

REPORT ON THE REMUNERATION POLICY AND COMPENSATION PAID

INTRODUCTION

This Report on remuneration policy and compensation paid (the “**Report**” or the “**Remuneration Report**”), approved by the Board of Directors on April 5, 2023, on a proposal from the Remuneration Committee, subject to the opinion of the Board of Statutory Auditors, is divided into two sections:

- Section I: “Remuneration Policy” for FY 2023 (the “**2023 Policy**” or the “**Policy**”) and
- Section II: “Report on Compensation Paid” in FY 2022 (the “**2022 Compensation Report**” or the “**Compensation Report**”).

The Report is prepared in accordance with Art. 123-*ter* of the Consolidated Law on Finance (“**TUF**”), as amended and supplemented by Art. 3 of Italian Legislative Decree no. 49 of 10 May 2019 (the “**Decree**”), as well as art. 84-*quater* and Scheme 7-*bis* of Annex 3A to the Consob regulation (no. 11971 of 14 May 1999 on issuers), as also amended by Consob Resolution no. 21623 of 10 December 2020 (the “**Issuers’ Regulation**”).

For the purposes of the Report, due consideration was given to the European Commission recommendations on the remuneration of directors of listed companies, as well as to the recommendations on remuneration adopted by the Corporate Governance Code for listed companies, approved by the Corporate Governance Committee, to which Pirelli has adhered, as well as the more recent recommendations of the Corporate Governance Committee.

The Policy has also been drafted in accordance with and for the effects of Pirelli’s Related-Party Transactions Procedure.

The Policy also takes into account the circumstance that the Board of Directors’ term of office is expiring and that, pursuant to the provisions contained in the Renewal of the Shareholders’ Agreement¹³⁴, there may be two different figures in Pirelli’s governance structure.

The 2023 Policy submitted for the binding vote to the Shareholders’ Meeting called to approve the financial statements for the year ended 31 December 2022 pursuant to art. 123-*ter* TUF, subsection 3-*bis* and 3-*ter*, defines the principles and guidelines for the 2023 financial year:

- for determining the remuneration of the Company

Directors, in particular Directors holding specific offices, General Managers and KMs, as well as, without prejudice to the provisions of art. 2402 of the Italian Civil Code, for determining the remuneration of members of the control body;

- to which Pirelli & C. refers in defining the remuneration of Senior Managers and, more generally, Group Executives.

The 2023 Policy: (i) sets out its contribution to the company strategy, the pursuit of long-term interests and the sustainable success of Pirelli & C., understood as the creation of long-term value to the benefit of shareholders, taking into account the other relevant stakeholders of the Company; (ii) also takes account of the need to have, retain and motivate people with the expertise and professional standing required by the role held in the Company; and (iii) indicates the purposes, methods of operation and the beneficiaries of the remuneration, as well as the bodies involved and the procedures used for its adoption and implementation.

The 2022 Report on Compensation Paid, submitted for the advisory and non-binding vote of the Shareholders’ Meeting in accordance with art. 123-*ter*, subsection 6, TUF, provides, by name, for the Directors, Statutory Auditors and General Managers and, in aggregate form, for the KMs:

- adequate information about each component of their remuneration, including payments prescribed in the event of resignation from office or termination of employment, pointing out their compliance with the remuneration policy adopted by the Company for the 2022 financial year;
- an analytical indication of the sums paid in the 2022 financial year for any reason and in any form by the Company and its subsidiaries or affiliates, indicating any components of payments that are referable to activities undertaken in years preceding 2022 (and also highlighting the payments to be made in one or more subsequent years for activity undertaken in the 2022 financial year, providing, if applicable, estimates for the components that cannot be objectively quantified in the 2021 financial year);
- an illustration of how the Company took account of the votes cast by the Shareholders’ Meeting in 2022.

The Report is made available to the public at the company’s registered office, at the authorised storage mechanism (www.marketstorage.com) and on the Pirelli & C. S.p.A. (“**Pirelli & C.**” or the “**Company**”) website at www.pirelli.com.

¹³⁴ For further information, see the Corporate Governance Report and the Company’s website at www.pirelli.com.

EXECUTIVE SUMMARY

Purposes and principles of the Policy	The Policy aims to achieve long-term interests, thereby contributing to the achievement of strategic objectives and sustainable growth of the company as well as bringing the interests of the Management into line with those of the stakeholders.		
	PURPOSE	HOW IT OPERATES	BENEFICIARIES IN OFFICE ON THE DATE OF THE REPORT
Fixed Remuneration	To reward managerial and professional competence and experience, and the contribution made to the role.	It is defined in relation to the characteristics, responsibilities and powers, if any, assigned to the role, taking account of the market references, in order to assure that it is competitive.	Chairman: €400,000 Executive Vice Chairman and CEO: €2,400,000 Deputy-CEO: €1,100,000 General Manager: €750,000 KMs, Senior Managers and Executives: determined according to the responsibility assigned and the skills required by the role held.
Annual variable remuneration STI	Intended to motivate managers to achieve the Company's annual objectives, maintaining strong alignment with the business strategy and the Company's interests and medium-long term sustainability, including through three ESG targets and a partial deferral mechanism together with a business matching component.	<p>Directly linked to the achievement of performance objectives, assigned to each beneficiary in coherence with the role they cover:</p> <ul style="list-style-type: none"> • Adjusted EBIT (Group/Region/BU) • Net Cash Flow (before dividends) - (Group/Region) • Group Net Income • Three sustainability objectives • Unit/department objectives (for Senior Managers and Executives) <p>In addition to an on-off condition (which determines access to the Plan), represented by a cash indicator (typically Net Cash Flow).</p> <p>There will be a minimum level for each objective, below which the related <i>pro-quota</i> of the incentive is not accrued.</p> <p>There is also a maximum cap to the incentive that can be achieved (if all maximum performance objectives are achieved), equal to twice the incentive that can be achieved at target performance.</p> <p>Finally, for General Managers, KMs and selected Senior Managers, with a view to retention, a portion of the incentive accrued ranging from a minimum of 25% to a maximum of 50% is subject to three-year deferral. The relative payment, together with a corporate matching component, is subject to the continuation of employment at the company at the end of this period. For the rest of the Management, on the other hand, 25% of the incentive accrued is deferred and its payment, together with any matching, is subject to the achievement of the following year's STI objectives.</p>	<p>Chairman: not one of the beneficiaries of the plan. Executive Vice Chairman and CEO:</p> <ul style="list-style-type: none"> • <i>Minimum:</i> 80% of fixed remuneration • <i>Target:</i> 125% • <i>Cap:</i> 250% <p>Deputy-CEO:</p> <ul style="list-style-type: none"> • <i>Minimum:</i> 65% • <i>Target:</i> 100% • <i>Cap:</i> 200% <p>General Manager:</p> <ul style="list-style-type: none"> • <i>Minimum:</i> 50% of the GAR • <i>Target:</i> 75% • <i>Cap:</i> 150% <p>KMs:</p> <ul style="list-style-type: none"> • <i>Minimum:</i> 35% • <i>Target:</i> 50% • <i>Cap:</i> 100% <p>Senior Managers and Executives:</p> <ul style="list-style-type: none"> • <i>Minimum:</i> dal 10% to 25% • <i>Target:</i> dal 15% to 40% • <i>Cap:</i> dal 30% to 80%

	PURPOSE	HOW IT OPERATES	BENEFICIARIES IN OFFICE ON THE DATE OF THE REPORT
Medium-long term variable remuneration (LT)	The intention is to promote the creation of success that is sustainable in the long-term and achievement of the objectives in the Company's strategic plans, while also promoting management engagement and retention.	<p>2023-2025 LTI Plan: an incentive dependent on the achievement of the following, independent long term objectives:</p> <ul style="list-style-type: none"> • Cumulative Group Net Cash Flow (before dividends) • Relative TSR versus a panel of peers (TIER1: Continental, Michelin, Nokian, Goodyear and Bridgestone) • a third objective linked to two Sustainability indicators. Dow Jones Sustainability World Index ATX Auto Component sector and CO₂ Emissions Reduction. <p>There will be an "access threshold" level for each objective, equal to 75% of the target premium, below which the related <i>pro-quota</i> of the incentive is not accrued.</p> <p>There is also a maximum cap to the incentive that can be achieved, if all maximum performance objectives are achieved.</p> <p>The plans are rolling ones and have a vesting period of 3 years.</p>	<p>Chairman: not one of the beneficiaries of the Plans. Executive Vice Chairman and CEO (annual opportunities):</p> <ul style="list-style-type: none"> • "Access threshold": 52.5% of fixed remuneration • Target: 70% • Cap: 200% <p>Deputy-CEO:</p> <ul style="list-style-type: none"> • "Access threshold": 45% • Target: 60% • Cap: 160% <p>General Manager:</p> <ul style="list-style-type: none"> • "Access threshold": 45% of the GAR • Target: 60% • Cap: 160% <p>KMs:</p> <ul style="list-style-type: none"> • "Access threshold": 37.5% • Target: 50% • Cap: 130% <p>Senior Managers and Executives:</p> <ul style="list-style-type: none"> • "Access threshold": from 11.25% to 37.5% • Target: dal 15% to 50% • Cap: dal 40% to 130%
Other tools	To assure organisational stability and the contribution made to the implementation of the Company's strategic plans, also for the purpose of promoting sustainable success over the long-term. Safeguard company know-how and protect it from competitors. Promote attractiveness of the Company and loyalty of managerial staff.	<ul style="list-style-type: none"> • Non-competition agreements: constraint regarding the market sector in which the Group operates and the territorial coverage. The extent varies according to the role covered. The Chairman and Executive Vice Chairman and CEO are not included among the beneficiaries of the non-competition agreements. • Welcome bonus: one-off bonuses that can be assigned with a view to attracting managerial resources during the hiring phase. • Benefit: non-monetary benefits currently assigned on the basis of market practices. 	

REMUNERATION POLICY FOR THE 2023 FINANCIAL YEAR

1. STAKEHOLDERS IN THE PROCESS OF POLICY PREPARATION, ADOPTION AND IMPLEMENTATION

STAKEHOLDERS IN THE PROCESS

The definition of the remuneration policy and any amendments made thereto are the result of a clear and transparent process in which the Remuneration Committee and the Board of Directors play a central role. It is, in fact, adopted and approved by the Board of Directors annually – based on a proposal by the Remuneration Committee – and the Board then submits it to the Shareholders' Meeting for a vote.

The Board of Statutory Auditors issued its opinion on the policy, including the part regarding the remuneration of Directors holding specific offices.

The Remuneration Committee, the Board of Statutory Auditors and the Board of Directors supervise the application thereof. To such purpose, at least once per year, when the report on compensation paid is submitted, the Head of the Human Resources & Organisation Department reports on the

application of the remuneration policy to the Remuneration Committee, the chairman of which in turn reports to the Board of Directors.

For the sake of completeness, it should be noted that, in accordance with current legislation, it is the role of the Board of Directors to propose to the Shareholders' Meeting the adoption of incentive mechanisms for members of the Board of Directors, employees or collaborators via the attribution of financial instruments or options on financial instruments, which, if approved, are later made public by the legal deadline (without prejudice to any further transparency requirements laid down in the applicable regulations)¹³⁵. As at the date of this Report, the Company has no incentive plans based on financial instruments in place.

In preparing the 2023 Policy, the Company was assisted by Willis Towers Watson and Korn Ferry for the preparation of national and international benchmarks used to define the structure of the remuneration of the Directors holding specific offices, General Managers and KMs, in addition to Senior Managers and Executives.

Amongst the measures aimed at avoiding or managing conflicts of interest, it is noted that, in compliance with the recommendations of the Corporate Governance Code, no member of the Board of Directors shall attend meetings of the Remuneration Committee during which proposals are made to the Board of Directors regarding their remuneration.

¹³⁵ Note that the Board of Directors' meeting of April 5, 2023 established the objectives of the 2022-2025 LTI Plan, related to the objectives contained in the 2023/2025 Strategic Plan. Such LTI plan will be submitted for approval of the Shareholders' Meeting as regards the part establishing determination of the incentive on the basis of a target total shareholder return, calculated as the performance of the Pirelli share, compared to a panel of selected peers from the Tyre sector. For a more extensive description, reference is made to paragraphs 2, 4, 5 and 6 below.

Below is a list of the activities carried out by the parties involved in the process of devising, adopting and implementing the policy:

BODY	ROLE AND COMPETENCE ACTIVITIES
Shareholders' Meeting	<ul style="list-style-type: none"> - determines at the time of appointment the gross annual remuneration to be paid to members of the Board of Directors, except for the remuneration to be attributed, by the Board, to Directors holding specific offices; - determines at the time of appointment the gross annual remuneration to be paid to the members of the Board of Statutory Auditors; - approves the first section of the remuneration report; - issues an advisory vote on section 2 of the remuneration report; - decides, upon the proposal of the Board of Directors, on any incentive mechanisms based on the attribution of financial instruments or options on financial instruments.
Board of Director	<p>defines:</p> <ul style="list-style-type: none"> - the breakdown of the total remuneration defined for Directors by the Shareholders' Meeting; - the policy on remuneration of members of the Board of Directors, General Managers, KM and, without prejudice to the provisions of art. 2402 of the Italian Civil Code, members of the Board of Statutory Auditors; - the remuneration of Directors holding specific offices in accordance with art. 2389, paragraph 3 of the Italian Civil Code, and that of General Managers; - the performance objectives related to the variable part of the remuneration of executive directors, General Managers and KM; - the remuneration of the Head of the Internal Audit department upon a proposal by the Audit, Risk, Sustainability and Corporate Governance Committee.

REMUNERATION COMMITTEE

The Remuneration Committee is appointed by the Board of Directors (which also appoints the chairman thereof) and remains in office for the entire duration of the mandate granted by the Board of Directors.

As at the date of this Report, the Committee, consistently with the recommendations of the Corporate Governance Code, is composed of five members, all of whom are non-executive and the majority of whom are independent. The Chairman of the Committee is an independent director.

As at the date of this Report, the Committee members are as follows:

REMUNERATION COMMITTEE

	NAME AND SURNAME	OFFICE
	Tao Haisu	Independent Director
	Wang Feng	Director
	Paola Boromei	Independent Director
	Fan Xiaohua	Independent Director
	Marisa Pappalardo	Independent Director

Director Paola Boromei was considered by the Board of Directors as having sufficient experience in matters of accounting, finance and remuneration policies.

The entire Board of Statutory Auditors is entitled to participate in the work of the Remuneration Committee. The Secretary to the Board of Directors acts as the Secretary to the Remuneration Committee.

The Committee has investigatory, advisory, propositional and supervisory functions and ensures the definition and application, within the Group, of remuneration policies that, on the one hand, aim at pursuing the sustainable success of the Group and aligning the interests of management with those of the shareholders and, on the other, at attracting, retaining and motivating human resources with the expertise and professional standing required of the role held in the Company.

In particular, the Remuneration Committee:

- assists the Board of Directors with defining the remuneration policy;
- assesses periodically the adequacy and overall consistency of the remuneration policy for Directors of the Company and in particular Directors holding specific offices, General Managers and KMs;
- with regard to the executive Directors, other Directors holding specific offices and General Managers, it makes recommendations or expresses opinions to the Board:
 - about their remuneration, in compliance with the remuneration policy;
 - about setting performance objectives linked to the variable part of that remuneration;
 - about the definition of any no-competition agreements;
 - about the definition of any agreements for the termination of working relationships, on the basis of the principles established in the remuneration policy;
- monitors the correct application of the remuneration policy and the decisions adopted by the Board of Directors and verifies the actual achievement of performance targets;
- verifies compliance of the remuneration of executive Directors, other Directors with specific responsibilities, General Managers and KMs with the remuneration policy and expresses an opinion on this, also in accordance with the Related Party Transaction Procedure adopted by the Company in application of the Consob regulation in force at the time;

- assists the Board of Directors in the examination of proposals to the Shareholders' Meeting for the adoption of remuneration plans based on financial instruments;
- examines and submits to the Board of Directors the report on compensation paid, on behalf of the governing and supervisory bodies, of the General Managers and in aggregate form the KMs:
 - provides adequate information about each component of their remuneration;
 - explains in detail the remuneration paid during the financial year in question, for whatever reason and in whatever form, by the Company and its subsidiaries or affiliates;
- in any case, provides the Related-Party Transactions Committee with opinions if the responsibilities of said Committee regarding related-party transactions do not cover issues pertaining to the remuneration of executive Directors, including Directors with specific responsibilities, General Managers and KMs;
- assesses whether there are exceptional circumstances that allow for a derogation from the remuneration policy. Where derogations to the Policy on the matters indicated in paragraph 10 below exist, they are approved by the Remuneration Committee, as the Related-Party Transactions Committee, on the basis of the procedures adopted by the Company for related-party transactions, in implementation of the applicable Consob regulation *pro-tempore*.

By resolution dated 15 June 2021, the Board of Directors also assigned to the Remuneration Committee the functions of the RPT Committee regarding related-party transactions involving the remuneration and treatment of Directors and other Key Managers and, in general, matters covered by the Report on Remuneration Policy and Compensation Paid (including any waivers) within the limits and according to the criteria allowed by the RPT Regulation and applicable legal or regulatory provisions, also taking into account the membership of the Remuneration Committee (which may, therefore, exercise these duties for related-party transactions of lesser significance and related-party transactions of greater significance where it consists of unrelated directors who are, respectively, either mostly or exclusively independent Directors).

2023	SUBJECT	ACTIVITY
1Q	2023 Remuneration Policy and Variable Incentive Plans	<ul style="list-style-type: none"> - Presentation of the timetable - Draft 2023 Remuneration Policy - Approval of the incentive plan by the Remuneration Committee: <ul style="list-style-type: none"> • Review of the 2022 STI closure targets and definition of 2023 targets • Review of the 2020-2022 LTI closure targets and definition of the 2023-2025 LTI Plan targets - Analysis of market remuneration benchmarks
2Q	Shareholders' Meeting and publication of the 2023 Remuneration Policy	<ul style="list-style-type: none"> - Approval of the 2023 Remuneration Policy and 2022 Compensation Report - Shareholders' vote on the 2023-2025 LTI plan
3Q	Analysis of votes received from Shareholders and review of Governance	<ul style="list-style-type: none"> - Analysis of votes received from Shareholders - Analysis of 2023 Remuneration Policy and quality benchmark - Analysis of 2023 Remuneration Policy and assessment of potential changes

The cycle of the Remuneration Committee's main activities in 2023 is shown below. In relation to the operating methods of the Remuneration Committee, see the Report on Corporate Governance and the Ownership Structure.

