

# COMMITMENT TO INNOVATION

The Prysmian Group has always attributed strategic importance to Research & Development, in order to maintain market leadership by differentiating itself and providing customers with technologically innovative solutions with a lower environmental impact, at increasingly competitive costs.

The Group's commitment to innovation and the development of new products with a reduced environmental impact stems from the conviction that this is the best way to guarantee economic sustainability over the long term. Such a commitment is essential in order to assure well-being and the quality of life in today's society and for future generations. In particular, development projects seek to increase the efficiency and reliability of the finished products offered by Prysmian while, at the same time, lowering energy and power losses, as well as reducing greenhouse gas emissions and the consumption of electricity and water during the production processes. Sustainability is a constant focus for the Prysmian Group, in step with the times and the markets; it is not only a prerogative for research, development and innovation in the more developed countries, but also for that performed in the emerging countries. Investment in sustainability helps, in fact, to lower risk in places where energy costs are rising and access to energy sources remains unstable. In addition, the Group's engineers employ advanced tools to validate the performance of our cables and simulate applica-

tions, even before any prototypes are made. This process helps to maximise the use of laboratory time, for example by avoiding unnecessary repetitions, and therefore reduce the consumption of materials and energy.

Total spending by Prysmian on Research, Development and Innovation during 2014 amounted to about 87 million euro\*, confirming our constant commitment and focus on sustainable growth over the long term. Efforts to optimise costs via the Design To Cost (DTC) programme have also continued. Design To Cost is a methodology used in order to lower production costs, both when developing a new product and when re-engineering an existing product.

**€16 MILLION:**  
**COST REDUCTIONS**  
**DERIVING FROM THE**  
**DESIGN TO COST (DTC)**  
**PROGRAMME**

The Group now has 17 Centres of Excellence, with headquarters in Milan and more than 500 experienced professionals.

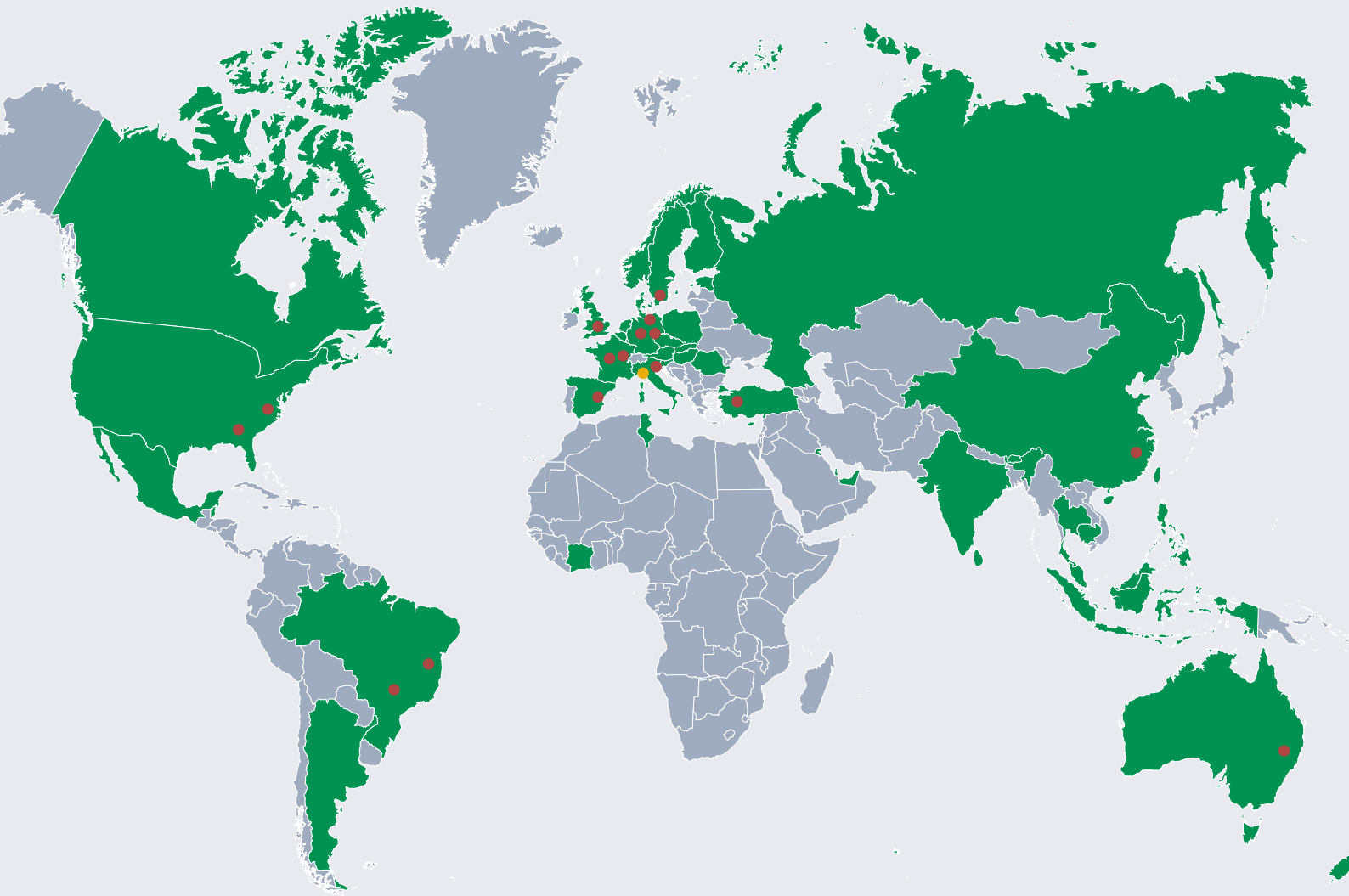
## UNIVERSITIES AND RESEARCH CENTRES

Prysmian has established consolidated collaborative relations with major universities and research centres in various countries around the world: China, Netherlands, Brazil, Finland, Germany, United States, Spain and Italy. Numerous key collaborations include those with Politecnico di Milano and Centro di Ricerca Nazionale di Roma in Italy, Centro para el Desarrollo Tecnológico Industrial in Spain, Delft University in the Netherlands and USP in Brazil. Additionally, in North

America the Prysmian Group is an honorary member of NEETRAC (National Electric Energy Testing Research and Applications Center) at the Georgia Institute of Technology.

Collaboration with the universities is strategic for Prysmian, in order to keep constantly updated about all technological innovations and ensure adoption of the most advanced technologies available to the scientific community.

\* inc. 71 million opex and 16 million capex.



● R&D HEADQUARTER  
● R&D CENTRES

**17**  
R&D CENTRES

**500**  
PROFESSIONALS

**5.800**  
PATENTS