, Financial Health
	GRI 103: Management Approach 2016	95, 118, 126, 139-140, 143		
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	118		Circular Economy
	301-2 Recycled input materials used	118, 126-127		Product Environmental Sustainability
	301-3 Reclaimed products and their packaging materials	130, 139-140, 143		Circular Economy

GRI STANDARD	DISCLOSURE	PAGE NUMBER, URL	OMISSION	MATERIAL TOPIC
101: FOUNDATION 2016				
GRI 302: ENERGY 2016	GRI 103: Management Approach 2016	127-128, 131-133		
	302-1 Energy consumption within the organization	131-133		Responsible Management of Natural Resources
	302-2 Energy consumption outside of the organization	124-125		Responsible Management of Natural Resources
	302-3 Energy intensity	131-133		Responsible Management of Natural Resources
	302-4 Reduction of energy consumption	132-133		Responsible Management of Natural Resources
	302-5 Reductions in energy requirements of products and services	127-128		Responsible Management of Natural Resources, Product Environmental Sustainability
GRI 303: WATER AND EFFLUENTS 2018	GRI 103: Management Approach 2016	78, 119, 124-125, 137		
	303-1 Interactions with water as a shared resource	137-139		Responsible Management of Natural Resources
	303-2 Management of water discharge-related impacts	139		Responsible Management of Natural Resources
	303-3 Water withdrawal	138-139		Responsible Management of Natural Resources
	303-4 Water discharge	139		Responsible Management of Natural Resources
	303-5 Water consumption	138-139		Responsible Management of Natural Resources
GRI 304: BIODIVERSITY 2016	GRI 103: Management Approach 2016	112-114, 119, 124-125, 126-127, 137, 141-142		
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	141-142		Biodiversity Protection
	304-2 Significant impacts of activities, products, and services on biodiversity	139, 141-142		Biodiversity Protection
	304-3 Habitats protected or restored	137, 141-142		Biodiversity Protection
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	142		Biodiversity Protection
GRI 305: EMISSIONS 2016	GRI 103: Management Approach 2016	76, 78, 119-126, 134-137		
	305-1 Direct (Scope 1) GHG emissions	131, 134-136		Climate Change and Greenhouse Gas Emissions Reduction
	305-2 Energy indirect (Scope 2) GHG emissions	131, 134-136		Climate Change and Greenhouse Gas Emissions Reduction
	305-3 Other indirect (Scope 3) GHG emissions	116, 134, 137		Climate Change and Greenhouse Gas Emissions Reduction
	305-4 GHG emissions intensity	134-135		Climate Change and Greenhouse Gas Emissions Reduction
	305-5 Reduction of GHG emissions	134-137		Climate Change and Greenhouse Gas Emissions Reduction
	305-6 Emissions of ozone-depleting substances (ODS)	143		
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	141-143		

GRI STANDARD	DISCLOSURE	PAGE NUMBER, URL	OMISSION	MATERIAL TOPIC
101: FOUNDATION 2016				
GRI 306: WASTE 2020	GRI 103: Management Approach 2016	78, 119, 121-126, 139-141		
	306-1 Waste generation and significant waste-related impacts	126, 139-141		Responsible Management of Natural Resources, Circular Economy
	306-2 Management of significant waste-related impacts	126, 139-140		Responsible Management of Natural Resources, Circular Economy
	306-3 Waste generated	139-141		Responsible Management of Natural Resources, Circular Economy
	306-4 Waste diverted from disposal	140-141		Responsible Management of Natural Resources, Circular Economy
	306-5 Waste directed to disposal	140-141		Responsible Management of Natural Resources, Circular Economy
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	GRI 103: Management Approach 2016	78, 119, 143		
	307-1 Non-compliance with environmental laws and regulations	132, 134, 143		Business Ethics & Integrity
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	GRI 103: Management Approach 2016	80-81, 95, 109-112		
	308-1 New suppliers that were screened using environmental criteria	109-112		Responsible Management of the Supply Chain
	308-2 Negative environmental impacts in the supply chain and actions taken	111-112		Responsible Management of the Supply Chain
GRI 401: EMPLOYMENT 2016	GRI 103: Management Approach 2016	78, 154-155, 168		
	401-1 New employee hires and employee turnover	154-155		Talent Acquisition, Development and Retention
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	168		
	401-3 Parental leave	157		Diversity, Equity and Inclusion
GRI 402: LABOR/ MANAGEMENT RELATIONS 2016	GRI 103: Management Approach 2016	78, 95, 166-167		
	402-1 Minimum notice periods regarding operational changes	166		Labour Relations Management