2. PURPOSES AND PRINCIPLES OF THE 2023 REMUNERATION POLICY

PURPOSES OF THE 2023 POLICY AND GUIDING PRINCIPLES

The aims of the Policy are to attract, motivate and retain resources in possession of the professional qualities required to pursue business objectives. In addition, through the multi-year variable components assigned, in particular, to Directors holding specific offices to whom specific duties are also delegated, General Managers, KMs, Senior Managers and Executives, it aims to achieve long-term interests, contributing to the achievement of strategic objectives and the sustainable success of the company, as well as aligning the interests of Management with those of shareholders.

The Policy is intended to strengthen the “pay for performance” link and, as better explained below, provides for the objectives underlying the incentive plans in place to be set consistently with those disclosed to the market.

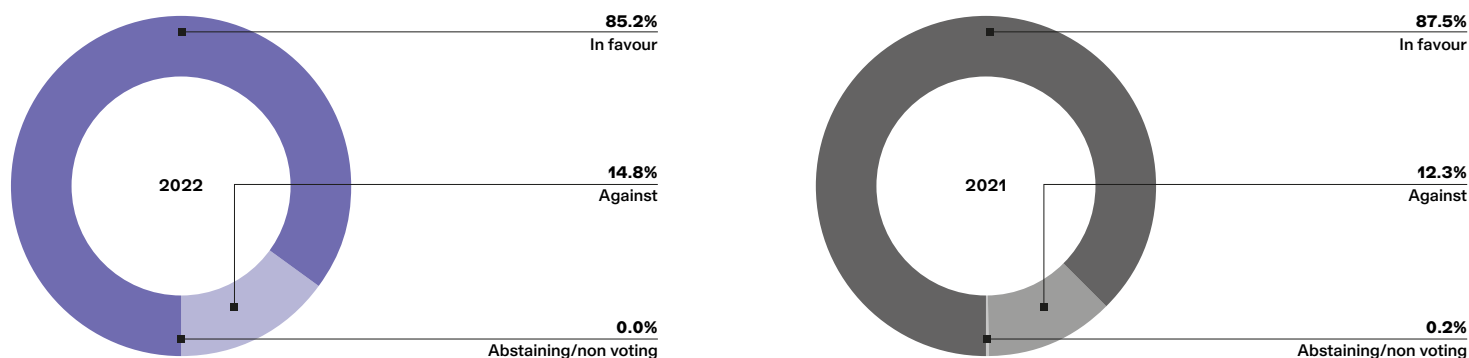
The Policy is valid for one year and in any case until the Shareholders' Meeting approves a new remuneration policy. It is defined taking into account various factors such as remuneration, which in turn is defined on the basis of market benchmarks aiming at a level of attractiveness differentiated according to the company role and skills, the compensation mix and the working conditions of Company employees.

With reference to this last aspect, the 2023 Policy also in fact refers to the remuneration of the Senior Managers and Executives of the Group. Moreover, Pirelli:

- applies and respects any existing and applicable national collective bargaining agreements to which it adheres;
- adopts for all the Group's managers and the remaining employees meritocratic policies, variable incentive systems, welfare initiatives and services to benefit employees or their families, as well as, in order to protect the company assets, non-competition agreements for specific individuals;
- is attentive to pay equity, in the context of gender diversity, as highlighted in more detail in the Report on Responsible Management.

RESULTS OF THE VOTING AND FEEDBACK FROM INVESTORS

The Policy is established taking into account the analysis and investigations made of the results of the Shareholders' Meeting vote and the feedback received from shareholders and key proxy advisors on the 2022 Remuneration Policy and the Report on Compensation paid in FY 2021. The diagram below presents the result of the binding vote expressed by the Shareholders' Meeting on 15 June 2022 compared to the result of the voting in 2021.



Pirelli attaches great importance to analysing this voting result and the feedback received and, following the analysis of the results of the 2022 voting and the main rationale for the votes against, in the course of 2022 and in the first months of 2023, took the action required to ensure the consistency of the 2023 Policy with the shareholders' expectations for the future.

DESCRIPTION OF THE CHANGES WITH RESPECT TO THE 2022 POLICY

With respect to the 2022 Remuneration Policy, the following aspects of the 2023 Policy were reviewed and/or considered:

- the composition of the reference panel for the purpose of comparing the Annual Total Direct Compensation on Target of the Executive Vice Chairman and Chief Executive Officer was redefined by excluding Navistar in view of its delisting and Volkswagen in view of the revision of the panel size;
- introduction of the new positions of Executive Vice Chairman and Chief Executive Officer, as required by the Renewal of the Shareholders' Agreement;
- establishment of the same reference panel for the purpose of setting the remuneration benchmark for the Executive Vice Chairman and the Chief Executive Officer;
- redefinition of the portion of the STI 2023 scorecard reserved for ESG KPIs which, while maintaining their weight at 15 points, is divided into 3 different targets: “Green Performance Volumes” (replacing “Green Performance Revenues” on the total range), “Women in Management positions” (replacing the objective “Diversity and Inclusion (D&I): Women Hiring”) target, and the introduction of an HSE KPI: “Frequency Index”. Each of these targets constitutes 5% of the incentives scorecard;
- reduction of company matching multipliers intended for General Managers, KMs and selected Senior Managers, which are replaced by a range of between 0.8 and 1.2. Previously the minimum had been 1 and the maximum 1.5.

The 2023 Policy takes into account the definition of the objectives of the rolling LTI Plan for the three-year period 2023-2025, in support of the objectives of the 2023-2025 Strategic Plan.

MARKET REFERENCES AND PEER GROUP

In relation to the Annual Total Direct Compensation on-Target, Pirelli defines and applies a policy which, in relation to the reference market, targets the third quartile for the Executive Vice Chairman and Chief Executive Officer, the Deputy-CEO and the Top and Senior Management; the median for the Chairman and Executives.

With regard to the newly introduced Executive Vice Chairman and Chief Executive Officer, it targets the third quartile and the median respectively.

The analysis of the positioning, the make-up and more generally the competitiveness of the remuneration of Directors with specific responsibilities is conducted by the Remuneration Committee and the Board of Directors with the assistance of companies specialised in executive compensation, on the basis of methodological approaches that allow the full assessment, if within the typical limits of benchmark analyses, of the complexity of their positions from an organisational point of view, any specific duties assigned thereto and the individual's impact on the final business results.

In regard to the comparative market, in the definition of the panel of reference companies analysed annually by the Remuneration Committee, it takes account of various components such as business sector, geography, specific features and size of the company.

The reference sample of companies used to analyse the competitiveness and for the possible review of the remuneration of the Chairman of Pirelli & C. has been established with the assistance of Willis Towers Watson and consists of twelve Euronext Milan companies, excluding financial companies.

The sample of reference companies used for the competitiveness analysis and any review of the remuneration of the Executive Vice Chairman and Chief Executive Officer (and, once appointed, the Executive Vice Chairman and the Chief Executive Office) of Pirelli & C. has been defined with the assistance of Willis Towers Watson, also taking into account the main recommendations on pay for performance; the sample of reference companies consists of the 12 companies shown in the table below, all belonging to the Vehicles, Auto Component & Tyre industry and focuses the comparison on companies operating in the same sector as Pirelli.

Aston Martin	BMW	Brembo	Continental
Ferrari	Goodyear	Harley-Davidson	Magna International
Michelin	Renault	Stellantis	Volvo Car

The sample of reference companies used for the competitiveness analysis and for the possible review of the Deputy-CEO's remuneration was established with the help of Korn Ferry; in this regard, it should be noted that the source used for the market comparison is the European Top Executive Compensation Survey covering more than 400 listed European companies included in the FTSE500 list, which includes the 500 biggest European companies by capitalisation.

Finally, the remuneration structure for General Managers, KMs, Senior Managers and Executives is defined on the basis of national and international benchmarks which, in view of the complexity and specific nature of the role, were prepared by Willis Towers Watson and/or Korn Ferry and agreed with the Remuneration Committee.

ELEMENTS OF THE 2023 POLICY

In keeping with previous remuneration policies, the 2023 Policy provides for the Management remuneration to consist of various elements:

- gross annual base salary;
- an annual variable component (STI);
- medium-long term variable component (LTI);
- Non-monetary benefits.

FIXED COMPONENT

The base salary is established on the basis of the complexity of the position, professional seniority, the skills

required to perform in the role, performance over time, and the trend in the comparison remuneration market related to the position held by the individual.

VARIABLE COMPONENTS

The STI and LTI variable components are established - taking account of the benchmarks for each - as a percentage of base salary which increases according to the position held by the beneficiary.

ANNUAL VARIABLE COMPONENT (STI)

The STI component, except for specific cases, is extended to all the Management - except for the Chairman - and is intended to reward the beneficiaries' short term performance; moreover, it can be extended to managers who joined the Group during the year. The STI objectives for Directors holding specific offices to whom specific duties are also delegated, for General Managers and for KMs are established by the Board of Directors upon a proposal by the Remuneration Committee (see §4 and §5).

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.

For 2023, the targets assigned to the Directors holding specific offices and to whom specific responsibilities are assigned, to General Managers and KMs in the context of the STI Plan are the following:

ON/OFF CONDITION	GROUP NET CASH FLOW (BEFORE DIVIDENDS)
	WEIGHT OF OBJECTIVES
Group adjusted EBIT	35%
Group Net Cash Flow (before dividends)	30%
Net income	20%
Eco & Safety Volumes	5%
Women in Management positions	5%
Frequency Index	5%

The STI objectives of Senior Managers and Executives are, on the other hand, defined by the hierarchical manager in accordance with the Human Resources & Organisation and Strategic Planning, Administration, Planning & Controlling and include, among others, objectives related to the economic performance of the business unit/ geography/function to which they belong (see section 6).

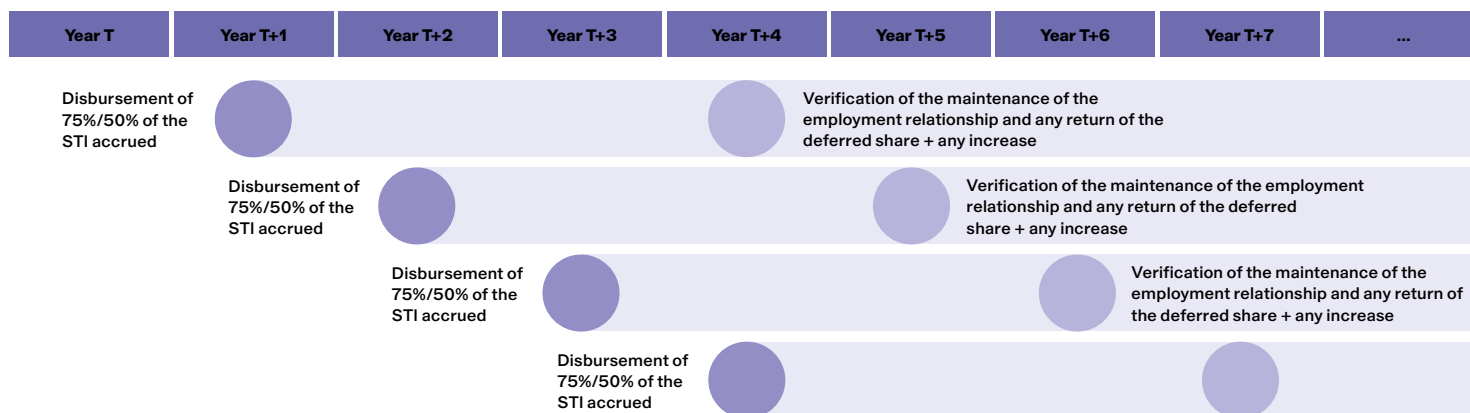
At the end of the year and based on the finalised performance figures (and included in the draft financial statements approved by the Board of Directors), the Department of Human Resources & Organization, with the assistance of the Administration, Planning & Controlling Department, checks the level to which the objectives have been achieved, on which basis the Board of Directors then resolves, after examination by the Remuneration Committee, having obtained the opinion of the Board of Statutory Auditors, on the amount of the variable compensation to be disbursed.

In the event of extraordinary transactions affecting the scope of the Group and/or major changes in the macroeconomic and geopolitical scenario, the Remuneration Committee may adjust the targets in the STI plan, in order to protect the Plan's value and aims and ensure that the objectives of the company and the objectives that underpin the Management incentive systems are constantly aligned, or close the plan early.

Achievement of the individual objectives will be assessed by the Remuneration Committee, neutralising the effects of any extraordinary decisions that could have impacted the results (either positively or negatively). The Board of Directors resolves on any review proposal submitted for its examination.

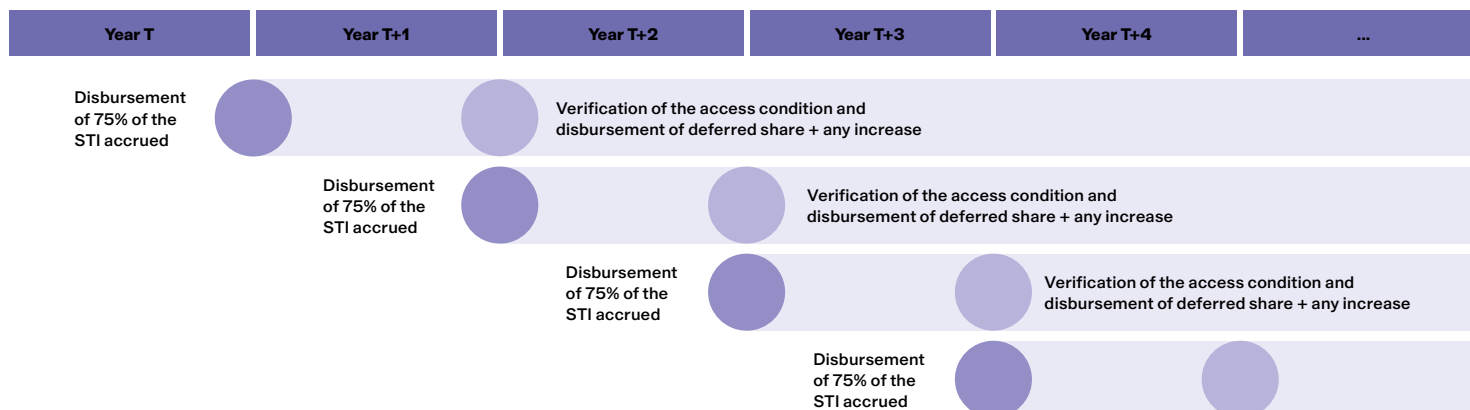
Starting with the 2023 STI Plan, for General Managers, KMs and selected Senior Managers, part of the remuneration accrued as a STI, from a minimum of 25% to a maximum of 50%, is deferred, with a view to retention, and disbursed at the end of a three-year period subject to the continuation of employment and together with

a corporate matching component which can vary from a minimum of 0.8 time to a maximum of 1.2 times the amount of the deferred STI (see the diagram below).



For the rest of the Management, on the other hand, part of the variable remuneration accrued as STI is deferred to the benefit of continued results over time and thereby the creation of sustainable value for shareholders in the medium-long term. Indeed, 75% of any STI accrued is paid, since the remaining 25% is deferred by 12 months and subject to achievement of the STI objectives for the following year. More specifically (see graph below):

- in the event that no STI is accrued in the following year, the deferred STI share of the previous year is definitively “lost”;
- In the event that the payout percentage of the STI accrued in the following year is below target level, the STI share deferred from the previous year is paid;
- in the event that the payout percentage of the STI accrued in the following year is equal to or higher than target value, the STI share deferred from the previous year is paid, together with an additional amount equal to the portion deferred (increase).



MEDIUM-LONG TERM VARIABLE COMPONENT (LTI)

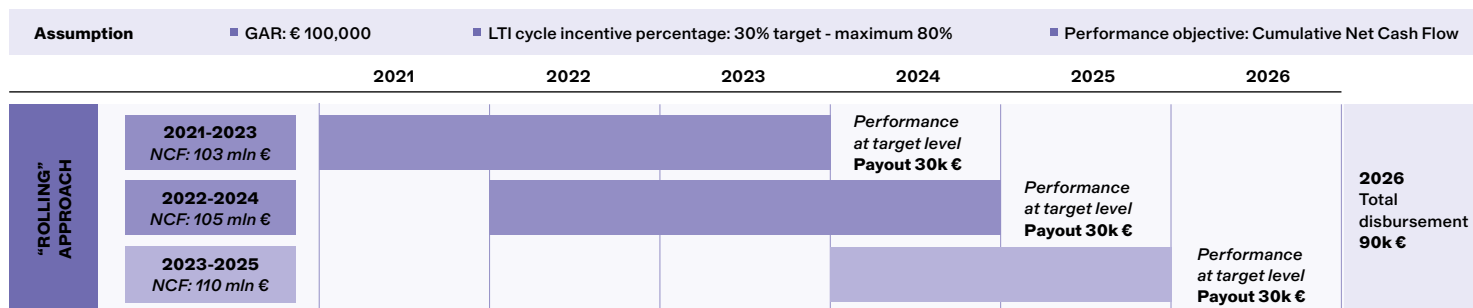
As for the medium to long term variable remuneration (LTI), it is assigned to Top Management – except for the Chairman – and extended, except in specific cases, to all Executives whose grade, determined with the Korn Ferry method, is equal to or above 20.

The medium-long term incentive plans (LTI) are intended to:

- link Management remuneration with the medium-long term performance of the Group;
- promote the creation of shareholder value and sustainable success for the Company;
- align the interests of shareholders with those of the Management;
- promote Management retention.

