Linking the Sustainability future

Milan – July 1st , 2020

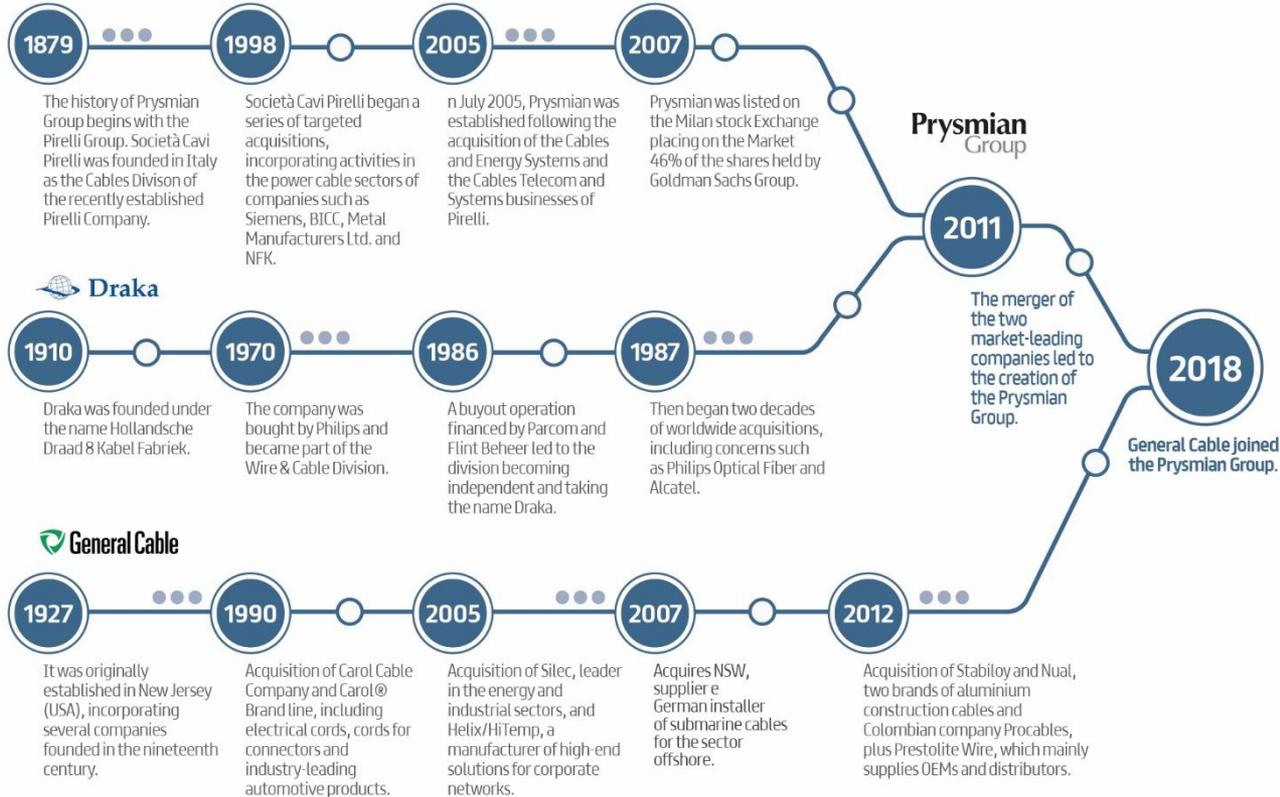Prysmian Group

Linking the Future

Agenda

Prysmian Group at a Glance

Energy Transition

Sustainability in Prysmian Group

COVID-19

Appendix

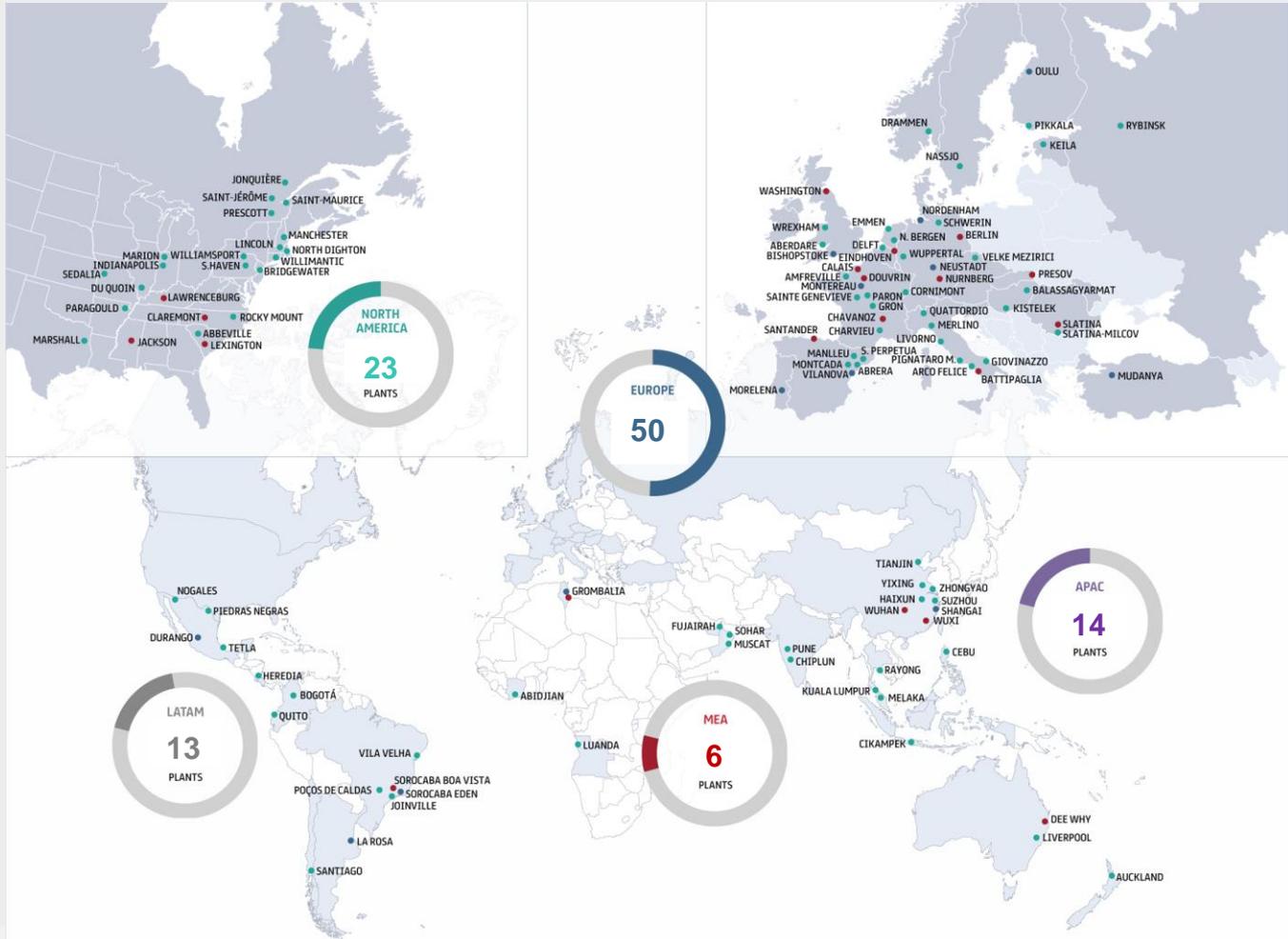# A journey that began two centuries ago

PRYSMIAN
CABLES & SYSTEMS

1879 — The history of Prysmian Group begins with the Pirelli Group. Società Cavi Pirelli was founded in Italy as the Cables Division of the recently established Pirelli Company.

1998 — Società Cavi Pirelli began a series of targeted acquisitions, incorporating activities in the power cable sectors of companies such as Siemens, BICC, Metal Manufacturers Ltd. and NFK.

2005 — n July 2005, Prysmian was established following the acquisition of the Cables and Energy Systems and the Cables Telecom and Systems businesses of Pirelli.

2007 — Prysmian was listed on the Milan stock Exchange placing on the Market 46% of the shares held by Goldman Sachs Group.

Prysmian Group

Draka

1910 — Draka was founded under the name Hollandsche Draad 8 Kabel Fabriek.

1970 — The company was bought by Philips and became part of the Wire & Cable Division.

1986 — A buyout operation financed by Parcom and Flint Beheer led to the division becoming independent and taking the name Draka.

1987 — Then began two decades of worldwide acquisitions, including concerns such as Philips Optical Fiber and Alcatel.

2011 — The merger of the two market-leading companies led to the creation of the Prysmian Group.

2018 — General Cable joined the Prysmian Group.

General Cable

1927 — It was originally established in New Jersey (USA), incorporating several companies founded in the nineteenth century.

1990 — Acquisition of Carol Cable Company and Carol® Brand line, including electrical cords, cords for connectors and industry-leading automotive products.

2005 — Acquisition of Silec, leader in the energy and industrial sectors, and Helix/HiTemp, a manufacturer of high-end solutions for corporate networks.

2007 — Acquires NSW, supplier e German installer of submarine cables for the sector offshore.