GRI STANDARD	DISCLOSURE	PAGE NUMBER, URL	OMISSION	MATERIAL TOPIC
101: FOUNDATION 2016				
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	GRI 103: Management Approach 2016	78, 168		
	403-1 Occupational health and safety management system	168		Occupational Health&Safety
	403-2 Hazard identification, risk assessment, and incident investigation	170		Occupational Health&Safety
	403-3 Occupational health services	170		Occupational Health&Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	168-169		Occupational Health&Safety, Labour Relations Management
	403-5 Worker training on occupational health and safety	169-170		Occupational Health&Safety
	403-6 Promotion of worker health	165-166, 170		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	110, 127, 170		Occupational Health&Safety
	403-8 Workers covered by an occupational health and safety management system	169	Information Unavailable: absolute number of contractors not available	Occupational Health&Safety
	403-9 Work-related injuries	171-175	Confidentiality Constraints: absolute numbers, hours worked not disclosed publicly	Occupational Health&Safety
	403-10 Work-related ill health	174-175		Occupational Health&Safety
GRI 404: TRAINING AND EDUCATION 2016	GRI 103: Management Approach 2016	78, 161-165		
	404-1 Average hours of training per year per employee	164		Training and Development
	404-2 Programs for upgrading employee skills and transition assistance programs	161-165		Training and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	161		Training and Development
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	GRI 103: Management Approach 2016	155-156, 204-205		
	405-1 Diversity of governance bodies and employees	153, 202, 204-205		Diversity, Equity and Inclusion
	405-2 Ratio of basic salary and remuneration of women to men	157-158		Diversity & Equal Opportunities, Human Rights
GRI 406: NON- DISCRIMINATION 2016	GRI 103: Management Approach 2016	155-156		
	406-1 Incidents of discrimination and corrective actions taken	97-98, 155-156		Diversity, Equity and Inclusion, Human Rights
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	GRI 103: Management Approach 2016	78, 80-81, 109-111, 149-150, 166-167		
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	109-112, 149-150, 166-167		Human Rights, Responsible Management of the Supply Chain
GRI 408: CHILD LABOR 2016	GRI 103: Management Approach 2016	80-81, 109-111, 149-150, 167		
	408-1 Operations and suppliers at significant risk for incidents of child labor	109-112, 149-150, 167		Human Rights, Responsible Management of the Supply Chain
GRI 409: FORCED OR COMPULSORY LABOR 2016	GRI 103: Management Approach 2016	80-81, 109-111, 149-150, 167		
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	109-112, 149-150, 167		Human Rights, Responsible Management of the Supply Chain

