



Pirelli & C. S.p.A.

**Report on the remuneration policy and
compensation paid**

(Report approved by the Board of Directors of Pirelli & C. S.p.A. on 6 March 2024)

REPORT ON THE REMUNERATION POLICY AND COMPENSATION PAID

INTRODUCTION

This Report on remuneration policy and the compensation paid (the “**Report**” or the “**Remuneration Report**”), approved by the Board of Directors on 6 March 2024, 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 2024 (the “**2024 Policy**” or the “**Policy**”) and
- Section II: “Report on Compensation Paid” in FY 2023 (the “**2023 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 subsequently amended (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 Related Party Transactions Procedure (the “**RPT Procedure**”).

The 2024 Policy submitted for the binding vote to the Shareholders’ Meeting called to approve the financial statements for the year ended 31 December 2023 pursuant to art. 123-*ter* TUF, paragraph 3-*bis* and 3-*ter*, defines the principles and guidelines for the 2024 financial year:

- for determining the remuneration of the Company Directors of Pirelli & C. S.p.A. (“**Pirelli & C.**” or the “**Company**”), 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 2024 Policy: (i) contributes towards 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 2023 Report on Compensation Paid, submitted for the advisory and non-binding vote of the Shareholders' Meeting in accordance with art. 123-ter, paragraph 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 2023 financial year;
- an analytical indication of the sums paid in respect of the 2023 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 2023 (and also highlighting the payments to be made in one or more subsequent years for activity undertaken in the 2023 financial year, providing, if applicable, estimates for the components that cannot be objectively quantified in the 2023 financial year);
- an illustration of how the Company took account of the votes cast by the Shareholders' Meeting in 2023.

The Report is made available to the public at the company's registered office, at the authorised storage mechanism (www.emarketstorage.com) and on the website of Pirelli & C. S.p.A at www.pirelli.com.

EXECUTIVE SUMMARY

Purposes and principles of the Policy	The Policy aims to achieve long-term interests of Pirelli & C., 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	Rewards managerial and professional competence and experience, and the contribution made to the office held.	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 ¹ Executive Vice Chairman: € 2,400,000 CEO: € 1,100,000 Corporate General Manager: € 750,000 KMs, Senior Managers and Executives: determined according to the responsibility assigned and the skills required by the role held.

¹ At the request of Chairman Jiao Jian, on 13 September 2023, the Board of Directors resolved not to allocate any remuneration for the offices he held during his term of office at Pirelli, specifically Chairman of the Board of Directors, Director and member of the Committees.

<p>Annual variable remuneration (STI)</p>	<p>Motivates Management to achieve the Company's annual targets, maintaining a strong alignment with the company's medium-long term strategy, interests and sustainability, also through three ESG objectives and a partial corporate deferral/matching mechanism.</p>	<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 pro-quota 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 Manager, KMs and selected Senior Managers/Executives, 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.</p> <p>For the rest of the Management, on the other hand, 25% of the incentive accrued is deferred and its payment, together with any corporate matching, is subject to the achievement of the following year's STI objectives.</p>	<p>Chairman: not one of the beneficiaries of the plan.</p> <p>Executive Vice Chairman:</p> <ul style="list-style-type: none"> <i>minimum:</i> 80% of fixed remuneration <i>target:</i> 125% <i>cap:</i> 250% <p>CEO:</p> <ul style="list-style-type: none"> <i>minimum:</i> 70% <i>target:</i> 110% <i>cap:</i> 220% <p>Corporate General Manager:</p> <ul style="list-style-type: none"> <i>minimum:</i> 50% <i>target:</i> 75% <i>cap:</i> 150% <p>KMs:</p> <ul style="list-style-type: none"> <i>minimum:</i> 40% <i>target:</i> 60% <i>cap:</i> 120% <p>Senior Managers and Executives:</p> <ul style="list-style-type: none"> <i>minimum:</i> 10% to 25% <i>target:</i> 15% to 40% <i>cap:</i> 30% to 80%
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<p>Medium-long term variable remuneration (LTI)</p>	<p>Promotes the creation of long-term sustainable success and the achievement of the objectives of the Company's strategic plans, through business, market and ESG KPIs, while at the same time promoting Management retention and engagement.</p>	<p>2024-2026 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 TIER 1 peers (Continental, Nokian, Michelin, Goodyear and Bridgestone) • two sustainability objectives: 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 bonus, below which the related pro-quota 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 plan does not have an access gate, is rolling and provides for a 3-year vesting period.</p>	<p>Chairman: not one of the beneficiaries of the plan.</p> <p>Executive Vice Chairman:</p> <ul style="list-style-type: none"> • "access threshold": 52.5% of fixed remuneration • <i>target:</i> 70% • <i>cap:</i> 200% <p>CEO:</p> <ul style="list-style-type: none"> • "access threshold": 48.75% • <i>target:</i> 65% • <i>cap:</i> 180% <p>Corporate General Manager:</p> <ul style="list-style-type: none"> • "access threshold": 45% • <i>target:</i> 60% • <i>cap:</i> 160% <p>KMs:</p> <ul style="list-style-type: none"> • "access threshold": 41.25% • <i>target:</i> 55% • <i>cap:</i> 145% <p>Senior Managers and Executives:</p> <ul style="list-style-type: none"> • "Access threshold": from 11.25% to 37.5% • <i>target:</i> 15% to 50% • <i>cap:</i> 40% to 130%
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<p>Other tools</p>	<p>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.</p>	<ul style="list-style-type: none"> • Non-competition agreements: restriction applicable to the product sector and the territory in which the Group operates. The extent varies according to the role covered. The Chairman and Executive Vice Chairman are not included among the beneficiaries of the non-competition agreements. • Welcome bonuses: 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. • Allowance in the event of termination of office: provided for in specific events of leaving office or termination of employment. 	<p>Non-competition agreements</p> <p>Compensation for the two-year term of the restriction, based on the role held, technical skills, specialised know-how and the reason for leaving.</p> <ul style="list-style-type: none"> • CEO: 170% if good leaver, 70% if bad leaver • Corporate General Manager: 170% if good leaver, 70% if bad leaver. • KM: 130% to 170% if good leaver, 50% to 70% if bad leaver. <p>Allowance in case of departure:</p> <ul style="list-style-type: none"> • Executive Vice Chairman: two years' gross annual remuneration. • CEO: two years of gross annual remuneration • Corporate General Manager, KMs and Group Executives: amounts determined with reference to the applicable category national collective bargaining agreements.
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REMUNERATION POLICY FOR THE 2024 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 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 this end, at least once per year, when the second section of the report on compensation paid in the respective year 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 based 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)².

As at the date of this Report, the Company has no incentive plans in place that provide for the allocation of financial instruments or options on financial instruments.

In preparing the 2024 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, the General Manager and KMs, in addition to Senior Managers and Executives.

Amongst the measures aimed at avoiding or managing conflicts of interest, 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.

² Note that the Board of Directors' meeting of 6 March 2024 established the objectives of the 2024-2026 LTI 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 the Tier 1 peers. 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 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 Manager, 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 Manager; - the performance objectives related to the variable part of the remuneration of executive directors, General Manager and KM; - the remuneration of the Head of the Internal Audit department upon a proposal by the Audit, Risk 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

Chairperson of the committee: Grace Tang

	NAME AND SURNAME	OFFICE
	Grace Tang	Independent Director
	Chen Aihua	Director
	Paola Boromei	Independent Director
	Alberto Bradanini	Independent Director
	Michele Carpinelli	Independent Director

Chairman Grace Tang and Director Paola Boromei were considered by the Board of Directors as having sufficient experience in matters of 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 support functions to ensure the definition and application within the Group of remuneration policies aimed at, on the one hand, pursuing the sustainable success of the Company/Group in aligning the interests of management with those of the shareholders and, on the other hand, at having, retaining and motivating human resources with the expertise and professional standing required by the role held in the Company.

In particular, the Remuneration Committee:

- assists the Board of Directors with preparing the Group remuneration policy, assessing its overall consistency;
- with regard to the Executive Directors, other Directors holding specific offices and General Managers, it expresses opinions to the Board:
 - about their remuneration, in compliance with the remuneration policy;
 - about setting performance objectives linked to the variable component 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 checks the actual achievement of performance objectives;
- checks the conformity of the remuneration of the Executive Directors, other Directors holding specific offices, General Managers and KMs with the remuneration policy and expresses an opinion on this, where required by the relative procedure adopted within the company, also in accordance with the RPT Procedure;
- helps the Board of Directors to examine proposals to the Shareholders' Meeting for the adoption of compensation plans based on financial instruments;
- monitors application of the decisions adopted by the Board of Directors, checking in particular the effective achievement of the established performance objectives;
- examines and submits the remuneration report to the Board of Directors;
- in any case, provides opinions in relation to transactions with related parties on matters concerning the remuneration of Executive Directors, including Directors holding specific offices, General Managers and KMs, within the limits and according to the criteria allowed by the RPT Procedure;
- assesses whether there are exceptional circumstances that allow for a derogation from the remuneration policy.

The cycle of the Remuneration Committee's main activities in 2024 is shown below.

2024	SUBJECT	ACTIVITY
1Q	2024 Remuneration Policy and Variable Incentive Plans	Presentation of the timetable. Draft 2024 Remuneration Policy. Approval of incentive plans: <ul style="list-style-type: none"> ● 2023 STI finalisation and 2024 STI target setting; ● 2021-2023 LTI finalisation and 2024-2026 LTI target setting. Analysis of market remuneration benchmarks.
2Q	Shareholders' Meeting and publication of the 2024 Remuneration Policy	Approval of the 2024 Remuneration policy and 2023 Compensation Report. Shareholders' Meeting vote on the 2024-2026 LTI plan.
3Q	Analysis of votes received from Shareholders and review of Governance	Analysis of votes received from Shareholders. Analysis of 2024 Remuneration Policy and quality benchmark. Analysis of 2024 Remuneration Policy and assessment of potential changes.

In relation to the operating methods of the Remuneration Committee, see the Report on the Corporate Governance and Share Ownership.

2. PURPOSES AND PRINCIPLES OF THE 2024 REMUNERATION POLICY

Purposes of the 2024 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, the General Manager, 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.

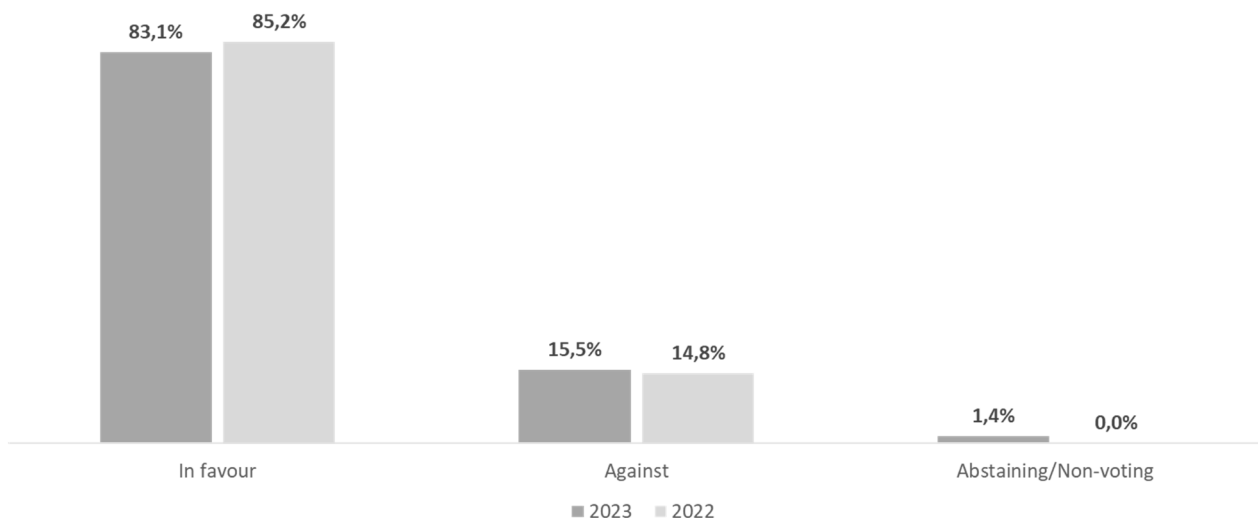
The Policy is defined taking into account various factors such as remuneration, which in turn is defined on the basis of market benchmarks aiming at a level of attractiveness differentiated according to the company role and skills, the compensation mix and the working conditions of Company employees. With reference to this last aspect, the 2024 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 committed to ensuring respect for Equal Opportunities in the work environment, in accordance with the Group's Diversity, Equity & Inclusion Policy, endeavours to manage and reduce potential risks of human rights violations, to avoid producing - or contributing to producing - negative effects on these rights in the international, multi-ethnic, socially and economically diversified context in which it operates, in accordance with the Group's Human Rights Policy;
- is attentive to pay equity, in the context of gender diversity, as highlighted in more detail in the Report on Responsible Management of the Value Chain. In particular, pay differentials

between men and women are calculated per country and for the same roles held, and also taking into account the grade assigned to each (i.e. the weight given to each organisational position on the basis of various factors). This method of data collection allows for objective investigation and evaluation while also taking into account the structural differences of the various local markets and their peculiar remuneration logics. In particular, for 2023, an average pay gap for the Group's white collar population of 2.7% is shown, in favour of women. For more details and evidence, please refer to the Report on Responsible Management of the Value Chain in the 2023 Annual Report file.

Results of the voting and feedback from investors

The 2024 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 2023 Remuneration Policy and the Report on Compensation paid in FY 2022. The diagram below presents the result of the binding vote expressed by the Shareholders' Meeting on 31 July 2023 compared to the result of the voting in 2022.



Pirelli attaches great importance to analysing this voting result and the feedback received and, following the analysis of the results of the votes cast at the Shareholders' Meeting of 31 July 2023 and the main rationale for the votes against, took the action required to ensure the consistency of the 2024 Policy with the Shareholders' expectations for the future.

Description of the changes with respect to the Report on Remuneration Policy 2023

Compared to the 2023 Remuneration Policy, in order to take into account the voting results and the feedback received, as well as the analyses of the voting results and the main rationale of the votes

against and the long-term interests of Pirelli & C., the following aspects, contained in the 2024 Policy, have been revised and/or considered:

- **Review of the panel:** the composition of the panel for the purpose of comparing the Annual Total Direct Compensation on-Target of the Executive Vice Chairman and the Chief Executive Officer was redefined, partly due to the recommendations made by shareholders and proxy advisors, with a view to revisiting the size of the Panel itself, excluding BMW, Continental and Volvo Car and introducing CIE Automotive, Gestamp Automociòn and Plastic Omnium, all automotive component and assembly companies. This change aims to make the panel more consistent with the Company's business, ensuring a better comparison of performance and related remuneration levels;
- **ESG KPIs:** with regard to the 2024-2026 Long-Term Incentive Plan (LTI), the weight of the ESG component in the KPIs assigned to Management increases from 20 points to 25 points. More specifically, the CO₂ Emission KPI goes from 10 points to 15 points and consequently the cumulative Group Net Cash Flow (before dividends) KPI goes from 40 points to 35 points. This change, in highlight the centrality of the ESG targets within the company's overall strategy, is also specifically intended as a coherent consequence of the raising of the targets within the recently presented update of the 2024-2025 Industrial Plan;
- **Variable incentive opportunities:** with a view to strengthening the pay-for-performance link and in order to ensure that a significant portion of total remuneration is represented by the variable component linked to company results, the variable incentive opportunities (STI 2024 Plan, LTI 2024-2026 Plan and, pro-quota, LTI 2022-2024 and 2023-2025 Plans) for the Chief Executive Officer and the KMs are adjusted, in line with the Company's strategic objectives and risk management policy. It is particularly highlighted that these changes are intended to strengthen the weight of the long-term variable component with respect to the overall remuneration package;
- **End-of-mandate benefit:** a specific benefit is introduced for the CEO Andrea Casaluci in certain cases and in the event that he is no longer bound by an executive employment contract, also taking into account his career path within the company, which has seen him work as a Group executive for many years. This benefit, also in accordance with market recommendations, is equal to 24 months of the gross annual remuneration, being the sum of the fixed remuneration for the principal office and the annual variable remuneration (STI) at target level;
- **Payment condition for LTI Plans:** as of the 2024-2026 LTI Plan, the General Manager, KMs, Senior Managers and Executives of the Group shall not accrue the right to receive the LTI Bonus in the event of voluntary resignation not for just cause or dismissal for just cause (Bad Leaver) occurring before the payment date: in line with best practices, in the circumstances mentioned above and in any case of termination of employment occurring for any reason before the end of the three-year period, such persons will cease their participation in the LTI plans and consequently will not accrue the right to receive the payment of the premium, not even pro-rata;

- **Non-competition agreements:** the consideration, for the two-year term of the restriction, of the non-competition agreements granted to the Chief Executive Officer, General Manager and KMs holding such agreements is reduced by 10 percentage points in the event of voluntary resignation without just cause or dismissal for just cause (Bad Leaver) and is increased by 10 percentage points in the event of termination of employment by mutual agreement, retirement, death or resignation for just cause (Good Leaver).