2012 — Acquisition of Stabiloy and Nual, two brands of aluminium construction cables and Colombian company Procables, plus Prestolite Wire, which mainly supplies OEMs and distributors.

Worldwide leader in the cable industry

- ⊕ **+50** COUNTRIES
- 🏭 **106** PLANTS
- ⊷ **25 R&D** CENTERS
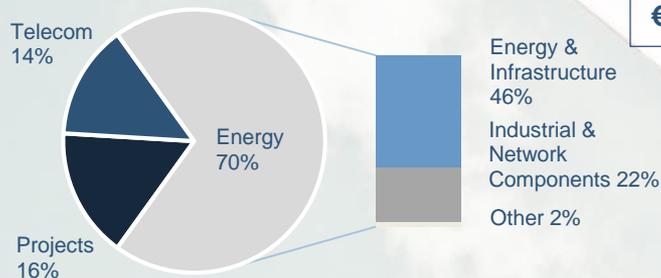- 👥 ABOUT **29,000** EMPLOYEES
- € OVER **11** BILLION ANNUAL SALES FY 2019

Prysmian Group   Linking the Future

NORTH AMERICA
23 PLANTS

JONQUIÈRE
SAINT-JÉRÔME · SAINT-MAURICE
PRESCOTT
MANCHESTER
LINCOLN · NORTH DIGHTON
MARION · WILLIAMSPORT · WILLIMANTIC
INDIANAPOLIS · S.HAVEN · BRIDGEWATER
SEDALIA
DU QUOIN
LAWRENCEBURG
PARAGOULD
CLAREMONT · ROCKY MOUNT
ABBEVILLE
MARSHALL · JACKSON · LEXINGTON

EUROPE
50

OULU
DRAMMEN · PIKKALA · RYBINSK
KEILA
NASSJO
WASHINGTON
NORDENHAM
WREXHAM · EMMEN · SCHWERIN
ABERDARE · DELFT · N. BERGEN · BERLIN
BISHOPSTOKE · EINDHOVEN · WUPPERTAL · VELKE MEZIRICI
CALAIS · NEUSTADT
AMFREVILLE · DOUVRIN · NURNBERG · PRESOV
MONTEREAU · CORNIMONT · BALASSAGYARMAT
SAINTE GENEVIEVE · PARON · QUATTORDIO · KISTELEK
GRON · MERLINO · SLATINA
SANTANDER · CHAVANOZ · SLATINA-MILCOV
CHARVIEU · LIVORNO
MANLLEU · S. PERPETUA
MONTCADA · PIGNATARO M. · GIOVINAZZO
VILANOVA · ABRERA · ARCO FELICE · BATTIPAGLIA
MORELENA · MUDANYA

APAC
14 PLANTS

TIANJIN
YIXING · ZHONGYAO
HAIXUN · SUZHOU
WUHAN · SHANGAI
WUXI
FUJAIRAH · SOHAR
MUSCAT
PUNE · CEBU
CHIPLUN
RAYONG
KUALA LUMPUR
MELAKA
CIKAMPEK
DEE WHY
LIVERPOOL
AUCKLAND

LATAM
13 PLANTS

NOGALES
PIEDRAS NEGRAS
DURANGO · TETLA
HEREDIA
BOGOTÁ
QUITO
VILA VELHA
SOROCABA BOA VISTA
POÇOS DE CALDAS · SOROCABA EDEN
JOINVILLE
LA ROSA
SANTIAGO

MEA
6 PLANTS

GROMBALIA
ABIDJIAN
LUANDA

Legend:
- 🟢 Energy
- 🔴 Telecom
- 🔵 Shared

Partner of the world's key player

Prysmian group at a glance | 2019 Financial Results

SALES BREAKDOWN BY BUSINESS
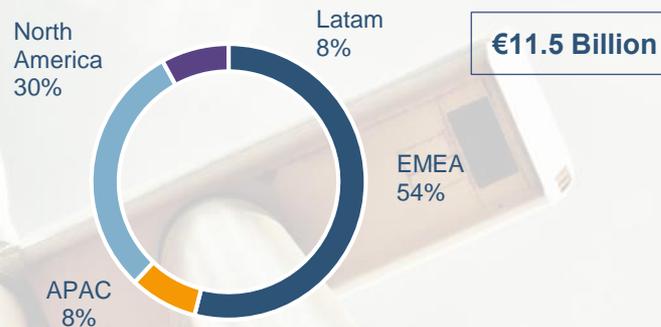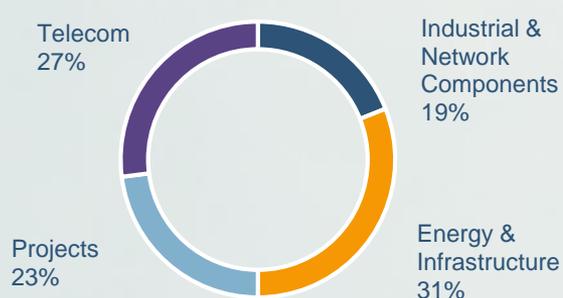
€11.5 Billion

Telecom 14%

Energy 70%

Projects 16%

Energy & Infrastructure 46%

Industrial & Network Components 22%

Other 2%

SALES BREAKDOWN BY GEOGRAPHY

€11.5 Billion

North America 30%

Latam 8%

EMEA 54%

APAC 8%

Adj. EBITDA BY BUSINESS

€1,007 Million

Telecom 27%

Industrial & Network Components 19%

Projects 23%

Energy & Infrastructure 31%

Adj. EBITDA MARGIN

Projects	Telecom	Industrial & Network Components	Energy & Infrastructure	Total Group
12.4%	16.6%	7.9%	5.8%	8.7%

Prysmian Group

Linking the Future

Agenda

Prysmian Group at a Glance

Energy Transition

Sustainability in Prysmian Group

COVID-19

Appendix

Enabling the energy transition

The European commitment and how to get there

1 The European Target

- Carbon neutrality, or having a net zero carbon footprint, refers to achieving net zero carbon dioxide emissions by balancing carbon emissions with carbon removal
- Europe has not yet made this commitment

2 Full decarbonization of energy supply

- 100% fossil-free energy sources with, most probably, a major share of renewables
- Power to X: Green hydrogen, Green Methane for non-electrificable

3 Society Electrification

4 Efficiency measures

- Building , Industry and transportation consumption reduction through innovation and change of behaviour
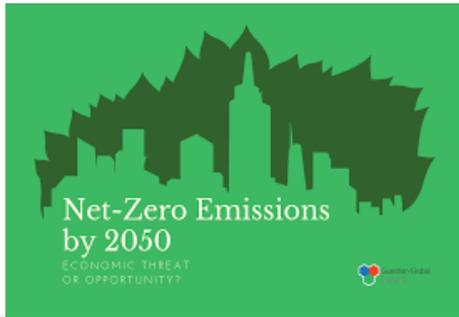
How the electricity sector can contribute to the zero emission world

1 Renewables Integration

- 450 GW of offshore wind are required by 2050 (now, 27 GW installed)
- The integration of offshore wind (and, in general, of any renewable energy source) will require a much stronger overlay transmission network (supergrid)

2 Optimize current assets

- Optimize the use of the current assets, through network digitalization.
- Condition monitoring, dynamic rating.

3 Efficient Market

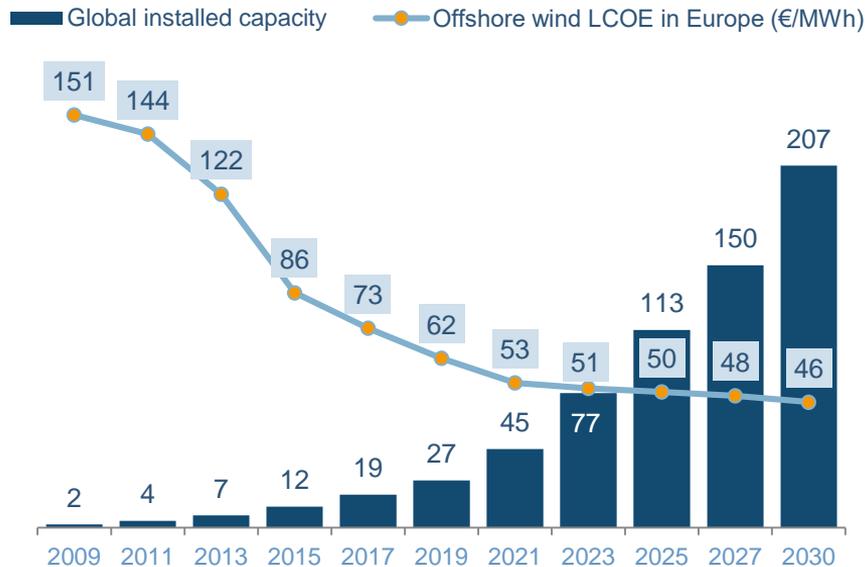- European Single Electricity Market

4 Island Interconnection

- Europe has more than 300 islands with more than 50km2

Net-Zero Emissions by 2050
ECONOMIC THREAT OR OPPORTUNITY?