GRI STANDARD	DISCLOSURE	PAGE NUMBER, URL	OMISSION	MATERIAL TOPIC
101: FOUNDATION 2016				
GRI 410: SECURITY PRACTICES 2016	GRI 103: Management Approach 2016	149-150		
	410-1 Security personnel trained in human rights policies or procedures		Information Unavailable: % of security personnel trained on human rights currently not available	
GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016	GRI 103: Management Approach 2016	149-150		
	411-1 Incidents of violations involving rights of indigenous peoples	97-98		Human Rights
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	GRI 103: Management Approach 2016	80-81, 149-150		
	412-1 Operations that have been subject to human rights reviews or impact assessments	149-150, 167-168		Human Rights
	412-2 Employee training on human rights policies or procedures	149-150	Information Unavailable: number of hours of training on human rights and % of employees trained currently unavailable	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	109-111		Human Rights
GRI 413: LOCAL COMMUNITIES 2016	GRI 103: Management Approach 2016	149-150		
	413-1 Operations with local community engagement, impact assessments, and development programs	93, 149-150	Information Unavailable: information currently unavailable	Corporate Citizenship
	413-2 Operations with significant actual and potential negative impacts on local communities	149-150	Information Unavailable: information currently unavailable	Corporate Citizenship
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	GRI 103: Management Approach 2016	80-81, 95, 109-111		
	414-1 New suppliers that were screened using social criteria	109-112		Responsible Management of the Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	111-112		Responsible Management of the Supply Chain
GRI 415: PUBLIC POLICY 2016	GRI 103: Management Approach 2016	99-100		
	415-1 Political contributions	99-100		
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	GRI 103: Management Approach 2016	78, 95		
	416-1 Assessment of the health and safety impacts of product and service categories	110		Product Quality and Safety
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	105		Business Ethics and Integrity
GRI 417: MARKETING AND LABELING 2016	GRI 103: Management Approach 2016	127-130		
	417-1 Requirements for product and service information and labeling	127-130		
	417-2 Incidents of non-compliance concerning product and service information and labeling	105		Business Ethics and Integrity
	417-3 Incidents of non-compliance concerning marketing communications	105		Business Ethics and Integrity
GRI 418: CUSTOMER PRIVACY 2016	GRI 103: Management Approach 2016	95		
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	105		Cybersecurity
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	GRI 103: Management Approach 2016	95		
	419-1 Non-compliance with laws and regulations in the social and economic area	105		Business Ethics and Integrity

**OTHER MATERIAL TOPICS IDENTIFIED
(NOT COVERED OR PARTIALLY COVERED BY THE GRI STANDARDS)**

Material Topic	Page Number
Employees Well-Being & Work-life Balance	165-166, 169-170
Customer Satisfaction	102-107
Product Quality & Safety	104-105
Product Environmental Sustainability	127-129
Road Safety Initiatives	182

SASB CONTENT INDEX
SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) - AUTO PARTS

TOPIC	ACCOUNTING METRIC	PAGE NUMBER	SASB CODE
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	132-133	TR-AP-130a.1
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	140	TR-AP-150a.1
Product Safety	Number of recalls issued, total units recalled	105	TR-AP-250a.1.
Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency and/or reduce emissions	50	TR-AP-410a.1.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	115-116	TR-AP-440a.1.
Materials Efficiency	Percentage of products sold that are recyclable	130	TR-AP-440b.1.
	Percentage of input materials from recycled or remanufactured content	118, 126	TR-AP-440b.2.
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	96	TR-AP-520a.1.

ACTIVITY METRICS	PAGE NUMBER	SASB CODE
Number of parts produced	NA	TR-AP-000.A
Weight of parts produced	131	TR-AP-000.B
Area of manufacturing plants	50	TR-AP-000.C