The 2024 Policy also takes into account the appointment of the new Board of Directors on 31 July 2023, the offices assigned by the Board of Directors and the appointment of the Corporate General Manager.

Furthermore, with respect to the 2023 Policy, the technical modalities for the liquidation of the severance pay, also previously contemplated, were described in more detail in order to increase the level of transparency towards the market.

With reference to the Report on compensation paid for the year 2023, it should be noted that the high level of transparency of Section II of the document has been maintained, and in some cases increased, both with specific regard to the performance statement on variable incentives, and in general on the various components of the remuneration package paid for various reasons in 2023, as well as with regard to the various indemnities due in the event of termination of office and/or termination of employment.

Market references and peer group

With regard 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, the General Manager, the KMs and the Senior Management, the median for the Chairman of the Board of Directors, Chief Executive Officer and Group Executives.

The analysis of the positioning, the make-up and more generally the competitiveness of the remuneration of Directors holding specific offices 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.

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 companies³.

Also the sample of reference companies used for the competitiveness analysis and possible review of the remuneration of the Executive Vice Chairman and Chief Executive Officer of Pirelli & C. has

³ Financial companies are excluded from the sample.

been defined with the assistance of Willis Towers Watson, also taking into account the main recommendations on pay for performance.

With regard to the comparative market, in defining the panel of reference companies analysed annually by the Remuneration Committee, various components are taken into account and pre-established criteria are applied that are consistent with those considered by investors and proxy advisors.

The table below shows the criteria used to define the panel:

Sector	Geography	Dimension
The panel includes direct competitors, automotive manufacturers as well as companies from the Auto Components sector.	The panel consists of multinational companies, based in major European countries and North America.	The dimension is assessed in relation to the following criteria: <ul style="list-style-type: none"> - Market capitalisation, - Revenues, - Number of employees.

The resulting panel consists of 12 companies from the Vehicles, Auto Component & Tyre sector, as shown below:

Aston Martin	Brembo	CIE Automotive	Ferrari
Gestamp Automociòn	Goodyear	Harley-Davidson	Magna International
Michelin	Plastic Omnium	Renault	Stellantis

Finally, the remuneration structure for the General Manager, the KMs, Senior Managers and Executives is defined on the basis of the national and international benchmarks prepared by Korn Ferry and shared with the Remuneration Committee.

Elements of the policy

In keeping with previous remuneration policies, the 2024 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.

The full cost of the variable incentive plans, both short and medium-long term, is included in the economics of the strategic plans, 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.

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 have also been attributed, for the General Manager 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 achieving the incentive at “target” level are set as equal to the value disclosed to the market.

The targets assigned to the Directors holding specific offices to whom specific responsibilities are also assigned, to the General Manager and KMs in the context of the 2024 STI Plan are the following:

2024 STI Plan	Objective	Description	Weight
ON/OFF condition	Group Net Cash Flow (before dividends)		
	Group adjusted EBIT	This is the acronym for Earnings Before Interests and Taxes and is an interim result of the profit and loss. This indicator does not consider the financial structure of the company (i.e. how the company is financed, as it is independent of financial management).	35%
	Group Net Cash Flow (before dividends)	It represents the cash flow available to the company and is the difference between cash flow from operating activities and cash flow from investments in fixed assets.	30%
	Net income	It represents the total profit made by the company, as reported in its financial statements.	20%
Business Objectives	Eco & Safety Volumes	Volumes of Eco & Safety Performance tyres out of the Group's total car tyre sales volumes. Eco & Safety Performance products identify car tyres that Pirelli produces worldwide and that fall within the rolling resistance and wet grip classes A, B, measured according to the labelling parameters established by European standards.	5%
	Women in Management positions	The index measures the number of women in managerial positions out of the total number of managerial positions in the company.	5%
	Frequency Index	The index measures the incidence of accidents at work in relation to the hours worked in the year.	5%
Sustainability Targets			






The STI objectives of the Senior Managers and Executives are, instead, defined by the hierarchical manager in accordance with the Human Resources & Organisation and Administration, Planning & Controlling departments and envisage, amongst others, also objectives connected with the economic performance of the relevant business unit/geography/department (cf. §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.

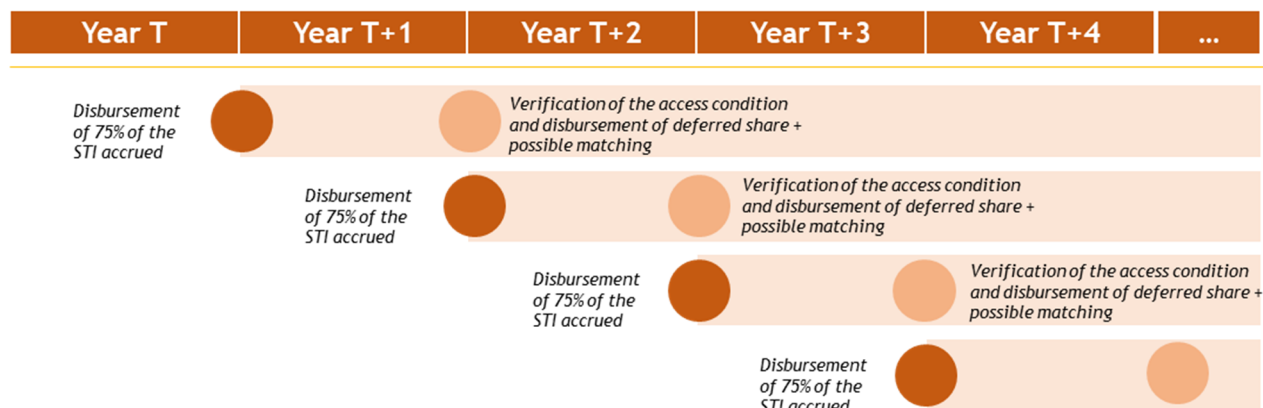
Achievement of the individual objectives will be assessed by the Remuneration Committee, neutralising the effects of any extraordinary decisions that could have impacted the results (either positively or negatively). The Board of Directors resolves on any review proposal submitted for its examination.

The 2024 STI Plan provides that for the General Manager, 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 times to a maximum of 1.2 times the amount of the deferred STI (see the diagram below).

Year T	Year T+1	Year T+2	Year T+3	Year T+4	Year T+5	Year T+6	Year T+7	...	Co-Invest	Matching
									25%	x0,8
									30%	x0,85
									40%	x1,0
									45%	x1,1
									50%	x1,2

For the rest of the Management (as at the date of this Report, the Executive Vice Chairman and Chief Executive Officer), 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 diagram 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 (matching).



Medium-long term variable component (LTI)

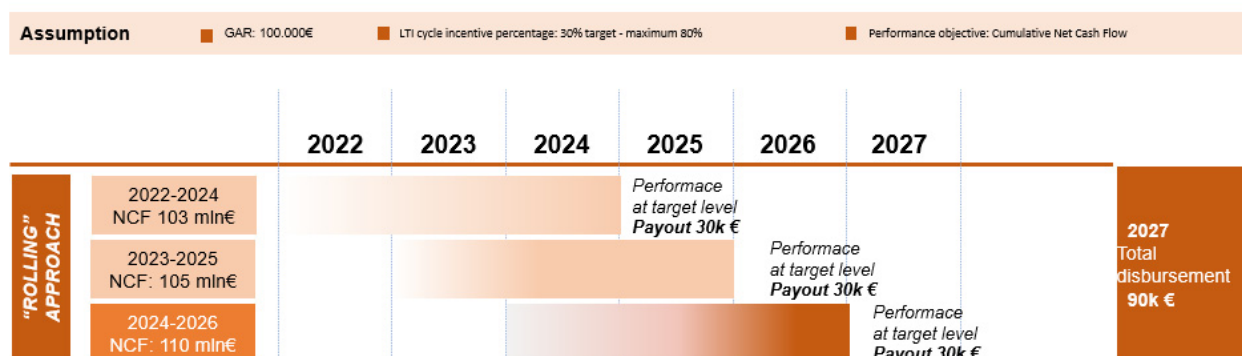
As for the medium to long term variable remuneration (LTI), it is assigned to Top Management – except for the Chairman – and extended, except in specific cases, to all Executives whose grade, determined with the Korn Ferry method, is equal to or above 20.

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 plans.

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 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 “target” level are set as equal to the value disclosed to the market.

The targets assigned to the Directors holding specific offices and to whom specific responsibilities are also assigned, to the General Manager and KMs in the context of the 2024-2026 LTI Plan are the following:

2024-2026 LTI Plan	Objectives	Description	Weight
Business Objectives	Cumulative Group Net Cash Flow (before dividends)	It represents the accumulated cash flow available to the company and is the difference between cash flow from operating activities and cash flow from investments in fixed assets.	35%
	Related TSR vs TIER 1	It is a measure of Pirelli’s share performance over time. It combines share price appreciation and dividends paid to show the total return to the shareholder expressed as an annualised percentage. This indicator is then compared with the average of Tier1 peers (Continental, Michelin, Nokian, Goodyear and Bridgestone).	40%
Sustainability Targets	DJS Index	It represents Pirelli’s positioning in the Dow Jones Sustainability World (ATX Auto Components) index, which includes global sustainability leaders identified by S&P Global through the Corporate Sustainability Assessment.	10%
	CO₂ Emissions	It represents the reduction of direct (Scope 1+2) greenhouse gas emissions from plants, vehicles and other activities managed directly by Pirelli.	15%

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 2024-2026 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;
- a potential early termination of the Plan.

The 2024-2025 Industrial Plan confirms the core elements at the basis of Pirelli's business model; the graph below shows the link between the corporate strategy and the KPIs of the incentive systems.

2024-2025 Industrial Plan	STI	LTI
High-end, specialties and EV focus	Net income	Relative TSR
Innovation and connectivity	Group adjusted EBIT	
Cost Transformation & Digitalization		Cumulative Group Net Cash Flow (before dividends)
Sustainability	Group Net Cash Flow (before dividends)	DJS Index CO ₂ Emissions Reduction
	Eco & Safety Volumes DE&I: Women in Management positions HSE: Frequency Index	

Each programme will be undertaken with an approach based on:

- centrality of environmental sustainability; and
- an increasing push towards innovation and digitisation.

More specifically, through innovation and connectivity, new technologies will be introduced into products inspired by eco-safety design and efforts will continue on connected tyres capable of generating data that can be used to strengthen data-driven product development and process optimisation.

Digitisation and sustainability will be the cornerstones for increasing efficiency and quality levels, thanks to programmes such as electrification and Industrial IoT, while the cost transformation programme, thanks to automation, predictive maintenance enabled by Industrial IoT, optimisation of the logistics network and modular product design to name a few, will constitute a renewed plan for competitiveness across all company functions.

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.

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 further specific duties may be attributed;
- 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 also attributed.

The total gross annual remuneration established by the Shareholders' Meeting⁴ was allocated by the Board of Directors as follows for the years 2023, 2024 and 2025:

DIRECTORS' REMUNERATION		
BODY	OFFICE	REMUNERATION
Board of Directors	Director	75,000 Euro
Audit, Risks and Corporate Governance Committee	Chairman	40,000 Euro
	Member	35,000 Euro
Remuneration Committee	Chairman	40,000 Euro
	Member	35,000 Euro
Strategies Committee	Chairman	50,000 Euro
	Member	35,000 Euro
Appointments and Successions Committee	Chairman	35,000 Euro
	Member	25,000 Euro
Related-Party Transactions Committee	Chairman	65,000 Euro
	Member	45,000 Euro
Sustainability Committee	Chairman	50,000 Euro
	Member	35,000 Euro

⁴ On 31 July 2023, the Pirelli & C. Shareholders' Meeting resolved to establish, for the years 2023, 2024, 2025 and until cessation of office with the approval of the financial statements as at 31 December 2025, a maximum of 2.5 million euros as the total annual remuneration 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 component of their remuneration. 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.

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 Manager, 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 & C. 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 3 August 2023, the Board of Directors confirmed, in continuity with the previous term of office, the members of the Supervisory Body and resolved to pay the Chairman and the other members of the Board the following remuneration for the financial years 2023, 2024 and 2025:

Supervisory Body	Chairman	70,000 Euro
	Member	50,000 Euro

For completeness, it is reported that the remuneration assigned to members of the Supervisory Body is not included in the total gross annual remuneration 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 euros and for the other regular members of 75,000 euros.

The Shareholders' Meeting called to approve the financial statements at 31 December 2023 will be required to resolve on the renewal of the Board of Statutory Auditors as well as, pursuant to Art. 2402 of the Italian Civil Code, the remuneration of its members for their entire term of office.

In preparation for the Shareholders' Meeting, the Board of Statutory Auditors provided the Company with a document summarising the work it performed - specifying the number of meetings and their average duration - as well as the time required for each meeting and the professional resources employed, so as to allow the Shareholders' Meeting and the candidates for election as Statutory Auditors to assess the adequacy of the proposed remuneration⁵.

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 HOLDING SPECIFIC OFFICES

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 Jiao Jian⁶) the remuneration

⁵ The Document of the outgoing Board of Statutory Auditors is available on the Company's website.

⁶ Appointed Chairman by the Shareholders' Meeting on 31 July 2023.

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, who receives a gross annual remuneration of 400,000 euros for his office, has expressed his wish not to receive any remuneration from the Company for the offices held. Therefore, the Board of Directors' meeting of 13 September 2023 resolved not to allocate any remuneration under the 2023 Policy for the offices held by him.

In the event that the Board of Directors is called on to resolve again on the remuneration of the Chairman during the current term of office, a remuneration that is at most equal to +10% of the remuneration payable during the previous term of office (in the case of the same holder) or consistent with 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.