The LTI plan is structured with a “rolling” mechanism which guarantees flexibility by ensuring that, for each new three-year period, the performance indicators are aligned with the evolution of the market and the company and, therefore, the Company’s Strategic Plan.

Below is an explanatory diagram showing how it works:



The LTI Plans assign each beneficiary an incentive opportunity (the “LTI Bonus”), equal to a percentage of the gross annual fixed component in place in the first year of the plan. This incentive percentage increases in relation to the position held and takes into account the benchmarks for each role.

The full cost of the LTI plans is included in the economics of the Strategic Plan, so that their impact is “self-funded” by achievement of the expected results.

The risk governance process is fully integrated into the strategic planning process in order to ensure that the objectives envisaged for achieving the variable incentive do not expose Pirelli to managerial behaviour inconsistent with an acceptable level of risk (“risk appetite”) as defined by the Board of Directors when approving the Plans. The targets set in the LTI Plans represent a performance consistent with the corresponding targets disclosed to the market. In particular, the objectives for obtaining the incentive at “access threshold” level are set as equal to the value disclosed to the market.

For 2023, the targets assigned to the Directors holding specific offices and to whom specific responsibilities are assigned, to General Managers and KMs in the context of the 2022-2025 LTI Plan are the following:

2023-2025 LTI	WEIGHT OF OBJECTIVES	KPI
Group Net Cash Flow (before dividends)	40%	Value disclosed to the market
Related TSR vs TIER 1 Panel	40%	Performance equal to panel average*
DJS Index	10%	From -1% to -5% vs Top Industry cluster
CO ₂ Emissions Reduction	10%	Value disclosed to the market

* The period of comparison is the second half of 2025 vs the second half of 2022.

In the event of extraordinary transactions affecting the Group's perimeter and/or profound changes in the macroeconomic and geopolitical scenario, the Board of Directors, on a proposal from the Remuneration Committee, subject to the opinion of the Board of Statutory Auditors, may decide:

- any adjustment of the targets (both upward or downward) of the 2023-2025 LTI Plans, so as to protect their value and relative targets, thus ensuring constant alignment between the company's objectives and the objectives underlying the Management incentive schemes;
- possible early closure thereof.

The diagram below shows the link between the corporate strategy and the KPIs of the incentive systems.

STRATEGIC PLAN PILLARS	SHORT TERM INCENTIVE (STI)	LONG TERM INCENTIVE (LTI)
High-end and specialties focus	Net Result	Relative TSR
Competitiveness & Digitalization Plan	EBIT	
Cash Flow Generation	Net Cash Flow (before dividends)	Cumulative Group Net Cash Flow (before dividends)
Sustainability	Eco & Safety Volumes DE&I: Women in Management HSE: Frequency Index	Dow Jones Sustainability Index CO ₂ Emissions Reduction

NON-MONETARY BENEFITS

When a new General Manager or a KM is hired, the Company reserves the right to define, in line with market practice, the experience gained and the conventional seniority that may be due to such person.

Lastly, non-monetary elements of remuneration are benefits provided to beneficiaries, depending on the position held, as a result of contractual provisions/company policies or aimed at reinforcing attraction during the recruitment phase (e.g. accommodation and student grants for limited periods of time).

3. REMUNERATION OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS

THE BOARD OF DIRECTORS

Within the Board of Directors, a distinction can be made between:

- (i) Directors holding specific offices to whom specific duties are also delegated;
- (ii) Directors holding no specific offices.

The attribution to Directors of powers for specific matters, that are not covered by the duties delegated under Art. 2381 of the Italian Civil Code, does not *per se* make them directors to whom specific duties are attributed.

The total gross annual salary established by the Shareholders' Meeting¹³⁶ was allocated by the Board of Directors as follows for the years 2020, 2021 and 2022:

DIRECTORS' REMUNERATION		
BODY	OFFICE	REMUNERATION
Board of Directors	Director	65,000 Euro
Audit, Risks, Sustainability and Corporate Governance Committee	Chairman	35,000 Euro
	Member	30,000 Euro
Remuneration Committee	Chairman	35,000 Euro
	Member	30,000 Euro
Strategies Committee	Chairman	50,000 Euro
	Member	30,000 Euro
Appointments and Successions Committee	Chairman	50,000 Euro
	Member	30,000 Euro
Related-Party Transactions Committee	Chairman	75,000 Euro
	Member	50,000 Euro

¹³⁶ On 18 June 2020, the Pirelli & C. Shareholders' Meeting resolved to establish, for the years 2020, 2021, 2022 and until cessation of office with the approval of the financial statements as at 31 December 2022, a maximum of 2 million euros as the total annual salary of the Board of Directors in accordance with Art. 2389, paragraph 1 of the Italian Civil Code, excluding the remuneration to be assigned by the Board to Directors holding specific offices, as envisaged by Art. 2389 of the Italian Civil Code.

In line with best practice, Directors holding no specific offices do not receive a variable part of their salary. Expenses incurred for official reasons are also reimbursed to the directors.

In any case, the compensation granted to non-executive directors is determined in such an amount as to guarantee adequacy in terms of the skill, professionalism and effort required by their appointment. In deciding said allocation, the Board of Directors takes into account the effort required for the directors' attendance of the individual board committees, on the basis of the previous mandate.

The Shareholders' Meeting of Pirelli & C. that will be convened to approve the financial statements as at 31 December 2022 will also be called to resolve on the renewal of the current Board of Directors, which will be expiring due to having reached the end of the mandate. The Shareholders' Meeting will therefore be called to resolve on the total annual salary of the Board of Directors in accordance with Art. 2389, paragraph 1 of the Italian Civil Code, excluding the remuneration to be assigned by the Board to Directors holding specific offices, as envisaged by Art. 2389 of the Italian Civil Code; thereafter, the Board of Directors will be called to resolve on the allocation.

In the event that the Board of Directors is called on to resolve again on the allocation of the remuneration established by the Shareholders' Meeting, and unless the Shareholders' Meeting provides otherwise, an allocation of said remuneration that envisages the attribution (i) of a remuneration that is at most +25% of the Directors' remuneration attributed during the previous term of office and (ii) +25% of the remuneration for the office held in the committees in the previous term of office for committee members, should be considered compliant with the policy. If new committees should be established, the maximum limit is that of the highest remuneration envisaged for the corresponding office in other committees.

Again in line with best practices, a Directors & Officers Liability ("**D&O**") insurance policy is envisaged to cover the third party liability of the corporate bodies, the General Managers, the KMs, the Senior Managers and Executives, in going about their duties. Consequent to the provisions established on the matter by the applicable national collective bargaining agreement and rules governing mandates, this policy aims to indemnify Pirelli from any expenses deriving from the related compensation, excluding cases of wilful misconduct or gross negligence.

No insurance coverage, whether for social security or pensions, other than the obligatory coverage is provided for Directors holding specific offices.

SUPERVISORY BODY

On 22 June 2020, the Board of Directors confirmed the remuneration paid to members of the Supervisory Body during the previous term of office.

Supervisory Body	Chairman	60,000 Euro
	Member	40,000 Euro

The Board of Directors, which will be appointed by the Shareholders' Meeting of Pirelli & C. convened to approve the financial statements at 31 December 2022, will be called upon to appoint a new Supervisory Body, the term of which expired with that of the Board of Directors, and to resolve on the allocation of fees to the members of the newly appointed Supervisory Body.

For completeness, it is reported that the remuneration assigned to members of the Supervisory Body is not included in the total gross annual salary established by the Shareholders' Meeting.

THE BOARD OF STATUTORY AUDITORS

The remuneration of members of the control body is determined by the Shareholders' Meeting as a fixed annual amount, appropriate to the competence, professionalism and commitment required by the importance of the position held and the size and sector characteristics of the Company.

The Shareholders' Meeting of 15 June 2021, called to resolve on the renewal of the Board of Statutory Auditors, whose mandate expired with the approval of the financial statements as of 31 December 2020, determined a gross annual fixed remuneration, pursuant to art. 2402 of the Italian Civil Code - for its Chairman, for the years 2021, 2022, 2023 and until cessation of office with the approval of the financial statements as of 31 December 2023, of €90,000 and for the other regular members of €75,000.

Expenses incurred for official reasons are also reimbursed to the Statutory Auditors.

In line with best practices, a D&O insurance policy is envisaged to cover the third party liability of the corporate bodies, including the members of said control bodies.

4. REMUNERATION OF DIRECTORS WITH SPECIFIC RESPONSIBILITIES

The remuneration of Directors holding specific offices is proposed by the Remuneration Committee to the Board of Directors when they are appointed, or at the first useful meeting thereafter.

CHAIRMAN OF THE BOARD OF DIRECTORS

If a Director has been appointed to a specific office or offices, but no specific duties have been assigned to them (at the date of the Report, this applies to Chairman Li Fanrong¹³⁷) the remuneration consists solely of a fixed gross annual component, as well as the compensation for the office of director and any participation in committees.

At the time of appointment, the Board of Directors determines the remuneration for the Chairman of the Board of Directors, considering the remuneration assigned during the previous mandate (if the same holder) and the market benchmark (if a different person).

The Chairman Ning Gaoning received remuneration for his office of a gross annual amount of €400,000 for the years 2020, 2021 and 2022. Ning Gaoning received this remuneration until 8 October 2022, when his resignation became effective.

Li Fanrong, co-opted and appointed Chairman of the Board of Directors on 11 October 2022, stated his wish not to receive any remuneration from the Company for the offices held. Consequently, the Board of Directors resolved not to allocate any remuneration envisaged by the 2022 Remuneration Policy for the offices held by the Chairman Li Fanrong.

In the event that the Board of Directors is called on to resolve again on the compensation of the Chairman during the current term of office, a Chairman's compensation that is at most equal to +10% of the remuneration assigned during the previous term of office (in the case of the same holder) or with respect to the market benchmark - median - (in the case of a different person), is considered compliant with the Policy.

For those Directors holding specific offices to whom no specific duties have been assigned, no non-monetary benefits, social security or pension cover is provided other than the obligatory schemes.

DIRECTORS HOLDING SPECIFIC OFFICES TO WHOM SPECIFIC DUTIES ARE ALSO DELEGATED

The remuneration of Directors holding specific offices to whom specific duties are also delegated (as of the date of this Report this applies to the Executive Vice Chairman and Chief Executive Officer Marco Tronchetti Provera and to the Deputy-CEO Giorgio Luca Bruno; note that the Renewal of the Shareholders' Agreement provides for the appointment of an Executive Vice Chairman and a Chief Executive Officer in place of the previous Executive Vice Chairman and Chief Executive Officer and Deputy-CEO) consists of the following elements:

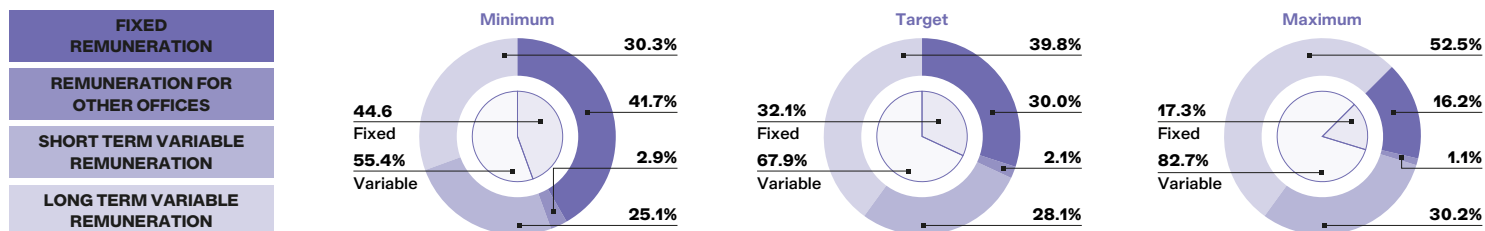
Fixed compensation for the principal office for the Executive Vice Chairman and Chief Executive Officer and the Deputy-CEO	FIXED REMUNERATION
Annual incentive plan (STI)	SHORT TERM VARIABLE REMUNERATION
Deferred annual incentive quota/STI matching Medium-long term incentive plan (LTI)	LONG TERM VARIABLE REMUNERATION
Remuneration for other offices different from the principal Severance Indemnity Benefits typical of the office and recognised according to company practice Insurance covers NCA (for Deputy-CEO only)	OTHER COMPONENTS

137 The Board of Directors of Pirelli & C., meeting on 11 October 2022, co-opted Li Fanrong to replace Ning Gaoning, who resigned from the Board of Directors, until the next Shareholders' Meeting; Li Fanrong was also appointed Chairman of the Board of Directors

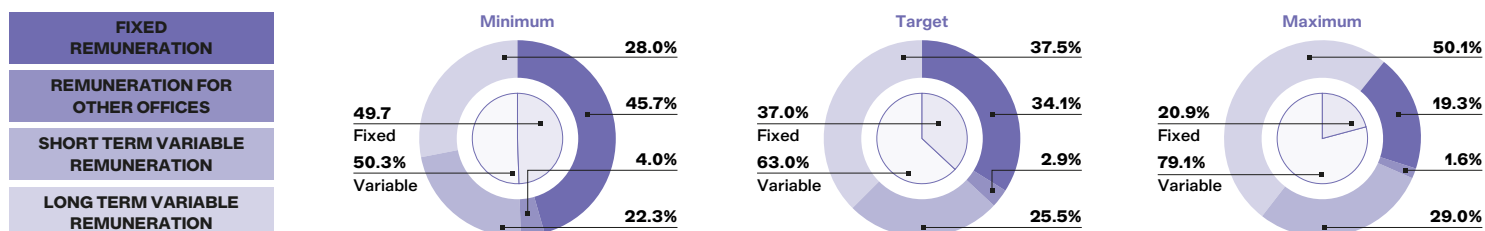
Directors holding specific offices to whom specific duties are also delegated, shall also be due the compensation for the office of director and any participation in committees¹³⁸.

With regard to the incidence of the various components, the structure of the compensation package of the current Executive Vice Chairman and CEO and Deputy-CEO in the event of achievement of the minimum, target and maximum STI 2023 and LTI 2023-2025 targets is shown below.

PAY MIX - EXECUTIVE VICE CHAIRMAN AND CEO



PAY MIX - DEPUTY-CEO



FIXED REMUNERATION

The gross annual base salary for the principal office of Directors holding specific offices to whom specific duties are also delegated is determined at the time of appointment, taking into account the market benchmark in an amount that ensures a balance between the fixed component and the variable component that is adequate and consistent with the strategic objectives and the risk management policy of the Company, taking into account the characteristics of the business and the sector in which the Company operates, in any case establishing that the variable component represents a significant part of the total remuneration.

The gross annual fixed component for financial years 2020, 2021 and 2022 and up until approval of the financial statements for the year ended 31 December 2022 attributed to the Executive Vice Chairman and Chief Executive Officer is €2,400,000.

The gross annual fixed component for financial years 2021 and 2022 and up until approval of the financial statements for the year ended 31 December 2022 attributed to the Deputy-CEO is €1,100,000.

If the Board of Directors is called to resolve again on the gross annual fixed component of the Directors holding specific offices to whom specific duties are also delegated, the Policy allows the allocation of a gross annual fixed component, or a review of the same, which, taking into account the annual and medium/long-term incentive percentages, determines an Annual Total Direct Compensation on-Target equal to a maximum (i) for the Executive Vice Chairman and Chief Executive Officer and for the Executive Vice Chairman (if appointed) of +5% compared to the value attributed in the previous term of office (in the event that the Executive Vice Chairman is the same person who served as Executive Vice Chairman in the previous term of office) or compared to the market benchmark - third quartile and (ii) for the Deputy-CEO and for the Chief Executive Officer (if appointed) at a +10% compared to the value attributed in the previous term of office (in the event that the Chief Executive Officer is the same person who held the office of Deputy-CEO in the previous term of office) or compared to the market benchmark - not exceeding the third quartile for the Deputy-CEO and median for the Chief Executive Officer.

¹³⁸ The Executive Vice Chairman and Chief Executive Officer is also entitled to the compensation for serving as a Director (€65,000), and as Chairman of the Strategies Committee (€50,000) and Appointments and Successions Committee (€50,000). The Deputy-CEO is entitled to the compensation for serving as a Director (€65,000) and member of the Strategies Committee (€30,000).

ANNUAL VARIABLE COMPONENT (STI)

The Directors holding specific offices to whom specific duties are also delegated receive an annual variable remuneration (STI) equal to a percentage of the fixed remuneration determined at the time of appointment and thereafter when the individual annual plans are launched.

If the Board of Directors is again called to resolve on the STI incentive percentages for Directors holding specific offices to whom specific duties are also delegated, the Policy allows the allocation of an STI incentive percentage of no more than 125% on target and 250% maximum.

For each objective there is a minimum and a maximum (cap) to the amount of the incentive that can be achieved; for performance below the minimum level, no payment is envisaged.

The on/off condition is represented by the Group Net Cash Flow (before dividends) and is established as an amount equal to the value announced to the market. Failure to achieve the on/off condition shall result in the cancellation of the STI incentive regardless of the level of achievement of the other objectives.