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Energy Transition | Offshore wind success story

Market evolution: the long term perspective

### As the cost of offshore wind has declined, installations have soared

Legend:
- Global installed capacity
- Offshore wind LCOE in Europe (€/MWh)

LCOE values: 151, 144, 122, 86, 73, 62, 53, 51, 50, 48, 46

Installed capacity values: 2, 4, 7, 12, 19, 27, 45, 77, 113, 150, 207

Years: 2009, 2011, 2013, 2015, 2017, 2019, 2021, 2023, 2025, 2027, 2030

Offshore wind: Global installed capacity (GW, navy bars) vs LCOE in Europe (€/MWh)
Source: Goldman Sachs Global Investment Research, IRENA

Prysmian a clear beneficiary and enabler of energy transition

From GW installed to € million cable value

1 1 GW of offshore wind requires:
- Submarine Transmission cable (AC or DC)
- Land Transmission Cable (AC or DC)
- Interarray cables (MV 33 or 66kV)
- Installation for all

Approx. value for all these items on average **300 € million per Gigawatt**

2 Factors that increase cable market:
- Distance from shore
- German legislation

3 IEA estimate **1,3 trillion euro** to be invested in Offshore Wind from 2020 to 2040, implying 250 billion euro in cabling in the same period

- Turbine 30-40%
- Transmission & inter-array cabling 20-30%
- Installation 15-20%
- Foundation 20-25%
- Prysmian Market
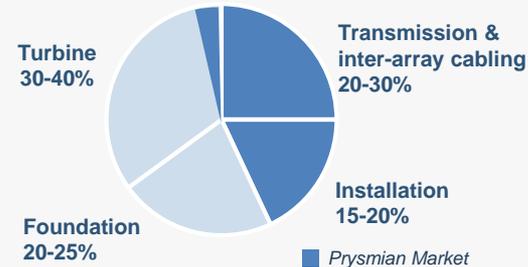
Indicative shares of capital cost by component

Split based on historical figures and projecting the cost per GW

Energy Transition | Prysmian awarded approx. 50% of the overall German HV projects
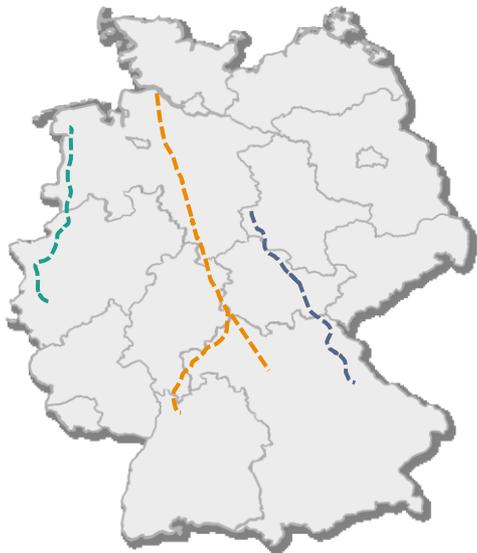
Overall Prysmian awarded more than 1.8 billion euro in German Corridors projects, confirming its leadership position

SuedOstLink
1,100 km cable
5 lots

- **Client:** TenneT TSO GmbH
- **Type of cable:** 525 kV extruded
- **Completion date:** early 2026

Prysmian awarded €500 million contract; ~50% of project

A-Nord
1,280 km cable
4 lots

- **Client:** AMPRION GmbH
- **Type of cable:** 525 kV extruded
- **Completion date:** Q2 2028

Prysmian awarded €500 million contract; 50% of project

SuedLink
2,750 km cable
4 lots

- **Client:** TenneT TSO GmbH & TransnetBW GmbH
- **Type of cable:** 525 kV extruded
- **Completion date:** 2H 2026

Prysmian awarded €800 million contract; >40% of project

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Innovating in a Rapidly Changing World | Enabling Energy Transition

1   **PUSHING BOUNDARIES OF UHVDC**

Industry first to qualify both 525kV XLPE and P Laser solutions

2   **GOING DEEPER INTO THE SEA WITH LONGER LENGTHS**

1st high depth submarine cable with synthetic armor

Crete-Peloponnese under construction
Evia-Andros-Tinos already installed
Single core up to 3000 meters

3   **MONITORING THE GRIDS WITH PRYSMIAN ELECTRONICS**

Pry-Cam

Pry-Cam DTS (Distribute Temperature Sensor)

Leonardo da Vinci : the most advanced cable-laying vessel in the world

- With 171-metre, Leonardo da Vinci will consolidate the Group's **leadership** and boost the capability of submarine cable operations

- 2 rotating platforms of 7,000 and 10,000 tons to ensure the **highest carousel capacity in the market**

- The capstan capacity of up to 100 tons **is double the industry average**.

- Bollard pull of about 200 tons has the **highest pulling/towing capacity** in its class

- Equipped to carry out the deepest power cable installations of up to **3,000 metres**

- All technical features can lead to a **reduced transportation time** from the factory to the site, **improving overall project efficiency**
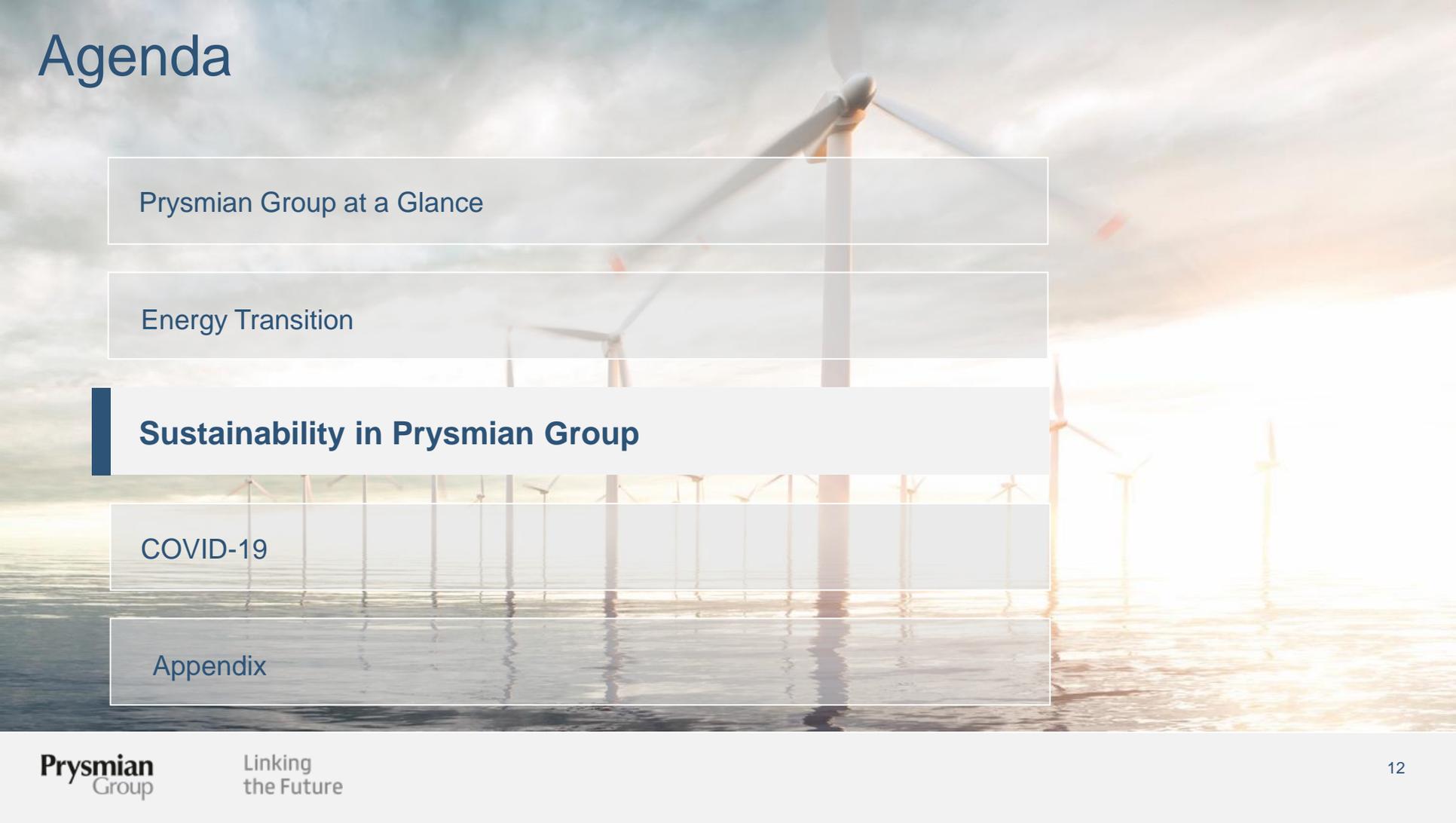
Prysmian Group   Linking the Future

Agenda

Prysmian Group at a Glance

Energy Transition

Sustainability in Prysmian Group

COVID-19

Appendix

Prysmian Group

Linking
the Future

Sustainability in Prysmian Group DNA | From Public company to People company

PUBLIC COMPANY

Constituted by a broad shareholder base and committed to ensure the highest international standards of governance: 67% of Board members are independent / 42% are women Integrity as corporate value expressed through several policies: Ethical code, anti-corruption policies, privacy & data protection, Helpline programme Sustainability Committee within the BoD to improve further sustainability of our business operations, company reputation, cooperation with stakeholders

