

# LETTER TO STAKEHOLDERS

The Prysmian Group confirmed its commitment to sustainability during 2014 by renewing investment in the search for sustainable products, strengthening the process for developing its human resources and participating actively in projects and initiatives carried out in the public interest, as well as by reducing where possible the environmental impact of its products and production activities. Various initiatives commenced during the year, representing important milestones in the Group's pursuit of sustainability and seeking to generate short and medium-term benefits for all stakeholders. These efforts were accompanied by work to spread a culture of sustainability throughout the organisation and by ever more complete and effective **reporting**, with an increase in the breadth and depth of the economic, social and environmental matters addressed. In particular, this Sustainability Report applies the new «Sustainability Reporting Guidelines G4» defined in 2013 by the GRI – Global Reporting Initiative, which place greater emphasis on the matters considered important for the Group and its stakeholders. In addition, with a view to guaranteeing the reliability of the information contained in this Report, Deloitte was appointed once again to check the details provided and release an Auditors' Report.

The sustainability strategy adopted by the Group focuses on such key topics as sustainable, technological innovation in the solutions offered, the environmental responsibility of production processes, the management of relations with the local communities in which the Group operates, safety at work and the development of personnel.

With regard to the **economic and financial responsibilities** of the Group, relations with the financial market were particularly intense during 2014, involving more than 400 meetings with institutional investors, whether in the form of conference calls or one-to-one or group sessions. In addition, following the success achieved at international level last year, Prysmian has repeated the YES (Your Employee Shares) programme. This scheme enables employees to acquire shares on discounted terms, with a view to enhancing their loyalty, engagement, sense of belonging and understanding of the business, thus strengthening the internal perception of the Prysmian Group as "One Company".

With regard to our **products**, Prysmian has progressed many significant, innovative projects in the Energy Products and Energy Projects segments, as well as in the Telecom segment. As an example regarding the terrestrial transmission and distribution of energy using ultra-high voltage cables, development of the prototype 400 kV copper cable - the Group's largest ever - was completed during the year. In addition, Prysmian has made significant strides in the development of P-Laser technology, being the first high performance, eco-



sustainable cable for electrical circuits to use recyclable raw materials.

Turning to the production of optical fibre and cables for the Telecom segment, Prysmian has developed more than 20 drop cables, in addition to new processes for the manufacture of optical fibre that make best use of all the technologies available to the Group.

Aware of the effect that our **suppliers** and their activities have on the environment and on the company, the Group has decided to adopt a Code of Business Conduct. This will spread responsible business practices by defining principles of economic, environmental and social responsibility to be applied throughout the entire value chain.



Given the importance of the role played by **intellectual capital** and talent in achieving our profitability and value creation objectives, Prysmian has made further efforts to facilitate the growth of employees, by dedicating constant attention to the enhancement of individuals within an international working environment.

The Group has also made great strides in relation to the **local communities** with which we come into contact. In the belief that access to energy and telecommunications is a fundamental prerequisite for economic and social development, Prysmian has decided to update the policy on action for the benefit of communities by focusing it explicitly on helping them access to these sources.

Our commitment to the **environment** is unchanged, with the implementation of action designed to reduce the impact of the Group's activities. In particular, various factories took steps during the year to reduce the consumption of energy, the production of waste and the use of water, confirming Prysmian's strong drive to ensure practical implementation of the sustainability initiatives that are advanced on a continuous basis.

Valerio Battista  
Chief Executive Officer