



Pirelli & C. S.p.A.

**Minutes of the Ordinary and Extraordinary
General Meeting
of Shareholders held on June 18, 2020**

(ENGLISH COURTESY TRANSLATION)

MINUTES OF THE ORDINARY SHAREHOLDERS' MEETING

OF 18 JUNE 2020 OF PIRELLI & C. S.P.A.

The Ordinary Shareholders' Meeting of "**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 Companies Register: 00860340157, registered with the Milan R.E.A.(Economic, Administrative Index) under no. 1055 (hereinafter "**Pirelli & C. S.p.A.**" or the "**Company**") commenced at 10.35 a.m. on 18 June 2020.

In accordance with the company Bylaws, in the absence of the Chairman of the Board of Directors, the Shareholders' Meeting was chaired by the Executive Vice Chairman and Chief Executive Officer, **Marco Tronchetti Provera** (hereinafter the "**Chairman**").

Therefore, with the consent of those in attendance, he appointed Notary Carlo Marchetti (attending via video conference) as the Secretary of the meeting pursuant to art. 2371, first paragraph, of the Italian Civil Code.

The **Chairman** then made the following statements:

- pursuant to art. 106 of Decree Law no. 18 of 17 March 2020 (the "**Decree**"), converted with Law no. 27 of 24 April 2020, the Company has used the option to establish that those entitled to vote at the Shareholders' Meeting will only be able to attend through the Appointed Representative *Computershare S.p.A.* pursuant to article 135-*undecies* of Legislative Decree no 58 of 24 February 1998 ("**CLF**"), without the physical participation of the entitled persons, and to establish that members of the corporate bodies and other persons authorised or entitled in various capacities to attend the Shareholders' Meeting may do so, in compliance with the provisions of the bylaws, by using long distance communication devices, without the need for the Chairman and the Secretary to be in the same place; therefore all the participants (including the Chairman) attended by audio-video conference;
- to have personally verified the identity and entitlement of the attendees – who are asked to set their devices to silent mode, with the recommendation that those who wish to speak deactivate this mode before their intervention – and that they all have the capability of participating in the discussion and voting;
- the Shareholders' Meeting is called to discuss and resolve on the following:

Agenda

Ordinary Session

1. *Financial Statements at 31 December 2019:*

- *approval of the financial statements;*
- *allocation of the profits for the year.*

Related and consequent resolutions.

2. *Appointment of the Board of Directors:*

- *determination of the number of members of the Board of Directors;*
- *appointment of the Directors;*
- *appointment of the Chairman of the Board of Directors;*
- *determination of the annual remuneration of the members of the Board of Directors.*

3. *Report on the Remuneration policy and compensation paid*

- *approval of the 2020 remuneration policy;*
- *advisory vote on the remuneration paid in 2019.*

4. *Three-year monetary incentive plan (2020-2022) for the Pirelli Group's management. Related and consequent resolutions.*

5. *The "Directors and Officers Liability Insurance" policy. Related and consequent resolutions.*

Extraordinary Shareholders' Meeting:

Amendment of Articles 6 (Share Capital); 9 (Shareholders' Meeting); 10, 11, 12, 13 (Management of the Company) and 16 (Board of Statutory Auditors) of the Company Bylaws. Related and consequent resolutions;

- the meeting was attended by the following persons, all connected via **audio**/video conference pursuant to the law and Bylaws:

-- for the Board of Directors, in addition to himself (Executive Vice Chairman and Chief Executive Officer), the Directors Giovanni Lo Storto, Marisa Pappalardo, Cristina Scocchia and Giovanni Tronchetti Provera;

-- for the Board of Statutory Auditors, the Standing Auditors Francesco Fallacara (Chairman), Fabio Artoni, Antonella Carù, Luca Nicodemi and Alberto Villani;

-- for the Appointed Representative (hereinafter "**AR**") *Computershare S.p.A.*, Alberto Elia;

- with the consent of the Chairman, the Shareholders' Meeting was also attended by the meeting staff, again via electronic means;

- the call notice of the Shareholders' Meeting was published on the Company's website on 28 April 2020.

Abstract of this notice shall also be published in the newspapers "Il Sole 24 Ore" and "Milano Finanza" on April 29, 2020 and is also available at the Borsa Italiana S.p.A. and at the authorised storage mechanism eMarket Storage;

- the Company has not received any requests to supplement the Agenda or any new proposed resolutions, pursuant to and in the ways set out in art. 126-bis of the CLF and with the addition ways indicated in the call notice (except for the specification made below in relation to the second item on the Agenda);
- the share capital of Pirelli & C. S.p.A. amounts to 1,904,374,935.66 euros and is divided into a total of 1,000,000,000 ordinary shares (all with voting rights at Shareholders' Meetings) with no par value. To date, the Company does not hold treasury shares.

