



THE 2021 SUSTAINABILITY REPORT HAS BEEN PUBLISHED PROMETEON GOES GREEN

- **Second-party audits on raw material suppliers.**
- **Conflict Minerals and Cobalt Sourcing Policy created.**
- **Sustainalytics will evaluate Prometeon's Corporate Social Responsibility with the goal of improving its Sustainability Model.**

Milan, Italy, 7th June, 2022. Prometeon goes green. After participating in the United Nations Global Compact (UNGC) in 2019 and becoming a Founder Member of the United Nations Global Compact Network Italy the following year, in 2021 Prometeon Tyre Group set in place a series of further, important actions which reflect the meaning that the word Sustainability holds for the company: **development which satisfies present needs without compromising the capacities of future generations.**

Roberto Righi, General Manager of Prometeon Tyre Group. “Over the next few years we will be focusing on balancing technological development and sustainability, understood as meaning respect both for the environment and for all the communities and people with whom the company works on a day-to-day basis. With the initiatives set in motion since 2021, Prometeon is ready to continue its sustainable growth journey.”

Nicolas Marchi, Chief Internal Audit & Sustainability Officer, Prometeon Tyre Group. “For the group, it is essential to continue working on sustainable development in order to give generations to come a better future. For this reason, we are committed to extending our sustainability to all corporate processes, from governance to financial, environmental and social areas.”

In order to build a solid Corporate Social Responsibility framework, Prometeon Tyre Group bases its Sustainability Report on four pillars:

- **Governance and Business Ethics:** the sustainable management model adopted by the company with the corresponding policies and procedures.
- **Economic Dimension:** the detailed distribution of the value chain, as well as the policies which take into consideration the management of relationships with suppliers and customers, in addition to the list of quality certifications obtained by the company.
- **Environmental Dimension:** the set of requirements regulating energy and water consumption, greenhouse gas emissions and waste/recycling management by the company.
- **Social Dimension:** a series of activities and projects which determine governance dedicated to the internal community, including a focus on the health, safety and well-being of the people who frequent the workplace, as well as concrete contributions towards the external community.



Every year, the UNGC sets out a series of initiatives to help define strategies and partnerships for the pursuit of the Sustainable Development Goals established in September 2015 with the goal of supporting the activities of sustainable companies through to 2030.

Prometeon is committed to helping achieve these goals, and in 2021 it drafted its own Sustainability Plan with reference to the ten principles of the UNGC and in support of the seventeen Sustainable Development Goals of the United Nations (SDGs), as well as implementing its main actions in the field of sustainability in a manner consistent with the commitments made.

SECOND-PARTY AUDITS OF RAW MATERIAL SUPPLIERS

In keeping with its sustainability principles, the group has put into place a programme of second-party audits along the supply chain via third companies. The audit inspections on the raw material supplies (natural rubber, carbon black, chemicals etc.) are carried out on an annual basis and ensure compliance with the established standards, mitigating risks linked to outsourced activities. Through this tool, Prometeon checks the conformity of its products and services by monitoring and assessing the performance of its suppliers. The goal is to assess their level of sustainability and compliance along the entire supply chain by analysing the policies and procedures which allow these suppliers to conduct responsible and sustainable procurement. In order to extend its due diligence, Prometeon has also decided to carry out audits on its cobalt and mineral suppliers, the results of which will be published in the 2022 Sustainability Report.

CONFLICT MINERALS AND COBALT SOURCING POLICY

The Group shares international concern regarding the conflict in DR Congo and neighbouring countries. In 2021, Prometeon decided to extend its Due Diligence to cobalt ore by reinforcing its procedures and applying a **Conflict Minerals and Cobalt Sourcing Policy**, in order to prevent the exploitation and sale of cobalt and minerals mined in conflict zones such as DR Congo and neighbouring regions, which currently contribute to financing conflicts and involve child labour and human rights violations in the mining operations. Artisanal cobalt mining involves risks for people and the environment; for this reason, the sustainable and responsible procurement of raw materials is of the utmost importance to Prometeon. The Company is committed to protecting and respecting human rights, and to ensuring no minerals or cobalt sourced from conflict zones are used in its products.

SUSTAINABILITY LINKED LOAN

In December 2021, Prometeon took out a **Sustainability Linked Loan** to the total value of 350 million Euros. The financing, composed of a Term Loan of 200 million Euros and a Multicurrency Revolving Credit Facility of 150 million Euros, has a three-year term with one-year extension option, and will be used to refinance existing debt and for business requirements, including new investments. The pricing of the loan is linked to the sustainable policies adopted by the Group, and as such the group has set specific goals to be achieved by the end of 2025 in the area of sustainability training, waste (tyre)



management and compliance with principles of sustainability in the value chain. The results will be presented in the 2022 Sustainability Report.

ESG RATING

In the first quarter of 2022, Prometeon Tyre Group entered into a partnership with **Sustainalytics**, an ESG (Environmental, Social and Governance) ratings agency appointed to evaluate the Group with the goal of understanding and improving its actions with regard to sustainability principles throughout the entire value chain.

Prometeon's 2021 Sustainability Report is available at [Prometeon.com](https://www.prometeon.com), and can be downloaded via the following [link](#).

PROMETEON TYRE GROUP

Prometeon Tyre Group is the only tyre company solely focused on the Industrial sector (transport of goods and people), the Agro and OTR segments. Prometeon's is a multi-level offering with a product portfolio that includes the PIRELLI, FORMULA, PHAROS, ANTEO, ERACLE, TEGRYS brands. The Group has four factories (two in Brazil, one in Egypt, and one in Turkey), three Research and Development Centers (Italy, Brazil, and Turkey) and one Development Centre in Egypt. There are around 8,000 people from more than 40 nations working in the Group, across all 5 continents. Since 2019 Prometeon has joined the United Nations Global Compact, which today has 15,500 companies in 165 countries, and in 2020 it was among the founding members of the United Nations Global Compact Network Italy. The PIRELLI, FORMULA and PHAROS brands are used under license.

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FORMULA



PHAROS

TEGRYS

ERACLE