UNGC PRINCIPLES SUMMARY TABLE

AREAS OF THE GLOBAL COMPACT	GLOBAL COMPACT PRINCIPLES	DIRECTLY RELEVANT GRI INDICATORS	INDIRECTLY RELEVANT GRI INDICATORS
HUMAN RIGHTS	Principle 1 - Business should promote and respect internationally proclaimed human rights in their respective spheres of influence.	Disclosure 407: Freedom of Association and Collective Bargaining Disclosure 408: Child Labor Disclosure 409: Forced or Compulsory Labor Disclosure 410: Security Practices Disclosure 411: Rights of Indigenous Peoples Disclosure 412: Human Rights Assessment Disclosure 414: Supplier Social Assessment Disclosure 103-2: Grievance Mechanism	Disclosure 413: Local Communities
	Principle 2 - Business should ensure that they are not, albeit indirectly, complicit in human rights abuses.	Disclosure 410: Security Practices Disclosure 412: Human Rights Assessment Disclosure 414: Supplier Social Assessment	
LABOUR STANDARDS	Principle 3 - Businesses should uphold the freedom of association of workers and recognise the right to collective bargaining.	Disclosure 402: Labour/Management Relations Disclosure 403: Occupational Health and Safety Disclosure 407: Freedom of Association and Collective Bargaining Disclosure 410: Security Practices Disclosure 102-11: Precautionary Principle or Approach Disclosure 102-41: Collective Bargaining Agreements	
	Principle 4 - Business should uphold the elimination of all forms of forced and compulsory labour.	Disclosure 409: Forced or Compulsory Labor Disclosure 410: Security Practices	Disclosure 412: Human Rights Assessment
	Principle 5 - Business should uphold the effective elimination of child labour.	Disclosure 408: Child Labor Disclosure 410: Security Practices	Disclosure 412: Human Rights Assessment
	Principle 6 - Business should uphold the elimination of discrimination in respect of employment and occupation.	Disclosure 401: Employment Disclosure 404: Training and Education Disclosure 405: Diversity and Equal Opportunity Disclosure 406: Non-Discrimination Disclosure 410: Security Practices Disclosure 102-8: Information on Employees and other Workers	Disclosure 202: Market Presence Disclosure 401: Employment Disclosure 412: Human Rights Assessment Disclosure 414: Supplier Social Assessment Disclosure 102-41: Collective Bargaining Agreements
ENVIRONMENT	Principle 7 - Businesses should support a precautionary approach to environmental challenges.	Disclosure 102-11: Precautionary Principle or Approach Disclosure 201: Economic Performance	Disclosure 301: Materials Disclosure 302: Energy Disclosure 303: Water and Effluents Disclosure 304: Biodiversity Disclosure 305: Emissions Disclosure 306: Effluents and Waste Disclosure 307: Environmental Compliance
	Principle 8 - Business should undertake initiatives to promote greater environmental responsibility.	Disclosure 301: Materials Disclosure 302: Energy Disclosure 303: Water and Effluents Disclosure 304: Biodiversity Disclosure 305: Emissions Disclosure 306: Effluents and Waste Disclosure 307: Environmental Compliance Disclosure 308: Supplier Environmental Assessment Disclosure 103-2: Grievance Mechanism	Disclosure 201: Economic Performance
	Principle 9 - Businesses should encourage the development and diffusion of environmentally friendly technologies.	Disclosure 301: Materials Disclosure 302: Energy Disclosure 303: Water and Effluents Disclosure 305: Emissions	
ANTI-CORRUPTION	Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.	Disclosure 205: Anti-Corruption Disclosure 419: Socioeconomic Compliance Disclosure 102-16: Values, Principles, Standards, and Norms of Behavior Disclosure 102-17: Mechanism for Advice and Concerned about Ethics	Disclosure 205: Anti-Corruption Disclosure 419: Socioeconomic Compliance Disclosure 102-16: Values, Principles, Standards, and Norms of Behavior Disclosure 102-17: Mechanism for Advice and Concerned about Ethics