At the request of the Chairman, the **AR** declared that at present there were 833 attendees for a total number of 817,364,636 shares representing 81.736464% of the share capital.

The list of names of the subjects participating on their own behalf or by proxy, with an indication of the shares held by each, as well as the names of the subjects voting as pledgees and usufructuaries, has been made available and is annexed to the minutes of the Shareholders' Meeting **under letter "A"**.

Taking the floor again, the **Chairman** therefore stated that the Shareholders' Meeting was properly constituted and entitled to discuss and resolve on the item on the relative Agenda.

He therefore stated that:

- the documentation relating to all items on the Agenda has been published pursuant to the regulations applicable at the time of publication, as well as published on the Company's website and has been made available to the attendees;
- according to the information in the Shareholder Register supplemented by the communications received pursuant to art. 120 of the CLF and the other information available, the following directly or indirectly hold a significant number of voting shares, pursuant to the current provisions of law and regulations:

1.) **China National Chemical Corporation Limited** (parent company of the Company); all the 460,362,508 ordinary shares (46.036% of the capital) are held indirectly through **Marco Polo International Italy S.r.l.**

2.) **Marco Tronchetti Provera**; all the 100,959,399 ordinary shares (10.096% of the capital) are held indirectly through **Camfin S.p.A.**

3.) **Industrial and Commercial Bank of China Limited**; all the 76,788,672 ordinary shares (7.679% of the capital) are held indirectly through **ICBC Standard Bank Plc**;

Note, also, that Mr Avdeev Roman, through Sova Capital Ltd., on the Record Date of the Shareholders' Meeting, indirectly held 62,391,110 Pirelli & C. S.p.A. shares, 6.239% of the relative capital. Thereafter, in a disclosure dated 11 June 2020, made pursuant to art. 120 CLF, Mr Avdeev Roman stated that through Sova Capital he indirectly held 91,110 shares (0.009%) while the remaining 62,300,000 had been the subject of several permanent repurchase agreements, signed by Sova Capital Limited with different financial

counterparties, giving each of the parties the right to ask Sova Capital Limited at any time to buy back the Pirelli shares covered in each agreement;

- Consob resolution no. 21326 of 9 April 2020 (as subsequently updated) established, for a period of three months from the date on which the resolution came into force, except in the case of early revocation of the same, an additional threshold of 1% which once exceeded would trigger the disclosure obligations laid down in art. 120, paragraph 2, of the CLF for the companies referred to in Section A of the annexed list (including the Company) and, pursuant to art. 114, paragraph 5, of the CLF, any person or entity which, on the date said resolution came into force, held a stake in the voting capital higher than the threshold set above and lower than the threshold set in art. art. 120, subsection 2 of the CLF, would be required to disclose this fact in accordance with the procedures and terms set out in the mentioned art. 120, subsection 2, of the CLF, within 10 working days starting from the aforementioned date, except for cases in which this disclosure has already been made in compliance with the provisions of Consob resolution no. 21304 of 17 March 2020; in this regard, the Company received the following notifications:

- 1.) **Alberto Bombassei** – total of 24,267,763 shares (2.427% of the capital), held indirectly through Next Investment S.r.l. (2,100,000) and Brembo S.p.A. (22,167,763);
- 2.) **Norges Bank** – total of 12,652,258 shares (1.265% of the capital); and
- 3.) **Caisse des Dépôts et Consignations** – total of 11,275,856 shares (1.127% of the capital), held directly (10,918,747) and indirectly through CNP Assurances (357,109).

Lastly, the **Chairman** stated that:

- voting at today's Shareholders' Meeting shall take place through the **AR** who shall cast votes on the basis of the voting instructions received; the **AR** is invited to make all the declarations required by law, also regarding any deficiencies of entitlement to vote;

- since the documentation pertaining to all the items on the Agenda has been subject to the disclosure requirements mentioned above and is available to all the attendees, provided that no-one objects its reading shall be omitted, and only the proposed resolutions contained in the Report of the Board of Directors, where present, shall be read out;

- before today's Shareholders' Meeting, questions were received pursuant to art. 127-ter CLF from the shareholders Marco Bava and Biagio Piccolo. The list of questions and answers was published on the Company's website on 15 June 2020 and will be annexed to the minutes of the Shareholders' Meeting **under the letter "B"**.

Having ascertained the validity of the Shareholders' Meeting and finishing providing information on the conduct of the meeting, the **Chairman** moved on to the discussion of the **first item (ordinary session)** of the Agenda (i.e. 1. *Financial Statements at 31 December 2019:*

approval of the financial statements; allocation of the profits for the year. Related and consequent resolutions.).

