



A NOTE
ON METHODOLOGY

The Pirelli Group Sustainability Report, in 2013 at the ninth edition, is the expression of a corporate culture based on the integration of economic, environmental and social choices, in line with the triple bottom line approach. For this reason, instead of being published separately, the description of Pirelli sustainable performance is included as an integral part of the Pirelli *Annual Financial Report at December 31, 2013*, of which it is the third volume:

- *Volume 01: Annual Financial Report at December 31, 2013;*
- *Volume 02: Annual Report on Corporate Governance and the Structure of Share Ownership 2013;*
- *Volume 03: Sustainability Report 2013.*

In light of this integration, note that:

- the Chairman's Letter at the beginning of Volume 01 of the Pirelli Annual Financial Report addresses Group sustainability issues;
- the scope and reporting period of this annual report is the same as the Group's *Annual Financial Report at December 31, 2013 – Volume 01*;
- this report gives a summary of the corporate identity, Group structure and operating performance in 2013, insofar as these topics are discussed in detail in Volume 01, to which reference is made for further information;
- the Summary Tables, found at the end of the report, link the specific GRI-G4 indicators with the principles of the Global Compact and the topics discussed both in this Volume and in Volumes 01 and 02.

The Sustainability Report has been drawn up according to the Sustainability Reporting Guidelines issued by the Global Reporting Initiative – according to the Comprehensive option of the GRI-G4 version. It has also been prepared in accordance with the principles of completeness, materiality and responsiveness set out in Standard AA1000.

The analysis of sustainable performance is based on a set of Key Performance Indicators (KPIs), developed in accordance with the GRI-G4 indicators, the ten principles of the Global Compact (to which Pirelli

adhered in 2004) while also taking account of data periodically monitored by the leading rating agencies of sustainable finance. The sections on economic and social dimensions have also drawn on the Reporting Standards issued by the Italian Sustainability Report Study Group (GBS – Gruppo di Studio per il Bilancio Sociale).

The contents of the report were determined according to their materiality, including the most important themes for the Company and of greatest interest to Group stakeholders. They highlight and explain the progress made in 2013 in relation to the contents of the 2012 report, with an overview of trends during the past three years as well as the new 2014 and/or multi-year targets.

The management systems used to consolidate the data are CSR-DM (Corporate Social Responsibility Data Management), HSE-DM (Health, Safety and Environment Data Management), SAP-HR (SAP Human Resources) and HFM (Hyperion Financial Management). The Sustainability Report was approved by the Board of Directors of the parent company Pirelli & C. on March 27, 2014 and was submitted for an Assurance Statement issued by an independent third party, SGS Italia S.p.A. Finally, it is published – in Italian and English – in the Sustainability section of the Pirelli website.

To submit comments and ask for clarifications or further details, please refer to the Contacts published in the Sustainability section of the website. The Section also hosts the Sustainability Channel, an interactive communication channel between Pirelli and the web community interested in sustainability news and events regarding the Group.