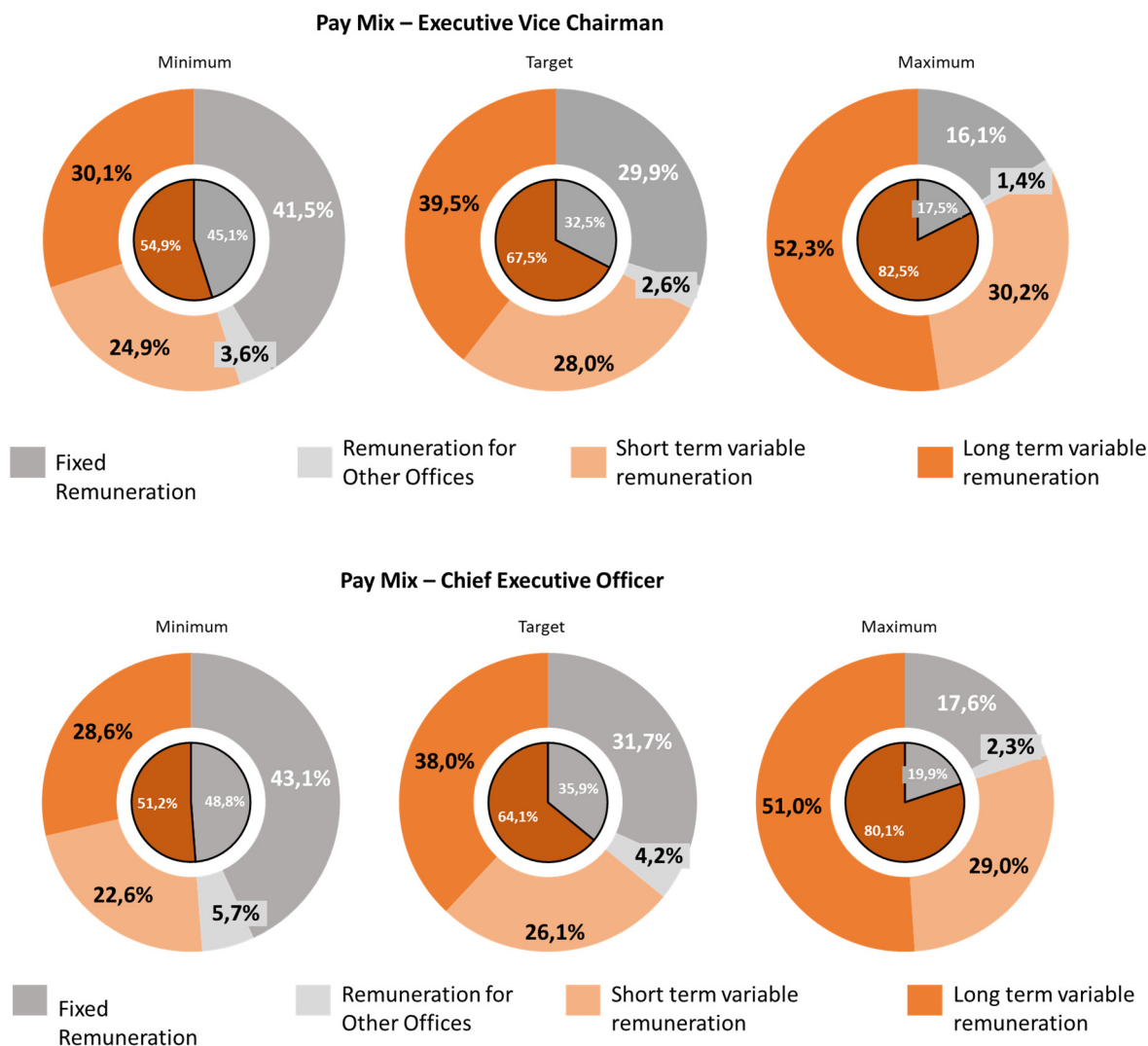
Directors holding specific offices to whom specific duties are also delegated

The remuneration of Directors holding specific offices to whom specific duties have also been assigned (as of the date of this Report this applies to the Executive Vice Chairman Marco Tronchetti Provera and the Chief Executive Officer Andrea Casaluci) consists of the following elements:

Fixed Remuneration	For the main office
Short Term Variable Remuneration	Annual incentive plan (STI)
Long Term Variable Remuneration	Deferred annual incentive quota/STI matching Medium-long term incentive plan (LTI)
Other components	Fixed remuneration for other offices different from the principal Benefits typical of the office and recognised according to company practice Insurance covers Non-Competition Agreement (for CEO only) Severance

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 committees⁷.

With regard to the incidence of the various components, the structure of the compensation package of the Executive Vice Chairman and CEO in the event of achievement of the minimum target and maximum 2024 STI and 2024-2026 LTI targets is shown below.



⁷ The Executive Vice Chairman is also entitled to the remuneration for serving as a Director (75,000 euros) and as Chairman of the Strategies Committee (50,000 euros), the Appointments and Succession Committee (35,000 euros) and the Sustainability Committee (50,000 euros). The Chief Executive Officer is entitled to remuneration for serving as Director (75,000 euros) and for his role as a member of the Strategies Committee (35,000 euros) and the Sustainability Committee (35,000 euros).

Fixed Remuneration

Remuneration for 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 remuneration for the financial years 2023, 2024 and 2025 and until the approval of the financial statements as at 31 December 2025 assigned to (i) the Executive Vice Chairman is 2,400,000 euros, (ii) the Chief Executive Officer is 1,100,000 euros.

In the event that the Board of Directors is again called upon to resolve on the gross annual fixed remuneration of Directors holding specific offices to whom specific powers are also delegated, the following shall comply with the Policy:

- for the Executive Vice Chairman, a fixed gross annual remuneration or a review thereof which, taking into account the annual and medium to long-term incentive percentages, determines an Annual Total Direct Compensation on-Target equal to a maximum of +5% respectively of the value awarded in the previous term of office (if the same holder) or of the market benchmark (third quartile);
- for the Chief Executive Officer, a fixed gross annual remuneration or a review thereof which, taking into account the annual and medium-long term incentive percentages, determines an Annual Total Direct Compensation on-Target equal to a maximum of +10% respectively of the value awarded in the previous term of office (if the same holder) or of the market benchmark (median).

Annual variable component (STI)

The Directors holding specific offices to whom specific duties are also delegated receive an annual variable component (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, 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 the Group's Net Cash Flow (before dividends) and failure to achieve it results in the cancellation of the STI incentive, regardless of the level of achievement of the other targets.

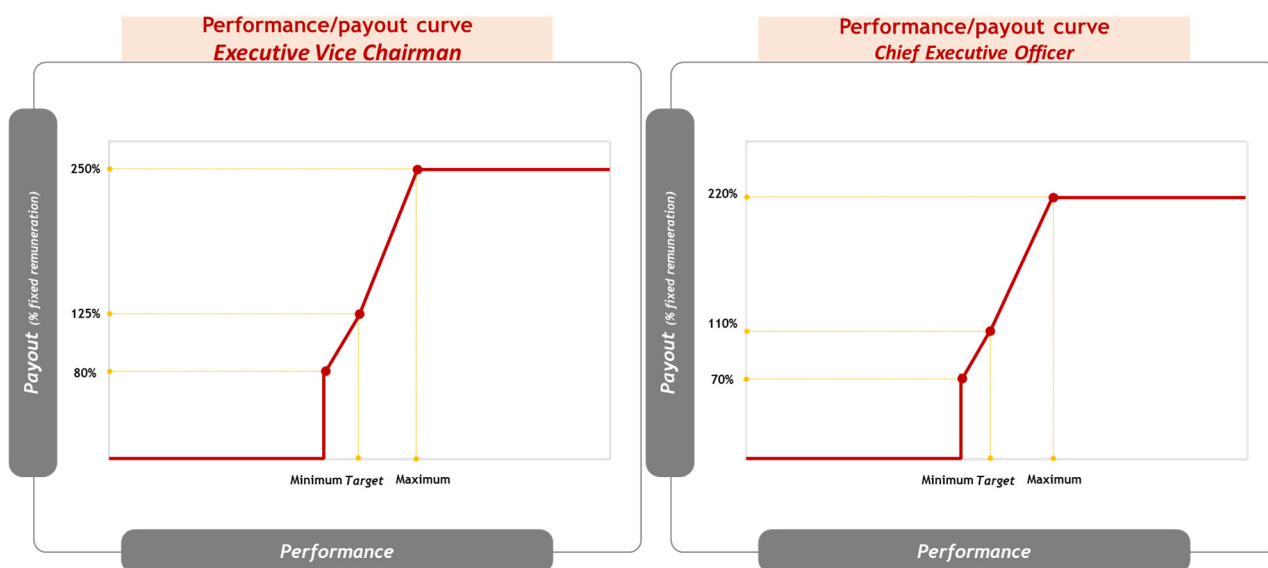
The finalisation of the bonus between the minimum value and target and between the target and maximum is carried out by linear interpolation.

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

Depending on the level of performance achieved, the Chief Executive Officer will be paid an incentive of 70% of fixed remuneration for minimum level performance, amounting to 110% of the fixed remuneration in the event of on-target performance and 220% 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.



Part of the variable component accrued by the Executive Vice Chairman and CEO as STI is deferred to support the continuity of results over time as stated in paragraph 2 of this Policy. 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 (matching).

In the event of termination of office, the STI Bonus is paid on a pro-quota basis for the effective months of tenure in office⁸.

Medium-long term variable component (LTI)

In order to contribute to the corporate strategy, the pursuit of the long-term interests and the sustainability of the Company, the Directors holding specific offices to whom specific duties are also delegated receive a medium-long term variable component (LTI) equal to a percentage of the fixed remuneration determined at the time of appointment and thereafter when the individual annual plans are launched.

For 2024, the Executive Vice Chairman and Chief Executive Officer are beneficiaries of the 2024-2026 LTI Plans and the 2022-2024 and 2023-2025 LTI Plans.

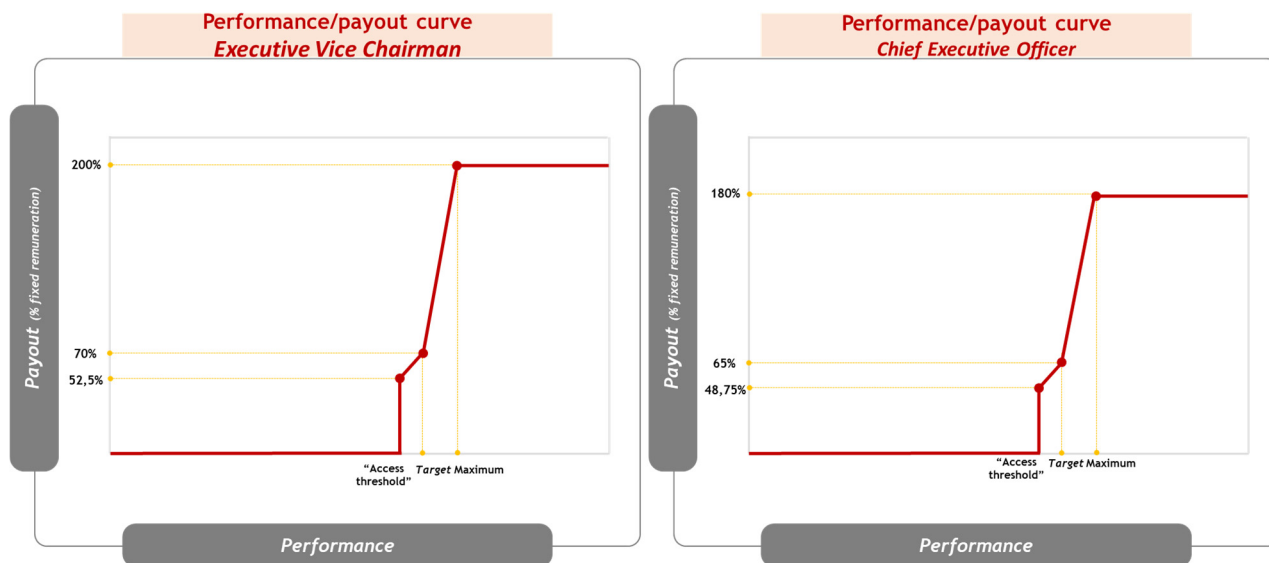
If the Board of Directors is again called to resolve on the LTI incentive percentages for Directors holding specific offices to whom specific duties are also delegated, the Policy allows the allocation of an LTI incentive percentage of no more than 70% on target, 200% maximum.

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 diagram 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 “access threshold”, target and maximum level by the Executive Vice Chairman and CEO.

⁸ Note that Andrea Casaluci was appointed Chief Executive Officer of the Company by the Board of Directors on 3 August 2023. For the periods prior to him taking on this role, the pro-rata payment of the STI is based on the incentive percentages and calculation basis set for the General Manager Operations, pursuant to the 2023 Policy.



For the TSR (Total Shareholder Return), cumulative Group Net Cash Flow (before dividends) and CO₂ Emissions targets, 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 Dow Jones Sustainability Index sustainability target, there will be a three-step reporting: “access threshold”, target and maximum, without considering intermediate performances.

Within the scope of the 2024-2026 LTI Plan, depending on the level of performance achieved, the Executive Vice Chairman is granted a 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 event of maximum performance.

Depending on the level of performance achieved, the Chief Executive Officer is granted an annual bonus opportunity of 65% of fixed remuneration for on-target performance, 48.75% if the “access threshold” performance is achieved (75% of the on-target bonus), and 180% (cap) in the event of maximum performance. These incentive opportunities are applicable to the 2024-2026 LTI Plan and, pro-rata, to the 2022-2024 and 2023-2025 LTI Plans.

In the event of termination of office, the LTI Bonus is paid on a pro-quota basis for the effective months of tenure in office⁹.

⁹ Note that Andrea Casaluci was appointed Chief Executive Officer of the Company by the Board of Directors on 3 August 2023. For the periods prior to him taking on this role, the pro-rata payment of the LTI Bonus is based on the incentive percentages and calculation basis set for the General Manager Operations, pursuant to the 2023 Policy.

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 Marco Tronchetti Provera and the Chief Executive Officer Andrea Casaluci on cessation of the executive employment contract¹⁰), analogously to the treatment guaranteed pursuant to the law and/or national collective employment agreement for the Group's Italian executives:

- an Office Termination Payment (TFM) pursuant to Art. 17, paragraph 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 remuneration 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 remuneration 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.

The severance pay, including the relevant value adjustment of such amounts, will be due as a lump sum at the request of the beneficiary at any time after expiry of each mandate or, in the event of premature death, of his/her assignees. It is understood that in the event that the severance pay relates to several expired mandates, the beneficiary shall be entitled to request its disbursement even for only one or some of the expired mandates; for the amounts or the mandates for which disbursement has not been requested, the right to the relevant sums shall accrue in the year in which disbursement is requested by the beneficiary or his/her assignees.

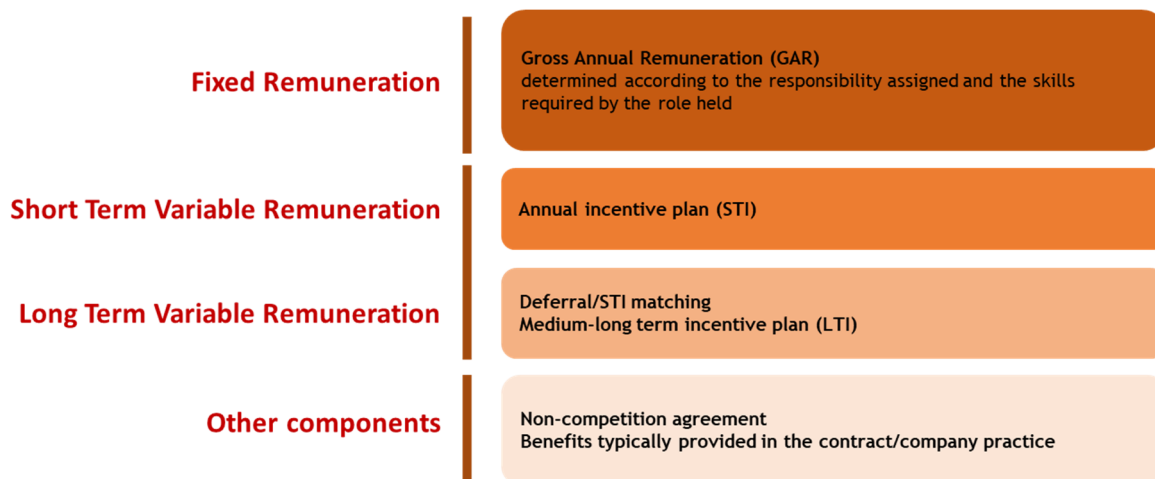
- a compensation allowance for death from any cause and permanent invalidity following illness as well as a compensation allowance for death from any cause and permanent invalidity following accidents, the terms, limits and conditions of which are in line with what was guaranteed for the previous mandate for the Executive Vice Chairman and with Pirelli policies for executives for the CEO;

¹⁰ Note that, as of the date of the Report, the Chief Executive Officer Andrea Casaluci holds an executive employment contract with Pirelli & C..