At the request and in the name of the **Chairman**, the Secretary read out the following speech:

“As regards the significant events to report since the approval of the draft financial statements by the Board, on 2 March 2020, I would first like to remind you that on 3 April 2020, as part of the cost containment actions for COVID-19, the Board of Directors resolved to:

- *update the 2020 targets in light of the elements available at that date, acknowledging that the 2020-2022 strategic plan will be updated by the fourth quarter of 2020, based on the evolution of the external scenario;*
- *approve the amendment to the proposal to the Shareholders' Meeting to allocate 2019 profits, eliminating the payment of the dividend approved during Board meeting of 2 March 2020 and proposing that the Shareholders' Meeting carry all profits forward, at the same time reserving the right to call a future Shareholders' Meeting, should certain conditions arise, in the second half of the financial year, to propose a possible distribution of dividends and review the 2020 remuneration policy, in particular taking into account the cancellation of the short-term incentive system for 2020;*
- *reduce the compensation of the members of the BoD and of the board committees by 50% for 3 months and by 20% - again for 3 months - of the managers of the leadership team.*

Moreover, on 13 May 2020 the Board of Directors approved the interim financial report as at 31 March 2020, the figures of which, impacted by the COVID-19 emergency, can be summarised as follows:

- *Revenues: 1,051.6 million euros, down by 20% on 31 March 2019 (work force change of -18.5%) due to the sharp drop in demand;*
- *Adjusted EBIT: 141.1 million euros with a margin of 13.4% (16.7% in the first quarter 2019), with an impact limited by efficiencies and cost cutting;*
- *Net profit: 38.5 million euros (101.4 million euros in the first quarter 2019);*
- *Net cash flow: -753.5 million euros, essentially in line with -712.9 million in the first quarter 2019;*
- *Net Financial Position: -4,261 million euros (-4,387.3 million euros as at 31 March 2019);*
- *Liquidity Margin: 2,115 million euros at 31 March 2020, having ensured the coverage of financial debts for around 3 years.*

The Board also confirmed the 2020 Targets as disclosed to the market on 3 April 2020.

Finally, here I would also like to mention *Pirelli's numerous initiatives (promptly disclosed to the market) aimed at ensuring maximum protection of the health of its staff and the safety of the workplaces, which have been priority objectives for the group from the start of the COVID-19 emergency.*

Particular thanks goes to the staff who donated their working hours to the initiatives undertaken in the research against COVID-19 (a commitment which was doubled by Pirelli), as well as to all the partners of the company who participated in these initiatives."

Taking the floor again, the **Chairman**, referring to the information already provided in the annual report, recalled that, as regards the fees for the external audit of the accounts, the Shareholders' Meeting of 1 August 2017 set the fees (and the criteria for their adjustment) for the financial years from 2017 to 2025; in particular, for FY 2019, these fees amount: (i) to 50 thousand euros for the individual financial statements of the Company (550 hours worked) and for the consolidated financial statements of the Pirelli Group, as well as for the additional related activities (429 hours worked), and (ii) to 21 thousand euros for the limited audit of the condensed half-year consolidated financial statements of Pirelli & C. S.p.A. for the six-month period ending on 30 June 2019 (323 hours worked).

At the end, at the request of the **Chairman**, the Secretary then read out the proposed resolutions contained in the Report of the Board of Directors (which takes into account the resolutions passed by the Board itself on 3 April 2020) as transcribed below.

As no one asked to speak and the attendees had not changed, the **Chairman** then put to the vote (at 10.48 a.m.), through the **AR** who shall cast votes on the basis of the voting instructions received, the proposals read out and reproduced below:

"The Shareholders' Meeting,

- *having examined the annual financial report as at 31 December 2019;*
- *having acknowledged the Statutory Auditors' Report;*
- *having acknowledged the report of the Independent Auditors;*

resolved

a) *to approve the Company's financial statements for the year ended 31 December 2019, as presented by the Board of Directors as a whole, in the individual entries and with the proposed provisions, showing a profit of 273,241,811.00 euros;*

b) *to carry forward all profits for the financial year, amounting to 273,241,811.00 euros."*

With regard to the proposal to **approve the financial statements**, the Shareholders' Meeting approved by a majority.

Abstained: 431,991 shares.

Against: 0 shares.

For: 810,559,009 shares.

Not voting: 6,373,636 shares.

With regard to the proposal to **allocate the profits for the year**, the Shareholders' Meeting approved by a majority.

Abstained: 300,000 shares.

Against: 0 shares.

For: 810,691,000 shares.

Not voting: 6,373,636 shares.

All as detailed in the annexes.

The **Chairman** announced the result and moved on to the discussion of the **second item (ordinary session)** on the Agenda (*i.e. 2. Appointment of the Board of Directors: determination of the number of members of the Board of Directors; appointment of the Directors; appointment of the Chairman of the Board of Directors; determination of the annual remuneration of the members of the Board of Directors.*).

