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Index no. 15569

Folder no. 8360

Minutes to the Board of Directors' Meeting

REPUBLIC OF ITALY

In the year 2020 (two thousand and twenty),

on the 2nd (second) day

of the month of March,

at 11:10 (eleven past ten),

in Milan - Viale Piero e Alberto Pirelli no. 25

Before me **Carlo Marchetti**, Notary in Milan, a member of the Board of Notaries of Milan, appeared Mr:

- **Tronchetti Provera Marco**, born in Milan on 18 January 1948, domiciled for the purpose of his office in Milan, Viale Piero e Alberto Pirelli 25, whose personal data identity I, as notary, am certain of, who in his capacity as Executive Vice Chairman and CEO and, as such, in the interests of the listed joint stock company named

"Pirelli & C. S.p.A."

with registered offices in Milan, viale Piero e Alberto Pirelli no. 25, share capital 1,904,374,935.66 euros, fully paid in, tax code and registration number with the Milan-Monza-Brianza-Lodi Business Register: 00860340157, registered with the Milan R.E.A.(Economic, Administrative Index) under no. 1055 (the #p#

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"Company"),

asked me to record, for the part related to the first item - letter a) - on the agenda, the Board of Directors' meeting called on this day, in this place and time to discuss and resolve on the following:

agenda

1. Re-financing activities; related and consequent resolutions;
a. Authorisation for the Company or its subsidiaries, as part of the "Euro Medium Term Note" EMTN Programme, to issue bonds to be guaranteed by the Company and for subscription only by qualified investors for up to one billion, by 31 March 2021; related and consequent resolutions;

Omissis.

I am complying with the request made to me and I record that the Board meeting was held, with regard to the discussion of the first item - letter a) -, as follows.

Pursuant to the Company Bylaws, the Appearing Party took the chair, in his aforesaid capacity, and noted and acknowledged that:

- the meeting has been called with a notice sent on by electronic mail to all parties entitled pursuant to the

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Company Bylaws;

- the director G. TRONCHETTI PROVERA took part in person, while are connected by conference call pursuant to the By-laws the Directors G. BRUNO, L. CIOLI, D. DE SOLE, Z. GOLDBERG, G. LO STORTO, C. SCOCCHIA, X. FAN, Y. WEI, T. HAIJU, X. BAI, X. YANG, and the Statutory Auditors F. ARTONI, A. CARU', L. NICODEMI e A. VILLANI,
- and connected by video conference pursuant to the By-laws, the Director M. PAPPALARDO and the Chairman of the Board of Statutory Auditors F. FALLACARA, while the Chairman of the Board of Directors G. NING justified his absence;
- the CFO Mr Francesco Tanzi was also attending (via conference call pursuant to the By-laws).

The Chairman therefore declared the meeting as validly convened, considering the calling indicated above, and able to resolve, first of all, on the first item - letter a) - on the agenda.

The Chairman moved on to debate the above and reminded those present that Art. 2410 of the Italian Civil Code grants to the administrative body - unless otherwise provided for in the Company Bylaws - power to issue non-convertible bonds.

Furthermore, art. 2412 of the Italian Civil Code: (i) provides
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that bonds may be issued for a total sum that does not exceed double the share capital, legal reserve and available reserves as stated in the last financial statements approved, and (ii) excludes the application of said limits in case of issue of bonds destined to be listed on regulated markets or in multilateral trading systems, or of bonds that give an entitlement to purchase or subscribe shares.

The Chairman therefore reminded those present that the Board, with a resolution of 21 December 2017 (as per minutes of that date index no. 14223/7517 by Milan Notary, Carlo Marchetti, registered at the Tax Agency DP I Milan UT APSR on 15 January 2018 under no. 1066 series 1T and registered in the Business Register) authorised the issue, under (so as part of) the EMTN Programme resolved on in the same Board of Directors' meeting, also in several issues and each one in several *tranches*, of non-convertible bonds, as of 1 (one) January 2018 (two thousand and eighteen) and by the term of 31 (thirty one) January 2019 (two thousand and nineteen), for a maximum total countervalue of 1,000,000,000 (one billion) euros, with the characteristics indicated therein. Furthermore, with resolution of 22 June 2018 (as per minutes of the same date index no. 5697/3039 of Milan Notary Andrea De Costa, registered at the Tax Agency DP II Milan

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UT APSR on 3 July 2018 no. 33701 series 1t and registered with the Business Register) the Board approved the increase of the authorisation for a further 800,000,000 (eight hundred million) euros, thus approving a total countervalue of bonds under the EMTN Programme of 1,800,000,000 (one billion eight hundred million) euros and its time extension to 31 (thirty one) December 2019 (two thousand and nineteen) (included) and confirmed all the further resolutions taken at the time of Original Authorisation, thus including those related to bond characteristics and the power assigned to the Executive Vice Chairman and CEO and to the Director Giorgio Luca Bruno, separately and with the right to sub-delegate, to implement the Original Authorisation (the "**Authorisations**").