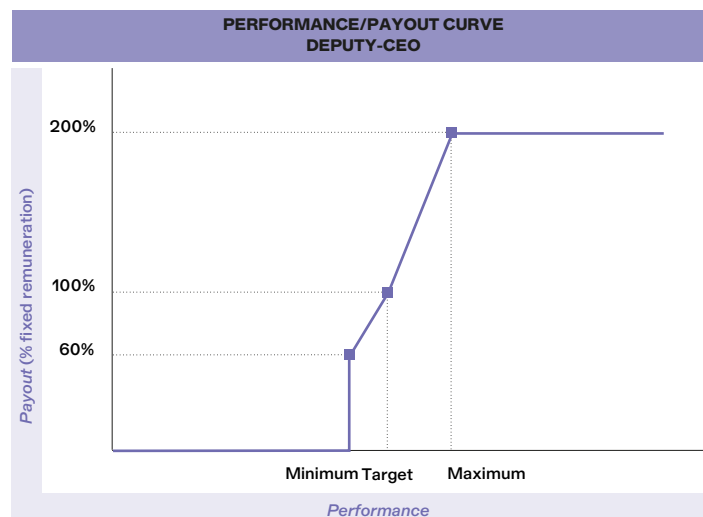
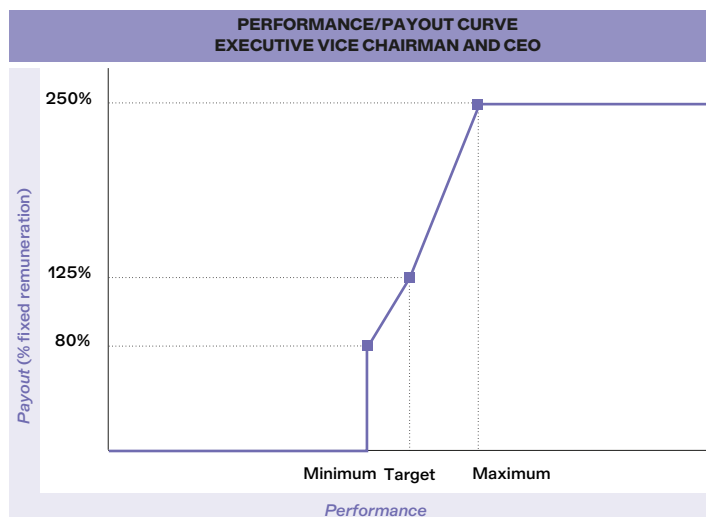
The finalisation of the bonus between the minimum value and target and between the target and maximum is carried out by linear interpolation.

Depending on the level of performance achieved, the Executive Vice Chairman and Chief Executive Officer will be paid an incentive of 80% of fixed remuneration for minimum level performance, amounting to 125% of the fixed remuneration in the case of on-target performance and 250% for maximum level performance.

Depending on the level of performance achieved, the Deputy-CEO will be paid an incentive of 65% of fixed remuneration for minimum level performance, amounting to 100% of the fixed remuneration in the case of on-target performance and 200% for maximum level performance.

Once the on/off condition has been achieved, all the objectives envisaged on the STI scorecard shall apply independently, according to the incentive curve shown below. Therefore, according to the performance achieved, each objective will go towards calculating the total payout, on the basis of the weighting shown on the scorecard.

Example curve if all objectives are achieved at minimum, target and maximum level by the Executive Vice Chairman and CEO and the Deputy-CEO.



Part of the remuneration accrued by to the Executive Vice Chairman and CEO and by the Deputy-CEO as STI is deferred to support the continuity of results over time as stated in paragraph 2. In the event that the payout percentage of the STI accrued in the following year is equal to or higher than target value, the STI share deferred from the previous year is paid, together with an additional amount equal to the portion deferred (increase).

In the event of termination of office, the STI Bonus is paid on a pro-quota basis for the effective months of tenure in office.

MEDIUM-LONG TERM VARIABLE COMPONENT (LTI)

The Executive Vice Chairman and Chief Executive Officer and the Deputy-CEO will be assigned a medium/long-

term incentive plan so as to contribute to the Company's strategy and sustainability, and the pursuit of its long-term interests. For 2023, the Executive Vice Chairman and Chief Executive Officer is a beneficiary of the 2023-2025 LTI Plan related to the goals of the 2023/2025 Strategic Plan and the 2022-2024 and 2021-2023 LTI Plan. For 2023, the Deputy-CEO is a beneficiary of the 2023-2025 LTI Plan and the 2022-2024 and 2021-2023 LTI Plan.

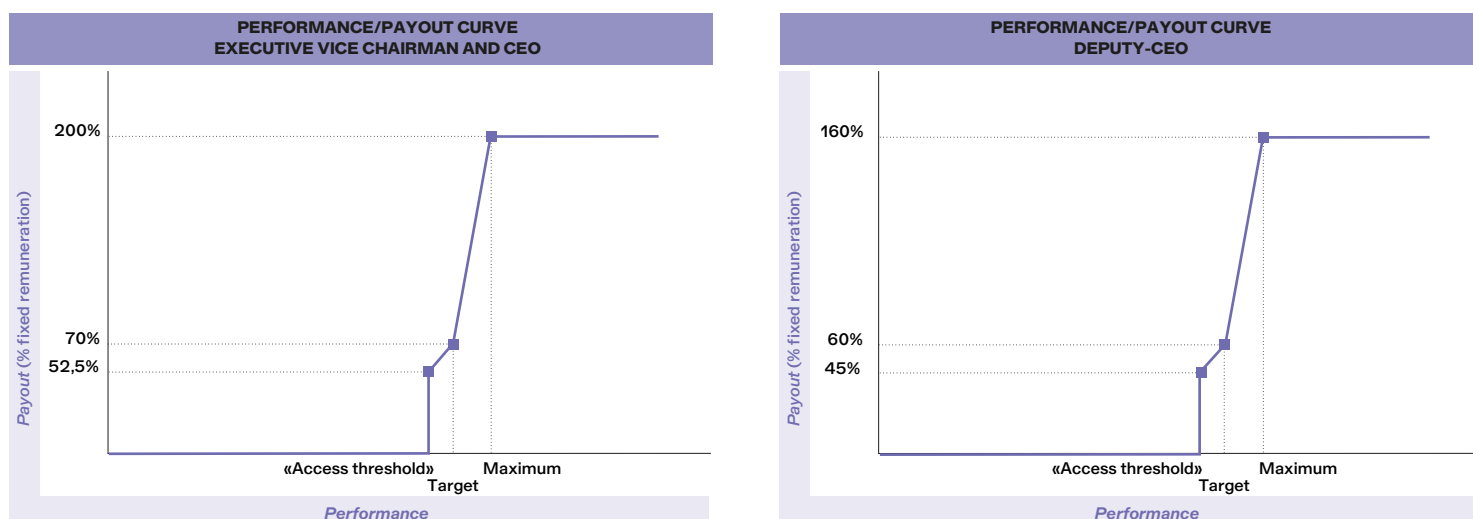
Directors holding specific offices to whom specific duties are also delegated receive an annual variable medium-long term (LTI) remuneration equal to a percentage of the fixed remuneration determined at the time of appointment and thereafter when the individual annual plans are launched.

If the Board of Directors is again called to resolve on the LTI incentive percentages for Directors holding specific offices to whom specific duties are also delegated, the Policy allows the allocation of an LTI incentive percentage of no more than 70% on target, 200% maximum.

An "access threshold" level – associated with payment of 75% of the bonus achievable on-target – and a maximum (cap) are envisaged for each objective of the LTI plans.

The performance range for the economic-financial objectives is defined as the more challenging out of the target and maximum level with respect to that envisaged between the "access threshold" level and target. In order to offer an incentive for achieving results above target, the incentive curve is fixed in such a way that the incentive opportunity grows faster between the target and the maximum than in the range between the "access threshold" and the target (see graph below). All the objectives envisaged on the LTI scorecard shall apply independently, according to the incentive curve shown below. Therefore, according to the performance achieved, each objective will go towards calculating the total payout, on the basis of the weighting shown on the scorecard.

Example curve if all objectives are achieved at minimum, target and maximum level by the Executive Vice Chairman and CEO and the Deputy-CEO.



For the TSR and cumulative Group Net Cash Flow (before dividends) objectives, for results falling between the "access threshold" and the target, or between the target and the maximum, performance will be calculated by linear interpolation.

For the sustainability objectives, except for the CO₂ emissions indicator, which will be assessed as described above, performance will be calculated in three steps: "access threshold", target and maximum, without considering intermediate performances.

Within the scope of the 2023-2025 LTI Plan, depending on the level of performance achieved, the Executive Vice Chairman and Chief Executive Officer will be recognised an annually based bonus opportunity of 70% of fixed remuneration for on-target performance, 52.5% of fixed remuneration if the "access threshold" performance is achieved (75% of the on-target bonus), and 200% of the fixed remuneration (cap) in the case of maximum performance.

Within the scope of the 2023-2025 LTI Plan, depending on the level of performance achieved, the Deputy-CEO will be granted an annual bonus opportunity of 60% of fixed remuneration for on-target performance, 45% of fixed remuneration if the "access threshold" performance is achieved (75% of the on-target bonus), and 160% of the fixed remuneration (cap) in the event of maximum performance.

In the event of termination of office, the LTI Bonus is paid on a *pro-quota* basis.

OFFICE TERMINATION PAYMENT AND NON-MONETARY BENEFITS

In addition, the Board of Directors has made the following provision for Directors holding specific offices to whom specific duties have also been assigned, in the event that said duties are not related to their executive employment relationship (on the date of this Report, the Executive Vice Chairman and Chief Executive Officer Marco Tronchetti Provera and the Deputy-CEO Giorgio Luca Bruno), as guaranteed by the law and/or national collective employment agreement for the Group's Italian executives:

- an Office Termination Payment (TFM) pursuant to Art. 17, subsection 1, letter c) of the TUIR (Italian consolidated law on income tax) no. 917/1986, with similar characteristics to those typical of Severance Indemnity Payment (TFR) pursuant to Art. 2120 of the Italian Civil Code, comprising:
 - a) an amount equal to the amount that would be due as manager by way of TFR; the basis for calculation consists of the gross annual fixed compensation received for the specific role held in the Company;
 - b) an amount equal to the contributions paid by the employer that would be due to social security and welfare institutes or funds in the event of a contract of employment as manager *ex lege* and/or National Collective Bargaining Agreement for the Italian Managers of the Group with the same degree of seniority of employment; the basis for calculation consists of the gross annual fixed compensation received for the specific role held in the Company, in addition to any other payments due by way of medium/long-term annual variable component.

TFM, including the relevant value adjustment of such amounts, will be due as a lump sum to the beneficiary at the end of each mandate or, in the event of premature death, their assignees;
- a compensation allowance for death from any cause and permanent invalidity following illness as well as a compensation allowance for death from any cause and permanent invalidity following accidents, the terms, limits and conditions of which are in line with what was guaranteed for the previous mandate for the Executive Vice Chairman and CEO and with Pirelli policies for executives for the Deputy-CEO;
- further benefits typical of the role and currently paid within the Group to General Managers, KMs and Executives (e.g. company car).

5. GENERAL MANAGERS AND KEY MANAGERS

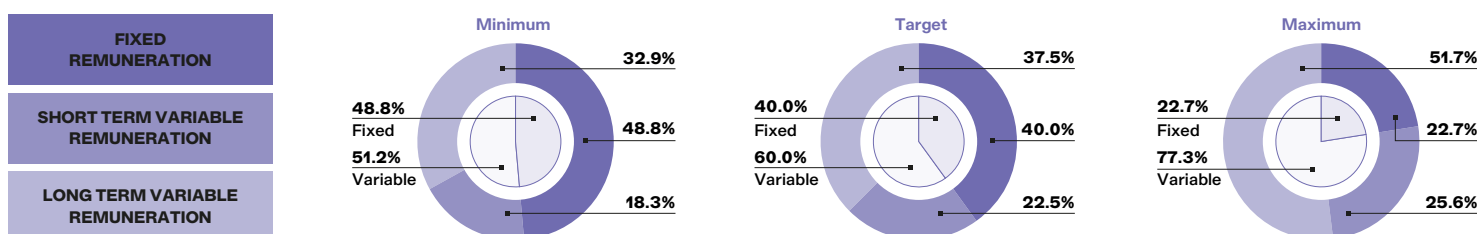
The remuneration of the General Managers (at the date of the Report the General Manager Operations is Andrea Casaluci) and the KMs has the following elements:

With regard to the incidence of the various components, the structure of the compensation package of the General

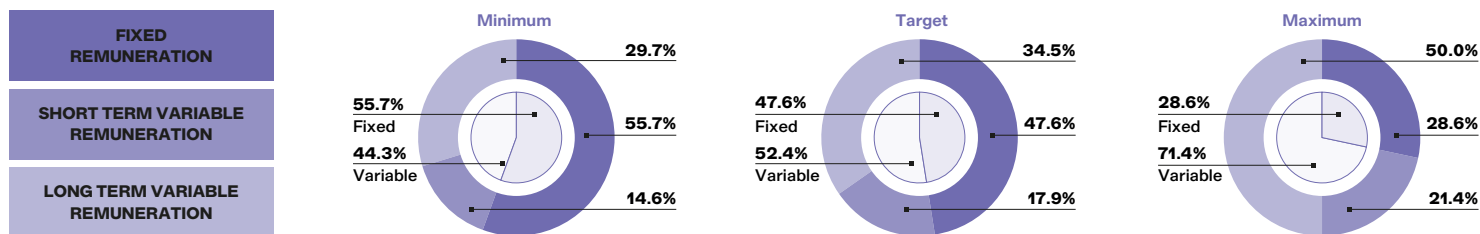
Gross Annual Remuneration (GAR) determined according to the responsibility assigned and the skills required by the role held	FIXED REMUNERATION
Annual incentive plan (STI)	SHORT TERM VARIABLE REMUNERATION
Deferral/STI matching Medium-long term incentive plan (LTI)	LONG TERM VARIABLE REMUNERATION
Patto di non concorrenza Benefit tipici riconosciuti per contratto/prassi aziendale	OTHER COMPONENTS

Manager Operations and KMs in the event of achievement of the minimum, target and maximum STI 2023 and LTI 2023-2025 targets is shown below.

PAY MIX - GENERAL MANAGER OPERATIONS (IN THE EVENT OF DEFERRAL OF 25% OF THE STI ACCRUED)



PAY MIX - KEY MANAGERS
(IN THE EVENT OF DEFERRAL OF 25% OF THE STI ACCRUED)



The analysis of the remuneration of the General Manager Operations and the KMs, reviewed once a year and disclosed in the Compensation Report, is carried out with the help of an independent company specialised in executive compensation (Korn Ferry). The method used is “Job Grading”, which compares the roles on the basis of three different components (know-how, problem solving and accountability), whereby the weighting of each role is determined within the organisation.

The market benchmark used to verify the competitiveness of the related remuneration includes more than 400 listed European companies selected by Korn Ferry, included on the FTSE500 list - which includes the 500 highest cap European companies.

In the case of hiring a new General Manager, in addition to the company mentioned above, Pirelli may also use the services of other leading companies specialised in executive compensation with the relative methodology and comparison market in view of the complexity and specific nature of the role, after obtaining the agreement of the Remuneration Committee.

FIXED REMUNERATION OF THE GENERAL MANAGERS AND KMS

The fixed remuneration of the General Managers is determined at the time of appointment by the Board of Directors, based on an opinion provided by the Remuneration Committee, in line with the Policy.

The fixed remuneration of KMs is determined by top management, also in accordance with the Policy, assessed by the Remuneration Committee.

If a new General Manager or a new KM is appointed, the Remuneration Committee determines the grade and benchmark of reference based on their role and responsibilities, with the support of selected external partners.

For a new General Manager, the Policy allows a fixed remuneration not exceeding 85% of that of the Executive Vice Chairman and Chief Executive Officer and an Annual Total Direct Compensation on-Target which, taking into account the annual and medium-long term incentive percentages, does not exceed 80% of the Annual Total Direct Compensation on-Target of the Executive Vice President and Chief Executive Officer or of the Chief Executive Officer, if appointed.

If KMs are hired, the Policy allows a fixed remuneration not exceeding that of the General Manager Operations and an Annual Total Direct Compensation on-Target not exceeding +20% of the market benchmark (third quartile).

The proposed revisions of the fixed remuneration are carried out with reference to the purpose of the Policy to attract, retain and motivate key resources to achieve the company's objectives. Subject to the above, a review that, considering the annual and medium/long-term incentive percentages, determines an Annual Total Direct Compensation on target equal to at most + 10% of the market benchmark (third quartile), is compliant with the Policy. Otherwise, in the event of non-compliance, the Procedure for Transactions with Related Parties is applicable.

ANNUAL VARIABLE COMPONENT (STI)

The General Managers and KMs are beneficiaries of the STI plan defined according to the same targets as those set for the Directors holding specific offices to whom specific duties are also delegated.

On the basis of the performance level achieved, the following shall be paid:

- an incentive of 50% of the GAR for the General Manager Operations and an incentive of 35% of the GAR for KMs if the minimum performance level is achieved;
- an incentive of 75% of the GAR for the General Manager Operations and an incentive of 50% of the GAR for

KMs if the on-target performance is achieved;

- an incentive of 150% of the GAR for the General Manager Operations and an incentive of 100% of the GAR for KMs if the maximum performance is achieved (double the on-target incentive).

If a new General Manager is hired, the Remuneration Committee, bearing in mind the purpose of the Policy, which is to attract key resources for the achievement of corporate objectives, may set incentive percentages higher than those indicated above, provided that they are not higher than those of the Executive Vice Chairman and Chief Executive Officer or the Chief Executive Officer, if appointed. In such case the Related-Party Transactions Procedure applies.

For General Managers and KMs a percentage of the STI accrued, from a minimum of 25% to a maximum of 50%, is deferred at the end of the three-year period, as stated in paragraph 2.

MEDIUM-LONG TERM VARIABLE COMPONENT (LTI)

In order to contribute to the Company's strategy, the pursuit of long-term interests and the sustainability of the Company, General Managers and KMs are beneficiaries of medium/long-term incentive plans and, in particular, of the 2021-2023, 2022-2024 and 2023-2025 LTI Plans. The LTI plans have the same structure, mechanism and targets as those set for Directors holding specific offices to whom specific duties are also delegated.

Within the scope of the LTI Plan for the period 2023-2025, on the basis of the performance level achieved, the following is paid:

- an annually based bonus opportunity of 45% of the GAR for the General Manager Operations and 37.5% of the GAR for KMs if the "access threshold" performance level

is achieved (75% of the on-target incentive).

- an annually based bonus opportunity of 60% of the GAR for the General Manager Operations and 50% of the GAR for KMs if the on-target performance is achieved;
- an annually based bonus opportunity of 160% of the GAR for the General Manager Operations and 130% of the GAR for KMs if the maximum performance is achieved.