In this regard, the **Chairman** recalled that:

- with the approval of the financial statements as at 31 December 2019, the Board of Directors in office, appointed by the Ordinary Shareholders' Meeting of 1 August 2017, with effect from 31 August 2017, which fixed the duration of the mandate to three financial years, comes to the end of its mandate. The Shareholders' Meeting is therefore asked to appoint, in accordance with the recommendations of the Corporate Governance Code and pursuant to article 10 of the Company Bylaws (reported in full as a footnote to the report prepared for this purpose), for the three-year period 2020/2022, the new Board of Directors, after setting the number of its members. The Shareholders' Meeting is also required to appoint the Chairman of the Board of Directors and to set the total annual salary of the newly appointed Board of Directors in accordance with Art. 2389, paragraph 1 of the Italian Civil Code – to be allocated among its members in compliance with the resolutions in this regard passed by the Board itself – excluding the remuneration to be assigned by the Board to Directors holding specific offices, as per Art. 2389 of the Italian Civil Code. Pursuant to Article 10 of the Bylaws, the Board of Directors is elected as specified below: a) four-fifths of the directors to be elected are chosen from the slate which obtains the highest number of votes cast by the shareholders, in the order in which they are listed on the slate; in the event of a fractional number, it is rounded-down to the nearest whole number; b) the remaining directors are chosen from the other slates; to this end, the votes obtained by the various slates are

divided by whole progressive numbers from one up to the number of directors to be elected. The quotients thus obtained are assigned to the candidates on each slate in the order they are respectively listed thereon. On the basis of the quotients assigned, the candidates on the various slates are ranked in a single list in decreasing order. Those who have obtained the highest quotient are elected;

- in accordance with the law, two slates of candidates for the office of board director were filed.

1.) Marco Polo International Italy S.r.l., together with Camfin S.p.A., filed the following slate of candidates on 22 May 2020:

1. Ning Gaoning
2. Tronchetti Provera Marco
3. Yang Xingqiang
4. Bai Xinping
5. Wei Yintao (independent)
6. De Sole Domenico (independent)
7. Tronchetti Provera Giovanni
8. Zhang Haitao
9. Fan Xiaohua (independent)
10. Pappalardo Marisa (independent)
11. Tao Haisu (independent)
12. Secchi Carlo (independent)
13. Scocchia Cristina (independent)
14. Cioli Laura (independent)
15. Soffientini Manuela (independent);

2.) also on 22 May 2020, a group of asset management companies and institutional investors of Pirelli & C. S.p.A. filed another slate of candidates composed as follows:

1. Lo Storto Giovanni (independent)
2. Boromei Paola (independent)
3. Diacetti Roberto (independent).

Those who submitted the aforementioned (“minority”) slate all issued a statement on the absence of associative relationships with shareholders who – even together – hold a controlling or relative majority stake in accordance with the law or bylaws.

Marco Polo International Italy S.r.l. and Camfin S.p.A. also made the following proposals: to set the number of members of the Board of Directors as 15; to appoint Ning Gaoning as Chairman of the Board of Directors; to establish the total annual salary of the Board of Directors as a maximum of two million euros pursuant to art. 2389, paragraph 1, of the Italian Civil Code, to be allocated among the members in compliance with the resolutions passed in this regard by the Board itself.

The documentation required by current regulations, submitted together with the slates, has been made available to the public by the Company by filing at the registered offices and publication on the website of Pirelli, Borsa Italiana and the authorised storage mechanism eMarket STORAGE within the terms set forth in current laws and regulations.

As no one asked to speak and the attendees had not changed, the **Chairman** then put to the vote (at 10.53 a.m.), through the **AR** who shall cast votes on the basis of the voting instructions received, the proposals of the shareholders described above.

With regard to the proposal to **set the number of members of the Board of Directors as 15**, the Shareholders' Meeting approved by a majority.

Abstained: 370,191 shares.

Against: 213,109 shares.

For: 813,830,912 shares.

Not voting: 2,950,424 shares.

With regard to the **appointment of the Directors**, the Shareholders' Meeting approved by a majority.

Votes in favour of Slate 1: 708,550,382 shares.

Votes in favour of Slate 2: 106,269,500 shares.

Abstained: 117,220 shares.

Against: 2,427,534 shares.

Not voting: 0 shares.

