



Pirelli and the Environment

Pirelli's commitment to sustainable global growth arises from a **corporate culture that combines competitiveness with social responsibility** as confirmed by the adoption of **investment and business decisions** characterised by **respect for the environment and public health**. Indeed, in recent years the Group has introduced **technology, products and processes** capable of **contributing to sustainable development** and **reducing environmental impact** of its activities.

The results that Pirelli has achieved in the field of corporate social responsibility have obtained an important recognition: the **Group has been admitted to some of the main world stock exchange sustainability indices** including the **Dow Jones** and **FTSE4Good**. In particular, 2008 has seen Pirelli declared world leader in the **“Auto Parts and Tyres” sector** of the **Dow Jones Sustainability Index** and **“Gold Class Company”** by **SAM Group**, the corporate sustainability assessment company.

In the **tyre** sector, Pirelli Tyre has concentrated on **manufacturing tyres that are increasingly environmentally-friendly**, as well as offering safety, innovation and high-performance, in the firm belief that a product with lower environmental impact represents both progress and a competitive advantage. In recent years, Pirelli's research efforts in the area of environmental sustainability have regarded both product and processes and are epitomised by the new **“Cinturato”**, a modern, hi-tech version of the tyre that has left its mark on the history of the sector. Innovative materials and structures enable the Cinturato **to reduce energy consumption by up to 4%, thus cutting CO2 emissions**. Furthermore, the new tyre offers **higher mileage (+30%)** and **its tread contains no aromatic oils (substances that contribute to the formation of particulate matter)**, thus meeting with the requirements of the relevant European directive ahead of the deadline for implementation. The new tread patterns also provide a reduction in tyre noise levels both inside and outside the vehicle. Pirelli has also developed **tyre pressure monitoring systems**, essential for preventing increased fuel consumption, and is working on **a tyre with integrated electronics** in order to promote safer, more environmentally-friendly driving.

Thanks to research carried out by Pirelli Labs, the driving force behind Pirelli innovation, the Group has patented new technology in the **renewable energy sources** and **sustainable mobility** sectors. In the renewables sector, Pirelli Ambiente has developed a **high-quality refuse derived fuel (CDR-Q)** that can be used as a partial replacement for fossil fuels in cement kilns and thermoelectric power stations with significant environmental benefits in terms of lower emissions of carbon dioxide and nitric oxide. Pirelli Ambiente also operates in the sectors of **solar energy**, where it has started several projects in southern Italy, and **environmental reclamation**. In the sustainable mobility sector, Pirelli Eco Technology has developed two technologies for reducing particulate emissions from diesel engines: these are **particulate filters**, enabling a **reduction** in diesel-engine **particulate emissions of more**

than 95%, and the low-environmental-impact fuel **Gecam**, an emulsion of diesel and water that cuts the formation of particulate by 50%.

As regards the **property** sector, in 2007 Pirelli RE launched “**Ecobuilding**”, an **environmentally-sustainable building programme** aimed at environmentally-friendly building practices. The programme regards new developments in all market sectors ranging from residential to services and will be the cornerstone of all new projects promoted by Pirelli RE. Ecobuilding sets four main objectives: energy efficiency, use of environmentally-friendly materials, use of renewable energy sources, living comfort.

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