MANAGEMENT COMPANY

Remuneration scheme linked to ESG parameters for all PG managers (Principal sustainability indices to which we belong, Gender diversity within management, the reduction of CO_2 emissions and health and safety) Integrated management of sustainability risks
Effective and efficient Corporate Governance system: achieve strategic objectives and create long-term sustainable value, comply with the legal and regulatory framework, efficient in terms of cost-effectiveness, fair towards all the Group's stakeholders
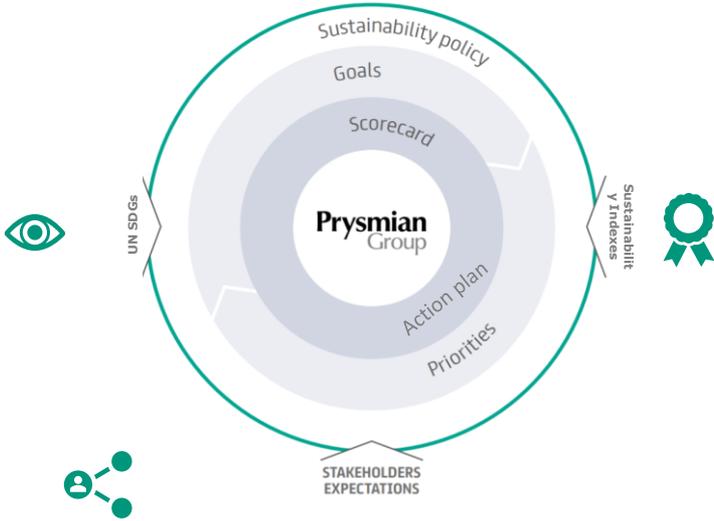
PEOPLE COMPANY

Support and recognize workers' abilities:
33% employees are long-term shareholders
Management and employees own about 3.5% of company's share capital
Continuous, multi-disciplinary and specialist trainings provided to our employees

An inclusive approach to Sustainability

PRYSMIAN MOST RELEVANT GOALS

SUSTAINABILITY INDICES

External survey
Internal survey

Multi stakeholders event
Focus groups

Sustainability materiality matrix

Prysmian Group goals and priorities

Enable affordable energy and telecom innovation and infrastructure

- Develop innovative products and solutions that support the sustainable improvement of energy and telecom infrastructures
- Develop sales of high quality, reliable, affordable and "green" products and systems
- Contribute to make possible universal access to power and telecommunications by supporting affordable and reliable infrastructures
- Facilitate the access to clean energy, by providing solutions to renewable energy operators and by fostering the research on sustainable technologies

Pursuit responsible consumption of natural resources and sustainable supply chain

- Pursue efficient and sustainable use of energy and natural resources by reducing consumption and Green House Gas emissions, as well as minimizing waste generation and promoting reuse and recycling
- Promote sustainable business practices amongst suppliers and business partners

Contribute to people and communities development

- Participate and contribute to the socio-economic development of the communities where the Group operates by adopting a proper management of Corporate Citizenship and Philanthropy
- Promote ethical behaviour, protect labour rights and diversity, develop an healthy working environment, education and professional development for workers
- Develop effective, accountable and transparent communication to stakeholders

Priorities and objectives fully aligned with ESG indices

INDEXES	DESCRIPTION	Result	
		SCORE 2019	SCORE 2018
Dow Jones Sustainability Indexes	The **DJSI** is based on an analysis of Group economic, environmental and social performance.	84/100; Rank: 2nd (included)	79/100; Rank: 4th (not included)
CDP	The **CDP** is the most recognised NGO in the world for the assessment of transparency in disclosure by companies of climate change information.	B (World)	B (World)
standard ethics	The **Standard Ethics Italian Index** is an open-free stock market index with a focus on governance and sustainability	EE+	EE+
FTSE4Good	The **FTSE4Good Index series** are equity indexes launched in 2001 by the FUSE Group to measure the performance of companies that demonstrate strong Environmental, Social and Governance (ESG) practices	3.9/5 E: 4.0/5; S: 4.3/5; G: 3.3/5	3.9/5 E: 3.7/5; S: 4.6/5; G: 3.3/5
STOXX	The **Stoxx ESG indexes** are a new group of indexes. Their ratings are based on specific environmental, social and governance performance indicators in addition to overall sustainability performance.	Included (STOXX Italy 45 ESG-X e STOXX Europe 600 ESG-X)	Not included
ecovadis	**EcoVadis** is a platform that allows companies to monitor the sustainability performance of their suppliers through an assessment	73/100 (Gold)	N/A
Bloomberg	Bloomberg collects Environmental, Social and Governance data from corporate public communications. **Bloomberg ESG Disclosure Scores** evaluates companies on the basis of their disclosure of ESG data, in consideration of the relevant industries.	40.9/100	40.1/100

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Focus on DJSI

Prysmian SpA Sustainability Performance Overview

Management Summary

Total Score Ranking in Electrical Components & Equipment (ELQ)

Rank	Y-o-Y	Company
1	0	Signify NV
2	+2	**Prysmian SpA**
3	-1	Schneider Electric SE
4	+1	OSRAM Licht AG
5	-2	Legrand SA
6	+1	Havells India Ltd
7	-1	Fuji Electric Co Ltd
8	N/A	Voltronic Power Technology Corp
9	0	ABB Ltd
10	-2	Rockwell Automation Inc

DJSI Memberships

The company became member of DJSI World in 2019

Overview

Since 2016, Prysmian has logged steady gains in *Total Score* (76-79-79-84) and advanced against peers (81st-88th-82nd-94th). A new member of DJSI World this year, Prysmian's 2019 *Total Score* gains narrowed its gap with the index (84 v 85). Against DJSI World, Prysmian outscored the index in the *Economic Dimension* (84 v 82), and nearly tied the index in the *Environmental Dimension* (92 v 93). In the *Social Dimension*, Prysmian lagged DJSI World by a four-point margin (78 v 82). Of the 21 criteria evaluated, the Italian cables manufacturer outperformed DJSI World in twelve. Prysmian bested the index by as much as 17 points in *Customer Relationship Management* (79 v 62), and lagged the index by the largest margin (-18) in *Labor Practice Indicators*.

ALL DIMENSIONS — Score: 76, 79, 79, 84 (2016, 2017, 2018, 2019)

ECONOMIC — Score: 79, 76, 76, 84 (2016, 2017, 2018, 2019)

ENVIRONMENTAL — Score: 67, 78, 81, 92 (2016, 2017, 2018, 2019)

SOCIAL — Score: 80, 83, 82, 78 (2016, 2017, 2018, 2019)

— Company score
••• Industry average
Top quartile
Bottom quartile

Results for the Year 2016 apply the previous Media and Stakeholder Analysis (MSA) methodology, resulting in slightly higher scores across the industry. As of 2017 the new MSA methodology is applied.

SAM – Company Benchmarking Report for Prysmian SpA, February 2020

4

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Sustainability Policy

SUSTAINABILITY VALUES AND VISION

Business integrity

Product responsibility

Social responsibility

Environmental responsibility

SUSTAINABILITY GOVERNANCE

Role and responsibilities of:

Sustainability Committee
Sustainability Steering Committee
Communication Dept

FEBRUARY 2017
First Group Sustainability Policy signed by our CEO to strengthen company's commitment in sustainability matters

SUSTAINABILITY PRIORITIES AND GUIDELINES

Enable affordable energy and telecom innovation and infrastructure

Pursuit responsible consumption of natural resources and sustainable supply chain

Contribute to people and communities development

ESG is a pillar of our remuneration strategy

Fostering

sustainable value

50% of the KPIs composing our sustainability scorecard are **linked to remuneration systems** (MBO and LTI)

MBO – Annual incentive scheme
LTI – Long-term incentive scheme

SDGs		KPI	BASELINE 2019	TARGET 2022
		Percentage of product families (cables) covered by carbon footprint	70%	85%
		Percentage of annual revenues Low carbon enabling products	48%	48% to 50%
LTI		Percentage reduction of Greenhouse Gas emissions (Scope 1 and 2)	889 ktCO2	-2% to -3%
		Percentage reduction of energy consumption	9845 TJ	-3%
LTI		Percentage of total waste recycled	63%	64% to 66%
		Percentage of drums (tons) reused annually	28%	Maintain
		Number of sustainability audits conducted based on supply chain sustainability risk	15	30
MBO		Percentage production sites with ISO 14001 certification	83%	95%
		Percentage of cables assessed in line with Prysmian internal Ecolabel criteria	0%	20%
LTI		Employee Engagement Index (EI) Leadership Impact Index (LI)	EI: 65% LI: 57%	EI: 67% to 70% LI: 59% to 65%
LTI		Percentage of women in executive positions	12%	14% to 18%
MBO		Frequency rate of injuries Severity rate of injuries	IF: 1.30 IG: 41.54	IF: 1.2 IG: 41
MBO		Percentage of white collar women hired on a permanent basis	33%	40%
		Average hours of training per year per employee	26 hours	30 hours