Given the submission of two slates, the **Chairman** announced the following as elected for the three-year period 2020/2022 (and therefore until the shareholders' meeting called to approve the financial statements for the year ended 31 December 2022):

from **slate 1**

1. Ning Gaoning
2. Tronchetti Provera Marco
3. Yang Xingqiang

4. Bai Xiping
5. Wei Yintao (independent)
6. De Sole Domenico (independent)
7. Tronchetti Provera Giovanni
8. Zhang Haitao
9. Fan Xiaohua (independent)
10. Pappalardo Marisa (independent)
11. Tao Haisu (independent)
12. Secchi Carlo (independent)

from **slate 2**

1. Lo Storto Giovanni (independent)
2. Boromei Paola (independent)
3. Diacetti Roberto (independent)

acknowledging that the compliance of the composition of the Board of Directors with the current applicable laws and regulations is ensured with regard to gender balance (given the compliance with the allocation criterion of at least one fifth laid down in article 2 of Law 120/2011, for the first renewal after the first day of trading), as well as the presence of directors who have the independence requirements laid down by applicable laws and regulations.

With regard to the proposal to **appoint Ning Gaoning as Chairman of the Board of Directors**, the Shareholders' Meeting approved by a majority.

Abstained: 1,277,456 shares.

Against: 68,742,207 shares.

For: 741,694,549 shares.

Not voting: 5,650,424 shares.

Lastly, with regard to the **determination of directors' compensation**, the **Chairman** declared the proposal to establish the annual salary of the Board of Directors as a maximum of two million euros pursuant to art. 2389, paragraph 1, of the Italian Civil Code, to be allocated among its members in compliance with the resolutions in this regard passed by the Board itself (excluding the remuneration to be assigned by the Board to Directors holding specific offices, as envisaged by Art. 2389 of the Italian Civil Code), approved by the Shareholders' Meeting by a majority.

Abstained: 512,120 shares.

Against: 2,499,200 shares.

For: 807,979,680 shares.

Not voting: 6,373,636 shares.

All as detailed in the annexes.

Before moving on to the discussion of the further items on the Agenda, the **Chairman** thanked the outgoing Directors Giorgio Luca Bruno, Laura Cioli, Ze'ev Goldberg and Cristina Scocchia for the work they had done for the Company during their term of office.

At this point, the **Chairman** moved on to the discussion of the **third item (ordinary session)** of the Agenda (*i.e. Report on the remuneration policy and the compensation paid: approval of the 2020 remuneration policy; advisory vote on the compensation paid in FY 2019.*).

The **Chairman** then recalled that pursuant to art. 123-ter, paragraph 3-bis, of the CLF, Shareholders are required (a) to approve Section I of the Remuneration Report, with a binding resolution pursuant to art. 123-ter, paragraph 3-ter, of the CLF; and (b) pursuant to art. 123-ter, paragraph 6, of the CLF, to resolve, for or against, on Section II of the Remuneration Report, with a non-binding resolution.

As no one asked to speak and the attendees had not changed, the **Chairman** then put to the vote (at 10.58 a.m.), through the **AR** who shall cast votes on the basis of the voting instructions received, the proposals on the remuneration policy contained in the Report of the Board of Directors.

With regard to the **approval of Section I of the Remuneration Report**, the Shareholders' Meeting approved by a majority.

Abstained: 309,020 shares.

Against: 93,518,662 shares.

For: 717,163,318 shares.

Not voting: 6,373,636 shares.

With regard to the advisory vote on **Section II of the Remuneration Report** on which the Shareholders' Meeting is required to resolve, for or against, pursuant to art. 123-ter, paragraph 6, of the CLF, the **Chairman** declared the proposal approved by the Shareholders' Meeting by a majority.

Abstained: 309,020 shares.

Against: 77,526,514 shares.

For: 733,155,466 shares.

Not voting: 6,373,636 shares.

All as detailed in the annexes.

The **Chairman** announced the result and moved on to the discussion of the **fourth item (ordinary session)** of the Agenda (i.e. *Three-year monetary incentive plan (2020-2022) for the Pirelli Group's management. Related and consequent resolutions.*).

At the end, at the request of the **Chairman**, the Secretary then read out the proposed resolutions contained in the Report of the Board of Directors, as transcribed below.

As no one asked to speak and the attendees had not changed, the **Chairman** then put to the vote (at 10.59 a.m.), through the **AR** who shall cast votes on the basis of the voting instructions received, the proposals read out and reproduced below:

“On the basis of the information contained in the relative report, the Board proposed to:

- 1. approve - pursuant to Article 114-bis of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented - after the closure, effective as of 31 December 2019, of the 2018-2020 Long-Term Incentive Plan, without any payment, even pro-rata, of the three-year incentive provided for therein - the adoption of a three-year monetary incentive plan for 2020-2022 (LTI Plan) for the Management of the Pirelli Group, regarding the part where it is also based on the performance of Pirelli shares, in the terms set out in this Report and as better described in the Information Document (prepared pursuant to Article 84-bis, paragraph 1, of the Issuers' Regulations). The LTI Plan states, inter alia, that a share of the LTI bonus will be determined on the basis of a relative Group Total Shareholder Return target, calculated with respect to an index made up of selected Tier 1 peers in the Tyre sector;*
- 2. confer on the Board of Directors all the powers necessary to define, as of the next financial year, at the end of the three-year period 2021-2023, and thereafter from year to year, the performance indicators and related objectives, and submit to the Shareholders' Meeting the new performance indicators for the three year period ending in 2023 and subsequent years only if the plan has the characteristics set out in Article 114-bis of the CLF (compensation plans based on financial instruments).”*

The resolution was approved by a majority of the shareholders.