If a new General Manager is appointed, the Remuneration Committee, bearing in mind the purpose of the Policy, which is to attract key resources for the achievement of corporate objectives, may set incentive percentages higher than those indicated above, provided that they are not higher than those of the Executive Vice Chairman and Chief Executive Officer or the Chief Executive Officer, if appointed. In such case the Related-Party Transactions Procedure applies.

In the event of termination of the employee-employer relationship for any reason before the end of the three-year period, the General Managers and KMs will no longer form part of the LTI plans and no award nor *pro-quota* award will be paid.

NON-MONETARY BENEFITS, CONVENTIONAL SENIORITY AND WELCOME BONUS

Non-monetary elements of remuneration are benefits provided to General Managers and KMs as a result of contractual provisions/company policies or aimed at reinforcing attraction during the recruitment phase (e.g. accommodation and student grants for limited periods of time).

Moreover, if a new General Manager or KM is hired, the Remuneration Committee may establish (i) an agreed seniority recognised on the basis of previous experience in similar roles, (ii) the allocation of a one-off bonus not exceeding 100% of the beneficiary's fixed gross annual remuneration, taking into account the Policy's objective of attracting key resources to achieve the company's objectives.

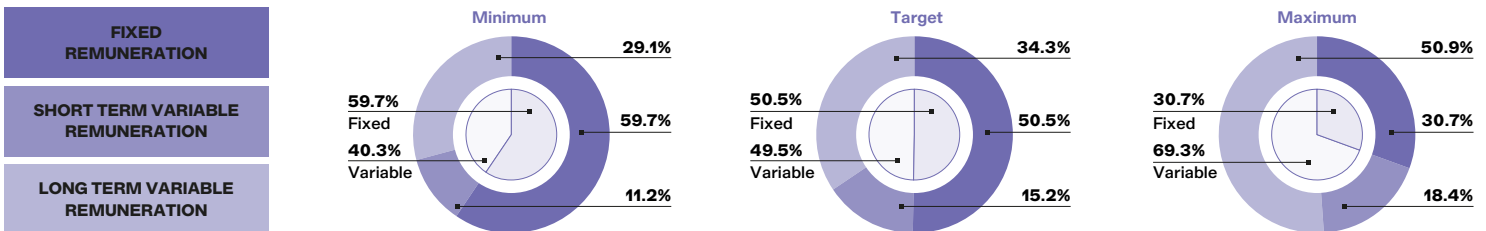
6. SENIOR MANAGERS AND EXECUTIVES

The remuneration of Senior Managers and Executives consists of the following elements:

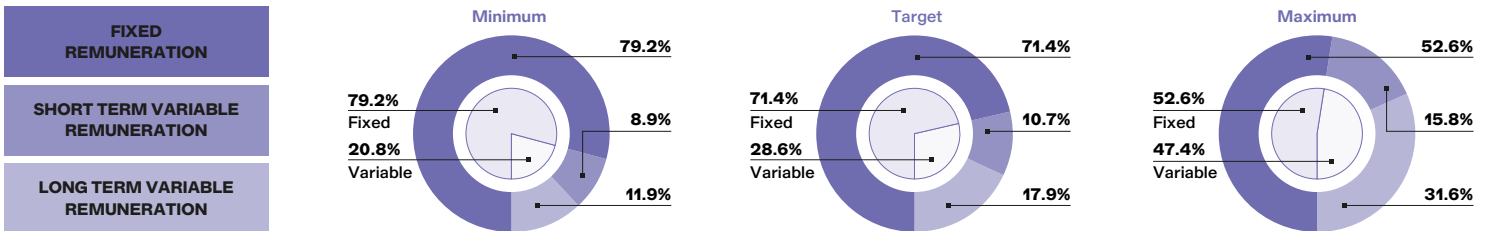
Gross Annual Remuneration (GAR) determined according to the responsibility assigned and the skills required by the role held	FIXED REMUNERATION
Annual incentive plan (STI)	SHORT TERM VARIABLE REMUNERATION
Deferral/STI matching Medium-long term incentive plan (LTI)	LONG TERM VARIABLE REMUNERATION
Non-competition clause (for some Senior Managers) Benefits typically provided in the contract/company practice	OTHER COMPONENTS

The remuneration structure for Senior Managers and Executives (as a whole) with evidence of the incidence of the various parts of their compensation packages, in the event that they achieve the minimum, target and maximum levels of the 2023 STI and 2023-2025 LTI objectives is shown below.

PAY MIX - SENIOR MANAGERS (IN THE EVENT OF DEFERRAL OF 25% OF THE STI ACCRUED)



PAY MIX - EXECUTIVES



Also, the analysis of the remuneration of Senior Managers and Executives is carried out with the help of an independent company specialised in executive compensation (Korn Ferry) with the same methodology as described previously with regard to General Manager Operations and KMs.

For managers of the Internal Audit department, it should be noted that, in line with best practices, the fixed component has a higher incidence than the variable.

ANNUAL VARIABLE COMPONENT (STI)

Senior Managers and Executives are beneficiaries of the STI Plan, defined according to the same structure as for the Executive Vice Chairman and Chief Executive Officer, the General Managers and the KMs.

For the year 2023, the objectives assigned to Senior Managers and Executives are as shown in the table below:

STI TABLE SENIOR/EXECUTIVE HEADQUARTER	TARGET WEIGHT	STI TABLE SENIOR/EXECUTIVE OF REGION/BU	TARGET WEIGHT
Group Net Cash Flow (before dividends)	ON/OFF condition	Group Net Cash Flow (before dividends) / Region Region DSO for Commercial Heads*	ON/OFF condition
Group EBIT Adjusted	25%	KPI with Group scope	From 10% to 35%
Group Net Cash Flow (before dividends)	20%	Region / BU EBIT Adjusted	25%
Target/s functional to the Group scope	40%	Region Net Cash Flow	From 10% to 25%
Sustainability targets**: Eco & Safety Volumes DE&I: Women in Management HSE: Frequency Index	15%	Functional targets	Up to 25%
		Sustainability targets**: Eco & Safety Volumes DE&I: Women in Management HSE: Frequency Index"	15%

* If the ON/OFF NCF Region or DSO condition is not met, the ON/OFF NCF Group condition will apply with a 25% reduction of the payout accrued.

** The Senior Managers and Region Heads all have the sustainability targets, each with a 5% weighting. The other Executives have a single target with a 15% weighting that varies according to their professional sector.

According to the performance level achieved, the Senior Managers and Executives are assigned:

- a bonus ranging between 10% and 25% of the GAR, depending on the position held, if minimum performance is achieved;
- a bonus ranging between 15% and 40% of the GAR, depending on the role held if on-target performance is achieved;
- a bonus ranging between 30% and 80% of the GAR, depending on the position held, if maximum performance is achieved (200% of the on-target bonus).

For selected Senior Managers, as for General Managers and KMs, a percentage of the STI accrued is deferred as stated in paragraph 2.

For the remaining Senior Managers and Executives, 75% of the accrued bonus is paid, and the remaining 25% is deferred for 12 months and subject to achievement of the STI targets for the following year, according to the same mechanism envisaged for the Directors holding specific offices to whom specific duties are also delegated.

MEDIUM-LONG TERM VARIABLE COMPONENT (LTI)

Senior Managers and Executives (with a Korn Ferry grade of 20 or more) are beneficiaries of the medium/long-term incentive plan so as to contribute to the Company's strategy and sustainability, and the pursuit of its long-term interests. The 2021-2023, 2022-2024 and 2023-2025 LTI Plans are defined according to the same structure, mechanisms and objectives as envisaged for the Directors holding specific offices to whom specific duties are also delegated, General Managers and KMs.

Within the scope of the LTI Plan for the period 2023-2025, on the basis of the performance level achieved, Senior Managers and Executives are paid:

- an annually based bonus opportunity ranging between 11.25% and 37.5% of the GAR, depending on the position held if "access threshold" performance is achieved (75% of the on-target bonus);
- an annually based bonus opportunity ranging between 15% and 50% of the GAR, depending on the position held if on-target performance is achieved;
- an annually based bonus opportunity ranging between 40% and 130% of the GAR, depending on the position held if maximum performance is achieved.

In the event of termination of the employee-employer relationship for any reason before the end of the three-year period, the beneficiary will no longer form part of the LTI plan and no award nor *pro-quota* award will be paid.

NON-MONETARY BENEFITS

Non-monetary elements of remuneration are benefits provided to Senior Managers and Executives as a result of contractual provisions/company policies or aimed at reinforcing attraction during the recruitment phase (e.g. accommodation and

student grants for limited periods of time).

7. CLAWBACK CLAUSES

The annual STI and multi-year (LTI) incentive plans for Directors holding specific offices to whom specific duties are also delegated, General Managers and KMs provide *inter alia* for clawback mechanisms.

In particular, without prejudice to the possibility of any other action permitted by the order to protect the interests of the Company, contractual agreements will be signed with the aforementioned persons, enabling Pirelli to claim back (in whole or in part), within three years of the payment thereof, incentives paid to persons who, due to wilful misconduct or gross negligence, are held responsible for (or are accomplices to) the facts, as indicated below, related to economic and financial indicators included in the Annual Financial Report that involve subsequent comparative information adopted as parameters for the determination of the variable awards in the aforementioned incentive plans:

- (i) proven significant errors resulting in non-compliance with the accounting standards applied by Pirelli, or
- (ii) proven fraudulent conduct aimed at obtaining a specific representation of Pirelli's financial and equity situation, economic result, or cash flow.

8. COMPENSATION IN THE EVENT OF RESIGNATION, DISMISSAL OR TERMINATION OF RELATIONS

It is Pirelli Group policy not to enter into with Directors, General Managers, KMs, Senior Managers or Executives agreements regulating economic aspects related to any early termination of relations in retrospect at the initiative of the Company or the individual.

Pirelli aims at agreements to "terminate" relations in a consensual manner. Without prejudice to any legal and/or contractual obligations, agreements to end relations with the Pirelli Group are inspired by the benchmarks in the matter and are within the limits laid down in case law and by the practices in the country in which the agreement was signed.

The company sets its own internal criteria, with which the other Group companies also comply, for managing early termination agreements of relations with executives and/or those of Directors holding specific offices. If an executive director or General Manager should cease to hold office and/or their employment be terminated, the Company will, upon completion of the internal processes that lead to the attribution or award of indemnities and/or other benefits, provide detailed information on the issue, by means of a press release disseminated to the market.

With regard to Directors holding specific offices to whom specific duties are also delegated and who are not bound by executive employment relationships, Pirelli does not pay

compensation or extra bonuses in relation to the end of their mandate. Specific compensation may be paid subject to assessment by the competent corporate bodies, in the following cases:

- termination by the Company for other than just cause;
- termination by the director for just cause, including but not limited to substantial changes to the role or duties attributed and/or cases of a “hostile” takeover bid.

In such cases, the indemnity amounts to 2 years of gross annual salary, *i.e.* the sum of (i) the gross annual base salary for the duties performed in the Group, (ii) the average annual variable remuneration (STI) accrued in the previous three years and (iii) severance pay on the aforementioned amounts.

As regards General Managers and KMs, agreements for consensual termination of employment are submitted to the Remuneration Committee, which assesses their compliance with the Policy and authorises their negotiation by setting the maximum amounts that can be disbursed, including the maintenance of non-monetary benefits for a predetermined period.

The closure amounts are determined with reference to the applicable category national collective bargaining agreements. In particular, as regards General Managers and KMs, reference is made to the contract for Industry managers in Italy and the incentive to take voluntary redundancy is determined with reference to the number of months of notice reimbursable by entities and supplementary indemnity in the event of arbitration, depending on the employee’s length of service in the Group. Below is an explanatory table:

NO. MONTHS		ARBITRATION PANEL	
YEARS OF SENIORITY	NOTICE	MIN	MAX
more than 15 years	12	18	24
up to 15 years	10	12	18
up to 10 years	8	8	12
up to 6 years	6	4	8
up to 2 years	6	4	4

After review, evaluation and approval by the competent Committee, it may also be granted to General Managers and KMs:

- an additional amount by way of general and novative transaction, within the limits of the low thresholds established for related party transactions
- a period of paid leave or equivalent substitute indemnity between the stipulation of the exit agreement and the effective date of termination of employment.

Finally, a consultancy (or collaboration) agreement may be stipulated between General Managers and KMs and a Group company, which is predefined in the term subsequent to termination of the employment contract and subject, in this case too, to the assessment and approval of the competent Committee.

Remuneration due to General Managers and KMs by virtue of positions occupied on the Board of Directors is not included in the calculation of severance pay and is due in the amount determined solely for the period during which the position was held on the Board of Directors.

Finally, as regards the short term incentive (STI) and medium-long term (LTI) incentive system:

- for Directors holding specific offices to whom specific duties are also delegated, in the event of termination of office, the STI Bonus is paid *pro-quota* for the actual months of tenure of the office, in addition to a *pro-quota* payment of the LTI Bonus.
- for General Managers, KMs, Senior Managers and Executives, in the event of termination of their employment contract for whatever reason, a *pro-quota* payment of the STI bonus is made for the actual months of work, subject to a minimum period of 9 months. The LTI bonus will not be paid, not even on a *pro-quota* basis, if the termination takes place before the end of the three-year period.

9. NON-COMPETITION AGREEMENT

The Group enters into non-competition agreements providing for a payment to General Managers, KMs, Senior Managers and Executives¹³⁹ for particularly crucial duties, in proportion to the GAR in relation to the duration and extent of the constraints arising from the agreement itself. The Group also reserves the right, subject to authorisation by the Board of Directors, to enter into non-competition agreements with Directors holding specific offices to whom specific duties are also delegated.

The constraints refer to the market sector in which the Group was operating when the agreement was made and to territorial size. The extent varies according to the role held when the agreement is finalised and may go as far, in certain cases deemed particularly critical, such as in the case of Directors holding specific offices to whom specific duties are also delegated, General Managers and KMs, as to have a geographical extension covering all the main countries in which the Group operates.

The Executive Vice Chairman and Chief Executive Officer is not subject to a non-competition agreement.

Note that the Deputy-CEO is subject to a non-competition agreement to protect the Group's strategic and operational know-how.

In the case of Directors holding specific offices to whom specific duties are also delegated, General Managers and KMs, the non-competition agreement provides for the following characteristics:

- the list of competitors: companies operating in the tyre sector and, according to the role held, identification of more specific clusters;
- geography: all the main countries in which the Pirelli Group operates;
- the duration of the non-competition agreement: 24 months from when the contract of employment ends;
- the fee: from a minimum of 30% to a maximum of 80% of the GAR on the basis of the role held, the technical skills, the specialised know-how and the reason for leaving for each year of the duration of the clause following a potential redundancy, less any portion disbursed during the contract of employment, amounting to between 10% and 15% of the GAR per year of validity of the agreement (usually 5 years). When hiring a new General Manager, the consideration for the non-competition agreement may be determined as a percentage also above 80% of the GAR and in any case not above 100% and, in this case, the annual payment during employment may be a maximum of 20% of the GAR.

¹³⁹ In particular, it refers to critical know-how in terms of technical skills in research and development and manufacturing as well as in the commercial field.

10. EXCEPTIONS TO THE REMUNERATION POLICY

In compliance with Art. 123-ter of the TUF and Art. 84-*quater* of the Issuers' Regulation, the Company may adopt any decisions that temporarily make an exception to the Policy.

With reference to parties for whom the Board of Directors defines remuneration in accordance with the Policy, in the presence of exceptional circumstances, it is possible to make a temporary exception to the fixed or variable remuneration criteria indicated in the Policy or the structure of non-competition agreements and the attribution of non-monetary benefits.

Exceptional circumstances are situations in which an exception to the Policy is necessary for the purposes of pursuing the long-term interests and sustainability of the Company as a whole or to ensure its ability to stay on the market, such as, for example (i) the need to replace, due to unforeseen events, the Chief Executive Officer, General Managers or KMs and to negotiate a remuneration package quickly, without limits to the possibility of attracting managers with the most suitable professional skills to manage the business and to ensure that the same levels of sustainable success and market positioning are at least maintained; (ii) significant changes in the scope of the company's business during the term of the policy, such as the sale of a company/business unit or acquisition of a significant business.

The Remuneration Committee assesses the existence of exceptional circumstances that allow for a derogation from the Policy. In exceptional circumstances, derogations to the Policy are approved in compliance with the procedures adopted by the Company for related party transactions, in implementation of the applicable current Consob regulation *pro-tempore*.

The Company provides information about any derogations to the Policy applied in exceptional circumstances, in accordance with the terms and conditions of current provisions of law and regulations *pro-tempore*.

11. OTHER INFORMATION

Pursuant to Scheme 7-bis of Annex 3A of the Issuers' Regulations, introduced by Consob resolution no. 18049 of 23 December 2011 and amended thereafter by resolution no. 21623 of 10 December 2020, it should be noted that:

- Pirelli has no shareholder incentive plans in place;
- in defining the 2023 Policy, Pirelli has not used the specific remuneration policies of other companies as a benchmark. The Policy has been prepared on the basis of Scheme no. 7-bis adopted by Consob and in force as at the date on which the Policy was approved. This scheme establishes that the section of the Report provided for by Art. 123-ter with reference to members of the governing bodies, General Managers and KMs, shall contain at least the information set out in the scheme referred to above.

ANNEX 1 - GLOSSARY

Directors: members of the Board of Directors of Pirelli & C.

Directors holding specific offices: the Directors of Pirelli & C. holding the office of Chairman, Executive Vice Chairman, Executive Vice Chairman and Chief Executive Officer, Deputy-CEO and Chief Executive Officer. The Directors holding special offices in other Group companies, who are also managers, are, for the purpose of the Policy, *Executives* or *Senior Managers*, depending on the role held and, unless otherwise resolved by the Board of Directors of Pirelli & C. which classifies them as KMs.

Directors with no specific offices: are the Directors of Pirelli & C. other than those holding special offices. Directors not holding special offices in other Group companies, who are also managers, are, for the purpose of the Policy, *Executives* or *Senior Managers*, depending on the role held and unless otherwise resolved by the Board of Directors of Pirelli & C., which classifies them as KMs.