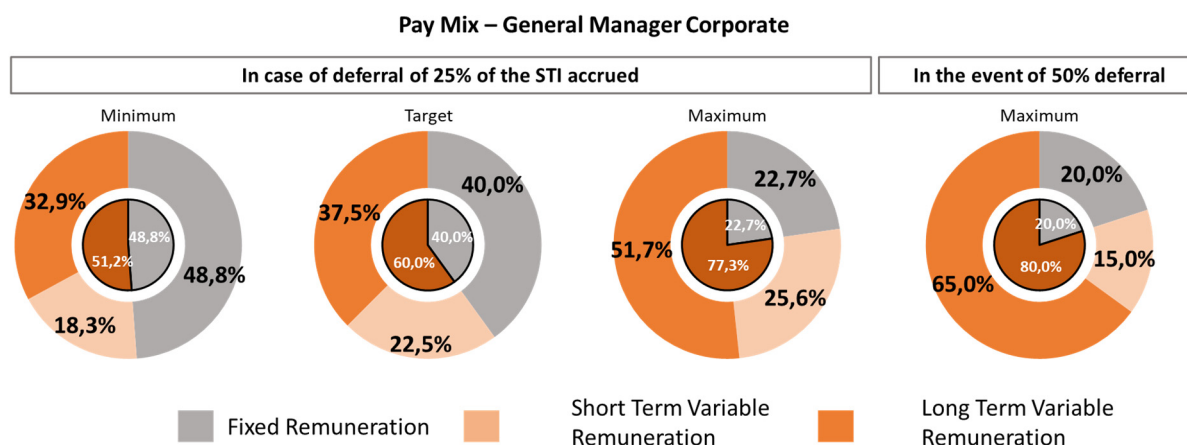
- further benefits typical of the role and currently paid within the Group to the General Manager, KMs and Executives (e.g. company car).

5. REMUNERATION OF THE GENERAL MANAGER AND KEY MANAGERS

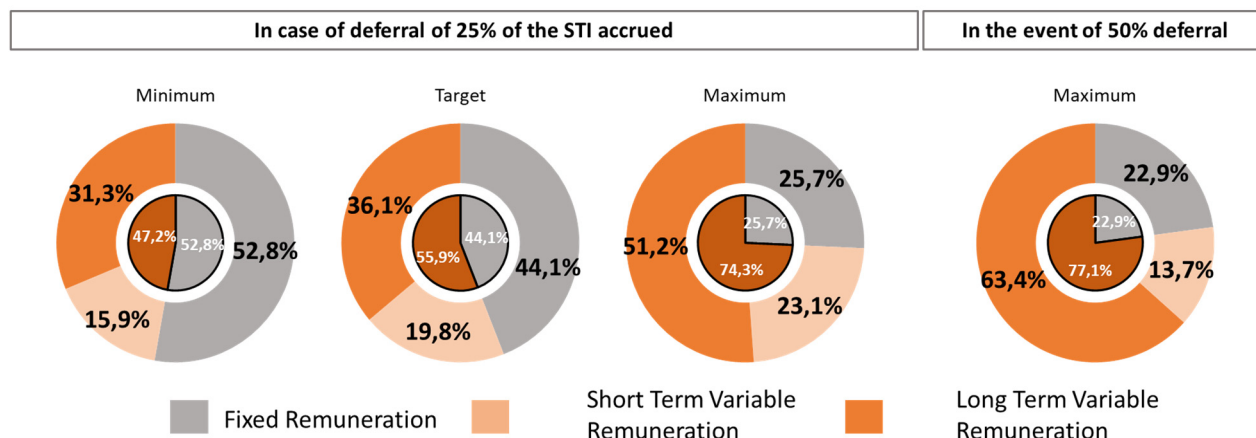
The remuneration of the General Manager (at the date of the Report the Corporate General Manager is Francesco Tanzi) and the KMs has the following elements:



With regard to the incidence of the various components, the structure of the compensation package of the Corporate General Manager and KMs in the event of achievement of the minimum, target and maximum STI 2024 and LTI 2024-2026 targets is shown below.



Pay Mix – Key Managers



The analysis of the remuneration of the Corporate General Manager 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.

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 Manager and KMs

The fixed remuneration of the General Manager 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, a fixed remuneration not exceeding 85% of that of the Chief Executive Officer and an Annual Total Direct Compensation on-Target which, taking into account the annual and medium-long term percentages, does not exceed 80% of the Annual Total Direct Compensation on-Target of the Chief Executive Officer.

If KMs are hired, the Policy allows a fixed remuneration not exceeding that of the Corporate General Manager 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 RPT Procedure is applicable.

Annual variable component (STI)

The General Manager 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.

Depending on the level of performance achieved, the table below shows the percentage of the incentive on the gross annual salary:

Corporate General Manager	Minimum	50% of the GAR
	Target	75% of the GAR
	Maximum	150% of the GAR
KMs	Minimum	40% of the GAR
	Target	60% of the GAR
	Maximum	120% of the GAR

In the event of hiring a new General Manager, the Remuneration Committee, having as reference the purpose of the Policy 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 Chief Executive Officer. In that case, the RPT Procedure is applicable.

For the General Manager 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 of this 2024 Policy.

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, also the General Manager and KMs are beneficiaries of medium/long-term incentive plans and, in particular, of the 2022-2024, 2023-2025 and 2024-2026 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 2024-2026, depending on the level of performance achieved, the table below shows the percentage of the incentive on the gross annual salary.

Corporate General Manager	Access threshold	45% of the GAR
	Target	60% of the GAR
	Maximum	160% of the GAR
KMs	Access threshold	41.25% of the GAR
	Target	55% of the GAR
	Maximum	145% of the GAR

For KMs, the incentive opportunities are also applied pro rata to the 2022-2024 and 2023-2025 LTI Plans.

In the event of the appointment of a new General Manager, the Remuneration Committee, having as reference the purpose of the Policy 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 Chief Executive Officer. In that case, the RPT Procedure is applicable.

The General Manager and KMs shall cease their participation in the LTI plans and consequently shall not accrue the right to receive bonus payments, not even pro-rata, in the event of (i) termination of employment occurring for any reason before the end of the three-year period and (ii) voluntary resignation without just cause or dismissal for just cause (Bad Leaver) occurring before the payment date.

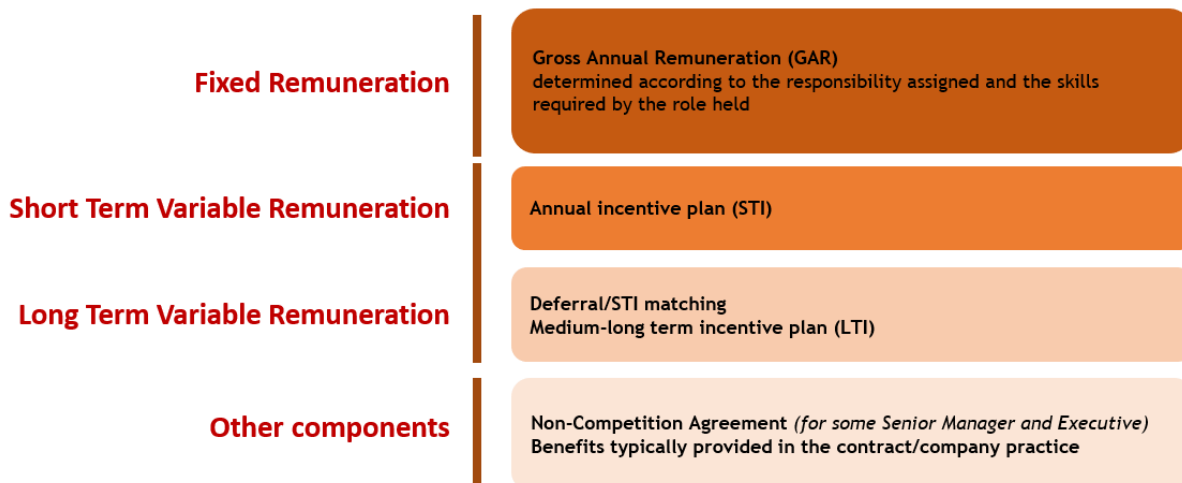
Non-monetary benefits, conventional seniority and welcome bonus

Non-monetary elements of remuneration are benefits provided to the General Manager 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 the beneficiary's fixed gross annual remuneration, taking into account the Policy's objective of attracting key resources to achieve the company's objectives.

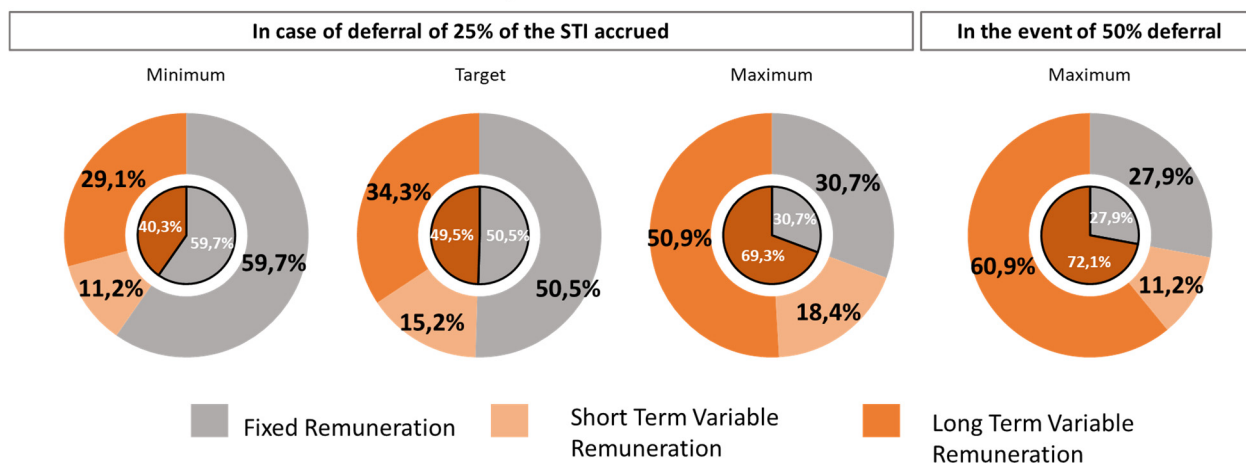
6. REMUNERATION OF SENIOR MANAGERS AND EXECUTIVES

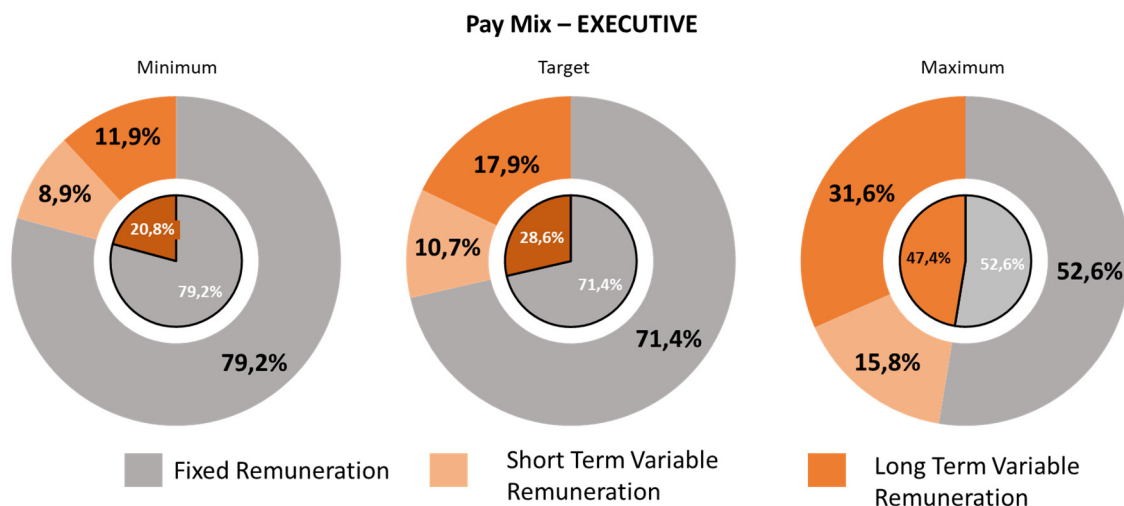
The remuneration of Senior Managers and Executives consists of the following elements:



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 2024 STI and 2024-2026 LTI objectives is shown below.

Pay Mix – SENIOR MANAGER





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 Corporate General Manager 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, the Chief Executive Officer, the General Manager and the KMs.

For the year 2024, the objectives assigned to Senior Managers and Executives are as shown in the table below:

Senior Executive Headquarter			Senior Executive of Region / BU		
STI Plan 2024	Objective	Weight	STI Plan 2024	Objective	Weight
Condition ON/OFF	Group Net Cash Flow (before dividends)		Condition ON/OFF	Group Net Cash Flow / Region Region DSO for Commercial Resp.*	
Business Objectives	Group EBIT Adj.	25%	Business Objectives	KPI with Group Scope	10-35%
	Group Net Cash Flow (before dividends)	20%		EBIT Adjusted of Region / BU	25%
Functional Objectives	Functional Objectives with Group Scope	40%		Net Cash Flow of Region	10-25%
Sustainability Objectives**	Eco & Safety Volumes		Functional Objectives	Functional Objectives	Up to 40%
	DE&I: Women in Management positions	15%	Eco & Safety Volumes		
	HSE: Frequency Index		DE&I: Women in Management positions	15%	
			HSE: Frequency Index		

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

** The Senior Managers and Region Heads have all three sustainability targets, each with a 5% weighting. The other Executives can have between one and three sustainability targets still guaranteeing at least 15 points, depending on the professional family they belong to.

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

	Range
% at minimum	10% - 25%
% at target	15% - 40%
% at maximum	30% - 80%

For selected Senior Managers, as for General Manager and KMs, a percentage of the STI accrued is deferred as stated in paragraph 2 of this 2024 Policy.

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 2022-2024, 2023-2025 and 2024-2026 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 Manager and KMs.

Within the scope of the LTI Plan for the period 2024-2026, on the basis of the performance level achieved, Senior Managers and Executives are paid the following incentive percentages:

	Range
% at access threshold	11.25% - 37.5%
% at target	15% - 50%
% at maximum	40% - 130%

Senior Managers and Executives shall cease their participation in the LTI plans and consequently shall not accrue the right to receive bonus payments, not even pro-rata, in the event of (i) termination of employment occurring for any reason before the end of the three-year period and (ii) voluntary resignation without just cause or dismissal for just cause (Bad Leaver) occurring before the payment date.

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, the General Manager 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:

- proven significant errors resulting in non-compliance with the accounting standards applied by Pirelli, or;
- 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.

As regards Directors holding specific offices to whom specific powers are delegated, and who are not bound by executive employment contracts, Pirelli provides for the payment of a specific benefit, following evaluation by the competent corporate bodies, in the cases described below.

Regarding the Executive Vice Chairman:

- early termination of office by the Company for other than just cause;
- early 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 24 months of gross annual salary, i.e. the sum of (i) the gross annual base remuneration 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.

With regard to the Chief Executive Officer Andrea Casaluci, taking into account his specific career path, which has seen him employed as a Group Executive for many years, with roles of increasing responsibility, most recently as General Manager Operations, a benefit is envisaged in the following cases when he is no longer bound by an executive employment contract:

- early termination of office by the Company for other than just cause;
- early 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;
- termination of office due to completion of term of office without a subsequent re-appointment proposal.

This benefit amounts to 24 months of the gross annual remuneration, meaning the sum of (i) the Gross Annual Fixed Remuneration for the main office and (ii) the STI annual variable remuneration at target.

As regards the Directors holding specific offices to whom specific powers are also delegated and who are bound by executive employment contracts, the General Manager and the KMs, the agreements for termination of the employment relationship by mutual consent are submitted to the Remuneration Committee (also in its capacity as the Related-Party Transactions Committee), which, having assessed compliance with the Policy, authorises the negotiation by setting the maximum limits of the amount payable, including the possible retention of non-monetary benefits for a pre-determined period of time.

The closure amounts are determined with reference to the applicable category national collective bargaining agreements. In particular, 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

Directors holding specific offices to whom specific powers are also delegated and who are bound by executive employment contracts, the General Manager and the KMs may also be granted the

following amounts, subject to the examination, evaluation and approval of the Remuneration Committee (also in its capacity as the Related-Party Transactions Committee):

- 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.

A consultancy (or collaboration) contract may be entered into between Directors holding specific offices to whom specific powers are also delegated and who are bound by executive employment contracts, the General Manager and the KMs and a Group company, for a predefined period following the termination of the employment relationship and subject, also in this case, to evaluation and approval by the Remuneration Committee (also acting as Related-Party Transactions Committee).

Remuneration due to the Directors holding specific offices to whom specific powers are also delegated who are bound by executive employment contracts, to the General Manager and to the KMs by virtue of the positions possibly held in the Board of Directors are not included in the quantification of the severance pay relationship and are due to the extent determined exclusively based on the period in which the office on the Board of Directors was held.