Abstained: 300,000 shares.

Against: 49,264,702 shares.

For: 761,426,298 shares.

Not voting: 6,373,636 shares.

All as detailed in the annexes.

The **Chairman** announced the result and moved on to the discussion of the **fifth item (ordinary session)** of the Agenda (i.e. *The “Directors and Officers Liability Insurance” policy. Related and consequent resolutions.*).

At the end, at the request of the **Chairman**, the Secretary then read out the proposed resolutions contained in the Report of the Board of Directors, as transcribed below.

As no one asked to speak and the attendees had not changed, the **Chairman** then put to the vote (at 11 a.m.), through the **AR** who shall cast votes on the basis of the voting instructions received, the proposals read out and reproduced below:

“The Ordinary Shareholders’ Meeting, having acknowledged the proposal from the Directors;

resolved

- a) *to authorise the Board of Directors to proceed with the renewal of the Directors & Officers Liability insurance policy, in accordance with the terms and conditions illustrated above;*
- b) *to grant to the Board of Directors and, acting on its behalf, the Vice Chairman and Chief Executive Officer, the fullest powers necessary to renew the D&O policy and, in any case, to implement the above resolution, including through the use of representatives;*
- c) *to assign to the Board of Directors – until the expiry of the relative mandate, that is, on the approval of the financial statements at 31 December 2022 – the task of proceeding with further renewals of the Directors & Officers Liability insurance policy, in accordance with the terms and conditions prevailing on the insurance market during the course of the mandate and always in line with the remuneration policy adopted by the Company.”*

The resolution was approved by a majority of the shareholders.

Abstained: 431,991 shares.

Against: 1,829,212 shares.

For: 808,729,797 shares.

Not voting: 6,373,636 shares.

All as detailed in the annexes.

The **Chairman** announced the result and, at 11.02 a.m., having thanked the attendees, moved on to deal with the Agenda of the extraordinary session, reported in separate minutes.

The Secretary

The Chairman

Attachments to the Minutes are not included.

Index no. **Folder no.**

Minutes of the Extraordinary Shareholders' Meeting of a listed company

REPUBLIC OF ITALY

In the year 2020 (two thousand and twenty),

on the -- day

of the month of June,

in Milan, via Agnello no. 18.

I, the undersigned **Carlo Marchetti**, notary in Milan, registered with the Board of Notaries of Milan, at the request – expressed through **Marco Tronchetti Provera**, Executive Vice Chairman and Chief Executive Officer – of the listed joint stock company

"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 Companies Register: 00860340157, registered with the Milan R.E.A.(Economic, Administrative Index) under no. 1055 (hereinafter **"Pirelli & C. S.p.A."** or the **"Company"**),

have hereby drawn up and signed, pursuant to article 2375 of the Italian Civil Code, the minutes of the Extraordinary Shareholders' Meeting of the aforesaid Company, held exclusively via electronic means pursuant to art. 106 of Decree Law no. 18 of 17 March 2020, on

18 (eighteenth) June 2020 (twenty twenty)

in accordance with the notice referred to below, to discuss and vote on the Agenda also reproduced below.

Endorsing the request, I hereby acknowledge that the aforementioned Shareholders' Meeting, as regards the discussion of the only item on the Agenda of the extraordinary session, which I attended as the Notary (duly connected via video conference) at my office in Milan, Via Agnello no. 18, took place without interruption as reported below, as the ordinary session has been recorded in separate minutes.

The extraordinary session of the Agenda of the Shareholders' Meeting was chaired (just as he chaired the ordinary session, recorded in separate minutes), in accordance with Company Bylaws, by **Marco Tronchetti Provera** (adequately identified) who, at 11.03 a.m. declared the extraordinary session of the Shareholders' Meeting open, recalling that it had been called to discuss and resolve on the following

agenda

Ordinary Session

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Extraordinary Session

Amendment of Articles 6 (Share Capital); 9 (Shareholders' Meeting); 10, 11, 12, 13 (Management of the Company) and 16 (Board of Statutory Auditors) of the Company Bylaws. Related and consequent resolutions.