Directors holding specific offices to whom specific duties are also delegated: the Directors of Pirelli & C. holding the office of Executive Vice Chairman and Chief Executive Officer, Executive Vice Chairman (if appointed), Deputy-CEO and Chief Executive Officer (if appointed).

Annual Total Direct Compensation on Target: means the sum total of the following components, regardless of whether they were disbursed by Pirelli & C. or by another Group company:

- (i) gross annual base salary of the remuneration;
- (ii) annual variable short-term incentive (STI), if target objectives are achieved;
- (iii) medium-long term variable component consisting of:
 - a. annual value of the long-term incentive (LTI) plan if multi-year target objectives are achieved;
 - b. *pro-quota* value of the STI accrued and deferred, to be paid if the underlying conditions are met;
 - c. an additional value of an equal or higher amount in respect of the *pro-quota* of the STI accrued and deferred, to be paid if the underlying conditions are met.

Shareholders' Meeting: means the meeting of the shareholders of Pirelli & C..

Remuneration Committee: the Remuneration Committee of Pirelli & C..

Board of Directors: indicates the Board of Directors of Pirelli & C..

General Manager(s): the persons chosen by the Pirelli & C. Board of Directors to be assigned extensive powers of business segment management. The subjects holding the office of General Manager in other Group companies are, for

the purpose of the Policy, Executives or Senior Managers, depending on the role held and unless otherwise resolved by the Board of Directors of Pirelli & C., which classifies them as KMs.

KMs: executives, chosen by the Pirelli & C. Board of Directors in accordance with the procedure confirmed and adopted by Board resolution passed on 22 June 2020, having the power or responsibility for planning, directing and controlling the Company's activities or the power to make decisions that can impact its evolution or future prospects and, more generally, those of Pirelli. In accordance with the procedure, in any case all employees holding the following positions must be classified as KMs: (i) General Manager; (ii) Executive Vice President; (iii) Manager responsible for the preparation of financial and corporate documents; (iv) Company Secretary.

Executives: managers of the Italian companies or employees of the Group's foreign companies with a position or role that is comparable to that of an Italian manager.

The **Pirelli Group** or **Pirelli** or the **Group:** means all the companies included in the Pirelli & C. consolidation scope.

Management: means all Directors holding specific offices, General Managers, KMs, Senior Managers and Executives.

2020-2022 LTI Plan: means the Long-Term Incentive plan relating to the three-year period 2020-2022 supporting achievement of the objectives set by the 2020-2022 Strategic Plan approved by the Board of Directors' meeting of 19 February 2020 and, subsequently, by the Shareholders' Meeting held on 18 June 2020, as subsequently amended by the Board of Directors' meeting of 31 March 2021 (amendment approved by the Shareholders' Meeting of June 15, 2021) and amended by the Board of Directors' meeting of March 17, 2022 (amendment approved by the Shareholders' Meeting of June 18, 2022).

2021-2023 LTI Plan: means the Long-Term Incentive plan for the three-year period 2021-2023 approved by the Board of Directors' meeting of 31 March 2021 and, subsequently, by the Shareholders' Meeting held on 15 June 2021, in support of the achievement of the new objectives set by the 2021-2022/2025 Strategic Plan, as subsequently amended by the Board of Directors' meeting of March 17, 2022 (amendment approved by the Shareholders' Meeting of June 18, 2022).

2022-2024 LTI Plan: means the Long-Term Incentive plan relating to the three-year period 2022-2024, approved by the Board of Directors' meeting of 17 March 2022 and, subsequently, by the Shareholders' Meeting held on 18 May 2022, to support the achievement of the objectives set by the 2021-2022/2025 Strategic Plan.

2023-2025 LTI Plan: means the Long-Term Incentive plan relating to the three-year period 2023-2025, approved by

the Board of Directors' meeting of April 5, 2023, to support the achievement of the objectives set by the 2023-2025 Strategic Plan.

2021-2022/2025 Strategic Plan: means the business plan approved by the Pirelli & C. Board of Directors on 31 March 2021.

2023-2025 Strategic Plan: the business plan approved by the Board of Directors of Pirelli & C. by the first half of 2023.

GAR: means the gross annual base remuneration of the compensation for those employed by a Pirelli Group company.

Senior Managers: means the persons to whom the following shall first report, except where they are KMs (i) Directors holding special offices to whom specific duties have been attributed; (ii) General Managers, where the work of the Senior Manager significantly impacts business results.

Statutory Auditors: members of the Board of Statutory Auditors of Pirelli & C.

The **Company** or **Pirelli & C.:** means Pirelli & C. S.p.A.

STI: means the annual variable component of remuneration that can be achieved if the predefined corporate objectives are achieved, as more fully described in paragraphs 2, 4, 5 and 6.

Top Management: means all Directors with specific responsibilities, General Managers and KMs.

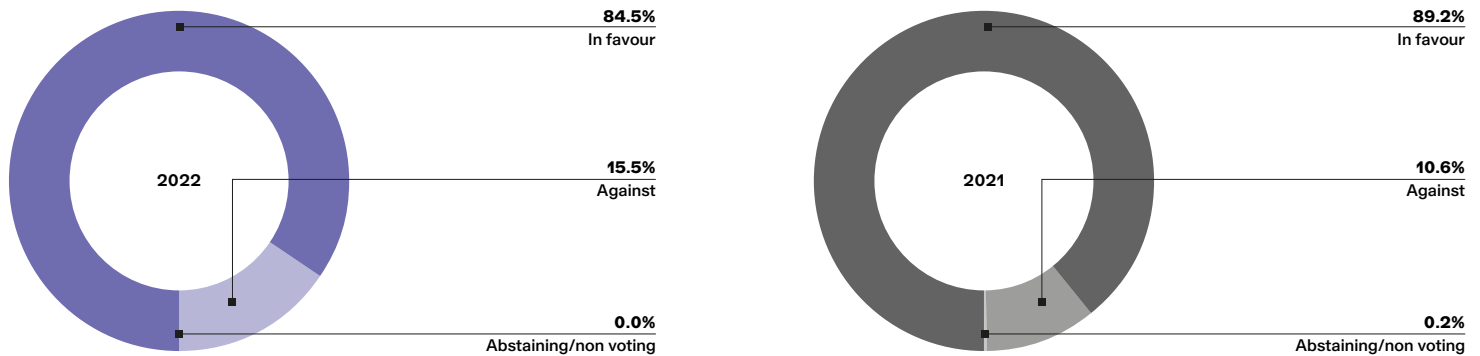
REPORT ON COMPENSATION PAID IN 2022

I. ILLUSTRATION OF REMUNERATION COMPONENTS

The Report on Compensation Paid sets out the Policy implemented by the Pirelli Group during the 2022 financial year with regard to remuneration and provides information on the final remuneration of the various categories of people concerned, without prejudice to the transparency obligations contained by other applicable legal or regulatory provisions, highlighting its compliance with the Policy on remuneration approved the previous year ("**2022 Policy**").

The subject appointed to carry out the external audit of the financial statements verifies that the Directors have prepared the Report on Compensation paid. The Shareholders' Meeting deliberates on the second section of the Report with an advisory vote.

In implementing the 2022 Policy, the Company took into account the vote cast by the Shareholders' Meeting held on 18 May 2022, which voted in favour of the Report on Compensation Paid in 2021. The chart below shows the result of the advisory vote in 2022 on the compensation paid in 2021 and in 2021 on the compensation paid in 2020.



1.1. TOTAL REMUNERATION

FIXED REMUNERATION The remuneration of the Directors not holding special offices for 2022 includes the remuneration for the office and additional remuneration for participation in the board Committees, as resolved by the Board of Directors on 22 June 2020.

Chairman Ning Gaoning, who resigned from his post on 8 October 2022, was paid remuneration *pro-quota* for his main office of 308,767 euros gross and, again *pro-quota*, the remuneration for the office of Director and his participation in the Strategies Committee, determined by the Board of Directors on 22 June 2020¹⁴⁰.

Chairman Li Fanrong, co-opted by the Board of Directors on 11 October 2022 to replace Ning Gaoning, and who will remain in office until the next Shareholders' Meeting to be convened, has stated his intention not to receive any remuneration from the Company for the offices held. Consequently, the Board of Directors resolved not to allocate any remuneration envisaged by the 2022 Remuneration Policy for the offices held by the Chairman Li Fanrong.

The Executive Vice Chairman and Chief Executive Officer was paid the gross annual fixed component for his main office of 2,400,000 euros and remuneration for the office of Director, Chairman of the Strategies Committee and Chairman of the Appointments and Succession Committee as resolved by the Board of Directors on 22 June 2020.

The remuneration paid to the Deputy-CEO for the year 2022 includes the gross annual fixed component for the main office, of 1,100,000 euros, determined by the Board of Directors on 15 June 2021, and the remuneration for the office of Director and member of the Strategies Committee as resolved by the Board on 22 June 2020.

The General Manager Operations was paid gross annual remuneration of 750,000 euros, in line with the resolution of the Board of Directors, after consulting the Remuneration Committee.

The KMs received gross annual remuneration, in line with that determined by the Executive Vice Chairman and Chief Executive Officer, amounting to an aggregate amount of 2,681,635 euros¹⁴¹.

The Statutory Auditors appointed by the Shareholders' Meeting of 15 June 2021 were paid a remuneration of 90,000 euros for the Chairman and 75,000 for the Standing Auditors. The Statutory Auditor appointed to the Supervisory Body also received gross annual remuneration of 40,000 euros, established by the Board of Directors on 22 June 2020.

The fixed remuneration amounts are shown in the respective columns of Table 1.

For further details, see paragraphs 3, 4 and 5 of the 2022 Policy.

¹⁴⁰ Remuneration transferred to employer company.
¹⁴¹ As of 31 December 2022, in addition to the General Manager Operations, 7 KMs were in office. The aggregate amount of remuneration shown includes, *pro-rata temporis*, the remuneration received by 2 KMs qualified as such as of 23 February (Pierangelo Misani) and 14 November 2022 (Antonio Paccioretti) respectively.

VARIABLE REMUNERATION Management remuneration obtained in 2022 contributed to the sustainability of the Company's long-term results thanks to the variable components (both short and medium-long term) represented by the STI plan, including the company deferral/matching mechanism and the 2020-2022 LTI Plan.

ANNUAL VARIABLE REMUNERATION STI With reference to the 2022 STI Plan, the table below summarises the final figures of the performance targets for the year in relation to the targets set.

Group Net Cash Flow (before dividends)	<p>516 euro/mln ON Access condition</p>	ON/OFF condition
WEIGHT		
Group EBIT Adj.	<p>978 euro/mln 917 Target 890 Minimum (-2.9%) 970 Maximum (+5.8%)</p>	35%
Group Net Cash Flow (before dividends)	<p>516 euro/mln 465 Target 450 Minimum (-3.2%) 495 Maximum (+6.5%)</p>	30%
Group Net Result	<p>443.2 euro/mln 427 Target 407 Minimum (-4.7%) 467 Maximum (+9.4%)</p>	20%
Eco & Safety Rev.	<p>66.9% 64.5% Target 63.5% Minimum (-1pp) 66.5% Maximum (+2pp)</p>	10%
Diversity and Inclusion Women Hirings*	<p>36.5% 36% Target 35% Minimum (-1pp) 38% Maximum (+2pp)</p>	5%

* Represents the percentage of female hires out of total hires during the year for the white collar population.

It should be noted that at the meeting held on 22 February 2023, on a proposal from the Remuneration Committee and taking into account the favourable opinion of the Board of Statutory Auditors, the Board of Directors agreed to adjust the Net Result objective alone to an extent that is less than proportional to the negative effects generated by factors deriving from the escalation of the Russian-Ukrainian crisis.

The above took place applying the criteria for adjusting only the quantification of the objectives included in the 2022 STI Plan, approved *ex ante* by the Board of Directors and included in the 2022 Policy, to protect the objectives of the plans themselves and in order to ensure alignment between corporate objectives and the objectives underlying the incentive systems.

In light of the results achieved, the payout percentage accrued by each beneficiary in respect of the 2022 STI plan stands at the values shown in the table below.

% ACHIEVED ON FIXED COMPONENT			
Executive Vice Chairman and CEO	Minimum	80%	230%
	Target	125%	
	Maximum	250%	
Deputy-CEO	Minimum	65%	184%
	Target	100%	
	Maximum	200%	
General Manager Operations	Minimum	50%	138%
	Target	75%	
	Maximum	150%	
KM	Minimum	35%	92%
	Target	50%	
	Maximum	100%	

Note that the amounts accrued under the 2022 STI shall be paid in accordance with the following procedures and mechanisms, in accordance with the 2022 Policy:

- the Executive Vice Chairman and Chief Executive Officer and the Deputy-CEO shall be paid 75% of the accrued incentive upfront while payment of the remaining 25% shall be deferred for 12 months and assigned for risk/opportunity as it is subject to achievement of the 2023 STI targets as defined in the 2023 Policy. For this reason, neither the deferral quota nor any company matching are shown in the “Bonuses and other incentives” column of Table 1. Also note that, in accordance with the 2021 Remuneration Policy and based on the level of achievement of the 2022 STI results, the 2021 STI portions that had been deferred together with the company matching component (both components shown in the “Bonuses and other incentives” column of Table 1) are also disbursed;
- the General Manager Operations and the KMs are instead subject to the co-investment mechanism as defined in the 2022 Policy, which provides for the deferral of a portion of the accrued incentive that can vary from a minimum of 25% to a maximum of 50%, depending on the individual choice. This deferred portion will be paid in 2026 subject to continued employment up to 31 December 2025, together with a company matching component that can vary from a minimum of 1 to a maximum of 1.5 times the deferred amount. Since the amount of the deferred portion and the company matching are already determined as they are not subject to further performance conditions, both components are shown in the “Bonuses and other incentives” column of Table 1.

For further details, see paragraphs 2, 4 and 5 of the 2022 Policy and paragraphs 2 and 4 of the 2021 Policy.

MEDIUM-LONG TERM VARIABLE REMUNERATION (LTI) With reference to the 2020-2022 LTI Plan, the table below summarises the final figures of the performance targets for the three-year period in relation to the targets set. Note that the Plan did not provide for an ON/OFF condition.

		WEIGHT
Relative TSR	<p>-4.0%</p> <p>-5% Minimum - Target 10% Maximum</p>	40%
Group Net Cash Flow (before dividends)	<p>1,196 euro/mln</p> <p>910 Minimum (-5%) 960 Target 1,040 Maximum (+8%)</p>	40%
Dow Jones Index	<p>3 YEARS MAX</p> <p>5-10% Minimum 1-5% Target Top Cluster Maximum</p>	10%
CDP Ranking	<p>3 YEARS MAX</p> <p>B Minimum A- Target A Maximum</p>	10%

In light of the results achieved, the payout percentage accrued by each beneficiary in respect of the 2020-2022 LTI plan stands at the values shown in the table below.

% ACHIEVED ON FIXED COMPONENT			
Executive Vice Chairman and CEO	Minimum	157,5%	427%
	Target	210%	
	Maximum	600%	
Deputy-CEO ⁽¹⁾	Minimum	135%	230%
	Target	180%	
	Maximum	480%	
General Manager Operations	Minimum	135%	346%
	Target	180%	
	Maximum	480%	
KM ⁽¹⁾	Minimum	112,5%	267%
	Target	150%	
	Maximum	390%	

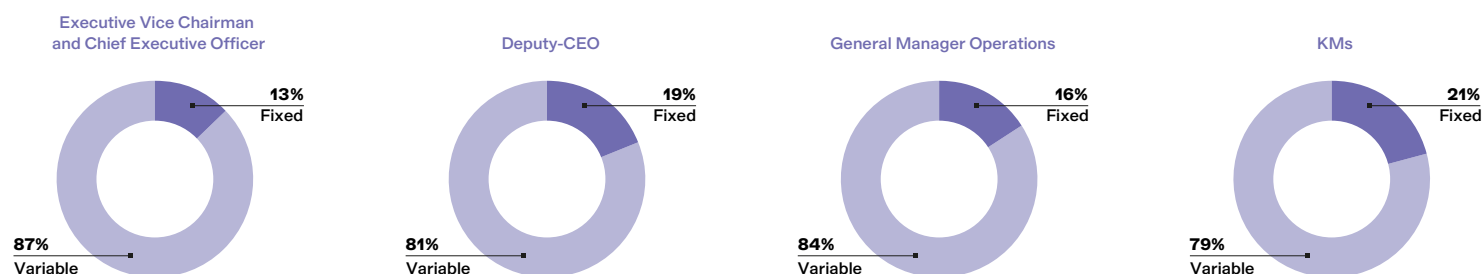
⁽¹⁾ It should be noted that the Deputy-CEO and 1 KM participate in the 2020-2022 LTI Plan *pro rata temporis* for the years 2021 and 2022 only.

Note that for the 2020-2022 LTI plan, the Board of Directors did not apply any of the criteria for adjusting the final balance of the plan's objectives, as the conditions were not met. Also note that these criteria had been approved ex ante by the Board of Directors at its meeting held on 17 March 2022 in order to take into account any negative impacts caused by the worsening of the reference geopolitical and macroeconomic scenario.

Note furthermore that, for the TSR objective, according to the resolution of the Shareholders' Meeting held on 15 June 2021, on the basis of a proposal from the Remuneration Committee and taking into account the favourable opinion of the Board of Statutory Auditors, the Board of Directors approved the methodology identified by the Company (the suitability of which has been validated by an independent expert) to normalise the effects of the acquisition of Cooper by Goodyear (a company included in the reference panel for the TSR target) which took place at the beginning of 2021.

Note that the amounts accrued over three years under the 2020-2022 LTI plan are disbursed in a single payment in accordance with the 2020 Policy.

The aforementioned amounts for the STI and LTI plans are shown under the respective items of Tables 1 and 2. Finally, the following graph shows the proportion of fixed and variable remuneration¹⁴² achieved in relation to the 2022 results for STI and of 2020-2022 results for LTI for top management figures.