SDGs SUMMARY TABLE

SUSTAINABLE DEVELOPMENT GOALS (SDGs)	PARAGRAPHS DESCRIBING THE GROUP'S ACTIVITIES IN SUPPORT OF THE SDGs AND RELEVANT TARGETS (FROM SUSTAINABILITY PLAN 2025-2030)
1 - NO POVERTY	Company Initiatives for the External Community (Solidarity p. 184)
2 - ZERO HUNGER	Company Initiatives for the External Community (Solidarity p. 184)
3 - GOOD HEALTH AND WELL-BEING	Welfare and Initiatives for the Internal Community (pp. 165-166) Occupational Health, Safety and Hygiene (pp. 168-175) Company Initiatives for the External Community (Road Safety pp. 183, Sport and Social Responsibility pp. 183-184, Health pp. 184) Target: → Accident Frequency Index: ≤ 0.15 by 2022 and ≤ 0.1 by 2025
4 - QUALITY EDUCATION	Training (pp. 163-165) Company Initiatives for the External Community (Training pp. 182-183, Culture and Social Value pp. 185) Target: → Training: training on new digital competences
5 - GENDER EQUALITY	Diversity, Equity and Inclusion (pp. 155-161)
6 - CLEAN WATER AND SANITATION	Water Management (pp. 137-139) Target: → Specific water withdrawal: -43% by 2025 compared to 2015
7 - AFFORDABLE AND CLEAN ENERGY	Joining the Task Force on Climate-Related Financial Disclosures (TCFD) (pp. 119-121) Energy Management (pp. 131-133) Management of Greenhouse Gas Emissions and Carbon Action Plan (pp. 134-137) Targets: → Specific Energy Consumption: -10% by 2025 compared to 2019 → Renewable Electricity purchased at Group level: 100% by 2025 → Group Carbon Neutrality by 2030
8 - DECENT WORK AND ECONOMIC GROWTH	Our Suppliers (pp. 109-118) Internal Community (pp. 151-175)
9 - INDUSTRY, INNOVATION AND INFRASTRUCTURE	Product: Research and Development of Raw Materials (pp. 126-127) Target: → For new product segments, by 2025: > 40% renewable materials, > 3% recycled materials and < 40% fossil-based materials; by 2030: > 60% renewable materials, > 7% recycled materials and < 30% fossil-based materials
10 - REDUCED INEQUALITIES	Diversity Management (pp. 155-161)
11 - SUSTAINABLE CITIES AND COMMUNITIES	Main International Commitments for Sustainability (WBCSD pp. 179-180) Company Initiatives for the External Community (Road Safety pp. 223-225, Solidarity pp. 184) Target: → Absolute CO ₂ Emissions: -25% by 2025 compared to 2015 → Group Carbon Neutrality by 2030 → Eco & Safety Performance Revenues: > 66% on total car tyres revenues e > 71% on High Value revenues by 2 → Raw Materials Suppliers Absolute CO ₂ Emissions: -8.6% by 2025 compared to 2018 → Evolution of the total product range, by 2025: → more than 70% of new products will be in Rolling Resistance Class A/B; → more than 90% of new products will be in Wet Grip Class A/B.

