



# The Values and Ethical Code of the Pirelli Group

Ethics  Work

The Ethical Values at the Heart of our Actions.

The identity of our Group has historically been shaped by a set of values which, over the years, we have all sought to pursue and safeguard; the same values that have allowed us to consolidate and enrich our company culture.



The set of rules from which our business values stem, along with clear regulations designed to prevent and pre-empt illicit or illegal conduct, have been formalised in the group's Organisational Model. The model, of which the Ethical Code is the core, was recently adopted by the Board of Directors of Pirelli & C. SpA.

The dissemination of this document will ensure that it is available for consultation by all company employees. It serves as a clear reminder to each of us of the personal responsibility that underpins the effectiveness of this regulatory process.

A handwritten signature in blue ink, which appears to read 'Marco Tronchetti Provera'. The signature is fluid and cursive, written over a light blue background.

Marco Tronchetti Provera  
Chairman Pirelli & C. SpA

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# Mission

The Pirelli Group has an outstanding industrial tradition and is ranked among the world's leaders in every sector in which it operates. For more than a century we have been developing into a fully-fledged multinational, firmly rooted in various national markets. Our competitive strength lies in our technological know-how and research capabilities and in the quality and professional expertise of our human resources. A firm and constant focus on

customer needs allows us to produce and sell complex, high-quality products and to successfully operate from our various international bases. Innovation and research are Pirelli's most distinctive hallmarks. The Company has pioneered the use of new technologies to develop an integrated, online management system that ranges from provisioning to production and from distribution to sales, with a single key aim: the creation of value.

The emphasis on innovation and on value creation has also led to the development of new businesses in the real estate sector. Here too Pirelli has made its mark, both with major development projects and also through the management and exploitation of real estate assets. We attach the utmost importance to continuous improvement and to the environmental and social impact of our processes and products. Our conduct is dictated by an Ethical Code applied consistently and responsibly by all the Group's employees and collaborators the world over. The internationally renowned excellence of the Group's Corporate Governance

represents a prioritised, systematic commitment on the part of the Company's top management. Our management style seeks to strike the best balance between personal responsibility and teamwork; it hinges upon a centralised strategy that is implemented through decentralised, operational responsibility. We will finance our continuing growth through the creation of the right value for our shareholders, our customers and our employees, while fully respecting the communities in which the Company operates.

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# Pirelli Group Values

## CUSTOMER FOCUS

Understanding the market place in which Pirelli operates and considering the impact of your actions and behaviours on your

customer. Taking every opportunity in your job to represent the customer and his needs.

## RESPONSIBILITY AND TENSION TOWARDS RESULTS

Striving determinedly for results by making a personal commitment to the definition

of plans monitoring their progress and providing concrete output.

## TRANSPARENCY

Being open and honest about financial results.

Being prepared to speak up and disagree if you have an alternative.

Accepting different views and encouraging change.

Exchanging information across all organisational levels.

## INNOVATION

Being the first to come up with radical product/service/process solutions that can be implemented.

Pursuing excellence, never

accepting standard as good enough. Continuously looking for opportunities to improve existing processes and systems.

## INTEGRATION

Understanding how a specific action fits into the bigger business picture.

Co-operating across and within functions

and geographical boundaries towards common goals.

Increasing efficiency by minimising the duplication of efforts.

## SPEED

Sensing the urgency to deliver solutions that will delight customers, ahead of your competitors.

Reacting quickly to development needs, effectively identifying the best solutions.

## PROFESSIONAL EXCELLENCE

Possessing and exploiting technical know-how so as to be the best.

Being methodical, sticking to the rules and enjoying what you do.

# The nine articles of the Pirelli Group Ethical Code

## ARTICLE 1 - INTRODUCTION

The Pirelli Group conducts its internal and external operations in accordance with the principles set out in

this Code, in the belief that business ethics must be pursued alongside business success.

## ARTICLE 2 - AIMS AND VALUES

The main aim of the Group's companies is to create value for shareholders.

Industrial and financial strategies and the resulting

operations are geared accordingly, targeting the effective use of resources.