OTHER REMUNERATION It should be noted that for the Deputy-CEO, the General Manager Operations, KMs and more generally other selected Senior Managers and Executives, Pirelli has introduced non-competition agreements to protect the Group's strategic and operational know-how.

On the other hand, it should be noted that the Executive Vice Chairman and Chief Executive Officer is not subject to a non-competition agreement.

¹⁴² Corresponding for the fixed part to the items represented in the "Fixed remuneration" and "Remuneration for participation in committees" columns and for the variable part in the "Bonuses and other incentives" column of Table 1.

For further details, see paragraph 9 of the 2022 Policy and Table 1 for further details of the other remuneration.

1.2. INDEMNITY IN THE EVENT OF TERMINATION OF OFFICE AND/OR TERMINATION OF EMPLOYMENT DURING THE YEAR 2022

In 2022 there were no cases of termination of office of directors or members of the Board of Statutory Auditors and/or termination of employment of General Managers or KMs leading to the allocation of indemnities and/or other benefits.

1.3. EXCEPTIONS TO THE 2022 POLICY

It should be noted that there were no exceptions to the 2022 Policy for Directors (including Directors holding specific

offices), General Managers, KMs and members of the Board of Statutory Auditors.

1.4. CLAWBACK CLAUSES

It should also be noted that during the year the conditions for the application of the mechanisms for *ex post* repayment of the variable component (clawback clause) envisaged by the STI annual and LTI multi-year incentive plans did not occur.

1.5. COMPARISON INFORMATION

Below is a summary of the comparative information for the last four years: (i) remuneration of each of the individuals for whom the information in this section of the report is provided by name, (ii) the Company's results, (iii) the average remuneration of the employees of Pirelli & C. S.p.A.

ANNUAL VARIATION IN REMUNERATION AND PERFORMANCE

Values in €		2022	2022 VS 2021	2021 VS 2020	2020 VS 2019	2019 VS 2018	2018 VS 2017
Executive Vice Chairman and Chief Executive Officer		<i>Actual Total Cash</i> ⁽¹⁾	<i>Change</i>				
Marco Tronchetti Provera		19,966,260	167%	234%	-47%	-11%	-
Deputy-CEO		<i>Actual Total Cash</i> ⁽¹⁾	<i>Change</i>				
Giorgio Luca Bruno ⁽²⁾		6,350,535	176%	-	-	-	-
General Manager Operations		<i>Actual Total Cash</i> ⁽¹⁾	<i>Change</i>				
Andrea Casaluci		4,721,343	69%	292%	-33%	23%	-

Board of Directors Name	Office	<i>Actual Total Cash</i> ⁽¹⁾	<i>Change</i>				
Ning Gaoning ⁽³⁾	Chairman (outgoing)	405,258	-23%	20%	-11%	148%	-
Li Fanrong ⁽⁴⁾	Chairman	0	-	-	-	-	-
Yang Xingqiang	Director	34,305	-64%	20%	-12%	0%	-
Bai Xinping	Director	155,000	0%	20%	-11%	0%	-
Tao Haisu	Director	100,000	0%	22%	-9%	0%	-
Haitao Zhang	Director	95,000	0%	100%	-	-	-
Paola Boromei	Director	95,000	0%	100%	-	-	-
Domenico De Sole	Director	145,000	0%	19%	-19%	0%	-
Roberto Diacetti	Director	95,000	0%	100%	-	-	-
Giovanni Lo Storto	Director	175,000	0%	38%	15%	58%	-
Marisa Pappalardo	Director	200,000	0%	58%	27%	0%	-
Giovanni Tronchetti Provera	Director	886,376	69%	92%	3%	23%	-
Fan Xiaohua	Director	130,000	0%	34%	8%	0%	-
Wei Yin Tao	Director	95,000	0%	20%	-12%	0%	-
Yang Shihao	Director	60,695	-	-	-	-	-

Board of Directors Name	Office	<i>Actual Total Cash</i> ⁽¹⁾	<i>Change</i>				
Riccardo Foglia Taverna	Chairman	90,000	85%	-	-	-	-
Antonella Carù	Standing auditor	115,000	6%	8%	0%	3%	-
Alberto Villani	Standing auditor	75,000	18%	27%	0%	0%	-
Francesca Meneghel	Standing auditor	75,000	85%	-	-	-	-
Teresa Naddeo	Standing auditor	75,000	85%	-	-	-	-

Results	<i>Actual Result</i>	<i>Change</i>				
Relative TSR ⁽⁵⁾	-	8.3 p.p.	2.3 p.p.	-12.1 p.p.	-8.3 p.p.	8,4%
Group Adjusted EBIT (mln euros)	978	20%	62.8%	-45.4%	-4.0%	9,0%

Average remuneration of employees	<i>Actual Total Cash</i> ⁽¹⁾	<i>Change</i>				
Employees of Pirelli & C. S.p.A. active at 31/12	151,836	40%	38.6%	-11%	-3%	-29,2%

⁽¹⁾ Corresponds to the sum of "Fixed remuneration", "Fees for participation in committees" and "Bonuses and other incentives" of Table 1

⁽²⁾ Appointed as of 15 June 2021

⁽³⁾ Appointed Chairman in 2018

⁽⁴⁾ Co-opted on 11 October 2022

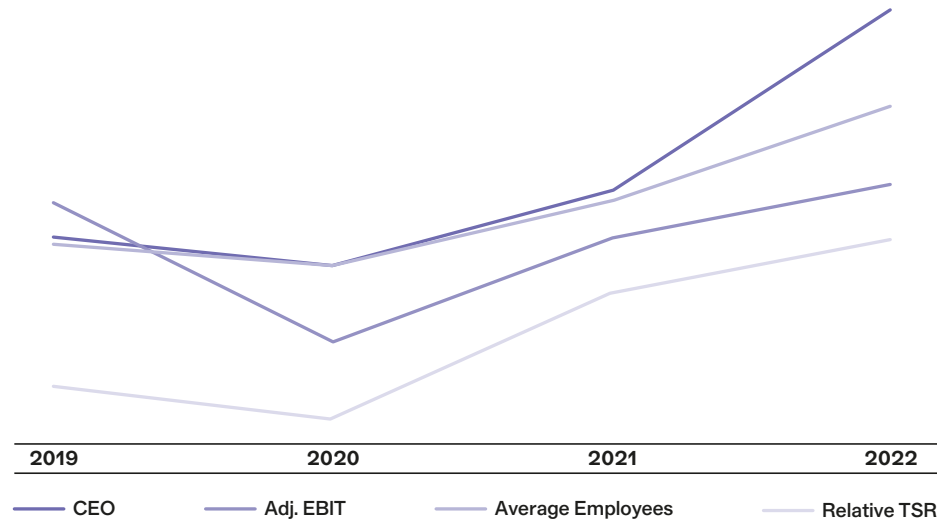
⁽⁵⁾ Calculated as [(average share value 2nd half year n - average share value 2nd half year n-1 + dividends paid in year n) / average share value 2nd half year n-1].

The percentages indicated represent, for each year, the difference in percentage points between Pirelli's TSR and the peers' average: Nokian, Michelin, Continental, Goodyear and Bridgestone.

Goodyear's TSR was normalised following the acquisition of Cooper.

The values for previous years have been aligned with the above formula.

The graph below shows the changes to the Executive Vice Chairman and Chief Executive Officer remuneration, to the average remuneration of Pirelli & C. S.p.A employees and the Group's Relative TSR and Adjusted EBIT performance. Please note that the values are not represented in scale.



2. THE “TABLE”: REMUNERATION PAID TO MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES, GENERAL MANAGERS AND KEY MANAGERS.

The following tables set out:

- by name, the remuneration paid to Directors, Statutory Auditors and General Managers;
- in aggregate form, that of KMs¹⁴³. As of 31 December 2022, in addition to the General Manager Operations (Andrea Casaluci), 7 KMs were in office.

Remuneration is reported on an accruals basis and the notes to the tables indicate the office for which the remuneration is received (for example, where a director is a member of more than one Board Committee) and the company Pirelli & C. S.p.A. or subsidiary and/or investee company thereof paying it (not for remuneration waived or transferred to the Company).

The tables include all those individuals who held the aforementioned positions during all or even only part of the 2022 year¹⁴⁴. Non-monetary benefits, where received, are also identified on an accruals basis, and reported according to the “taxable income criterion” of the benefit assigned.

¹⁴³ Point b) of Section II of Scheme 7-bis of Annex 3 A of the so-called Issuers' Regulations provides that the so-called Report on compensation paid is structured into two parts:

a) the remuneration of members of the administrative and control bodies and the General Managers;
b) the remuneration of any other key managers who have received, in the reporting year, total remuneration (obtained by adding their salary and any remuneration based on financial instruments) that exceeded the highest total remuneration attributed to the persons indicated in point a).

For Key Managers with strategic responsibilities other than those indicated in point b) information is provided at aggregate level in special tables, indicating the number of persons to whom it refers in place of names*.

¹⁴⁴ In this case the remuneration is shown *pro rata temporis*.

FIRST AND LAST NAME	OFFICE	PERIOD OFFICE HELD	EXPIRY OF TERM OF OFFICE	FIXED REMUNERATION	REMUNERATION FOR MEMBERSHIP OF COMMITTEES
Marco Tronchetti Provera	Executive Vice Chairman and CEO	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	2,465,000	100,000
Of which remuneration in Pirelli & C. S.p.A.				2,465,000 ⁽¹⁾	100,000 ⁽²⁾
Of which remuneration by subsidiary and affiliated Companies					
Ning Gaoning	Chairman	01/01/2022 - 08/10/2022	AGM to approve the financial statements for the year to 31 December 2022	358,942	46,316
Of which remuneration in Pirelli & C. S.p.A.				358,942 ⁽⁵⁾	46,316 ⁽⁶⁾
Of which remuneration by subsidiary and affiliated Companies					
Li Fanrong	Chairman	11/10/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	0	0
Of which remuneration in Pirelli & C. S.p.A.				0 ⁽⁸⁾	0
Of which remuneration by subsidiary and affiliated Companies					
Yang Xingqiang	Director	01/01/2022 - 10/05/2022	AGM to approve the financial statements for the year to 31 December 2022	23,472	10,833
Of which remuneration in Pirelli & C. S.p.A.				23,472 ⁽⁹⁾	10,833 ⁽¹⁰⁾
Of which remuneration by subsidiary and affiliated Companies					
Bai Xiping	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	90,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	90,000 ⁽¹¹⁾
Of which remuneration by subsidiary and affiliated Companies					
Paola Boromei	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	30,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	30,000 ⁽¹²⁾
Of which remuneration by subsidiary and affiliated Companies					
Giorgio Luca Bruno	Deputy-CEO	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	1,165,000	30,000
Of which remuneration in Pirelli & C. S.p.A.				1,165,000 ⁽¹³⁾	30,000 ⁽¹⁰⁾
Of which remuneration by subsidiary and affiliated Companies					
Domenico De Sole	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	80,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	80,000 ⁽¹⁷⁾
Of which remuneration by subsidiary and affiliated Companies					
Roberto Diacetti	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	30,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	30,000 ⁽¹⁸⁾
Of which remuneration by subsidiary and affiliated Companies					
Fan Xiaohua	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	65,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	65,000 ⁽¹⁹⁾
Of which remuneration by subsidiary and affiliated Companies					

	VARIABLE NON-EQUITY REMUNERATION		NON-MONETARY BENEFITS	OTHER REMUNERATION	TOTAL	FAIR VALUE OF EQUITY REMUNERATION	END OF EMPLOYMENT OR OFFICE INDEMNITY
	BONUS AND OTHER INCENTIVES	PROFIT SHARING					
	17,401,260	0	670,490	0	20,636,750	0	0
	17,401,260 ⁽³⁾		670,490 ⁽⁴⁾		20,636,750		
	0	0	0	0	405,258	0	0
					405,258 ⁽⁷⁾		
	0	0	0	0	0	0	0
					0 ⁽⁸⁾		
	0	0	0	0	34,305	0	0
					34,305 ⁽⁷⁾		
	0	0	0	0	155,000	0	0
					155,000 ⁽⁷⁾		
	0	0	0	0	95,000	0	0
					95,000		
	5,155,535	0	13,337	110,000	6,473,872	0	0
	5,155,535 ⁽¹⁴⁾		13,337 ⁽¹⁵⁾	110,000 ⁽¹⁶⁾	6,473,872		
	0	0	0	0	145,000	0	0
					145,000		
	0	0	0	0	95,000	0	0
					95,000		
	0	0	0	0	130,000	0	0
					130,000		

FIRST AND LAST NAME	OFFICE	PERIOD OFFICE HELD	EXPIRY OF TERM OF OFFICE	FIXED REMUNERATION	REMUNERATION FOR MEMBERSHIP OF COMMITTEES
Giovanni Lo Storto	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	110,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	110,000 ⁽²⁰⁾
Of which remuneration by subsidiary and affiliated Companies					
Marisa Pappalardo	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	135,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	135,000 ⁽²¹⁾
Of which remuneration by subsidiary and affiliated Companies					
Tao Haisu	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	35,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	35,000 ⁽²²⁾
Of which remuneration by subsidiary and affiliated Companies					
Giovanni Tronchetti Provera	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	315,000	30,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	30,000 ⁽²³⁾
Of which remuneration by subsidiary and affiliated Companies				250,000 ⁽²⁴⁾	
Wei Yin Tao	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	30,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	30,000 ⁽¹⁰⁾
Of which remuneration by subsidiary and affiliated Companies					
Haitao Zhang	Director	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	65,000	30,000
Of which remuneration in Pirelli & C. S.p.A.				65,000 ⁽⁹⁾	30,000 ⁽¹⁸⁾
Of which remuneration by subsidiary and affiliated Companies					
Yang Shihao	Director	10/05/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2022	41,528	19,167
Of which remuneration in Pirelli & C. S.p.A.				41,528 ⁽⁹⁾	19,167 ⁽¹⁰⁾
Of which remuneration by subsidiary and affiliated Companies					
Andrea Casaluci	General Manager Operations			750,000	0
Of which remuneration in Pirelli & C. S.p.A.					
Of which remuneration by subsidiary and affiliated Companies				750,000	
n, 7 Dirigenti con responsabilità strategica	(30)			2,681,635	40,000
Of which remuneration in Pirelli & C. S.p.A.				1,826,250	40,000 ⁽³¹⁾
Of which remuneration by subsidiary and affiliated Companies				855,385	
Riccardo Foglia Taverna	Chairman of the Board of Statutory Auditors	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2023	90,000	0
Of which remuneration in Pirelli & C. S.p.A.				90,000	
Of which remuneration by subsidiary and affiliated Companies					
Francesca Meneghel	Standing auditor	01/01/2021 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2023	75,000	0
Of which remuneration in Pirelli & C. S.p.A.				75,000	
Of which remuneration by subsidiary and affiliated Companies					

	VARIABLE NON-EQUITY REMUNERATION		NON-MONETARY BENEFITS	OTHER REMUNERATION	TOTAL	FAIR VALUE OF EQUITY REMUNERATION	END OF EMPLOYMENT OR OFFICE INDEMNITY
	BONUS AND OTHER INCENTIVES	PROFIT SHARING					
	0	0	0	0	175,000	0	0
					175,000		
	0	0	0	0	200,000	0	0
					200,000		
	0	0	0	0	100,000	0	0
					100,000		
	541,376	0	14,851	0.00	901,227	0	0
					95,000		
	541,376 ⁽²⁵⁾		14,851 ⁽²⁶⁾		806,227		
	0	0	0	0	95,000	0	0
					95,000		
	0	0	0	0	95,000	0	0
					95,000 ⁽⁷⁾		
	0	0	0	0	60,695	0	0
					60,695 ⁽⁷⁾		
	3,971,343	0.00	16,933	75,000	4,813,276	0	0
	3,971,343 ⁽²⁷⁾		16,933 ⁽²⁸⁾	75,000 ⁽²⁹⁾	4,813,276		
	10,394,500	0.00	94,820	575,313	13,786,268	0	0
	6,485,040 ⁽³²⁾		65,510 ⁽³³⁾	446,563 ⁽³⁴⁾	8,863,363		
	3,909,460 ⁽³⁵⁾		29,310 ⁽³³⁾	128,750 ⁽³⁴⁾	4,922,905		
	0	0	0	0	90,000	0	0
					90,000		
	0	0	0	0	75,000	0	0
					75,000		

FIRST AND LAST NAME	OFFICE	PERIOD OFFICE HELD	EXPIRY OF TERM OF OFFICE	FIXED REMUNERATION	REMUNERATION FOR MEMBERSHIP OF COMMITTEES
Teresa Naddeo	Standing auditor	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2023	75,000	0
Of which remuneration in Pirelli & C. S.p.A.				75,000	
Of which remuneration by subsidiary and affiliated Companies					
Antonella Carù	Standing auditor	01/01/2021 - 31/12/2021	AGM to approve the financial statements for the year to 31 December 2023	75,000	40,000
Of which remuneration in Pirelli & C. S.p.A.				75,000	40,000 ⁽³¹⁾
Of which remuneration by subsidiary and affiliated Companies					
Alberto Villani	Standing auditor	01/01/2022 - 31/12/2022	AGM to approve the financial statements for the year to 31 December 2023	75,000	0
Of which remuneration in Pirelli & C. S.p.A.				75,000	
Of which remuneration by subsidiary and affiliated Companies					
* * * * *					
Total remuneration in Pirelli & C. S.p.A.				6,985,192	951,316
Total remuneration by subsidiary and affiliated Companies				1,855,385	0
Total				8,840,577	951,316

⁽¹⁾ Of which: euro 65,000 as a Director of Pirelli & C. S.p.A. and euro 2.4 million as Executive Vice Chairman and Chief Executive Officer of Pirelli & C. S.p.A.

⁽²⁾ Of which euro 50,000 as Chairman of the Appointments and Successions Committee of Pirelli & C. S.p.A. and euro 50,000 as Chairman of the Strategies Committee of Pirelli & C. S.p.A.

