



Pirelli & C. S.p.A.

DIVERSITY AND INDEPENDENCE STATEMENT

Purpose

This Diversity Statement, as adopted by the Board of Directors of Pirelli & C.S.p.A. (“**Pirelli**” or the “**Company**”) on 14 February 2019 upon the proposal from the Risk, Audit, Sustainability and *Corporate Governance Committee* and given the favourable opinion issued by the Appointments and Succession Committee, sets out Pirelli’s commitments to promote *diversity* within the Pirelli Group,¹ in particular in the membership of the Pirelli Board of Directors and Board of Statutory Auditors.

This Statement is also adopted to comply with the provisions of Art. 123-bis, paragraph 2, letter d-bis) of Legislative Decree No. 58 of 24 February 1998 (“**TUF**”).

Preamble

The Pirelli Group is characterised by a multinational context in which people express a huge wealth of diversity, the conscious management of which simultaneously results in a competitive advantage and opportunities for development and enrichment for the company, as well as shared social values. Pirelli views and welcomes diversity values as a factor in success and as an element that contributes to achieving the company’s strategic objectives.

In keeping with its mission, the Pirelli Group has always proved itself time-sensitive to the issue of diversity, and has always responded promptly to new and growing demands from its *stakeholders*.

Diversity objectives

Pirelli complies with the regulations in force,² and with the diversity principles and criteria of the Self-governance Code (which it adheres to), in relation to the membership of its governing and supervisory bodies over aspects such as age, gender and professional training pathway, to comply with the priority objective of ensuring adequate competencies and professionalism in their staff.

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

¹ For the purposes of this Statement, this includes Pirelli & C. S.p.A. and its subsidiaries.

² To this end, the Articles of Association provide for a proportional representation voting system for the membership of the governing and supervisory bodies based on respect for diversity values. These values are further guaranteed in the event that the appointment of the Directors and Statutory Auditors is not, for any reason whatsoever, in accordance with the proportional representation voting system, but takes place via a decision made by the general meeting with a legal majority (see Art. 10 of the Articles of Association).



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that can be derived from the presence of a variety of age groups. Plurality of perspectives and professional/management experience are also vital here.³

Pirelli believes that these *diversity* features enable its governing bodies to complete their tasks in the most effective way possible, making use of the contribution of a plurality of qualified points of view in their decision-making.

Pirelli recommends adherence to these values, including in the renewal and appointment of its governing bodies, in line with the stated diversity criteria⁴.

In particular, taking into account the current applicable regulations, the Board of Directors recommends the consideration of the following diversity criteria:

- age and seniority in position, to enhance continuity in work management of activities and, at the same time, to ensure innovation;
- professional training profile, to create a diverse and complementary skills profile, taking into account the experience gained in Pirelli's field of business;
- nationality and ethnic origin, in line with the Company's presence in a variety of markets worldwide;
- gender representation and independence, so as to ensure balance between the genders and the adequate presence of non-executive and independent Directors in compliance with the provisions – above and beyond the legal and statutory regulations – set out in the Self-governance Code; in particular, at least one third of the Board of Directors members shall be made up of independent directors.

With the advice of the Audit, Risks, Sustainability and *Corporate Governance* Committee and the Appointments and Successions Committee, the Board of Directors is responsible for the qualitative

³ Checks on the functioning, size and membership (including in terms of *diversity*) of the Board of Directors and Board of Statutory Auditors are carried out annually via self-assessment. To conduct this self-assessment, the Board of Directors and the Board of Statutory Auditors check that professional and management skills, including internationally, are adequately represented, also taking into account the advantages that may arise from the presence of diverse genders, age ranges and seniority in position.

⁴ According to Pirelli's By-Laws, the appointment of the Board of Directors and Board of Statutory Auditors must take place in order to ensure gender balance. Pursuant to law (Article 147-ter, paragraph 1-ter and Article 148, paragraph 1-bis TUF), when the said corporate bodies will be renewed, the less represented gender shall obtain at least one third of the elected directors and statutory auditors.



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and quantitative assessment of the membership of the Board itself and any updates or amendments to the *diversity statement*.