SUSTAINABLE DEVELOPMENT GOALS (SDGs)	PARAGRAPHS DESCRIBING THE GROUP'S ACTIVITIES IN SUPPORT OF THE SDGs AND RELEVANT TARGETS (FROM SUSTAINABILITY PLAN 2025-2030)
12 - RESPONSIBLE CONSUMPTION AND PRODUCTION	<p>Joining the Task Force on Climate-Related Financial Disclosures (TCFD) (pp. 119-121) Energy Management (pp. 131-133) Management of Greenhouse Gas Emissions and Carbon Action Plan (pp. 134-137) Water Management (pp. 137-139) Waste Management (pp. 139-141) Company Initiatives for the External Community (Environmental Initiatives p. 184-185)</p> <p>Targets: → Specific Energy Consumption: -10% by 2025 compared to 2019 → Absolute CO₂ Emissions: -25% by 2025 compared to 2015 → Renewable Electricity purchased at Group level: 100% by 2025 → Group Carbon Neutrality by 2030 → Water Specific Withdrawal: -43% by 2025 compared to 2015 → Waste Recovery: ≥ 98% by 2025</p>
13 - CLIMATE ACTION	<p>CDP Supply Chain (pp. 116) Joining the Task Force on Climate-Related Financial Disclosures (TCFD) (pp. 119-121) Management of Greenhouse Gas Emissions and Carbon Action Plan (pp. 134-137) Main International Commitments for Sustainability (International Commitments against Climate Change pp. 181)</p> <p>Targets: → Specific Energy Consumption: -10% by 2025 compared to 2019 → Absolute CO₂ Emissions: -25% by 2025 compared to 2015 → Renewable Electricity purchased at Group level: 100% by 2025 → Group Carbon Neutrality by 2030 → Eco & Safety Performance Revenues: > 66% on total car tyres revenues e > 71% on High Value revenues by 2025 → Evolution of the total product range, by 2025: → more than 70% of new products will be in Rolling Resistance Class A/B; → more than 90% of new products will be in Wet Grip Class A/B;</p>
14 - LIFE BELOW WATER	Water Management (pp. 137-139)
15 - LIFE ON LAND	Sustainability of the Natural Rubber Supply Chain (pp. 112-114) Company Initiatives for the External Community (Environmental Initiatives p. 184-185)
16 - PEACE, JUSTICE AND STRONG INSTITUTIONS	Programmes of Compliance 231, Anti-corruption, Privacy, Trade Compliance and Antitrust (pp. 95-96)
17 - PARTNERSHIPS FOR THE GOALS	Sustainability of the Natural Rubber Supply Chain (pp. 112-114) Main International Commitments for Sustainability (WBCSD pp. 179-180) Company Initiatives for the External Community (Road Safety pp. 182)

CORRELATION TABLE WITH TOPICS LISTED IN ART. 2, D. LGS 254/2016

	TOPICS FROM D. LGS 254/2016	REFERENCE PARAGRAPH	PAGE NUMBER
ENVIRONMENTAL ASPECTS	Use of Energy Resources (from renewables and non-renewables)	<ul style="list-style-type: none"> • Risks Related To Environmental Issues • Energy Management 	78, 131-133
	Use of Water Resources	<ul style="list-style-type: none"> • Risks Related To Environmental Issues • Water Management 	78, 137-139
	Greenhouse Gas Emissions and Air-Polluting Emissions	<ul style="list-style-type: none"> • Risks Linked To Climate Change • Joining the Task Force on Climate-Related Financial Disclosures (TCFD) • Management Of Greenhouse Gas Emissions and Carbon Action Plan • Solvents • NOx Emissions • Other Emissions and Environmental Aspects 	76, 119-121, 134-137, 141; 142-143
SOCIAL ASPECTS	Health and Safety	<ul style="list-style-type: none"> • Coronavirus risk (COVID -19) • Employee Health and Safety Risks • Occupational Health, Safety and Hygiene 	76, 78, 168-175
	Training and Development	<ul style="list-style-type: none"> • Risks associated with Human Resources • Development • Training 	78, 161-165
	Welfare	<ul style="list-style-type: none"> • Welfare and Initiatives for the Internal Community 	165-166
	Dialogue with Employees	<ul style="list-style-type: none"> • Litigation Risks • Listening: Group Opinion Survey • Industrial Relations 	78, 165-167
	Actions for Gender Equality	<ul style="list-style-type: none"> • Diversity, Equity and Inclusion • Diversity Policies 	155-160, 204-205
	Respect for Human Rights: Measures Taken and Prevention	<ul style="list-style-type: none"> • Risks relative to Corporate Social and Environmental Responsibility and Business Ethics • Respecting Human Rights • Diversity, Equity and Inclusion 	80-81, 149-150, 155-160
GOVERNANCE ASPECTS	Fight against Active and Passive Corruption	<ul style="list-style-type: none"> • Risks relative to Corporate Social and Environmental Responsibility and Business Ethics • Programmes of Compliance 231, Anti-corruption, Privacy, Trade Compliance and Antitrust 	80-81, 95-96



