

PRYSMIAN FOR THE ENVIRONMENT

Prysmian is committed to protecting the environment and conserving natural resources, through efficient use of resources, optimisation of logistics and responsible waste management.

Commitment to environmental stewardship and to the conservation of natural resources is essential for the Group to create sustainable value, benefiting both the organisation and its stakeholders. This approach is expressed not only in the product's intrinsic characteristics, but also in the management of the Group's production systems, where the focus is on prevention and reduction of environmental impact through, for example, efficient use of natural resources, optimisation of logistics and responsible waste management.

On the basis of the environmental performance indicators viewed as relevant at Group level, the Prysmian Group's Health Safety & Environment (HSE) function, working together with other Corporate functions and with the backing of the Board of Directors, has established the Group's HSE objectives for 2013-2014. These objectives have been communicated to all Country and Organisational Unit managers and, where possible, individual targets have been set.

During 2013, HSE further consolidated its action at various levels of the Group's organisation (Corporate, countries or regions, business units and production units), by centralising activities and coordinating the work of local HSE functions. The Group's Health, Safety and Environment policy, Management Procedures and Technical Standards have been accepted and

applied in the operating units. With the support of the Group's team of auditors, the HSE function has periodically checked the effectiveness and correct implementation of HSE rules locally.

The aspects that HSE monitors, through the use of indicators, include compliance with health and safety standards, energy consumption, waste management, the use of water resources and atmospheric emissions of greenhouse gases. These indicators are presented in the Sustainability Report. In particular, with regard to greenhouse gas emissions, the Group has started to collect energy consumption data to keep a track of "direct" emissions (arising from the production process), and "indirect" ones (arising from bought-in energy). This monitoring and reporting system has allowed the Group to participate, for the first time in 2013, in the Carbon Disclosure Project (CDP), an international initiative that aims to contribute to the achievement of the Kyoto Protocol's targets for worldwide reduction in greenhouse gases.

During the year, the Prysmian Group also defined and applied the methodology for assessing the environmental impact of certain types of products. To this end, several studies were conducted using the LCA (Life Cycle Assessment) approach, which allowed the methodology to be tested and responses to



be provided to the requests of certain important customers. In addition, the process continued of obtaining certification for the Group's HSE management systems: in line with the target set for 2013, five new certifications were obtained (St. Genevieve - France and Prysmian PowerLink - Milan, which obtained ISO 14001 certification for their environmental management systems; Velké Mezirici - Czech Republic, Eindhoven - The Netherlands and Bishopstoke - United Kingdom, which obtained OHSAS 18001 certification for their safety management systems). At the end of 2013, 86% and 49% of the sites were certified in accordance with ISO 14001 and OHSAS 18001 respectively.

In close conjunction with the certification target, Prysmian Group has increased the number of qualified auditors by introducing a specific training programme, developed directly by the Corporate HSE function: the certification of new auditors in 2013 made it possible to fulfil the audit plan and the work schedule, with a total of 120 inspections carried out, of which a quarter conducted by Prysmian auditors.

In addition to numerous training initiatives, the Group managed and carried out a series of activities, coordinated by the Corporate HSE function, including:

- preparation of the "Safety Leadership" initiative, designed to enhance and promote the culture of safety from management level down;
- completion of the environmental and safety section of the RobecoSAM corporate sustainability assessment questionnaire for admission to the Dow Jones Sustainability Index (DJSI), with a major improvement in

the score from the previous year. The Group HSE function has already planned and launched several other initiatives in this regard to ensure more complete reporting and to highlight in more detail the connection between environmental improvements and the resulting economic impacts;

- active participation in various working groups and committees of industry associations (the Europacable ECOE Committee, the Orgalime "Substances Task Force", the ANIE Environment Committee, the AICE environment working group, and the IEC Maintenance Team which is developing the standard for the environmental statement specific to energy cables).

With the activities performed during 2013 and prior years, Prysmian has laid the foundations for a more conscious and integrated groupwide management of its environmental, health and safety issues.

In fact, the integration process represents an opportunity for improvement, in which the parent company's HSE function will coordinate the development of additional policies and operating procedures to manage health, safety and the environment at all the Group's operating units. In this context, Prysmian Group monitors its environmental, health and workplace safety performance using qualitative and quantitative measures, some of which are published in the Sustainability Report. This document, to which reference should be made for further details, describes not only the Group's performance, but also the existing management models and lines of development for future actions.