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

- for Directors holding specific offices to whom specific powers are also delegate and who cease to hold office a pro-rata payment of the LTI Bonus, and LTI bonus for the actual months of tenure of the office is provided for;
- for the General Manager, the KMs, Senior Managers and Executives, in the event of termination of employment, the STI bonus will be paid pro-rata, for the actual months of employment, subject to a minimum period of 9 months in the year, except in the case of dismissal for just cause, where no amount will be paid. There is no payment of the LTI bonus, not even pro rata, in the event of termination for any reason before the end of the three-year period; there is also no payment in the event of voluntary resignation without just cause or dismissal for just cause (Bad Leaver) before the payment date.

9. NON-COMPETITION AGREEMENT

The Group enters into non-competition agreements providing for a payment to the General Manager, KMs and, Senior Managers and Executives¹¹ 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-

¹¹ Reference is made, in particular, to critical know-how in terms of technical skills in research and development and manufacturing as well as in sales.

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, the General Manager and KMs, as to have a geographical extension covering all the main countries in which the Group operates.

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

It should be noted that the CEO holds a non-competition agreement to protect the Group's strategic and operational know-how which the total amount is equal to 170% of the fixed gross annual remuneration (70% in the case of a bad leaver), from which must be subtracted the portion paid during the office as an advance equal to 15% of the aforementioned remuneration for each year in office.

In the case of Directors holding specific offices to whom specific duties are also delegated, the General Manager 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 the termination of office/contract;

	Range
Fee for the restriction period	50% - 170%
Annual payment	10% - 15%

- the fee: from a minimum of 50% to a maximum of 170% of the fixed remuneration on the basis of the role held, the technical skills, the specialised know-how and the reason for leaving, for the period of the restriction, less any portion disbursed during the contract of employment, amounting to between 10% and 15% of the fixed remuneration 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 170% of the fixed remuneration and in any case not above 200% and, in this case, the annual payment during employment may be a maximum of 20% of the fixed remuneration.

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 Manager 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 2024 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 Manager 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: these are the Directors of Pirelli & C. holding the office of Chairman, Executive Vice Chairman and Chief Executive Officer. The Directors holding specific 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 specific 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 assigned: the Directors of Pirelli & C. who hold the office of Executive Vice Chairman and Chief Executive Officer.

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:

- gross annual base salary of the remuneration;
- annual variable short-term incentive (STI), if target objectives are achieved;
- medium-long term variable component consisting of:
 - annual value of the LTI plan if multi-year target objectives are achieved;
 - pro quota value of the STI accrued and deferred, to be paid if the underlying conditions are met;
- 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: 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: indicates the persons identified pursuant to Article 11, paragraph 10 of the Bylaws, i.e. Pirelli's managers who, by reason of the tasks and powers attributed to them, have the power and responsibility, directly or indirectly, of planning, directing and controlling the Company's activities and of adopting decisions that may affect its development and future prospects.

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.

Good Leaver: when the relationship with the Company is terminated by mutual termination, retirement, death or resignation for good cause.

Bad Leaver: when the relationship with the Company is terminated due to a case other than those listed in the definition of good leaver.

Pirelli Group or Pirelli or Group: all the companies included in the consolidation scope of Pirelli & C..

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

2021-2023 LTI Plan: refers to the LTI plan relating to the 2021-2023 three-year cycle, approved by the Board of Directors on 31 March 2021 and, subsequently, by the Shareholders' Meeting held on 15 June 2021, to support the achievement of the new objectives set by the 2021-2022/2025 Strategic Plan, as subsequently amended by the Board of Directors on 17 March 2022 (amendment approved by the Shareholders' Meeting on 18 May 2022).

2022-2024 LTI Plan: refers to the LTI plan relating to the 2022-2024 three-year cycle, approved by the Board of Directors on 17 March 2022 and, subsequently, by the Shareholders' Meeting held on 18 May 2022.

2023-2025 LTI Plan: refers to the LTI plan relating to the 2023-2025 three-year cycle, approved by the Board of Directors on 5 April 2023 and, subsequently, by the Shareholders' Meeting held on 31 July 2023.

2024-2026 LTI Plan: refers to the LTI plan relating to the 2024-2026 three-year cycle, approved by the Board of Directors on 6 March 2024.

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

2024-2025 Industrial Plan: refers to the update of the 2021-2022/2025 Strategic Plan approved by the Board of Directors of Pirelli & C. on 6 March 2024.

2020 Policy: refers to the Remuneration Policy for the year 2020 approved by the Board of Directors on 2 March 2020 and, subsequently, by the Shareholders' Meeting held on 18 June 2020.

2021 Policy: refers to the Remuneration Policy for the year 2021 approved by the Board of Directors on 31 March 2021 and, subsequently, by the Shareholders' Meeting held on 15 June 2021.

2022 Policy: refers to the Remuneration Policy for the year 2022 approved by the Board of Directors on 17 March 2022 and, subsequently, by the Shareholders' Meeting held on 18 May 2022.

2023 Policy: refers to the Remuneration Policy for the year 2023 approved by the Board of Directors on 5 April 2023 and, subsequently, by the Shareholders' Meeting held on 31 July 2023.

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

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

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

The Company or Pirelli & C.: refers to Pirelli & C. S.p.A.

STI: refers to 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: refers to all Directors holding specific offices, General Manager and KMs.

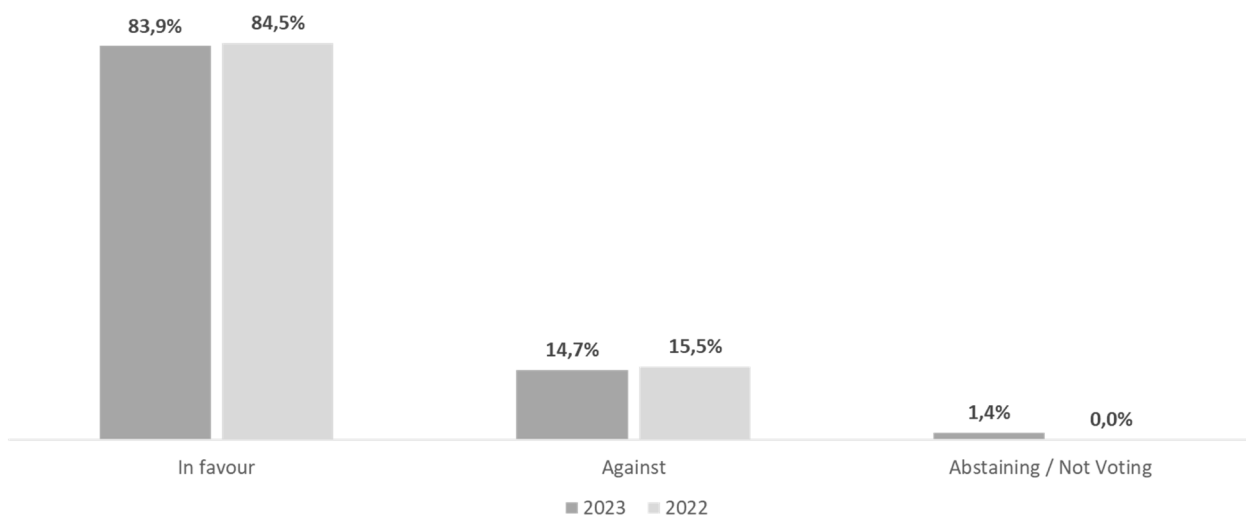
REPORT ON COMPENSATION PAID IN 2023

1. ILLUSTRATION OF REMUNERATION COMPONENTS

The Report on Compensation Paid illustrates the remuneration policy approved by the shareholders' meeting of Pirelli & C. on 31 July 2023 (the "**2023 Policy**"), as implemented by the Pirelli Group during the 2023 financial year in relation to remuneration. In particular, the 2023 Report on Compensation Paid provides an overview of the remuneration paid to the different types of stakeholders, in accordance with the transparency obligations of the applicable legal or regulatory provisions, and gives evidence of compliance with the 2023 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 resolves on the second section of the Report (i.e. the 2023 Report on Compensation Paid) with an advisory vote.

In implementing the 2023 Policy, the Company took into account the vote cast by the Shareholders' Meeting held on 31 July 2023, which voted in favour of the Report on Compensation Paid in 2022. The chart below shows the result of the advisory vote in 2023 on the compensation paid in 2022 and in 2022 on the compensation paid in 2021.



1.1 TOTAL REMUNERATION

At the Shareholders' Meeting of 31 July 2023, the term of office of the Board of Directors appointed by the Shareholders' Meeting of 18 June 2020 expired. The Shareholders' Meeting of 31 July 2023 therefore appointed the Board of Directors for the financial years 2023-2024-2025, until the approval of the financial statements as at 31 December 2025 (the '**2023-2025 Term of office**').

This section therefore shows:

- the remuneration paid with reference to the financial year 2023 to the members of the Board of Directors in office in the 2023-2025 Term of office;
- the remuneration paid with reference to the financial year 2023 to the members of the Board of Directors whose term of office ended with the approval of the financial statements as of 31 December 2022 (the '**2020-2022 Term of office**');
- the remuneration paid with reference to the financial year 2023 to the KMs;
- the remuneration paid with reference to the financial year 2023 to the members of the Board of Statutory Auditors appointed by the Shareholders' Meeting on 15 June 2021.

Fixed Remuneration

Directors holding no specific offices

Term of office 2023-2025

Pursuant to the 2023 Policy, for Directors not holding specific offices, the Shareholders' Meeting of 31 July 2023 resolved to establish, for the years 2023, 2024, 2025 and until the end of their term of office coinciding with the approval of the financial statements as at 31 December 2025, a total annual Board of Directors' remuneration in accordance with Art. 2389, paragraph 1 of the Italian Civil Code, of up to 2.5 million euros, excluding the remuneration to be allocated by the Board to Directors holding specific offices, as envisaged by Art. 2389 of the Italian Civil Code. This total remuneration includes remuneration for the office held and the fees due for participation in the board Committees, as resolved by the Board of Directors on 3 August 2023.

On 3 August 2023, the Company's Board of Directors resolved to grant each Director not holding specific offices a gross annual remuneration of 75,000 euros.

Term of office 2020-2022

Pursuant to the 2020 Policy, for Directors not holding specific offices, the Shareholders' Meeting of 18 June 2020 resolved to establish, for the years 2020, 2021, 2022 and until the end of their term of office coinciding with the approval of the financial statements as at 31 December 2022, a total annual Board of Directors' remuneration in accordance with Art. 2389, paragraph 1 of the

Italian Civil Code, of up to 2 million euros, excluding the remuneration to be allocated by the Board to Directors holding specific offices, as envisaged by Art. 2389 of the Italian Civil Code. This total remuneration included the remuneration for the office held and the fees due for participation in the board Committees, as resolved by the Board of Directors on 22 June 2020.

On 22 June 2020, the Company's Board of Directors resolved to grant each Director not holding specific offices a gross annual remuneration of 65,000 euros.

Directors holding specific offices

Term of office 2023-2025

Chairman Jiao Jian, appointed by the Shareholders' Meeting on 31 July 2023, expressed his willingness not to receive any remuneration from the Company for the offices held. Therefore, the Board of Directors' meeting of 13 September 2023 resolved not to allocate any remuneration under the 2023 Policy for the offices held by him.

In accordance with the 2023 Policy, the Executive Vice Chairman¹² Marco Tronchetti Provera was allocated a gross annual fixed remuneration for the office of 2,400,000 euros, as approved by the Board of Directors on 13 September 2023¹³, as well as the remuneration for the offices of Director, Chairman of the Strategies Committee, Chairman of the Appointments and Succession Committee and Chairman of the Sustainability Committee approved by the Board of Directors on 3 August 2023 and received pro-rata from the date of appointment¹⁴.

In accordance with the 2023 Policy, the Chief Executive Officer Andrea Casaluci¹⁵ was assigned, starting from his appointment, a gross annual fixed remuneration for the office of 1,100,000 euros, approved by the Board of Directors on 13 September 2023, as well as remuneration for the offices of Director and member of the Strategies Committee and Sustainability Committee, approved by the Board of Directors on 3 August 2023.

Term of office 2020-2022

Chairman Li Fanrong, who ceased to hold office upon completion of his term at the Shareholders' Meeting held on 31 July 2023, received no remuneration from the Company for the offices held. The Board of Directors' meeting of 11 October 2022, having noted the Chairman's expressed willingness not to receive any remuneration from the Company for his

¹² The Board of Directors' meeting of 3 August 2023 appointed Marco Tronchetti Provera as Executive Vice Chairman. During the 2020-2022 term of office he also held the position of Chief Executive Officer.

¹³ The Board of Directors' meeting of 13 September 2023, also in view of the new responsibilities and proxies assigned, resolved that, as of the date of his appointment to the office, Executive Vice Chairman Marco Tronchetti Provera would receive the same fixed gross annual remuneration approved by the Board of Directors' meeting of 22 June 2020 for the previous office held as Executive Vice Chairman and Chief Executive Officer. This remuneration is paid to the company to which he belongs.

¹⁴ Remuneration transferred to employer company.

¹⁵ It is recalled that the Board of Directors appointed Andrea Casaluci as CEO on 3 August 2023.

offices, had in fact resolved not to proceed with the allocation of any remuneration under the 2022 Policy.

In accordance with the 2020 Policy, Executive Vice Chairman and Chief Executive Officer Marco Tronchetti Provera was allocated a gross annual fixed remuneration for the office of 2,400,000 euros, as well as the remuneration for the offices of Director, Chairman of the Strategies Committee and Chairman of the Appointments and Succession Committee, approved by the Board of Directors on 22 June 2020 and received pro-rata until the date of termination of the offices.

In accordance with the 2021 and 2020 Policy, Deputy-CEO Giorgio Luca Bruno, who ceased to hold office upon completion of his term of office with the Shareholders' Meeting of 31 July 2023, was allocated a gross annual fixed remuneration for the office of 1,100,000 euros, determined by the Board of Directors on 15 June 2021, as well as the remuneration for the offices of Director and member of the Strategies Committee, approved by the Board of Directors on 22 June 2020, received pro-rata until the date of termination of the offices.

KMs

The Corporate General Manager Francesco Tanzi, in line with the resolution passed by the Board of Directors on 3 August 2023 and as provided for by the 2023 Policy, was allocated a gross annual remuneration of 750,000 euros, received pro-rata starting from the date of hire, which took place on 4 August 2023.

In line with the resolution of the Board of Directors and as provided for by the remuneration policies adopted by Pirelli, Operations General Manager Andrea Casaluci was allocated a gross annual remuneration of 750,000 euros, received pro-rata until his appointment as Chief Executive Officer.

The other KMs were paid an aggregate gross annual salary of 3,197,693 euros¹⁶.

Auditors

The Statutory Auditors appointed by the Shareholders' Meeting of 15 June 2021 were paid remuneration in the amount of 90,000 euros gross per annum for the Chairman and 75,000 euros gross per annum for the Statutory Auditors, as approved by the aforementioned Shareholders' Meeting and without prejudice to the provisions of Article 2402 of the Italian Civil Code. The Statutory Auditor appointed as a member of the Supervisory Board was also granted a gross annual remuneration of 50,000 euros for the 2023-2025 term of office, received pro-rata from the date of

¹⁶ As of 31 December 2023, 6 KMs had been identified, of which 1 is represented *pro rata temporis* as of 3 August 2023. Also shown *pro-rata temporis* are the remunerations of two KMs who held this office until 13 September 2023.

renewal of the appointment. For the previous 2020-2022 term, he had a gross annual remuneration of 40,000 euros, received pro-rata until the renewal date.

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

For further details, please refer to paragraphs 3, 4 and 5 of the 2023 Policy, paragraphs 4 and 5 of the 2022 Policy, paragraphs 3, 4 and 5 of the 2021 Policy and paragraphs 3, 4 and 5 of the 2020 Policy.