PIRELLI & C SPA

**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 0267/2018**

**CONSOLIDATED NON-FINANCIAL DISCLOSURE FOR THE YEAR
ENDED 31 DECEMBER 2021**



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

To the board of directors of Pirelli & SpA

In accordance with article 3, paragraph 10, of Legislative Decree 254/2016 (the Decree) and article 5 of CONSOB Regulation 20267/2018, we have performed a limited assurance engagement on the consolidated non-financial disclosure of Pirelli & C SpA and its subsidiaries (the Pirelli group) for the year ended 31 December 2021 prepared in accordance with article 4 of the Decree, and included in section Report on Responsible Management of the Value Chain annual report 2021 of Pirelli group, and approved by the board of directors on 17 March 2022 (NFD).

Our review does not extend to the information set out in paragraph "The European Regulation on the Taxonomy of sustainable economic activities" of the NFD, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFD

The directors are responsible for the preparation of the NFD in accordance with articles 3 and 4 of the Decree and with the Sustainability Reporting Standards, issued by the Global Reporting Initiative in 2016 and updated up to 2020 (GRI Standards), the SASB indicators, international standards issued by the Sustainability Accounting Standards Board, with reference to the "Auto-parts" industry (SASB), identified by them as the reporting standard, and with the process suggested in AA1000APS (AccountAbility Principles Standards).

The directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFD that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for identifying the content of the NFD, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the group and to the extent necessary to ensure an understanding of the group activities, its performance, its results and related impacts.

PricewaterhouseCoopers SpA

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Finally, the directors are responsible for defining the business and organisational model of the group and, with reference to the matters identified and reported in the NFD, for the policies adopted by the group and for the identification and management of risks generated and/or faced by the group.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFD with the Decree, with the GRI Standards and SASB and with the process suggested in AA1000APS. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements.

The standard requires that we plan and apply procedures to obtain limited assurance that the NFD is free from material misstatements. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFD were based on our professional judgement and consisted of interviews, primarily of company personnel responsible for the preparation of the information presented in the NFD, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFD relating to the activities and characteristics of the group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standards adopted and considering AA1000SES (Stakeholder Engagement Standard);
2. analysis and assessment of the criteria used to identify the consolidation area, to assess their compliance with the Decree;



3. comparison of the financial information reported in the NFD with the information reported in the consolidated financial statements of Pirelli group;
4. understanding of the following matters:
 - business and organisational model of the group with reference to management of the matters specified by article 3 of the Decree;
 - policies adopted by the group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - key risks generated and/or faced with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFD and carried out the procedures described under point 6 a) below;

5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFD.
In detail, we held meetings and interviews with the management of Pirelli & C SpA and with the personnel of Pirelli Neumáticos SAIC and Pirelli Tyres Romania Srl and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFD;
6. analysis of policies and procedures in place and of the coherence of the sustainability management model compared to UNI ISO 26000 principles, among which: governance, human rights, relationship and work conditions, and environment.

Moreover, for material information, considering the activities and characteristics of the group:

- at a group level,
 - a) with reference to the qualitative information included in the NFD, and in particular to business model, policies adopted and main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of the consolidation of the information;
- for the industrial sites located in Merlo (Argentina) and Slatina (Romania), which were selected on the basis of their activities, their contribution to the performance indicators at consolidated level and their location, we carried out site visits during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.



Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFD of Pirelli group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree, with the GRI Standards, the SASB indicators with reference to the “Auto-parts” industry, and with the principles of inclusivity, materiality and responsiveness of AA1000APS, as described in the Methodological Note of the Report on the Responsible Management of the Value Chain.

Our conclusions on the NFD of Pirelli group do not extend to the information set out in paragraph “The European Regulation on the Taxonomy of sustainable economic activities” of the NFD, required by article 8 of European Regulation 2020/852.

Milan, 24 March 2022

PricewaterhouseCoopers SpA

Signed by

Paolo Caccini
(Partner)

Paolo Bersani
(Authorized signatory)

This report has been translated from the Italian original solely for the convenience of international readers