Mr Tanzi pointed out that the Authorisations had been exercised until now as follows: (i) on 25 January 2018, the Company issued 5 year fixed rate bonds listed on the Luxembourg stock exchange, guaranteed by **Pirelli Tyre S.p.A.**, with registered offices in Milan, viale Piero e Alberto Pirelli no. 25, tax code and registration number with the Milan-Monza-Brianza-Lodi Business Register: 07211330159 ("**Pirelli Tyre**"), for an original total nominal amount of 600 million euros (amount reduced at the date of this resolution to 553 million euros following the Company's
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buybacks on the market) and duration 5 years; and

(ii) on 26 March 2018, the Company issued variable rate bonds listed on the Luxembourg stock exchange and guaranteed by Pirelli Tyre, for a total nominal amount of 200 million euros expiring in September 2020.

Considering the opportunity for the Company to diversify its funding sources, also in view of the need to collect funds for an amount of about 1,000,000,000 (one billion) euros during the year, the current stock market volatility also considering the current macro-economic framework, it was crucial and strategic for the Company to be able to access the bond market fast so as not to lose favourable market "windows" which might not occur again in the short-medium term.

It was therefore proposed to renew the authorisation already granted, approving a total bond counter-value under the EMTN Programme of 1,800,000,000 (one billion eight hundred million) euros and its time extension to 31 (thirty one) March 2021 (two thousand and twenty one) (included).

The Chairman of the Board of Statutory Auditors states, on behalf of the whole Board of Statutory Auditors and pursuant to article 2412, subsection one, of the Italian Civil Code, that the proposed bond issue respects the limits set out in article 2412

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of the Italian Civil Code. However, the Chairman pointed out that the issue of the non-convertible bonds in today's proposal, as they are regulated as bonds to be potentially listed on regulated markets, are not subject to the legal quantity limits if they are effectively listed. In any case, on a case by case basis, if not listed on regulated markets, there will be compliance with provisions in art. 2412, first paragraph of the Italian Civil Code for the possible issue pursuant to today's proposal within the above illustrated terms and limits.

Therefore, the Board of Directors,

- having acknowledged regulations on the issue of bonds and the granting of guarantees related to bond issues intended to be listed on regulated markets or multilateral trading systems, pursuant to arts. 2410 and 2412 of the Italian Civil Code;

- having referred to the resolution of 21 December 2017 (as per minutes of that date index no. 14223/7517 by Milan Notary, Carlo Marchetti, registered at the Tax Agency DP I Milan UT APSR on 15 January 2018 under no. 1066 series 1T and registered in the Business Register) that authorised the issue, under (so as part of) the EMTN Programme resolved on in the same Board of Directors' meeting, also in several issues and each one in several *tranches*, of non-convertible bonds, as of 1 (one)
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January 2018 (two thousand and eighteen) and by the term of 31 (thirty one) January 2019 (two thousand and nineteen), for a maximum total countervalue of 1,000,000,000 (one billion) euros, with the characteristics indicated therein (the "**Original Authorisation**");

- having referred to the resolution of 22 June 2018 (as per minutes of the same date index no. 5697/3039 of Milan Notary Andrea De Costa, registered at the Tax Agency DP II Milan UT APSR on 3 July 2018 no. 33701 series 1t and registered with the Business Register) that approved the increase of the Original Authorisation for a further 800,000,000 (eight hundred million) euros, thus approving a total countervalue of bonds under the EMTN Programme of 1,800,000,000 (one billion eight hundred million) euros and its time extension to 31 (thirty one) December 2019 (two thousand and nineteen) (included) and confirmed all the further resolutions taken at the time of Ordinary Authorisation, thus including those related to bond characteristics and the power assigned to the Executive Vice Chairman and CEO and to the Director Giorgio Luca Bruno, separately and with the right to sub-delegate, to implement the Original Authorisation (jointly with the Original Authorisation the "**Authorisations**");