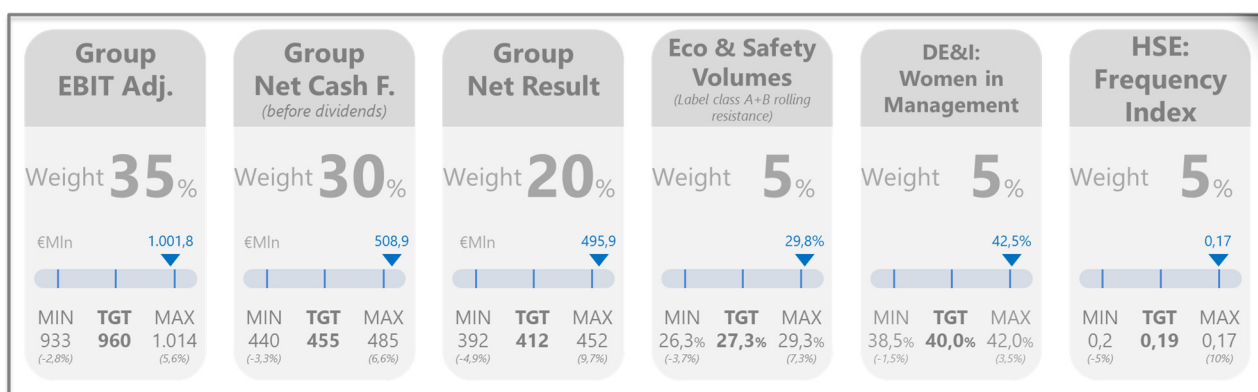
Variable remuneration

Management remuneration accrued with reference to the 2023 financial year contributed to the sustainability of the Company's long-term results thanks to its variable components (both short-term and medium-long term) represented by the STI plan, including the deferral/matching mechanism, and the 2021-2023 LTI Plan.

In this regard, with reference to the final figures of the 2023 STI and 2021-2023 LTI, results exceeded expectations despite the macro-economic context characterised by growing geopolitical tensions, a sharp slowdown in economic growth and demand, penalised by high inflation and rising interest rates.

Annual variable remuneration STI

With reference to the 2023 STI Plan, the table below summarises the final figures of the performance targets for the year in relation to the targets set.



In light of the results achieved, the payout percentage accrued by each beneficiary in respect of the 2023 STI plan stands at the values shown in the table below.

	% achieved on fixed component	
Executive Vice Chairman	MIN 80% TGT 125% MAX 250%	240%
Chief Executive Officer^[*]	MIN 65% TGT 100% MAX 200%	192%
General Manager Operations^[*]	MIN 50% TGT 75% MAX 150%	144%
General Manager Corporate^[*]	MIN 50% TGT 75% MAX 150%	144%
KMs	MIN 35% TGT 50% MAX 100%	96%

^[*] The percentage accrued are applied pro-rata temporis for the respective periods of tenure and on their respective fixed remunerations.

Note that the amounts accrued under the 2023 STI shall be paid in accordance with the procedures and mechanisms indicated below, in accordance with the 2023 Policy.

Directors holding specific offices to whom specific duties are also delegated

Term of office 2023-2025

In accordance with the 2023 Policy, during the financial year 2024, the Executive Vice Chairman will be paid 75% of the accrued incentive upfront, while the payment of the remaining 25% is deferred for 12 months and put at risk/opportunity as it is subject to the achievement of the STI targets for the year 2024 as defined in the 2024 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 2022 Policy and based on the level of achievement of the 2023 STI results, the 2022 STI portion that had been deferred together with the company matching component (both components shown in the “Bonuses and other incentives” column of Table 1) is also disbursed.

In accordance with the 2023 Policy, during the financial year 2024, the Chief Executive Officer Andrea Casaluci will be paid upfront 75% of the incentive accrued pro-rata *temporis* from the date of his appointment, while the payment of the remaining 25% is deferred for 12 months and put at risk/opportunity as it is subject to the achievement of the STI objectives for the year 2024

as defined in the 2024 Policy. For this reason, neither the deferral quota nor any company matching are shown in the “Bonuses and other incentives” column of Table 1.

Term of office 2020-2022

The Executive Vice Chairman and Chief Executive Officer Marco Tronchetti Provera, participated, until the date he left office, in the same 2023 STI plan, the mechanism of which is better described in the “2023-2025 Mandate” paragraph above and defined in the 2023 Policy.

In accordance with the 2023 Policy, during the financial year 2024, Deputy-CEO Giorgio Luca Bruno is paid the 2023 STI accrued pro-rata until leaving office. Given the non-applicability of the deferral mechanism, this amount is fully shown in the “Bonuses and other incentives” column in Table 1. Also note that, in accordance with the 2022 Policy and based on the level of achievement of the 2023 STI results, the 2022 STI portion that had been deferred together with the company matching component (both components shown in the “Bonuses and other incentives” column of Table 1) is also disbursed.

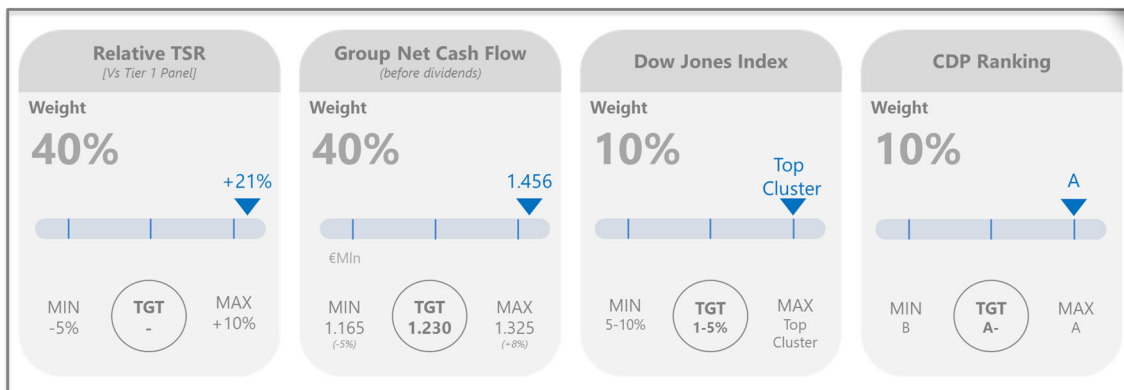
KMs

The 2023 STI of Corporate General Manager Francesco Tanzi, accrued on a pro-rata basis from the date of hiring, of the General Manager of Operations Andrea Casaluci, accrued on a pro-rata basis until his appointment as CEO, and of the KMs is subject to the co-investment mechanism as defined in the 2023 Policy, which envisages the deferral of a portion of the accrued incentive that may vary from a minimum of 25% to a maximum of 50%, depending on the individual choice. This deferred portion will be paid in 2027 subject to continued employment up to 31 December 2026, together with a company matching component that can vary from a minimum of 0.8 to a maximum of 1.2 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 2023 Policy and paragraphs 2 and 4 of the 2022 Policy.

Medium-long term variable remuneration (LTI)

With reference to the 2021-2023 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.



In light of the results achieved, the payout percentage accrued by each beneficiary in respect of the 2021-2023 LTI plan stands at the values shown in the table below.

	% achieved on fixed component
Executive Vice Chairman	MIN 52,5% TGT 70% MAX 200% 200%
Chief Executive Officer^[*]	MIN 45% TGT 60% MAX 160% 160%
General Manager Operations^[*]	MIN 45% TGT 60% MAX 160% 160%
General Manager Corporate^[*]	MIN 45% TGT 60% MAX 160% 160%
KMs	MIN 37,5% TGT 50% MAX 130% 130%

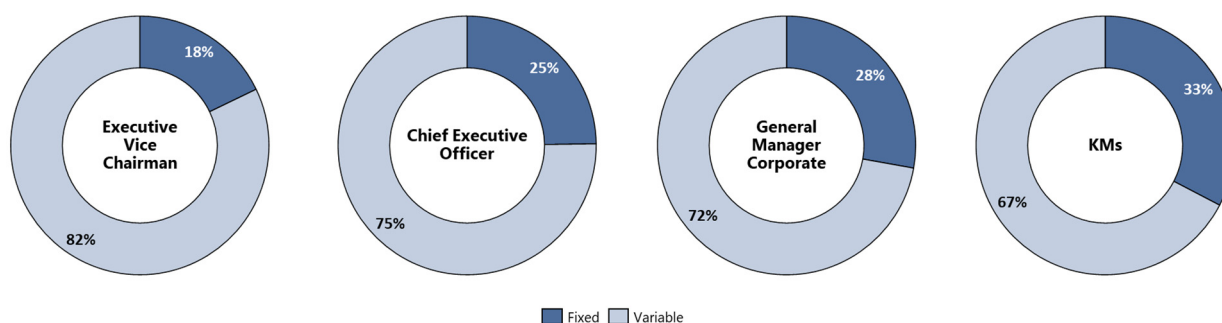
^[*] The percentages accrued are applied pro-rata temporis for the respective periods of tenure and on their respective fixed remunerations.

Note that for the TSR target included in the 2021-2023 LTI plan, similarly to what was approved for the same target in the 2020-2022 LTI plan, the Board of Directors' meeting of 6 March 2024 applied the methodology identified by the Company (the suitability of which was corroborated by an independent expert) to normalise, in accordance with the 2021 Policy, the effects of the acquisition of Cooper by Goodyear (a company included in the Tier 1 peers for the TSR target) which took place at the beginning of 2021.

Note that the amounts accrued under the 2021-2023 LTI plan are disbursed in a single payment during the financial year 2024, in accordance with the 2021 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 remuneration¹⁷ achieved in relation to the 2023 results for STI and of 2021-2023 results for LTI for top management figures.



Other remuneration

It should be noted that for the CEO¹⁸, the Corporate General Manager, 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. The Deputy-CEO, who will cease to hold office on 31 July 2023, also has a non-competition agreement in place.

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

For further details, see paragraph 9 of the 2023 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 2023

In 2023 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.

It should be noted that with the appointment of the new Board of Directors on 31 July 2023, the office of the Deputy-CEO Giorgio Luca Bruno expired for end of term of office. In accordance with the provisions of the 2023 Policy, he was not paid any end-of-office indemnity but rather a severance pay, calculated on the remuneration received until the termination of office, in his capacity as Director

¹⁷ 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 to the items represented in the "Bonuses and other incentives" column of Table 1.

¹⁸ Pirelli had a non-competition agreement in place for Chief Executive Officer Andrea Casaluci, in his capacity as General Manager of Operations, which was terminated upon his appointment as Chief Executive Officer.

holding specific offices to whom specific duties not related to the executive employment relationship. Also pursuant to the 2023 Policy, Giorgio Luca Bruno retains his rights, accrued pro-rata up to the date of termination of his employment, to participate in the incentive plans, as well as the related severance pay, as follows: (i) 2022 STI for the deferred portion and its company increase both disbursed in 2024 against the level of achievement of the 2023 STI, (ii) 2023 STI, disbursed in 2024, (iii) as well as the long-term incentive plans (LTI) 2021-2023 (disbursed in 2024), 2022-2024 (potentially disbursed in 2025) and 2023-2025 (potentially disbursed in 2026).

To protect the Group's strategic and operational know-how, Giorgio Luca Bruno will also be bound, for the two years following his termination of office as Director, to a non-competition agreement valid for the main countries in which Pirelli operates, for a total consideration equal to 120% of the fixed annual gross remuneration for the office of Deputy-CEO (1.1 million euros), minus the amount paid during the term of office as an advance equal to 10% of the aforesaid remuneration for each year of office. The residual amount thus owed shall be paid by the Company to Giorgio Luca Bruno in 8 quarterly instalments in arrears starting from October 2023 (this amount, together with the amount paid as severance pay, are shown in the "Severance Pay" column of Table 1).

Finally, with the end of the 2020-2022 term of office, the non-monetary benefits attributed to Giorgio Luca Bruno also ceased, with the exception of the company car, which was kept in use until October 2023.

Also note that with the appointment of the new Board of Directors on 31 July 2023, the office of Executive Vice Chairman and Chief Executive Officer Marco Tronchetti Provera ceased due to the completion of the term of office. Subsequently, Marco Tronchetti Provera was appointed Director by the Shareholders' Meeting of 31 July 2023 and Executive Vice Chairman by the Board of Directors meeting of 3 August 2023.

In accordance with the provisions of the 2023 Policy, the Executive Vice Chairman was not paid any end-of-office indemnity.

Having the right to request the disbursement of even only part of the severance pay, calculated on the remuneration received up to the termination of his office as Executive Vice Chairman and Chief Executive Officer, the Executive Vice Chairman requested the disbursement of a portion equal to Euro 4 Million gross (as shown in Table 1). For amounts or mandates for which disbursement has not been requested, the right to the relevant sums shall accrue in the year in which disbursement is requested.

1.3 EXCEPTIONS TO THE 2023 POLICY

It should be noted that there were no exceptions to the 2023 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 five years: (i) of the remuneration of the Executive Vice Chairman, the Chief Executive Officer and the Corporate General Manager, (ii) of the Company's results, (iii) of the average remuneration of Pirelli & C. employees.

Annual variation in remuneration and performance

Values in €

	2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019	2019 vs 2018	2018 vs 2017
Executive Vice Chairman	Actual Total Cash⁽¹⁾						
Marco Tronchetti Provera	14.471.550	-28%	167%	234%	-47%	-11%	
CEO	Actual Total Cash⁽¹⁾						
Andrea Casaluci	3.918.531	-17%	69%	292%	-33%	23%	
Corporate General Manager	Actual Total Cash⁽¹⁾						
Francesco Tanzi ⁽²⁾	1.103.890	-	-	-	-	-	-
Board of Directors							
Name	Office	Actual Total Cash⁽¹⁾					
Jiao Jian ⁽³⁾	Chairman	0	-	-	-	-	-
Li Fanrong ⁽⁴⁾	Chairman (outgoing)	0	-	-	-	-	-
Giorgio Luca Bruno ⁽⁵⁾	Deputy-CEO (outgoing)	4.459.308	-30%	178%	-	-	-
Bai Xiping ⁽⁶⁾	Director (outgoing)	22.082	-86%	0%	20%	-11%	0%
Chen Aihua	Director	70.833	-	-	-	-	-
Chen Qian	Director	45.833	-	-	-	-	-
Haitao Zhang	Director	111.667	18%	0%	100%	-	-
Paola Boromei	Director	101.250	7%	0%	100%	-	-
Alberto Bradanini	Director	60.416	-	-	-	-	-
Domenico De Sole	Director	140.834	-3%	0%	19%	-19%	0%
Michele Carpinelli	Director	79.166	-	-	-	-	-
Grace Tang	Director	47.917	-	-	-	-	-
Roberto Diacetti	Director	115.833	22%	0%	100%	-	-
Giovanni Lo Storto	Director	181.250	4%	0%	38%	15%	58%
Marisa Pappalardo	Director	175.000	-13%	0%	58%	27%	0%
Giovanni Tronchetti Provera ⁽⁷⁾	Director (outgoing)	462.383	-48%	69%	92%	3%	23%
Fan Xiaohua	Director	123.751	-5%	0%	34%	8%	0%
Tao Haisu	Director (outgoing)	58.334	-42%	0%	22%	-9%	0%
Wang Feng	Director (outgoing)	67.695	-	-	-	-	-
Wei Yin Tao	Director (outgoing)	55.417	-42%	0%	20%	-12%	0%
Yang Shihao	Director (outgoing)	55.417	-9%	-	-	-	-
Board of Statutory Auditors							
Name	Office	Actual Total Cash⁽¹⁾					
Riccardo Foglia Taverna	Chairman	90.000	0%	85%	-	-	-
Antonella Carù	Standing auditor	119.166	4%	6%	8%	0%	3%
Alberto Villani	Standing auditor	75.000	0%	18%	27%	0%	0%
Francesca Meneghel	Standing auditor	75.000	0%	85%	-	-	-
Teresa Naddeo	Standing auditor	75.000	0%	85%	-	-	-
Results	Actual Result						
Relative TSR ⁽⁸⁾	-	12.4 p.p.	8.3 p.p.	2.3 p.p.	-12.1 p.p.	-8.3 p.p.	8.4%
Group Adjusted EBIT (min euros)	1.001,8	2,5%	20%	62,8%	-45,4%	-4,0%	9,0%
Average remuneration of employees	Actual Total Cash⁽¹⁾						
Employees of Pirelli & C. S.p.A. active at 31/12	132.046	-13%	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⁾ Hired as of 4 August 2023.