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Annual and long-term incentives for management worldwide are linked to ESG targets

10%-15% of the management annual incentive (MBO)

20%-30% of the management long-term incentive (LTI) are linked to the **achievement of sustainability targets**

ESG targets linked to MBO	Target range 2020
Frequency rate of injuries	1.28 - 1.23
% production sites with ISO 14001 certification	85% - 87%
% of desk workers women hired	33% - 35%
Assessment of positioning in indexes	

ESG targets linked to LTI

	% of waste recycled		% reduction of GHG emissions		% of women executives		Leadership Impact Index %	
	Result	Points	Result	Points	Result	Points	Result	Points
Threshold	64%	50	-2%	50	14%	50	59%	50
Maximum	66%	150	-3%	150	18%	150	65%	150

Drivers for change

- **Simplification** and **alignment** with market best practices

- **Sustainability** of performance over time

- **Greater participation** in long term value creation

- **Retention** lever for our key people

Global reach

≈ 800 key resources
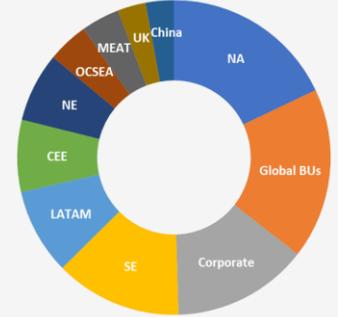
Gender balance

≈**20%** women among participants

vs **16%** women in former LTIP

vs **12%** female executives today

Focus on the Business dimension of ESG

PERCENTAGE OF PRODUCT FAMILIES (CABLES) COVERED BY CARBON FOOTPRINT CALCULATION

- "Common Analysis" development: platform able to calculate the carbon footprint of different type of cables.

PERCENTAGE OF RECYCLABLE PRODUCTION MATERIALS PURCHASED ANNUALLY SUPPORTING CIRCULAR ECONOMY

- Increase the use of recyclable materials (i.e. Polypropylene) and reducing the cross linkable material (i.e. XLPE).

PERCENTAGE OF ANNUAL REVENUES FROM PRODUCTS CONSIDERED AS "LOW CARBON PRODUCTS"

- High Voltage: Submarine (Wind Offshore, HVDC, HVAC) and underground
- Optical Fibres
- Renewables (wind onshore and solar OEMs)
- MMS cable

Focus on the Environmental dimension of ESG

PERCENTAGE REDUCTION OF GREENHOUSE GAS EMISSIONS (SCOPE 1 AND 2 LOCATION BASED)
Emission intensity index (Power Cables; Telecom Cables; Optical Fibre)
Linking with Remuneration Policy

PERCENTAGE REDUCTION OF ENERGY CONSUMPTION
Energy intensity index (Power Cables; Telecom Cables; Optical Fibre)

- 19 new energy diagnoses in the operating units
- Energy Efficiency Action Plan at Group level
- Extension of the Metering systems to monitor consumption
- "Relamping with LED" project

- 83% of Prysmian Group production plant certificated ISO 14001
- Health, safety and environment policy

PERCENTAGE OF TOTAL WASTE RECYCLED
- Projects to increase internal recycling of plastic waste
- Monitoring of external recycling practices performance
- Staff trained on materials' use and correct waste separation

PERCENTAGE OF DRUMS REUSED ANNUALLY
- Reverse Logistics
- Lagging solutions that reduce the recourse made to quality materials, while continuing to use recyclable materials.
- Alesea solution

PERCENTAGE OF TOTAL SPENDING COVERED BY AN EVALUATION OF SUSTAINABILITY PRACTICES
- Supplier self assessment
- Desk analysis on Group strategic suppliers

- Risk analysis to identify most critical suppliers
- Prysmian Group Code of Conduct

NUMBER OF SUSTAINABILITY AUDITS CONDUCTED BASED ON SUPPLY CHAIN SUSTAINABILITY RISK
- Audit on sustainability areas (governance, environmental and social) on critical suppliers
- Code of Business Conduct

Focus on the Social dimension of ESG

Engaging our people

Employee Engagement Index (EI)
Leadership Impact Index (LI)

Key facts
Engagement measured via third party survey covering entire workforce; **2 out 3 of our employees are engaged** and willing to walk the extra mile. **Action plans** in all regions and across businesses to tackle improvement on 3 main areas: Feedback culture, Development and Work life balance

Fostering diversity and inclusion

Percentage of women in executive positions

Percentage of white collar women hired on a permanent basis

Key facts
Global Diversity **Recruiting** Policy also to ensure gender balance in hiring; Women in **Leadership** Program as a training for our talented female employees to boost their development; Global **Maternity** Policy to avoid discriminatory and inappropriate behaviors towards new mothers; Local initiatives to promote gender balance and inclusion through **mentoring** programs for women, **awareness training** on unconscious bias and concrete actions to support female caregivers

Nurturing and developing talent

Average hours of training per year per employee

Key facts
Training trough the **Corporate Academy** involving all the employees across the globe and **local trainings** for non desk workers to ensure pipeline for the future at each level. Also the **people & potential** process (P4) helps to boost our talent bench

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Prysmian Group Academy at a glance

4 **Centers of excellence at global level**

- Milan: Business and Professional schools
- Mudanya: Manufacturing Academy
- Lexington & Indianapolis: R&D Academy
- Cebu: Diversity & Inclusion Academy

11 **Professional training areas**
6 **Business training areas**

For High performers and Talents

1 **Digital training catalogue accessible to**
7000 **employees worldwide**

150 **Internal Lecturers of our Professional Faculty**

Global partnership with
12
International Business Schools and Universities worldwide
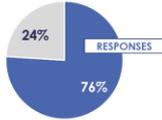
(e.g. Bocconi, Harvard; MIT, SMU)
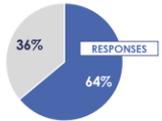
More than
70
courses offered to our employees

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Speak Up survey: Results and Action plan

Response rate

Response rate desk workers (white collars)

24% RESPONSES
76%

Response rate non-desk workers (blue collars)

36% RESPONSES
64%

Total response rate

33%
RESPONSES
67%
2018*: 45% ↑
2017: 56%
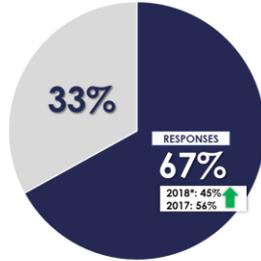
Engagement index

# OF EMPLOYEES	NON DESK WORKERS				DESK WORKERS				TOTAL POPULATION			
	YES	NO	TOTAL	% YES	YES	NO	TOTAL	% YES	YES	NO	TOTAL	% YES
ENGAGEMENT INDEX	7819	4486	12305	64%	3719	1637	5356	69%	11538	6123	17661	65%
LEADERSHIP IMPACT INDEX	6819	5486	12305	55%	3312	2044	5356	62%	10131	7530	17661	57%

The **methodology for the calculation of the two indexes** is the following:

1. Calculation of the **engagement/ leadership impact values** for each respondent – i.e. the average of the evaluations given to each related statements by each employee
2. Count of the number of respondents who expressed **engagement/ leadership impact** values above or equal to 5.00
3. Computation of the indexes – i.e. share of respondents with **engagement/ leadership impact** values above or equal to 5.00 over the total number of respondents
4. N/A or no answer is considered as 0.

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Action Plan at a glance

2 key and concrete actions identified **by plant** across the globe

- Rules and guidance on **how to manage meetings**
- **Mentoring programme** to be launched at global level
- **New Home working policy**

Action plan **on the 3 Key developmental areas** identified at Regional, BU and Local level

Prysmian Group Academy purpose

Empowering our people's growth and career development is key for your success and the success of our Company.

Within the Academy, our employees have the opportunity to join **unique, qualitative and tailored** training programs in partnership with international **Business and Technical school**.

Our **Digital Academy** has a worldwide scope and ensures learning opportunities for all our employees all around the world!

Today our **global training catalogue** builds on three pillars:

Business School

Professional School

Digital School

Best Practices from Regions: Focus on Non Desk Workers

In addition to the initiatives of the global Academy at central level,

local People Development teams pursue remarkable initiatives focused on local training needs. This includes also a special trainings for Non Desk Workers training mainly focused on technical skills crucial for the everyday job and soft skills to ensure opportunity to grow.

This is a huge step to draw on and develop the expertise of each employee, thereby contributing to future growth and the maintenance of our global leadership position.

Business School

The Business School is structured along a **valuable portfolio of trainings**.

All the training initiatives leverage on **top Professors across the globe, best Business Schools and Universities.**

Today, the Business School catalogue has 6 training programs.

Each program is built on **Prysmian Group culture and values** and refers to specific **pools of individuals** that meet **performance, potential and Prysmian tenure criteria.**

Professional School

The **Professional School** is focused on the improvement of **technical skills** and guides participants through **immersive, insightful learning experiences and on-the-job activities.**

The school builds on the **strong expertise of our senior leaders**, able to combine passion, knowledge and expertise.

Today, the Professional School consists of 11 Academies.

Professional trainings are an opportunity to refresh and improve our people's background and skills, developing valuable competences with a real impact on business.