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- having heard the Chairman's report;
- subject to the fulfilment of all obligations and the respect of all conditions prescribed in the applicable regulations, and with the commitment to report to the Board on the state of execution of the operations set out above;

unanimously resolved

Firstly,

to confirm the Authorisations approving an overall bond countervalue issuable and pending in relation to the EMTN Programme for 1,800,000,000 euros (one billion eight hundred million) and to extend the time validity of the Authorisations to 31 (thirty one) March 2021 (two thousand and twenty one) (inclusive), thereby authorising the issue, to be drawn on (and therefore within the scope of) the EMTN Programme, even in multiple issues and each in multiple tranches, of non-convertible bonds, by the deadline of 31 (thirty one) March 2021 (two thousand and twenty one) (inclusive), for an overall maximum countervalue of 1,800,000,000 euros (one billion eight hundred million), with the characteristics summarised below:

- structure: even in multiple issues and each in multiple tranches;
- issuer: as per the provisions of the EMTN Programme;

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- beneficiaries: investors qualified under the terms and conditions of the EMTN Programme;
- duration: the duration of the single issues and tranches shall be based on the current market conditions at the time of the issues and in any case no longer than 10 (ten) years, without prejudice to entitlement to early repayment as per the terms and conditions of the EMTN Programme;
- use of proceeds: the sums collected from the bond issues may be used each time for general company activity, including transactions to refinance any debt existing from time to time also at Group level and to fund specific projects including but not limited to those involving research and development and with particular environmental value, if the issue of "green bonds" is considered;
- issue currency: Euro or another currency;
- denomination: minimum of 100,000.00 (one hundred thousand/00) euros, corresponding to the nominal value (or equivalent if in another currency);
- issue price: the issue price, which may be different for each of the individual issues or tranches, shall be fixed in line with the overall return offered to subscribers under the current market conditions at the time of the

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issues;

- interest rate: the interest rate, which may be different for each of the individual issues or tranches, should in any case be: no higher than 2.5% (two point five per cent) above the relative reference benchmark rate for each bond or tranche;
- applicable law: English law, except for bondholders' meetings, which will be governed by Italian law and in any case not in conflict with Italian law;
- listing: Luxembourg Stock Exchange and/or other stock market;
- repayment: in a single payment at maturity or in multiple tranches of an equal amount, without prejudice to the issuer's right to proceed with early repayment with advance notice; all based on the terms and conditions contained in the same bond and in the EMTN Programme;
- placement commissions: not exceeding 1% (one per cent);
- unsecured guarantees: own or of Pirelli Tyre on the issues of the subsidiary Pirelli International and possible unsecured guarantee issued by the subsidiary Pirelli Tyre on the issues of the Company;
- other terms: Make Whole Issuer Call, on the basis of which

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the Issuer, under the conditions laid down in the EMTN Programme, has the right to repay in advance all or a part of the bonds upon payment of the relative surcharge;

Secondly,

to confirm all further resolutions taken at the same time as the Authorisations, including those related to the characteristics of the bonds and the mandate granted to the Executive Vice Chairman and Chief Executive Officer, as well as the Director Giorgio Luca Bruno, separately, and with the power to subdelegate, confirming the validity of the proxies already issued for this purpose, for the implementation of the Authorisations. Within the powers vested above, the faculty is also expressly included and authorised - in the context of the usual proactive management of the Company's financial profile - to proceed with the purchase of bonds from time to time issued by the Company and still pending for a nominal overall value for maximum of 20% (twenty per cent) of the nominal value of each bond issue.

These purchase operations, if executed, will have to be completed with the assistance of primary (national or international) financial intermediaries within the terms and conditions of the regulations relating to the corresponding bond

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issue and the laws applicable at the time, and may be finalised at the subsequent cancellation of the purchased bonds; and

Thirdly,

to authorise, pursuant to the applicable laws, the annual update and the update for any additional period of the EMTN Programme and of the related documentation, which will be underwritten by the Company by virtue of the proxies already issued at the time of constitution of the EMTN Programme and by virtue of the Authorisations in order to allow the Company to have an EMTN Programme immediately usable for new financial bond issues to be implemented by 31 (thirty one) March 2021 (two thousand and twenty one), within the limits of the resolutions of this Board of Directors.

Having completed discussion of the first item - letter a) - on the agenda, the Chairman, at 11:25 moved on to discuss the following items, reported in separate minutes.

I read the present minutes to the appearing party, who approves it and with me sign it at 11:26.

It is made of 4 sheets written with mechanical means by person
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that I trust and by my hand completed for 13 pages and the 14
up to here.

Signed by Marco Tronchetti Provera

Signed by Carlo Marchetti Notary