⁽³⁾ Chairman Jiao Jian expressed his wish not to receive any remuneration for the offices held in Pirelli & C. S.p.A.. The Board of Directors therefore resolved not to award any remuneration for the offices held in Pirelli.

⁽⁴⁾ Chairman Li Fanrong expressed his wish not to receive any remuneration for the offices held in Pirelli & C. S.p.A.. The Board of Directors therefore resolved not to proceed with the allocation of any remuneration for the offices held in Pirelli.

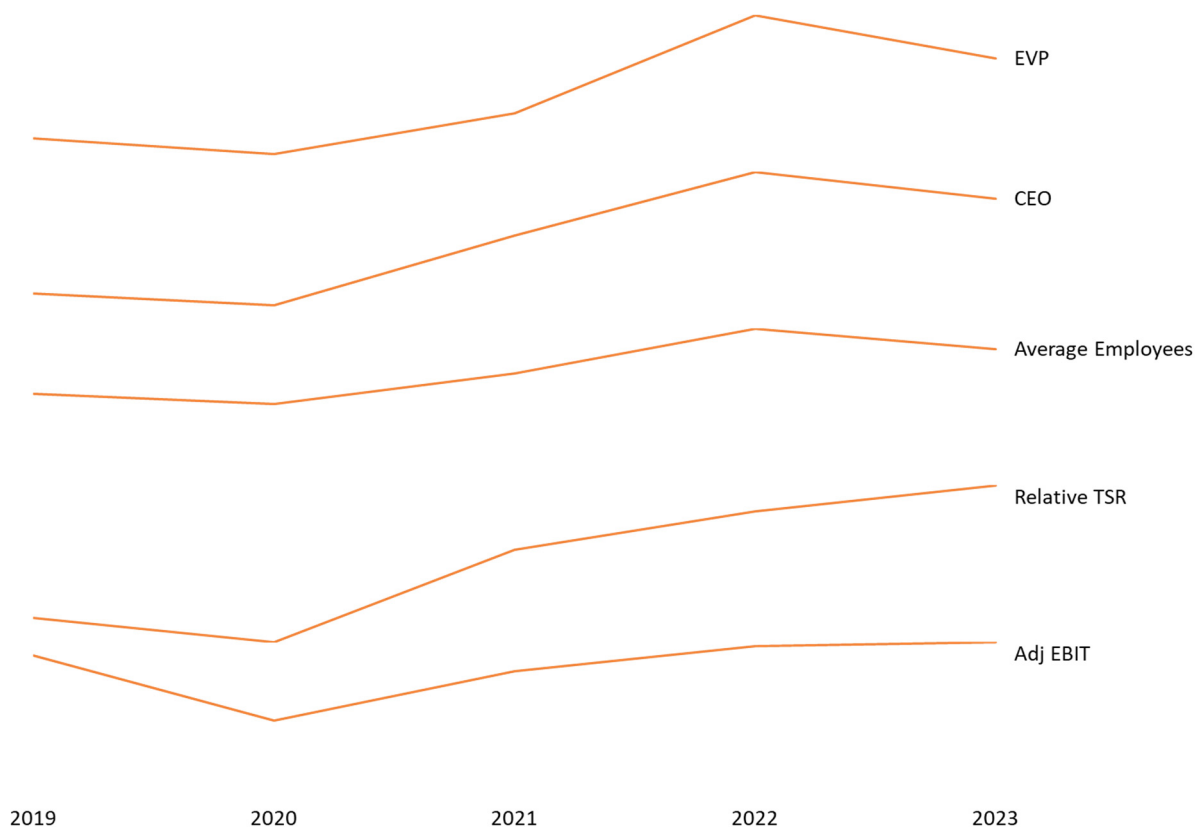
⁽⁵⁾ Ceased to hold office upon completion of the term, with the Shareholders' Meeting of 31 July 2023. The amount shown includes remuneration accrued pro rata up to that date.

⁽⁶⁾ Resigned as Director as of 22 February 2023. The amount shown includes remuneration accrued pro rata up to that date.

⁽⁷⁾ Ceased to hold office as Director upon completion of the term, with the Shareholders' Meeting of 31 July 2023. The amount shown includes remuneration accrued pro rata up to that date, as both Director and Senior Manager.

⁽⁸⁾ 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 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 KMs¹⁹. As of 31 December 2023, in addition to the Corporate General Manager (Francesco Tanzi), 6 KMs were in office.

¹⁹ 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”.

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, for which information is in any case provided).

The tables include all those individuals who held the aforementioned positions during all or even only part of the 2023 year²⁰. Non-monetary benefits, where received, are also identified on an accruals basis, and reported according to the “taxable income criterion” of the benefit assigned.

²⁰ 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	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					
Marco Tronchetti Provera	Executive Vice Chairman and CEO	01/01/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	2,469,167	114,583	11,887,800	0	670,652	0	15,142,202	0	4,000,000
	Executive Vice Chairman	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025									
Of which remuneration in Pirelli & C. S.p.A.				2,469,167 (1)	114,583 (2)	11,887,800 (3)		670,652 (4)		15,142,202		4,000,000 (5)
Of which remuneration by subsidiary and affiliated Companies										0		
Jiao Jian	Chairman	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	0	0	0	0	0	0	0	0	0
	Of which remuneration in Pirelli & C. S.p.A.				0 (6)	0				0 (6)		
Of which remuneration by subsidiary and affiliated Companies										0		
Li Fanrong	Chairman	01/01/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	0	0	0	0	0	0	0	0	0
	Of which remuneration in Pirelli & C. S.p.A.				0 (7)	0				0 (7)		
Of which remuneration by subsidiary and affiliated Companies										0		
Andrea Casaluci	CEO	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	942,788	29,166	2,946,577	0	23,863	165,000	4,107,394	0	0
	General Manager of Operations	01/01/2023 - 31/07/2023	/									
Of which remuneration in Pirelli & C. S.p.A.				538,942 (8)	29,166 (9)	904,754 (10)		8,636 (11)	165,000 (12)	1,646,498		
Of which remuneration by subsidiary and affiliated Companies				403,846 (13)		2,041,823 (14)		15,227 (15)		2,460,896		
Giorgio Luca Bruno	Deputy-CEO	01/01/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	679,584	17,500	3,762,224	0	15,086	110,000	4,584,394	0	4,695,912
	Of which remuneration in Pirelli & C. S.p.A.				679,584 (16)	17,500 (17)	3,762,224 (18)		15,086 (19)	110,000 (20)	4,584,394	
Of which remuneration by subsidiary and affiliated Companies										0		
Chen Aihua	Director	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	31,250	39,583	0	0	0	0	70,833	0	0
	Of which remuneration in Pirelli & C. S.p.A.				31,250 (22)	39,583 (23)					70,833 (24)	
Of which remuneration by subsidiary and affiliated Companies										0		

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	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					
Haitao Zhang	Director	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	69,167	42,500	0	0	0	0	111,667	0	0
Of which remuneration in Pirelli & C. S.p.A.				69,167 (22)	42,500 (25)					111,667 (24)		
Of which remuneration by subsidiary and affiliated Companies										0		
Chen Qian	Director	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	31,250	14,583	0	0	0	0	45,833	0	0
Of which remuneration in Pirelli & C. S.p.A.				31,250 (22)	14,583 (17)					45,833 (24)		
Of which remuneration by subsidiary and affiliated Companies										0		
Alberto Bradanini	Director	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	31,250	29,166	0	0	0	0	60,416	0	0
Of which remuneration in Pirelli & C. S.p.A.				31,250 (22)	29,166 (26)					60,416		
Of which remuneration by subsidiary and affiliated Companies										0		
Michele Carpinelli	Director	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	31,250	47,916	0	0	0	0	79,166	0	0
Of which remuneration in Pirelli & C. S.p.A.				31,250 (22)	47,916 (27)					79,166		
Of which remuneration by subsidiary and affiliated Companies										0		
Domenico De Sole	Director	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	69,167	71,667	0	0	0	0	140,834	0	0
Of which remuneration in Pirelli & C. S.p.A.				69,167 (22)	71,667 (28)					140,834		
Of which remuneration by subsidiary and affiliated Companies										0		
Paola Boromei	Director	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	69,167	32,083	0	0	0	0	101,250	0	0
Of which remuneration in Pirelli & C. S.p.A.				69,167 (22)	32,083 (29)					101,250		
Of which remuneration by subsidiary and affiliated Companies										0		
Roberto Diacetti	Director	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	69,167	46,666	0	0	0	0	115,833	0	0
Of which remuneration in Pirelli & C. S.p.A.				69,167 (22)	46,666 (30)					115,833		
Of which remuneration by subsidiary and affiliated Companies										0		

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	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					
Fan Xiaohua	Director	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	69,167	54,584	0	0	0	0	123,751	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												
Giovanni Lo Storto	Director	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	69,167	112,083	0	0	0	0	181,250	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												
Marisa Pappalardo	Director	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	69,167	105,833	0	0	0	0	175,000	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												
Grace Tang	Director	31/07/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2025	31,250	16,667	0	0	0	0	47,917	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												
Tao Haisu	Director	01/01/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	37,917	20,417	0	0	0	0	58,334	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												
Giovanni Tronchetti Provera	Director	01/01/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	172,532	17,500	272,351	0	9,697	0	472,080	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												
Wei Yin Tao	Director	01/01/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	37,917	17,500	0	0	0	0	55,417	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	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					
Yang Shihao	Director	01/01/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	37,917	17,500	0	0	0	0	55,417	0	0
Of which remuneration in Pirelli & C. S.p.A.				37,917 (22)	17,500 (17)					55,417 (24)		
Of which remuneration by subsidiary and affiliated Companies										0		
Wang Feng	Director	22/02/2023 - 31/07/2023	AGM to approve the financial statements for the year to 31 December 2022	28,389	39,306	0	0	0	0	67,695	0	0
Of which remuneration in Pirelli & C. S.p.A.				28,389 (22)	39,306 (39)					67,695 (24)		
Of which remuneration by subsidiary and affiliated Companies										0		
Bai Xinping	Director	01/01/2023 - 22/02/2023	AGM to approve the financial statements for the year to 31 December 2022	9,260	12,822	0	0	0	0	22,082	0	0
Of which remuneration in Pirelli & C. S.p.A.				9,260 (22)	12,822 (40)					22,082 (24)		
Of which remuneration by subsidiary and affiliated Companies										0		
Francesco Tanzi	Corporate General Manager	04/08/2023 - 31/12/2023	/	306,917	0	796,974	0	175,000	175,000	1,286,337	0	0
Of which remuneration in Pirelli & C. S.p.A.				306,917 (41)		796,974 (42)		175,000 (44)	175,000 (44)	1,286,337		
Of which remuneration by subsidiary and affiliated Companies										0		
No. 6 Key Managers	(45)	/	/	3,197,693	44,166	6,598,280	0	377,500	377,500	10,331,886	0	0
Of which remuneration in Pirelli & C. S.p.A.				2,143,077	44,166 (46)	4,002,400 (47)		239,500 (49)	239,500 (49)	6,504,063		
Of which remuneration by subsidiary and affiliated Companies				1,054,616		2,595,880		138,000	138,000	3,827,823		
Riccardo Foglia Taverna	Chairman of the Board of Statutory Auditors	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2023	90,000	0	0	0	0	0	90,000	0	0
Of which remuneration in Pirelli & C. S.p.A.				90,000						90,000		
Of which remuneration by subsidiary and affiliated Companies										0		
Francesca Meneghel	Standing auditor	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2023	75,000	0	0	0	0	0	75,000	0	0
Of which remuneration in Pirelli & C. S.p.A.				75,000						75,000		
Of which remuneration by subsidiary and affiliated Companies										0		
Teresa Naddeo	Standing auditor	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2023	75,000	0	0	0	0	0	75,000	0	0
Of which remuneration in Pirelli & C. S.p.A.				75,000						75,000		
Of which remuneration by subsidiary and affiliated Companies										0		

First and last name	Office	Period office held	Expiry of term of office	Fixed remuneration	Remuneration for membership of committees	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					
Antonella Carù	Standing auditor	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2023	75,000	44,166	0	0	0	0	119,166	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												
Alberto Villani	Standing auditor	01/01/2023 - 31/12/2023	AGM to approve the financial statements for the year to 31 December 2023	75,000	0	0	0	0	0	75,000	0	0
Of which remuneration in Pirelli & C. S.p.A.												
Of which remuneration by subsidiary and affiliated Companies												

Total remuneration in Pirelli & C. S.p.A.				7,357,423	987,957	21,354,152	0	776,741	689,500	31,165,773	0	8,695,912
Total				1,593,077	0	4,910,054	0	64,251	138,000	6,705,382	0	0
Total				8,950,500	987,957	26,264,206	0	840,992	827,500	37,871,155	0	8,695,912

(1) Of which: (i) for the period 01/01/2023 - 31/07/2023, 37,917 euros as Director of Pirelli & C. S.p.A. and 1.4 million euros as Executive Vice Chairman of Pirelli & C. S.p.A. As of 31/07/2023, the remuneration received as Director and Executive Vice Chairman of Pirelli & C. S.p.A. has been paid to Marco Tronchetti Provera & C. S.p.A.

(2) Of which: (i) for the period 01/01/2023 - 31/07/2023, 29,167 euros as Chairman of the Appointments and Succession Committee of Pirelli & C. S.p.A. and 29,167 euros as Chairman of the Strategies Committee of Pirelli & C. S.p.A. and (ii) for the period 31/07/2023 - 31/12/2023, 14,583 euros as Chairman of the Appointments and Succession Committee of Pirelli & C. S.p.A., 20,833 euros as Chairman of the Strategies Committee of Pirelli & C. S.p.A. and 20,833 euros as Chairman of the Sustainability Committee of Pirelli & C. S.p.A. As of 31/07/2023, the remuneration received as Chairman of the Board Committees of Pirelli & C. S.p.A. has been paid to Marco Tronchetti Provera & C. S.p.A.

(3) The amount includes: 75% of the 2023 STI incentive paid out (upfront amount), 25% of the 2022 STI incentive deferred together with the company matching component due to the level of achievement of the results of the 2023 STI and the 2021-2023 LTI incentive (see the table below for details of the amounts). These fees are paid to Marco Tronchetti Provera & C. S.p.A.

(4) Of which: 666,292 euros for insurance policies in line with the provisions of the 2023 Policy, and 4,360 euros for a company car.

(5) Represents the amount disbursed as severance pay and corresponding to the partial portion accrued for the executive office of Executive Vice Chairman and Chief Executive Officer held at Pirelli & C. S.p.A. in the last three mandates and ceased on 31 July 2023. It is specified that the beneficiary of the severance pay is entitled to request even its partial disbursement and for the amounts or the mandates for which disbursement has not been requested, the right to the relevant sums shall accrue in the year in which disbursement is requested.

(6) Chairman Jiao Jian expressed his wish not to receive any remuneration for the offices held in Pirelli & C. S.p.A. The Board of Directors therefore resolved not to award any remuneration for the offices held in Pirelli. For completeness, we point out that Chairman Jiao Jian is a member of the Strategies Committee and the Sustainability Committee of Pirelli & C. S.p.A.

(7) Chairman Li Fanrong expressed his wish not to receive any remuneration for the offices held in Pirelli & C. S.p.A. The Board of Directors therefore resolved not to proceed with the allocation of any remuneration for the offices held in Pirelli. For completeness, we point out that Chairman Li Fanrong was a member of the Strategies Committee and the Appointments and Succession Committee of Pirelli & C. S.p.A.

(8) Of which, for the period 31/07/2023 - 31/12/2023, 31,250 euros as a Director of Pirelli & C. S.p.A. and 507,692 euros as Chief Executive Officer of Pirelli & C. S.p.A.

(9) Of which, for the period 31/07/2023 - 31/12/2023, 14,583 euros as a member of the Strategies Committee and 14,583 euros as a member of the Sustainability Committee of Pirelli & C. S.p.A.

(10) The amount includes: 75% of the 2023 STI incentive paid (upfront portion) and the 2021-2023 LTI incentive, both accrued pro-rata as of the date of the appointment as Chief Executive Officer resolved by the Board of Directors of Pirelli & C. S.p.A.

(11) Of which: 4,246 euros for a company car, 3,000 euros for supplementary pension contributions and 1,390 euros for health insurance.