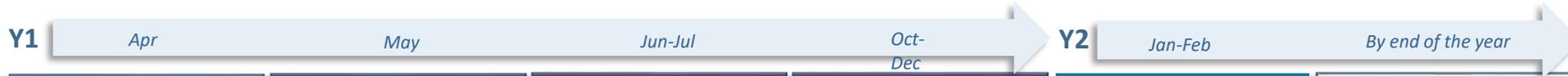# Digital School | "making people accountable for their own development"

The Digital School ensures that every **Prysmian employee** has the opportunity to be part of our Academy, giving them the **freedom to choose what to learn with the flexibility to decide when and how to learn.**

In one click, employees gets into a comprehensive catalogue of e-learnings on l**eadership and professional topics,** gaining **new skills** and enriching professional capabilities

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P4 Process - Prysmian People Performance Potential

A two-year transparent process

P4 PRYSMIAN PEOPLE PERFORMANCE POTENTIAL

TALENT & CAREER MANAGEMENT

Y1 | Apr | May | Jun-Jul | Oct-Dec | **Y2** | Jan-Feb | By end of the year

POTENTIAL ELIGIBILITY	POTENTIAL SCOUTING	TALENT DISCUSSIONS	GROUP VALIDATION	P4 FEEDFORWARD MEETING	ASSESSMENT AND DEVELOPMENT PLAN

P3 PREVIOUS 2 YEARS

Employees with a **consistent very good performance** evaluation for 2 years in a row are **eligible for our Potential Scouting.**

Managers rate the **Potential** based on the 3 indicators:

- *learning agility,*
- *leadership of change,*
- *motivation.*

18+ Regional/BU Talent Committees :

- discuss and confirm the **Talents**
- prepare **succession plans** for their perimeter.

The Group Talent Committee :

- Validates the list of **Talents**
- validates **succession plans**, following the 3 level of readiness.
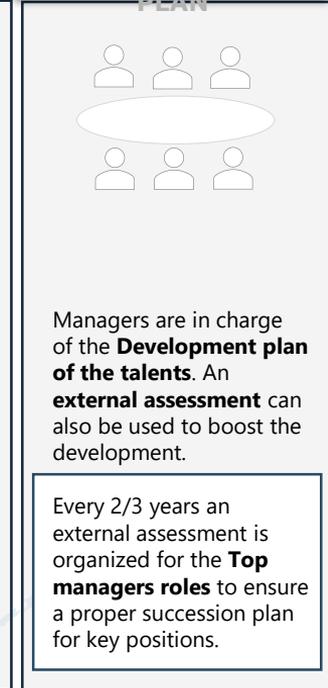
Ready now

Ready in 1-2 years

Ready in 3-5 years

Managers communicate the **P4 results** to the Talents identified and define a **customized development plan** for their career growth.

Assessment for a specific target of P4.

Managers are in charge of the **Development plan of the talents**. An **external assessment** can also be used to boost the development.

Every 2/3 years an external assessment is organized for the **Top managers roles** to ensure a proper succession plan for key positions.

Global Diversity Recruitment Policy

PURPOSES

1. To reinforce the **recruiting process** by providing a standardized methodology, that will ensure equal opportunities in every step of selection.

2. To establish **specific guidelines for recruitment**. Each recruiting action can create a more diverse organization.

3. To ensure that our marketing and advertising materials, job postings, website and annual report adhere to our **Diversity & Inclusion Policy principles** and relevant employment legislation.

4. To improve **internal and external branding** to attract and retain talent, diversify our employee population and expand our talent pool.
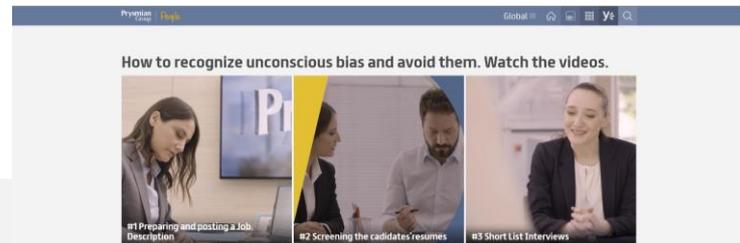
QUALITY & MERITOCRACY

DIVERSITY FOR THE BUSINESS

AVAILABLE IN 8 LANGUAGES

GLOBAL DIVERSITY RECRUITMENT POLICY

- Embracing **diversity in all forms**

- Recognizing **equal opportunities and equal dignity to all types of diversity**.

- Having **meritocracy as main pillar**

- The **stakeholders are Line Managers, Hiring Managers, HR Corporate and HR Regional/Local, as well as external recruiting partners**

- Reaching **a good gender balance** at all recruitment stages

- **Training recruiters** on the value of a diverse workforce and leveraging on a **diversified mix of interviewers**.

TURN OFF YOUR BIAS: INTERNAL COMMUNICATION CAMPAIGN

How to recognize unconscious bias and avoid them. Watch the videos.

#1 Preparing and posting a Job. Description

#2 Screening the cadidates'resumes

#3 Short List Interviews

Women in Leadership Program

WHAT: a program to provide tools and instruments to boost female participants career in Prysmian and create the pipeline
WHO: Prysmian women (Middle Managers & Executives)
WHERE: SDA Bocconi School of Management

SDA **Bocconi**
School of Management

STRUCTURE OF THE PROGRAM			

	DAY 1	DAY2	DAY3	DAY4
WEEK 1 / **PRE-WORK**	**ACTING STRATEGICALLY WITHIN A CHANGIN ORGANIZATION** Paola Dubini	**LEADING TRANSFORMA-TION** Bettina Gehrke	**RECOGNIZING AND DEVELOPING A POWER BASE** Fabrizio Castellucci	**A ROADMAP TO PERFORMANCE + COUNSELING ON GROUP PROJECTS** Paola Dubini Giovanni Tomasi Markus Venzin

	DAY 1	DAY2	DAY3
WEEK 2 / **PROJECT**	**EFFECTIVE COMMUNICA-TION** Rossano Gagliardi	**EFFECTIVE COMMUNICA-TION** Rossano Gagliardi	**PROJECTS PRESENTATION** Paola Dubini Giovanni Tomasi Markus Venzin

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Global Maternity Policy

Our commitment

Prysmian Group is strongly committed to Diversity & Inclusion and aims at creating **tools and conditions that allow all the employees to better manage their unique life and work**.

Prysmian Group also recognizes the **high value of parenthood** for the personal and professional development of its people.

Our objectives

This **Global Maternity Policy promotes practices that can help new mothers, biological and adoptive**, to:
- have a healthy start in the life of their children or during the very first months after an adoptive child becomes part of their family;
- preserve their well-being and ensure a smooth and successful transition back to work.

Our principles

1. **Compliance** with local legislation and alignment with the local agreements with employees and work councils.
2. **Protection** against discriminatory and inappropriate behaviors towards new mothers;
3. **Gender equality**
4. Treatment of all female employees across the globe with **fairness and caring**.

Important dates

The Global Policy goes live on **May 20, 2020**.

Countries must integrate the Policy into local policy documentation, thus making it effective and operative at the local level **by December 31, 2021**. Countries will have the freedom to offer more generous solutions wherever appropriate and when allowed by local regulations. **No retroactive action is allowed.**

12 weeks

of full paid maternity leave

for both **birth biological mothers** and **legally adoptive mothers**

SIDEBYSIDE
Creating opportunity through diversity

Support & back-to-work program

as actions that can ensure a **smooth re-integration process into the workplace** for the new mothers
(to be defined at Country level)

Local initiatives for gender balance & inclusion

Supporting the development of our female employees

MENTORING PROGRAM IN NORTH EU REGION

7

Young talented women involved as Mentees with female and male Executives as Mentors

Caring of Prysmian women in their role of caregivers

Day care projects in progress at Milan HQ, Heighland Heights HQ and Slatina plant
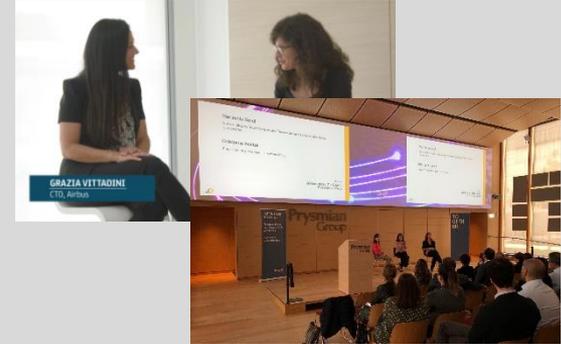
Flexible time & Remote working for new mothers

Lactation rooms and Parents rooms

Being committed to create an inclusive work environment

Trainings & workshops on **Unconscious Bias** and on **How to manage diversity at workplace**

Focus on stakeholders engagement and reporting: the scenario

Increased sensitivity and engagement of PEOPLE & COMMUNITY to sustainability issues

Increased attention on ESG matters by FINANCIAL INVESTORS

Increased MARKET OPPORTUNITIES: green products, energy transition and digitalization

Complex MACRO-ECONOMIC & BUSINESS SCENARIO: tough market conditions (also due to COVID-19)

Increasing requirements by REGULATORY BODIES AND FRAMES in relation to ESG factors