The **Chairman** then instructed me, the Notary, to draw up the minutes of the extraordinary session of the Shareholders' Meeting and recalled (as far as relevant) the statements made at the opening of the ordinary session of the Shareholders' Meeting, which are set out below once again:

- pursuant to art. 106 of Decree Law no. 18 of 17 March 2020 (the "**Decree**"), converted with Law no. 27 of 24 April 2020, the Company has used the option to establish that those entitled to vote at the Shareholders' Meeting will only be able to attend through the Appointed Representative *Computershare S.p.A.* pursuant to article 135-*undecies* of Legislative Decree no 58 of 24 February 1998 ("**CLF**"), without the physical participation

of the entitled persons, and to establish that members of the corporate bodies and other persons authorised or entitled to attend the Shareholders' Meeting may do so, in compliance with the provisions of the bylaws, by using long distance communication devices, without the need for the Chairman and the Secretary to be in the same place; therefore all the participants (including the Chairman) attended by audio-video conference;

- to have personally verified the identity and entitlement of the attendees – who are asked to set their devices to silent mode, with the recommendation that those who wish to speak deactivate this mode before their intervention – and that they all have the capability of participating in the discussion and voting;

- the meeting was attended by the following persons, all connected via audio/video conference pursuant to the law and Bylaws:

-- for the Board of Directors, in addition to himself (Executive Vice Chairman and Chief Executive Officer), the Directors Giovanni Lo Storto, Marisa Pappalardo, Cristina Scocchia and Giovanni Tronchetti Provera;

-- for the Board of Statutory Auditors, the Standing Auditors Francesco Fallacara (Chairman), Fabio Artoni, Antonella Carù, Luca Nicodemi and Alberto Villani;

-- for the Appointed Representative (hereinafter “**AR**”) *Computershare S.p.A.*, Alberto Elia;

- with the consent of the Chairman, the Shareholders' Meeting was also attended by the meeting staff, again via electronic means;

- the call notice of the Shareholders' Meeting was published on the Company's website on 28 April 2020. The notice was also published in the newspapers “Il Sole 24 Ore” and “Milano Finanza” on April 29, 2020 and is also available at the Borsa Italiana S.p.A. and at the authorised storage mechanism eMarket Storage;

- the Company has not received any requests to supplement the Agenda or any new proposed resolutions, pursuant to and in the ways set out in art. 126-*bis* of the CLF and with the addition ways indicated in the call notice;

- the share capital of Pirelli & C. S.p.A. amounts to 1,904,374,935.66 euros and is divided into a total of 1,000,000,000 ordinary shares (all with voting rights at Shareholders' Meetings) with no par value. To date, the Company does not hold treasury shares.

At the request of the Chairman, the **AR** declared that at present there were 833 attendees for a total number of 817,364,636 shares representing 81.736464% of the share capital.

The list of names of the subjects participating on their own behalf or by proxy, with an indication of the shares held by each, as well as the names of the subjects voting as pledgees and usufructuaries, has been made available and is annexed to these minutes as below.

Taking the floor again, the **Chairman** therefore stated that the Shareholders' Meeting was properly constituted and also entitled to discuss and resolve on the only item on the Agenda of the extraordinary session reproduced above.

He therefore stated that:

- the documentation relating to all items on the Agenda has been published pursuant to the regulations applicable at the time of publication, as well as published on the Company's website and has been made available to the attendees;

- according to the information in the Shareholder Register supplemented by the communications received pursuant to art. 120 of the CLF and the other information available, the following directly or indirectly hold a significant number of voting shares, pursuant to the current provisions of law and regulations:

1.) **China National Chemical Corporation Limited** (parent company of the Company); all the 460,362,508 ordinary shares (46.036% of the capital) are held indirectly through **Marco Polo International Italy S.r.l.**

2.) **Marco Tronchetti Provera**; all the 100,959,399 ordinary shares (10.096% of the capital) are held indirectly through **Camfin S.p.A.**

3.) **Industrial and Commercial Bank of China Limited**; all the 76,788,672 ordinary shares (7.679% of the capital) are held indirectly through **ICBC Standard Bank Plc**;

Note, also, that Mr Avdeev Roman, through Sova Capital Ltd., on the Record Date of the Shareholders' Meeting, indirectly held 62,391,110 Pirelli & C. S.p.A. shares, 6.239% of the relative capital. Thereafter, in a disclosure dated 11 June 2020, made pursuant to art. 120 CLF, Mr Avdeev Roman stated that through Sova Capital he indirectly held 91,110 shares (0.009%) while the remaining 62,300,000 had been the subject of several permanent repurchase agreements, signed by Sova Capital Limited with different financial counterparties, giving each of the parties the right to ask Sova Capital Limited at any time to buy back the Pirelli shares covered in each agreement;