⁽³⁾ The amount includes: 75% of the 2022 STI incentive paid out (upfront amount), 25% of the 2021 STI incentive deferred together with the company matching component due to the level of achievement of the results of the 2022 STI and the total value of the 2020-2022 LTI Plan amounting to 10.25 million euros (see the table below for details of the amounts). Note that the 2020-2022 LTI Plan is the last "closed" cycle that provides for disbursement of the whole three-year incentive in a single payment at the end of the performance period. As of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽⁴⁾ Of which: euro 666,292 for insurance policies in line with the provisions of the 2022 Remuneration Policy, and euro 4,198 for a company car.

⁽⁵⁾ Of which euro 308,767 as a Chairman of Pirelli & C. S.p.A. and euro 50,175 as a Director of Pirelli & C. S.p.A.

⁽⁶⁾ Of which euro 23,158 as member of the Appointments and Successions Committee of Pirelli & C. S.p.A. and euro 23,158 as member of the Strategies Committee of Pirelli & C. S.p.A.

⁽⁷⁾ Remuneration transferred to employer company.

⁽⁸⁾ Chairman Li Farong, co-opted by the Board of Directors on 11 October 2022, stated his intention not to receive any remuneration for the offices held at Pirelli & C. S.p.A. For completeness, it should be pointed out that Chairman Li Farong is a member of the Strategies Committee and the Appointments and Succession Committee.

⁽⁹⁾ As a Director of Pirelli & C. S.p.A.

⁽¹⁰⁾ As a member of the Strategies Committee of Pirelli & C. S.p.A.

⁽¹¹⁾ Of which: euro 30,000 as a member of the Remuneration Committee of Pirelli & C. S.p.A., euro 30,000 as a member of the Appointments and Successions Committee of Pirelli & C. S.p.A., and euro 30,000 as a member of the Strategies Committee of Pirelli & C. S.p.A.

⁽¹²⁾ As member of the Remuneration Committee of Pirelli & C. S.p.A.

⁽¹³⁾ Of which euro 65,000 as a Director of Pirelli & C. S.p.A. and euro 1.1 million as Deputy-CEO of Pirelli & C. S.p.A.

⁽¹⁴⁾ The amount includes: 75% of the 2022 STI incentive paid out (upfront amount), 25% of the 2021 STI incentive deferred together with the company matching component due to the level of achievement of the results of 2022 STI and the total value of the LTI 2020-2022 Plan amounting to 2.53 million euros (see the table below for details of the amounts). Note that the 2020-2022 LTI Plan is the last "closed" cycle that provides for disbursement of the whole three-year incentive in a single payment at the end of the performance period (the amount accrued by Mr Bruno relates *pro-rata temporis* to the two-year period 2021-2022, when he participated in the Plan). As of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽¹⁵⁾ Of which: euro 3,131 for insurance policies, euro 6,870 for a company car and euro 3,336 for health insurance.

⁽¹⁶⁾ The amount refers to the payment during the employment contract of part of the consideration for the non-competition agreement.

⁽¹⁷⁾ Of which: Euro 30,000 as member of the Strategies Committee of Pirelli & C. S.p.A. and Euro 50,000 as member of the Related-Party Transactions Committee of Pirelli & C. S.p.A. ("RPT Committee").

⁽¹⁸⁾ As member of the Audit, Risks, Sustainability and Corporate Governance Committee of Pirelli & C. S.p.A. ("ARSCGC").

⁽¹⁹⁾ Of which: Euro 35,000 as Chairman of the ARSCGC and Euro 30,000 as member of the Remuneration Committee of Pirelli & C. S.p.A.

⁽²⁰⁾ Of which: Euro 30,000 as a member of the ARSCGC, Euro 30,000 as a member of the Strategies Committee of Pirelli & C. S.p.A., and Euro 50,000 as a member of the RPT Committee.

	VARIABLE NON-EQUITY REMUNERATION		NON-MONETARY BENEFITS	OTHER REMUNERATION	TOTAL	FAIR VALUE OF EQUITY REMUNERATION	END OF EMPLOYMENT OR OFFICE INDEMNITY
	BONUS AND OTHER INCENTIVES	PROFIT SHARING					
	0	0	0	0	75,000	0	0
					75,000		
	0	0	0	0	115,000	0	0
					115,000		
	0	0	0	0	75,000	0	0
					75,000		
	29,041,835	0	749,337	556,563	38,284,243	0	0
	8,422,179	0	61,094	203,750	10,542,408	0	0
	37,464,014	0	810,431	760,313	48,826,651	0	0

⁽²¹⁾ Of which: Euro 30,000 as member of the ARSCGC, Euro 30,000 as member of the Remuneration Committee of Pirelli & C. S.p.A. and Euro 75,000 as Chairman of the RPT Committee.

⁽²²⁾ As Chairman of the Remuneration Committee of Pirelli & C. S.p.A.

⁽²³⁾ As a member of the Appointments and Successions Committee of Pirelli & C. S.p.A.

⁽²⁴⁾ As a Senior Manager of Pirelli Tyre S.p.A..

⁽²⁵⁾ The amount includes the full amount of the accrued 2022 STI incentive (including the deferred portion), the company matching component that will be paid at the end of the deferral period (3 years) and the total value of the 2020-2022 LTI Plan of Euro 345,600 (see table below for details of the amounts). Note that the 2020-2022 LTI Plan is the last "closed" cycle that provides for disbursement of the whole three-year incentive in a single payment at the end of the performance period. As of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽²⁶⁾ Of which: Euro 700 for insurance policies, Euro 3,615 for a company car, Euro 7,200 for supplementary pension contributions and Euro 3,336 for health insurance.

⁽²⁷⁾ The amount includes the full amount of the accrued 2022 STI incentive (including the deferred portion), the company matching component that will be paid at the end of the deferral period (3 years) and the total value of the 2020-2022 LTI Plan of 2,59 million euros (see table below for details of the amounts). Note that the 2020-2022 LTI Plan is the last "closed" cycle that provides for disbursement of the whole three-year incentive in a single payment at the end of the performance period. As of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽²⁸⁾ Of which: Euro 3,688 for a company car, Euro 7,200 for supplementary pension contributions, Euro 3,336 for health insurance and Euro 2,709 for insurance policies.

⁽²⁹⁾ The amount is for payment during the employment contract of a portion of the fee for the non-competition agreement.

⁽³⁰⁾ As of 31 December 2022, 7 KMs had been identified, including 2 represented *pro-rata temporis* as of 23 February 2022 and 14 November 2022 respectively. It should be noted that the remuneration paid to the General Manager Operations is not included in this item, as it is indicated separately in the table.

⁽³¹⁾ As a member of the Supervisory Body.

⁽³²⁾ The amount includes, for the respective holders, the full amount of the accrued 2022 STI incentive (including the deferred portion), the company matching component that will be paid out at the end of the deferral period (3 years) and the total value of the 2020-2022 LTI Plan of 4.41 million euros (see table below for details of the amounts). Note that the 2020-2022 LTI Plan is the last "closed" cycle that provides for disbursement of the whole three-year incentive in a single payment at the end of the performance period. As of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽³³⁾ The amounts, for the respective holders, are for a company car, supplementary pension contributions, health insurance and insurance policies.

⁽³⁴⁾ The amounts refer, for the respective holders, to payment during the employment contract of a portion of the consideration for the non-competition agreement, a retention bonus agreed before the qualification as KM, a welcome bonus, a one-off bonus and a reimbursement for school fees.

⁽³⁵⁾ The amount includes, for the respective holders, the full amount of the accrued 2022 STI incentive (including the deferred portion) and the company matching component that will be paid out at the end of the deferral period (3 years) and the total value of the 2020-2022 LTI Plan of 2.43 million euros (see table below for details of the amounts). Note that the 2020-2022 LTI Plan is the last "closed" cycle that provides for disbursement of the whole three-year incentive in a single payment at the end of the performance period. As of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

3. MONETARY INCENTIVE PLANS FOR MEMBERS OF THE BOARD OF DIRECTORS, GENERAL MANAGERS AND KEY MANAGERS

For a description of Pirelli's monetary incentive plans, please refer to the Remuneration Policy for 2022.

FIRST AND LAST NAME	OFFICE	PLAN	BONUS FOR THE YEAR			BONUS FOR THE PREVIOUS YEARS			OTHER BONUSES
			PAYABLE/ PAID OUT	DEFERRED	DEFERMENT PERIOD	NO LONGER PAYABLE	PAYABLE /PAID OUT	STILL DEFERRED	
Marco Tronchetti Provera	Executive Vice Chairman and CEO	2021 STI	-	-	-	-	3,000,000 ⁽¹⁾	-	-
		2022 STI	4,148,460 ⁽²⁾	1,382,820 ⁽³⁾	1 year	-	-	-	-
		2020-2022 LTI Plan	10,252,800 ⁽⁴⁾	-	-	-	-	-	-
		2021-2023 LTI Plan	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-
Giorgio Luca Bruno	Deputy-CEO	2021 STI	-	-	-	-	1,100,000 ⁽⁴⁾	-	-
		2022 STI	1,521,135 ⁽²⁾	507,045 ⁽³⁾	1 year	-	-	-	-
		2020-2022 LTI Plan	2,534,400 ⁽⁵⁾	-	-	-	-	-	-
		2021-2023 LTI Plan	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-
Giovanni Tronchetti Provera	Director ⁽⁶⁾	2021 STI	-	-	-	-	-	94,500 ⁽⁷⁾	-
		2022 STI	103,040 ⁽⁸⁾	92,736 ⁽⁹⁾	3 years	-	-	-	-
		2020-2022 LTI Plan	345,600 ⁽⁴⁾	-	-	-	-	-	-
		2021-2023 LTI Plan	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-
Andrea Casaluci	General Manager Operations	2021 STI	-	-	-	-	-	1,406,250 ⁽⁷⁾	-
		2022 STI	725,970 ⁽⁸⁾	653,373 ⁽⁹⁾	3 years	-	-	-	-
		2020-2022 LTI Plan	2,592,000 ⁽⁴⁾	-	-	-	-	-	-
		2021-2023 LTI Plan	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-
No. 7 Key Managers	(12)	2021 STI	-	-	-	-	-	2,135,060 ⁽¹⁰⁾	165,750 ⁽¹³⁾
		2022 STI	1,592,582 ⁽⁸⁾	1,963,418 ⁽⁹⁾	3 years	-	-	-	
		2020-2022 LTI Plan	6,838,500 ⁽¹¹⁾	-	-	-	-	-	
		2021-2023 LTI Plan	-	-	-	-	-	-	
		2022-2024 LTI Plan	-	-	-	-	-	-	

FIRST AND LAST NAME	OFFICE	PLAN	BONUS FOR THE YEAR			BONUS FOR THE PREVIOUS YEARS			OTHER BONUSES
			PAYABLE/ PAID OUT	DEFERRED	DEFERMENT PERIOD	NO LONGER PAYABLE	PAYABLE /PAID OUT	STILL DEFERRED	
(I) Remuneration in the Company that has prepared the financial statements		2021 STI	-	-	-	-	4,100,000	1,510,060	150,000
		2022 STI	6,838,103	2,793,097	1 year 3 years	-	-	-	
		2020-2022 LTI Plan	17,200,500	-	-	-	-	-	
		2021-2023 LTI Plan	-	-	-	-	-	-	
		2022-2024 LTI Plan	-	-	-	-	-	-	
(II) Remuneration from Subsidiary and Affiliated Companies		2021 STI	-	-	-	-	-	2,125,750	15,750
		2022 STI	1,253,084	1,806,295	3 years	-	-	-	
		2020-2022 LTI Plan	5,362,800	-	-	-	-	-	
		2021-2023 LTI Plan	-	-	-	-	-	-	
		2022-2024 LTI Plan	-	-	-	-	-	-	
(III) Total			30,654,487	4,599,392	-	-	4,100,000	3,635,810	165,750

⁽¹⁾The amount refers to the sum of the deferred portion of the 2021 STI (25%) and the respective company matching component paid out for achievement of the 2022 STI objectives as defined in the 2021 Policy. This amount is shown in the "Bonuses and other incentives" column of Table 1.

⁽²⁾The amount in the "Payable/Paid out Year Bonus" column refers to the 75% of the 2022 STI paid out immediately (upfront amount). This amount is shown in the "Bonuses and other incentives" column of Table 1.

⁽³⁾The amount in the "Deferred Year Bonus" column refers to 25% of the 2022 STI deferred and assigned to risk/opportunity subject to the results of the 2023 STI. This amount is not shown in the "Bonuses and other incentives" column of Table 1.

⁽⁴⁾The amount in the "Payable/Paid out Year Bonus" column refers to the 2020-2022 LTI Plan, which is the last "closed" incentive plan and therefore corresponds to the whole three-year incentive. This amount is shown in the "Bonuses and other incentives" column of Table 1. Note that as of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽⁵⁾The amount in the "Payable/Paid out Year Bonus" column refers to the 2020-2022 LTI Plan, which is the last "closed" incentive plan and therefore corresponds to the whole three-year incentive (in particular, the amount accrued by Mr Bruno refers *pro-rata temporis* to the two-year period 2021-2022, when he participated in the Plan). This amount is shown in the "Bonuses and other incentives" column of Table 1. Note that as of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽⁶⁾Giovanni Tronchetti Provera is included in the LTI and STI variable incentive plans as Senior Manager of Pirelli Tyre S.p.A..

⁽⁷⁾The amount in the "Previous Years Bonuses Still Deferred" column refers to the sum of the deferred 2021 STI portion and the company matching component, which will be paid at the end of the deferral period (3 years). This amount is not shown in the "Bonuses and other incentives" column of Table 1.

⁽⁸⁾The amount in the "Payable/Paid out Year Bonus" column refers to the portion of the 2022 STI paid out immediately (upfront amount) based on personal choice. This amount is shown in the "Bonuses and other incentives" column of Table 1.

⁽⁹⁾The amount in the "Deferred Year Bonus" column refers to the sum of the deferred 2022 STI portion and the company matching component, which will be paid at the end of the deferral period (3 years). This amount is shown in the "Bonuses and other incentives" column of Table 1.

⁽¹⁰⁾The amount in the "Previous Years Bonuses Still Deferred" column refers to the sum of the deferred 2021 STI portion and the company matching component, which will be paid at the end of the deferral period (3 years) to all KMs included in the Report on Compensation Paid for the 2021 financial year. This amount is not shown in the "Bonuses and other incentives" column of Table 1.

⁽¹¹⁾The amount in the "Payable/Paid out Year Bonus" column refers to the 2020-2022 LTI Plan, which is the last "closed" incentive plan and therefore corresponds to the whole three-year incentive (the amount accrued by a single KM refers *pro-rata temporis* to the two-year period 2021-2022, when he participated in the Plan). This amount is shown in the "Bonuses and other incentives" column of Table 1. Note that as of the 2021-2023 LTI cycle, the allocations will be annual (rolling) with an annualised incentive opportunity.

⁽¹²⁾As of 31 December 2022, 7 KMs had been identified, including 1 who joined the Group as of 14 November 2022 and is not therefore a holder of the 2021 STI, 2022 STI and 2020-2022 LTI Plans. It should be noted that the remuneration paid to the General Manager Operations is not included in this item, as it is indicated separately in the table.

⁽¹³⁾The amount refers, for the respective holders, to a retention bonus agreed before the qualification as KM, a welcome bonus and a one-off bonus. This amount is shown in the "Other remuneration" column in Table 1.

4. TABLE OF EQUITY INVESTMENTS OF THE MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES, GENERAL MANAGERS AND KEY MANAGERS.

The table below provides disclosures on any equity investments held in Pirelli & C. S.p.A. and in its subsidiary companies, by those who, even for a fraction of the year, have held the position of:

- member of the Board of Directors;
- member of the Board of Statutory Auditors;
- General Manager;
- KM.

In particular, it indicates, for each member of the Board of Directors and Board of Statutory Auditors and General Managers, by name, and cumulatively for KMs, with regard to each company in which shares are held, the number of shares, by category:

- held at the end of the prior year;
- purchased during the reporting year;
- sold during the reporting year;
- held at the end of the reporting period.

In this regard, the title of possession and the manner in which it is held are also specified.

It includes all the persons who, during the reporting year, held positions as members of the administrative and control bodies, General Manager or as KM, even for a fraction of the year.

1) EQUITY INVESTMENTS OF THE MEMBERS OF THE ADMINISTRATIVE AND CONTROL BODIES AND GENERAL MANAGERS

FIRST AND LAST NAME	OFFICE	INVESTEES COMPANY	NO. OF SHARES OWNED AT 31.12.2021	NO. OF SHARES PURCHASED/SUBSCRIBED	NO. OF SHARES SOLD	NO. OF SHARES OWNED AT 31.12.2022
Marco Tronchetti Provera ⁽ⁱ⁾	Executive Vice Chairman and Chief Executive Officer	Pirelli & C. S.p.A.	100,959,399	40,000,000 ⁽ⁱⁱ⁾	-	140,959,399 ⁽ⁱⁱⁱ⁾
Giorgio Luca Bruno	Director	Pirelli & C. S.p.A.	500 ^(iv)	-	-	500 ^(iv)

(i) Shares held by the indirect subsidiary Camfin S.p.A.

(ii) Shares acquired by Camfin S.p.A. on 7 October 2021 following completion of the share capital increase of Camfin S.p.A. fully subscribed by Longmarch Holding S.à.r.l. through the contribution of 40,000,000 Pirelli shares.

(iii) For the sake of completeness, it should be noted that Camfin S.p.A. informed the market that it had taken out instruments called "Call Spreads" with major financial institutions, the original maturity of which was extended from September 2022 to September 2023, on 29 June 2021, with an underlying equivalent to approximately 4.6% of Pirelli's share capital.

(iv) Shares purchased when the Company was listed on 4 October 2017.

2) EQUITY INVESTMENTS OF OTHER KEY MANAGERS

NUMBER OF KEY MANAGERS	INVESTEES COMPANY	NO. OF SHARES OWNED AT 31.12.2021	NO. OF SHARES PURCHASED/SUBSCRIBED	NO. OF SHARES SOLD	NO. OF SHARES OWNED AT 31.12.2022
-	-	-	-	-	-