EMPLOYEES AND TALENTED MILLENNIAL increased expectations

Agenda
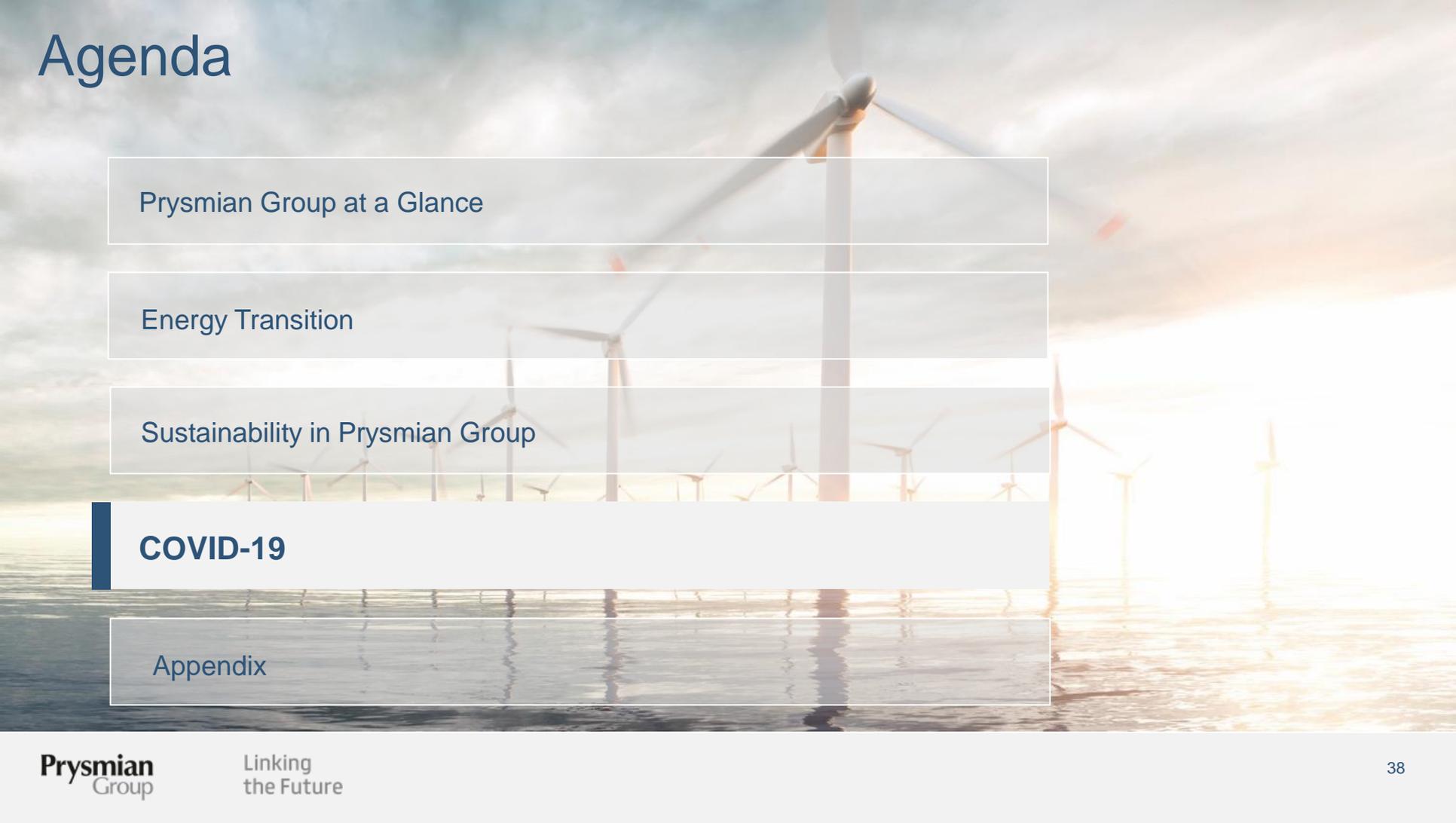
Prysmian Group at a Glance

Energy Transition

Sustainability in Prysmian Group

COVID-19

Appendix

Prysmian Group

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the Future

Protecting Value and Improving resilience in a challenging environment

Prysmian has implemented the highest Safety and Monitoring standard and Mitigation Actions to manage and control the development of COVID-19

Safeguarde Group employees:
- Preserving permanent employment
- Quick implementation of extraordinary and specific sanitary and hygienic procedures across all sites
- As of today 42 employees tested positive out of 29,000 total
- Remote working fully enabled 2/3 weeks prior to country lockdown
- Supplying 600,000 masks to factories each month
- Traige e antibody tests wherever possible

Support operations:
- Responsive Supply Chain Management with daily tracking of operations
- Strong focus on customers support
- Top 150 suppliers daily monitor

Preserve profitability and cash flow:
- G&A cost containment (-40% on travel; -5/-10% on other fixed costs;)
- Employee measures (HC freeze, salary freeze, travel ban, usage of vacation)
- Temporary lay-off and government furlough
- Rigorous working capital management
- Cutting and postponing Capex

Supporting local communities:
- Donations of cables for the construction of Covid-19 hospitals in Italy, China, UK, Brazil
- Donations of protective equipment and medical materials to hospitals in Spain, France, Australia, Romania, Hungary, USA
- Donations by the company and employees to support hospitals and communities
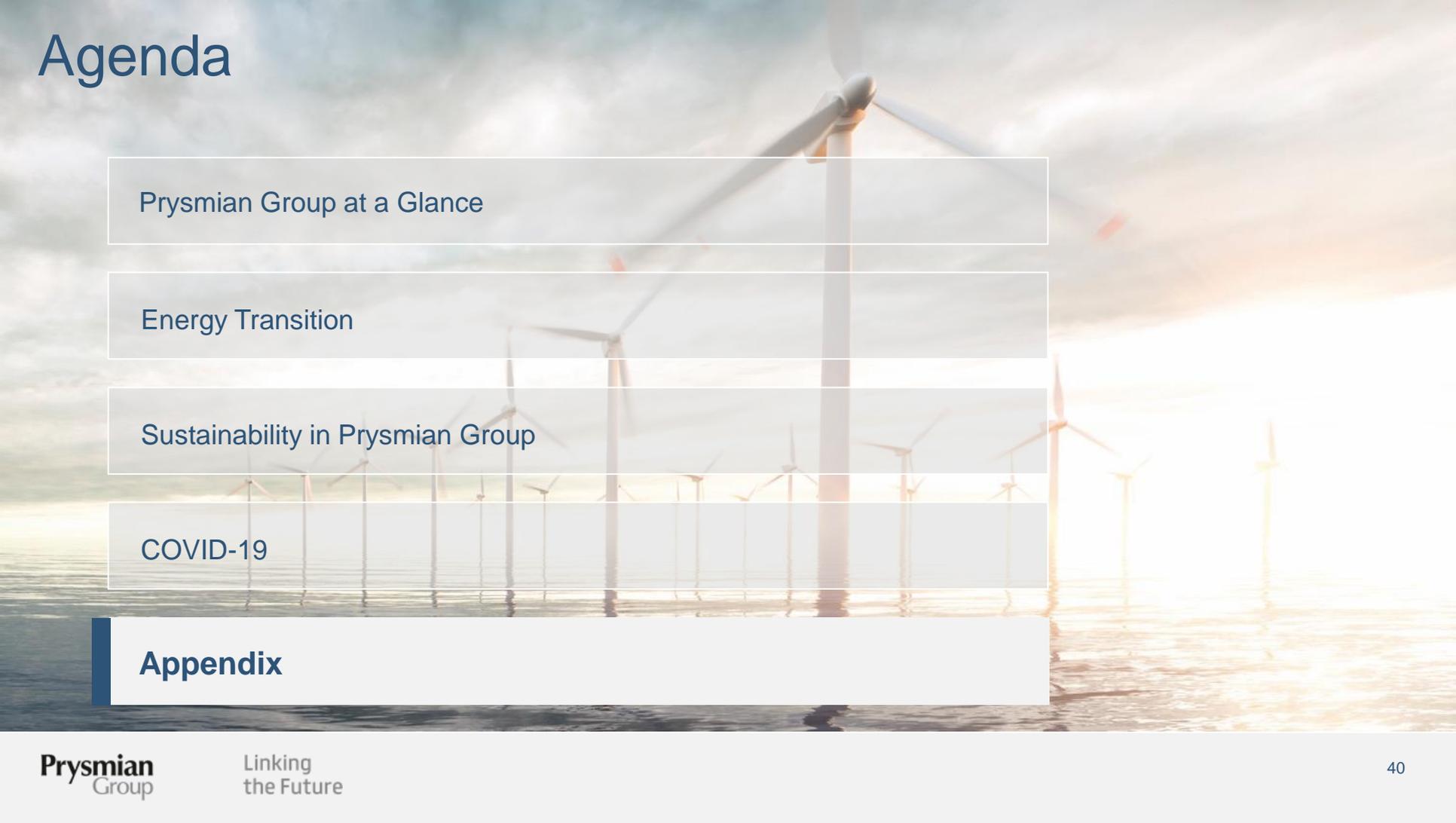
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Agenda