- Consob resolution no. 21326 of 9 April 2020 (as subsequently updated) established, for a period of three months from the date on which the resolution came into force, except in the case of early revocation of the same, an additional threshold of 1% which once exceeded would trigger the disclosure obligations laid down in art. 120, paragraph 2, of the CLF for the companies referred to in Section A of the annexed list (including the Company) and, pursuant to art. 114, paragraph 5, of the CLF, any person or entity which, on the date said resolution came into force, held a stake in the voting capital higher than the threshold set above and lower than the threshold set in art. art. 120, subsection 2 of the CLF, would be required to disclose this fact in accordance with the procedures and terms set out in the mentioned art. 120, subsection 2, of the CLF, within 10 working days starting from the aforementioned date, except for cases in which this disclosure has already been made in compliance with the provisions of Consob resolution no. 21304 of 17 March 2020; in this regard, the Company received the following notifications:

1.) **Alberto Bombassei** – total of 24,267,763 shares (2.427% of the capital), held indirectly through Next Investment S.r.l. (2,100,000) and Brembo S.p.A. (22,167,763);

2.) **Norges Bank** – total of 12,652,258 shares (1.265% of the capital); and

3.) **Caisse des Dépôts et Consignations** – total of 11,275,856 shares (1.127% of the capital), held directly (10,918,747) and indirectly through CNP Assurances (357,109).

Lastly, the **Chairman** stated that:

- voting at today's Shareholders' Meeting shall take place through the **AR** who shall cast votes on the basis of the voting instructions received; the **AR** is invited to make all the declarations required by law, also regarding any deficiencies of entitlement to vote;

- since the documentation pertaining to all the items on the Agenda has been subject to the disclosure requirements mentioned above and is available to all the attendees, provided that no-one objects its reading shall be omitted, and only the proposed resolutions contained in the Report of the Board of Directors, where present, shall be read out;

- before today's Shareholders' Meeting, questions were received pursuant to art. 127-ter CLF from the shareholders Marco Bava and Biagio Piccolo. The list of questions and answers was published on the Company's website on 15 June 2020 and will be annexed to the minutes of the ordinary session of the Shareholders' Meeting.

Moving on to the discussion of the **first item of the agenda of the extraordinary session**, the **Chairman** outlined the proposal to make a few amendments to the text of the current company Bylaws, and more specifically articles 6 (*Share Capital*), 9 (*Shareholders' Meeting*), 10, 11, 12, 13 (*Management of the Company*) and 16 (*Board of Statutory Auditors*), as analytically described in the Report of the Board of Directors annexed below.

At the request of the **Chairman**, I, the Notary, then read out the proposed resolution as transcribed below.

As no one asked to speak, the **Chairman** then put to the vote (at 11.05 a.m.), through the **AR** who shall cast votes on the basis of the voting instructions received, the proposed resolutions contained in the Report of the Board of Directors read out and reproduced below:

“The Extraordinary Shareholders' Meeting of Pirelli & C. S.p.A.,

having examined the Directors' Report outlining the proposed amendments of articles 6 (Share Capital), 9 (Shareholders' Meeting), 10, 11, 12, 13 (Management of the Company) and 16 (Board of Statutory Auditors) of the company Bylaws

resolved

1) *to amend articles 6 (Share Capital), 9 (Shareholders' Meeting), 10, 11, 12, 13 (Management of the Company) and 16 (Board of Statutory Auditors) of the Company Bylaws of Pirelli as set out in the Report of the Board of Directors:*

2) *to grant the Board of Directors – and on its behalf the Executive Vice Chairman and Chief Executive Officer in office – all the broadest powers and all the necessary authority to implement the aforementioned resolutions and to fulfil every act and/or formality necessary for the same to be recorded in the Companies Register, accepting and introducing formal or non-substantial amendments, additions or deletions that may be required by the competent authorities.”*

The resolution was approved by a majority of the shareholders.

Abstained: 300,000 shares.

Against: 3,873,418 shares.

For: 806,817,582 shares.

Not voting: 6,373,636 shares.

All as detailed in the annexes.

The **Chairman** announced the result.

Before closing the meeting, the **Chairman** expressed his sincere thanks to all those in attendance and, at 11.06 a.m., as the only item on the Agenda of the extraordinary session had been dealt with, there being nothing else to discuss, the **Chairman** declared the Shareholders' Meeting closed.

The following are attached to these minutes:

- the **Explanatory Report** of the Board of Directors on the first item on the agenda of the Extraordinary Shareholders' Meeting, as "**A**";
- the list of names of the subjects who attended by proxy granted to the **AR** with an indication of the shares held by each and the voting details, as "**B**";
- the **Company Bylaws** which incorporate the amendments approved, as "**C**".

These minutes were signed by me at

It consists

of three sheets typed by a person I trust and completed by my own hand for ten pages and the eleventh up to here.

Attachments to the Minutes are not included.