



## Global Human Rights Policy

Pirelli's activities are based on respect for global human rights, which are a non-negotiable fundamental value of its culture and corporate strategy. Pirelli works to manage and reduce the potential risk of human rights violations, to avoid causing - or contributing to causing- adverse impacts on these rights within the international, multiracial, socially and economically diverse conditions in which it operates.

Pirelli Group activities are governed by its Values and Ethical Code and comply with the Sustainability Model envisaged in the United Nations Global Compact; the Company respects and protects the fundamental human rights laid down by the laws and regulations of each country where it operates and contained in applicable international standards, including:

- the United Nations International Bill of Human Rights, consisting of the Universal Declaration of Human Rights, International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights;
- the United Nations Convention on the Rights of the Child;
- the ILO Declaration on Fundamental Principles and Rights at Work and the relevant applicable conventions;
- the European Convention on Human Rights;
- the United Nations Convention against Corruption.

Pirelli promotes respect for human rights and adherence to applicable international standards with its *Partners* and *Stakeholders* and bases its *governance* model on the recommendations contained in the UN Guiding Principles on Business and Human Rights, implementing the "*Protect, Respect and Remedy*" Framework.

### PRINCIPLES

- **Non-discrimination** – Pirelli is opposed to any form of direct or indirect discrimination on the basis of gender, marital status, sexual orientation, religious or political beliefs, union membership, race, ethnicity, nationality, age, social background and status, physical and mental disability, and is committed to the prevention of discrimination in all areas of working life.
- **Freedom of Association**– Pirelli recognises the right of its employees to form freely trade unions and to collective bargaining, and engages in open and constructive dialogue with representatives of recognised trade unions.
- **Opposition to forced labour** – Pirelli opposes all forms of labour exploitation, including child labour, forced or compulsory labour and all forms of abuse or mental or physical coercion towards both their workers and workers employed along the supply chain, and strongly condemns all forms of human trafficking and exploitation.
- **Adequate working conditions** – Pirelli promotes a working environment based on trust, dialogue and mutual respect and protects the welfare and work-life balance of its employees, ensuring decent wages and fair working hours.

- **Occupational health and safety** – Pirelli considers the health and safety of workers a core value and proactively maintains a safe and healthy working environment by adopting high standards of prevention, assessment and management of related risks, and by fostering and constantly spreading a corporate culture geared towards occupational health and safety.
- **Local Communities**– Pirelli seeks to disseminate and promote its core business values, while respecting local cultures and indigenous people, protecting cultural and natural heritage and local traditions and customs. Pirelli contributes to the economic wellbeing and growth of the communities in which it operates by providing support to educational, cultural, and social initiatives for promoting personal development and improving living standards. Pirelli believes that dialogue with competent institutions and non-governmental agencies is key to identifying the priority areas for local communities’ support.
- **Integrity** – Pirelli rejects all forms of corruption in any jurisdiction, even in places where such activity is acceptable in practice, tolerated, or not pursued in the courts, with the conviction that corruption also undermines human rights. To this end, Pirelli has implemented its "Premium Integrity" program which constitutes the corporate reference for prevention of corrupt practices and represents a collection of principles and rules aimed at preventing or reducing the risk of corruption.
- **Privacy** – Pirelli is aware of the importance of ensuring adequate safeguards to the interested parties concerned with the personal data processing operations and respects the right to privacy of all of its *Stakeholders*, undertaking to use the data and information provided in a correct manner.

Pirelli is engaged in the identification, assessment, prevention and mitigation of human rights violation risks, promptly implementing corrective actions if these events occur. In particular:

- raises employees’ awareness, through information and training, and in conducting corporate activities with respect for human rights;
- manages its supply chain in a responsible manner including, in particular, respect for human rights in the supplier selection criteria, in the contractual provisions and in the checks carried out by Audit.
- requires that its suppliers implement a similar management model within their supply chains;
- moreover requires that its suppliers conduct proper *due diligence* within their supply chain in order to certify that the products and materials supplied to Pirelli are "*conflict free*" throughout the whole supply chain<sup>1</sup>. Pirelli reserves the right to terminate relations with suppliers in cases where there is clear evidence of supplying conflict minerals and however in case of any violation of Human Rights.

Pirelli is open to cooperation with governmental, non-governmental and sectorial and academic bodies for the development of global policies and principles aimed at protecting human rights and regularly informs its *Stakeholders* about the activities carried out and the performance achieved, primarily through the Group's annual report and the corporate website.

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<sup>1</sup> i.e. not coming from mines or smelters operating in conflict zones identified as such in the relevant conflict minerals regulations, unless they are certified as "conflict free".

Pirelli's Top Management, supported by the continuous guidance of the Sustainability and Risk Governance Department, has a strategic role in the full implementation of this Policy ensuring the involvement of all personnel and of those who collaborate with Pirelli and the consistency of their behavior with the values embodied in this *Policy*.

Pirelli provides its *Stakeholders* with a dedicated channel (the "Group Whistleblowing Policy-Complaint Procedure" published on the Pirelli website) for reporting any situation, also anonymous, that in breach of this Policy poses or could pose a risk of Human Rights violation.

July 2016

**EXECUTIVE VICE CHAIRMAN and CEO**

**Marco Tronchetti Provera**