In the pursuit of this goal, the Group's companies are

unflinchingly committed to the following principles of conduct:

- As active and responsible members of the communities in which they operate, the Group's companies are committed, in both their internal and external relations, to the observance of national laws and the standard ethical principles sanctioned by international business practice: transparency, honesty and fairness.
- They reject and condemn all and any recourse to illegitimate or dishonest behaviours (towards the community, public authorities, customers, workers, investors and competitors)

for the achievement of business goals.

The latter shall be pursued exclusively through excellence in performance in terms of quality and the value for money of products and services, based on experience, customer focus and innovation;

- Organizational structures are designed to prevent any violation of the principles of legality, transparency, honesty and fairness by employees and partners and to monitor the observance and implementation of these principles;
- While ensuring the competitiveness of the Company's businesses, the market,

investors and the community in general are to be assured of complete transparency.

- Fair competition is encouraged, this being central to the interests of the Company as well as to those of competitors, customers and stakeholders in general;
- Pirelli companies pursue market excellence and competitiveness,

offering customers a quality of service that effectively meets their requirements;

- The Group's human resources are to be valued and fostered;
- Resources are to be used responsibly, with a view to sustainable development, respect for the environment and the protection of the rights of future generations.

### ARTICLE 3 - SHAREHOLDERS

Group companies are committed to ensuring equal treatment for all categories of shareholders, avoiding any preferential treatment. The reciprocal benefits that derive from belonging to a

group of companies are pursued in accordance with the relevant legislation and the autonomous interests of each Group Company as it seeks to create value.

## ARTICLE 4 - CUSTOMERS

The excellence of the Group's products and services is based on customer service and the readiness to meet customer needs. The aim is to offer immediate, thoroughgoing and competent responses, tailored to the needs of customers, and in keeping with the spirit of legality, courtesy and co-operation.

## ARTICLE 5 - COMMUNITY

Group companies are committed to contributing to the economic well-being and growth of the community in which they operate by providing efficient and technologically advanced services. In line with these objectives, and with their commitments towards the various stakeholders, Group companies regard research and innovation as being the keys to growth and success. Group companies maintain relationships with local, national and supranational authorities in a spirit of full and active cooperation and transparency that does not compromise their independence, economic targets or the values enshrined in this Code.

Group companies encourage and, where necessary, provide support for social, cultural and educational initiatives geared towards promoting personal development and improving standards of living. Group companies do not contribute or confer advantages or other benefits upon political parties and trade union organizations or their representatives and candidates, without prejudice to compliance with the relevant prevailing legislation.

## ARTICLE 6 - HUMAN RESOURCES

Group companies recognize the central importance of human resources in the belief that the key to the success of any business is the professional contribution of the people that work for it, in a climate of fairness and mutual trust. Group companies shall safeguard health and safety in the workplace and consider respect for workers' rights as fundamental to the business. Working relationships are managed with a view to guaranteeing equal opportunities and promoting the personal development of each employee.

## ARTICLE 7 - ENVIRONMENT

Group companies believe in sustainable international growth in the common interest of all stakeholders, both current and future. Their investment and business decisions therefore reflect respect for the environment and public health. Without prejudice to compliance with specific prevailing legislation, Group companies are aware of the

importance of environmental issues when making choices, not least in the adoption of specific technologies and manufacturing methods (where this is technically feasible and economically viable) that allow for the reduction of the environmental impact of their operations, even beyond the minimum limits set down by regulatory requirements.

## ARTICLE 8 - INFORMATION

Group companies are aware of the importance of providing the market, investors and the community in general with fair and accurate information

about their businesses. Therefore, without prejudice to the obligations of confidentiality attendant upon any business dealings, Group companies see transparency

as key to their relations with stakeholders. In particular, Group companies communicate with the market

and investors in compliance with the principles of accuracy, clarity and equal access to information.

## ARTICLE 9 - COMPLIANCE WITH THE CODE

The governance bodies, management and workers across all Group companies, as well as external partners such as consultants, agents and suppliers, are all bound by this Code. Group companies are committed to implementing proper procedures,

regulations and directives aimed at ensuring that the values enshrined in this Code are reflected in their actions and in the behaviour of all their employees and partners, providing proper sanctions to be applied for any infringement, as and where appropriate.



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