(12) The amount refers to the payment, during the employment contract, of part of the consideration for the non-competition agreement granted as Chief Executive Officer.

(13) The amount represents the pro-rata share of the gross annual salary as General Manager Operations until the appointment as Chief Executive Officer of Pirelli & C. S.p.A. resolved by the Board of Directors of Pirelli & C. S.p.A.

(14) The amount includes: the 2023 STI incentive accrued pro-rata up to the appointment as CEO (including the deferred portion), the related company matching component that will be paid at the end of the deferral period (3 years) and the 2021-2023 LTI incentive, also accrued pro-rata up to the appointment as CEO (see table below for details of amounts).

(15) Of which: 3,806 euros for a company car, 4,200 euros for supplementary pension contributions, 1,946 euros for health insurance and 5,275 euros for insurance policies.

(16) Of which 37,917 euros as a Director of Pirelli & C. S.p.A. and 641,667 euros as Deputy CEO of Pirelli & C. S.p.A.

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

(18) The amount includes: the 2023 STI incentive accrued pro-rata up to the date of termination of the office of Deputy-CEO, 25% of the 2022 STI incentive deferred together with the related company matching component based on the level of achievement of the 2023 STI results and the 2021-2023 LTI incentive also accrued pro-rata up to the date of termination (see table below for details of the amounts).

- (19) Of which: 6,406 euros for insurance policies, 6,734 euros for a company car and 1,946 euros for health insurance.
- (20) The amount refers to the payment, during the employment contract, of part of the consideration for the non-competition agreement.
- (21) The amount includes, due to the expiry of the term of office of the Deputy-CEO, the severance pay calculated on the remuneration accrued until the termination of the office, including the variable remuneration shown in the table, and the residual consideration related to the non-competition agreement paid in 8 quarterly instalments in arrears starting from the termination of the office.
- (22) As a Director of Pirelli & C. S.p.A.
- (23) Of which: 14,583 euros as a member of the Audit, Risks and Corporate Governance Committee, 14,583 euros as a member of the Remuneration Committee and 10,417 euros as a member of the Appointments and Succession Committee of Pirelli & C. S.p.A..
- (24) Remuneration transferred to employer company.
- (25) Of which (i) for the period 01/01/2023 - 31/07/2023 17,500 euros as a member of the Audit, Risks, Sustainability and Corporate Governance Committee of Pirelli & C. S.p.A. and (ii) for the period 31/07/2023 - 31/12/2023 10,417 euros as a member of the Appointments and Succession Committee and 14,583 euros as a member of the Strategies Committee of Pirelli & C. S.p.A..
- (26) Of which: 14,583 euros as member of the Strategies Committee and 14,583 euros as member of the Remuneration Committee of Pirelli & C. S.p.A.
- (27) Of which 14,583 euros as a member of the Audit, Risks and Corporate Governance Committee, 14,583 euros as a member of the Remuneration Committee and 18,750 euros as a member of the Related-Party Transactions Committee of Pirelli & C. S.p.A..
- (28) Of which (i) for the period 01/01/2023 - 31/07/2023, 17,500 euros as a member of the Strategies Committee and 29,167 euros as a member of the Related-Party Transactions Committee of Pirelli & C. S.p.A. and (ii) for the period 31/07/2023 - 31/12/2023 10,417 euros as a member of the Appointments and Succession Committee and 14,583 euros as a member of the Strategies Committee of Pirelli & C. S.p.A..
- (29) As member of the Remuneration Committee of Pirelli & C. S.p.A.
- (30) Of which (i) for the period 01/01/2023 - 31/07/2023, 17,500 euros as a member of the Audit, Risks, Sustainability and Corporate Governance Committee of Pirelli & C. S.p.A. and (ii) for the period 31/07/2023 - 31/12/2023 14,583 euros as a member of the Audit, Risks and Corporate Governance Committee and 14,583 euros as a member of the Strategies Committee of Pirelli & C. S.p.A.
- (31) Of which (i) for the period 01/01/2023 - 31/07/2023, 20,417 euros as Chairman of the Audit, Risks, Sustainability and Corporate Governance Committee and 17,500 euros as a member of the Remuneration Committee of Pirelli & C. S.p.A. and (ii) for the period 31/07/2023 - 31/12/2023, 16,667 euros as Chairman of the Audit, Risks and Corporate Governance Committee of Pirelli & C. S.p.A.
- (32) Of which (i) for the period 01/01/2023 - 31/07/2023, 17,500 euros as a member of the Audit, Risks, Sustainability and Corporate Governance Committee, 17,500 euros as a member of the Strategies Committee and 29,167 euros as a member of the Related-Party Transactions Committee of Pirelli & C. S.p.A. and (ii) for the period 31/07/2023 - 31/12/2023, 14,583 euros as a member of the Audit, Risks and Corporate Governance Committee, 18,750 euros as a member of the Related-Party Transactions Committee and 14,583 euros as a member of the Sustainability Committee of Pirelli & C. S.p.A..
- (33) Of which (i) for the period 01/01/2023 - 31/07/2023, 17,500 euros as a member of the Audit, Risks, Sustainability and Corporate Governance Committee, 17,500 euros as a member of the Remuneration Committee and 43,750 euros as Chairman of the Related-Party Transactions Committee of Pirelli & C. S.p.A. and (ii) for the period 31/07/2023 - 31/12/2023, 27,083 euros as Chairman of the Related-Party Transactions Committee of Pirelli & C. S.p.A..
- (34) As Chairman of the Remuneration Committee of Pirelli & C. S.p.A.
- (35) As a member of the Appointments and Succession Committee of Pirelli & C. S.p.A.
- (36) As a Senior Manager of Pirelli Tyre S.p.A. This amount represents the pro-rata share of the gross annual salary received until the termination of his office as Director of Pirelli & C. S.p.A..
- (37) With reference to the period during which he served as Director of Pirelli & C. S.p.A., the amount includes the pro-rata 2023 STI incentive amount accrued (including the deferred portion) as Senior Manager, the related company matching component that will be paid at the end of the deferral period (3 years) and the pro-rata 2021-2023 LTI Plan amount (see table below for details of the amounts). The remaining portion of 2023 STI and 2021-2023 LTI accrued since qualifying as a KM is included in the aggregate value of Key Managers.
- (38) Of which: 1,225 euros for insurance policies, 2,326 euros for a company car, 4,200 euros for supplementary pension contributions and 1,946 euros for health insurance. These amounts, allocated as senior manager, are shown pro-rata until the termination of the office of Director of Pirelli & C. S.p.A.
- (39) Of which: 13,102 euros as a member of the Remuneration Committee, 13,102 euros as a member of the Appointments and Succession Committee, and 13,102 euros as a member of the Strategies Committee of Pirelli & C. S.p.A.
- (40) Of which: 4,274 euros as a member of the Remuneration Committee, 4,274 euros as a member of the Appointments and Succession Committee, and 4,274 euros as a member of the Strategies Committee of Pirelli & C. S.p.A.
- (41) The amount represents the pro-rata amount, as of the date of hire, of the gross annual salary as Corporate General Manager resolved by the Board of Directors of Pirelli & C. S.p.A. on 3 August 2023.
- (42) The amount includes: the 2023 STI incentive accrued pro-rata from the hire date (including the deferred portion), the related company matching component that will be paid at the end of the deferral period (3 years) and the 2021-2023 LTI incentive, also accrued pro-rata from the hire date (see table below for details of the amounts).
- (43) Of which: 3,057 euros for a company car, 3,000 euros for supplementary pension contributions and 1,390 euros for health insurance. These benefits are granted with effect from the hire date.
- (44) The amount includes: 75,000 euros by way of payment during the employment relationship of part of the consideration for the non-competition agreement and 100,000 euros by way of a welcome bonus linked to hiring.
- (45) As of 31 December 2023, 6 KMs had been identified, of which 1 is represented *pro rata temporis* as of 3 August 2023. The table also shows pro rata temporis the remuneration of two KMs who held this office until 13 September 2023. The remuneration paid to the General Manager Operations and the General Manager Corporate, for their respective periods of tenure, are not included in this item as they are indicated separately in the table.
- (46) As a member of the 231 Supervisory Body.
- (47) The amount includes, for the respective holders, the accrued 2023 STI incentive (including the deferred portion), the related company matching component that will be paid at the end of the deferral period (3 years) and the 2021-2023 LTI incentive (see table below for details on amounts).
- (48) The amounts, for the respective holders, are for a company car, supplementary pension contributions, health insurance and insurance policies.
- (49) The amounts relate, for the respective holders, to the payment of part of the consideration for the non-competition agreement and a retention bonus granted prior to qualification as a KM.

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 2023.

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	2022 STI	-		-		-	2,765,640 (1)	-	-
		2023 STI	4,322,160 (2)	1,440,720 (3)	-	1 year	-	-	-	-
		2021-2023 LTI Plan	4,800,000 (4)	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-	-
		2023-2025 LTI Plan	-	-	-	-	-	-	-	-
Andrea Casaluci	CEO	2021 STI	-	-	-	-	-	1,406,250 (5)	-	-
		2022 STI	-	-	-	-	-	653,373 (5)	-	-
		2023 STI	660,310 (6)	220,103 (7)	1 year	-	-	-	-	-
		2023 STI	315,153 (8)	693,337 (9)	3 years	-	-	-	-	-
		2021-2023 LTI Plan	1,277,778 (4)	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-	-
Giorgio Luca Bruno	Deputy-CEO	2022 STI	-	-	-	-	-	1,014,090 (1)	-	-
		2023 STI	1,232,578 (10)	-	-	-	-	-	-	-
		2021-2023 LTI Plan	1,515,556 (11)	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-	-
		2023-2025 LTI Plan	-	-	-	-	-	-	-	-
Francesco Tanzi	Corporate General Manager	2023 STI	270,131 (12)	360,175 (13)	3 years	-	-	-	100,000 (15)	
		2021-2023 LTI Plan	166,667 (14)							
		2022-2024 LTI Plan	-	-	-	-	-	-	-	
		2023-2025 LTI Plan	-	-	-	-	-	-	-	
Giovanni Tronchetti Provera	Director (16)	2021 STI	-	-	-	-	-	94,500 (5)	-	-
		2022 STI	-	-	-	-	-	92,736 (5)	-	-
		2023 STI	55,849 (17)	44,280 (18)	3 years	-	-	-	-	-
		2021-2023 LTI Plan	172,222 (19)	-	-	-	-	-	-	-
		2022-2024 LTI Plan	-	-	-	-	-	-	-	-
No. 6 Key Managers	(20)	2021 STI	-	-	-	-	-	2,029,263 (21)	-	-
		2022 STI	-	-	-	-	-	1,732,944 (22)	-	-
		2023 STI	1,951,736 (23)	1,856,266 (13)	3 years	-	-	-	-	-
		2021-2023 LTI Plan	2,790,278 (4)	-	-	-	-	-	-	50,000 (24)
		2022-2024 LTI Plan	-	-	-	-	-	-	-	-
		2023-2025 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	-	-	-	-	-	1,050,060	150,000
		2022 STI	-	-	-	-	3,779,730	672,759	
		2023 STI	7,781,000	3,109,077	1 year 3 years	-	-	-	
		2021-2023 LTI Plan	8,345,167	-	-	-	-	-	
		2022-2024 LTI Plan	-	-	-	-	-	-	
		2023-2025 LTI Plan	-	-	-	-	-	-	
(II) Remuneration from Subsidiary and Affiliated Companies		2021 STI	-	-	-	-	-	2,479,953	-
		2022 STI	-	-	-	-	-	1,806,294	
		2023 STI	1,026,917	1,505,804	3 years	-	-	-	
		2021-2023 LTI Plan	2,377,334	-	-	-	-	-	
		2022-2024 LTI Plan	-	-	-	-	-	-	
		2023-2025 LTI Plan	-	-	-	-	-	-	
(III) Total			19,530,418	4,614,881	-	-	3,779,730	6,009,066	150,000

(1) The amount refers to the sum of the deferred portion of the 2022 STI (25%) and the respective company matching component paid out for achievement of the 2023 STI objectives as defined in the 2022 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 2023 STI paid out (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 2023 STI deferred and assigned to risk/opportunity subject to the results of the 2024 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 2021-2023 LTI Plan. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(5) The amount in the "Previous Years Bonuses Still Deferred" column refers to the sum of the deferred 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.

(6) With reference to the 2023 STI accrued as of the appointment as Chief Executive Officer, the amount in the "Payable/Paid out Year Bonus" column refers to the 75% paid out (upfront portion). This amount is shown in the "Bonuses and other incentives" column of Table 1.

(7) With reference to the 2023 STI accrued as of the appointment as CEO, the amount in the "Deferred Year Bonus" column refers to the 25% deferred and put at risk/opportunity subject to the results of the 2024 STI. This amount is not shown in the "Bonuses and other incentives" column of Table 1.

(8) With reference to the 2023 STI accrued as General Manager Operations, the amount in the "Payable/Paid out Year Bonus" column refers to the portion of the amount paid out (upfront amount) based on personal choice. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(9) With reference to the 2023 STI accrued as General Manager Operations, the amount in the "Deferred Year Bonus" column refers to the sum of the deferred portion and the company matching component that 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 "Payable/Paid out Year Bonus" column refers to the 2023 STI accrued up to the date of termination of office as Deputy-CEO. This amount is 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 2021-2023 LTI Plan accrued up to the date of termination of the office of Deputy-CEO. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(12) The amount in the "Payable/Paid out Year Bonus" column refers to the portion of the 2023 STI, accrued from the date of hire, paid out (upfront portion) based on personal choice. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(13) The amount in the "Deferred Year Bonus" column refers to the sum of the 2023 STI deferred portion and the related company matching component that 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.

(14) The amount in the "Payable/Paid out Year Bonus" column refers to the 2021-2023 LTI Plan accrued pro-rata from the hire date. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(15) The amount refers to a welcome bonus linked to hiring. This amount is shown in the "Other remuneration" column in Table 1.

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

(17) The amount in the "Payable/Paid out Year Bonus" column refers to the portion of the 2023 STI paid out (upfront amount) based on personal choice. This amount is shown in the "Bonuses and other incentives" column of Table 1. This amount is represented on a pro-rata basis until the termination of his office as Director of Pirelli & C. S.p.A..

(18) The amount in the "Deferred Year Bonus" column refers to the sum of the 2023 STI deferred portion and the related company matching component that 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. This amount is represented on a pro-rata basis until the termination of his office as Director of Pirelli & C. S.p.A..

(19) The amount in the "Payable/Paid out Year Bonus" column refers to the 2021-2023 LTI Plan. This amount is shown in the "Bonuses and other incentives" column of Table 1. This amount is represented on a pro-rata basis until the termination of his office as Director of Pirelli & C. S.p.A..

(20) As of 31 December 2023, 6 KMs had been identified, of which 1 is represented pro rata *temporis* as of 3 August 2023. The table also shows pro rata *temporis* the remuneration of two KMs who held this office until 13 September 2023. The remuneration paid to the General Manager Operations and the General Manager Corporate, pro-rata for their respective periods of tenure, are not included in this item as they are indicated separately in the table.

(21) 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.

(22) The amount in the "Previous Years Bonuses Still Deferred" 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 not shown in the "Bonuses and other incentives" column of Table 1.

(23) The amount in the "Payable/Paid out Year Bonus" column refers to the portion of the 2023 STI paid out (upfront amount) based on personal choice. This amount is shown in the "Bonuses and other incentives" column of Table 1.

(24) The amount refers to a retention bonus granted before qualification as a KM. 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;
- KMs.

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 year.

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	Investee company	No of shares held at 31/12/2022	No of shares purchased/underwritten	No. of shares sold	No of shares held at 31/12/2023
Marco Tronchetti Provera (i)	Executive Vice Chairman	Pirelli & C. S.p.A.	140,959,399		-	140,959,399
Giorgio Luca Bruno	Director	Pirelli & C. S.p.A.	500 (ii)	-	-	500 (ii)

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

(ii) Shares purchased during the listing of the Company on 4 October 2017 and held on the date of termination of office (31 July 2023).

2) Equity investments of other key managers

Number of key managers		Investee company	No of shares held at 31/12/2022	No of shares purchased/underwritten	No. of shares sold	No of shares held at 31/12/2023
-		-	-	-	-	-