Prysmian Group at a Glance

Energy Transition

Sustainability in Prysmian Group

COVID-19

Appendix

Agenda

First quarter 2020 financial results

Financial Highlights | Euro Millions, % on Sales

Sales [3]

-5.4%*

2,771	**2,587**
Q1 2019	Q1 2020
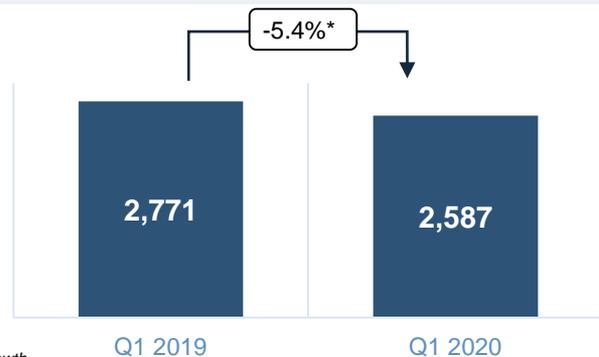
* Organic growth

Adjusted EBITDA [1]

231	**197**
8.3%	**7.6%**
Q1 2019	Q1 2020

Reported Operative Net Working Capital [2][3]

749	1,361	1,183
6.5%	**12.3%**	**11.4%**
DEC-19	MAR-19	MAR-20
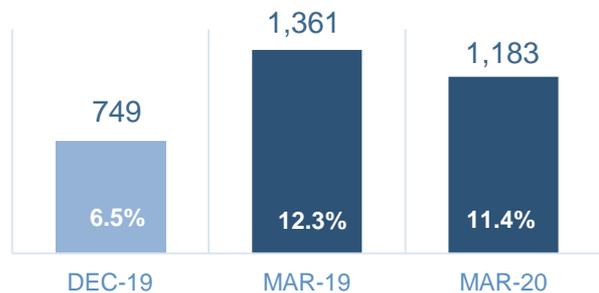
Reported Net Financial Debt

2,140	2,900	2,606
DEC-19	MAR-19	MAR-20

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Sales & Adj. EBITDA by Business | Euro Millions, % on Sales,

Projects
347 | *-5.5%*

	Q1 2019	Q1 2020
EBITDA	39	36
%	10.6%	10.4%

HIGHLIGHTS
- Organic decline mainly driven by Surf and Submarine Telecom
- COVID constraints expected to affect production output and HV installation mainly in Q2
- Solid tendering activity ongoing

Energy
1,888 | *-2.4%*

E&I
1,239 | *-3.4%*

	Q1 2019	Q1 2020
EBITDA	69	68
%	5.2%	5.5%

HIGHLIGHTS
- Organic decline mainly driven by T&I, in South Europe and LATAM, partially offset by PD (North America) and Overhead Lines
- Improved profitability in PD driven by North America, offset by the decline in T&I strongly impacted by COVID

Industrial & NWC
598 | *-0.3%*

	Q1 2019	Q1 2020
EBITDA	41	45
%	6.9%	7.5%

HIGHLIGHTS
- Improved profitability, with mixed trend across businesses and regions
- Resilient OEM and still unaffected Automotive in Q1

Telecom
352 | *-19.0%*

	Q1 2019	Q1 2020
EBITDA	80 (8)	48 (1)
%	18.4%	13.6%

HIGHLIGHTS
- Material drop as expected, due to lower volume and price pressure, partially offset by cost efficiency
- Sharp drop of YOFC Q1 results due to COVID-19 impact

TOTAL

Sales 2,587 | *-5.4%*

Adj. Ebitda

	Q1 2019	Q1 2020
EBITDA	231	197
%	8.3%	7.6%

- ■ *Organic growth*
- ■ *YOFC contribution*

E&I Trading update | Monthly Volume Evolution

North America

UK

Northen Europe

CEE

South Europe

Latin America

APAC
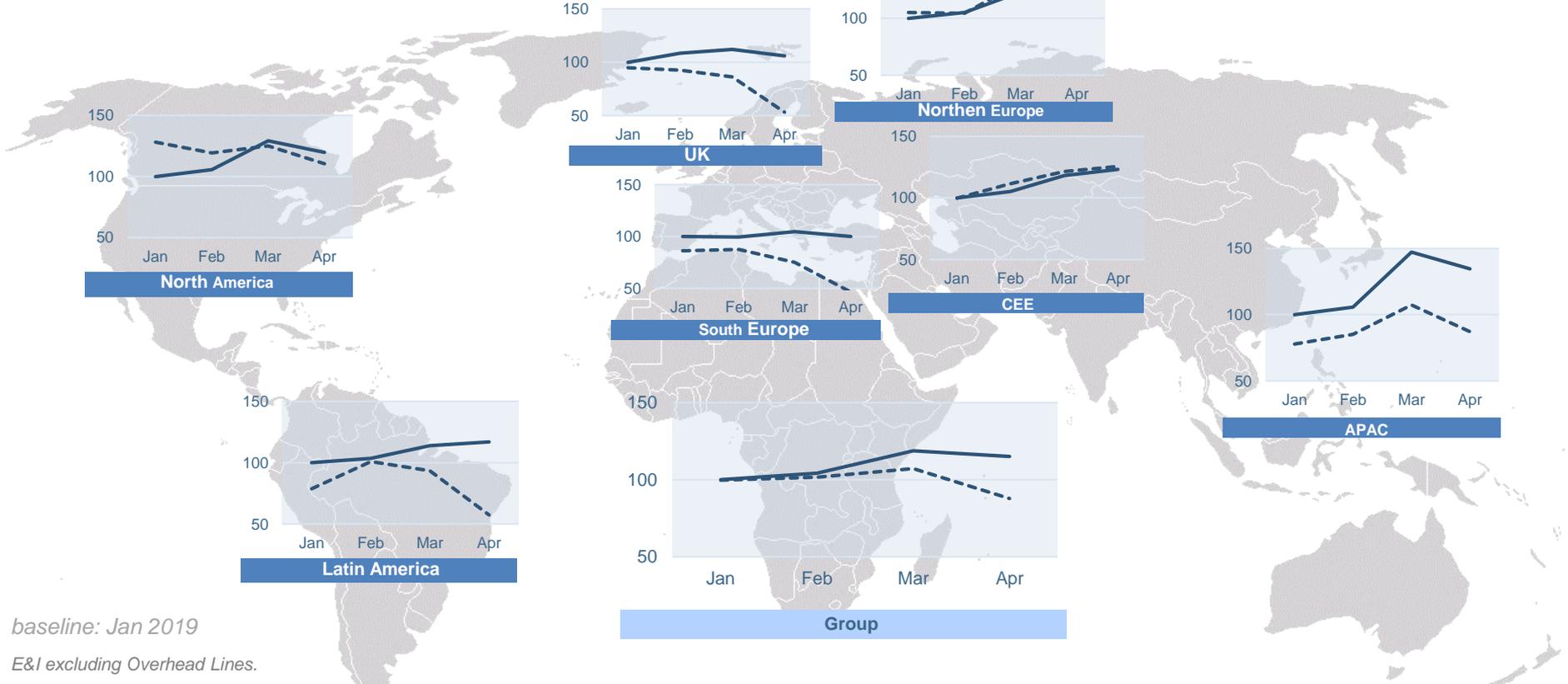
Group

baseline: Jan 2019

E&I excluding Overhead Lines.

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Sales & Adj. EBITDA by Geography | Euro Millions, % on Sales

EMEA

1,375 **-6.1%** **-7.4%**

109	85
7.3%	6.2%
Q1 2019	Q1 2020

HIGHLIGHTS

- Weak performance mainly driven by South Europe and the UK. Telecom and E&I the weakest businesses

NORTH AMERICA

864 **+3.6%** **+3.3%**

85	97
10.2%	11.3%
Q1 2019	Q1 2020

HIGHLIGHTS

- Strong growth driven by Energy, in particular PD (driven by wind projects) and Industrial
- Margins supported by business mix and effective integration

LATIN AMERICA

180 **-14.6%** **-13.4%**

22	14
9.8%	7.9%
Q1 2019	Q1 2020

HIGHLIGHTS

- Weak performance due to T&I and Telecom

ASIA PACIFIC

168 **-24.9%** **-20.5%**

15	1
6.7%	0.4%
Q1 2019	Q1 2020

HIGHLIGHTS

- Q1 COVID impact in China affecting volume and results especially YOFC
- Slowdown of PD and HV business in Indonesia

TOTAL

Sales

2,587 **-5.4%** **-5.4%**

Adj. Ebitda

231	197
8.3%	7.6%
Q1 2019	Q1 2020

- *Organic growth*
- *Organic growth excluding Projects segment*

Cash Flow | Euro Millions

Net debt evolution LTM

+538 €M Free Cash Flow

31-Mar-19	Cash flow operations (before WC changes)	WC changes	WL impact	Restruct & integration	Net Operative Capex	Financial Charges	Paid income taxes	Dividend received	Dividend paid	IFRS 16	Other	31-Mar-20
2,900	(959)	(228)	95	102	264	91	107	(10)	114	64	66	2,606

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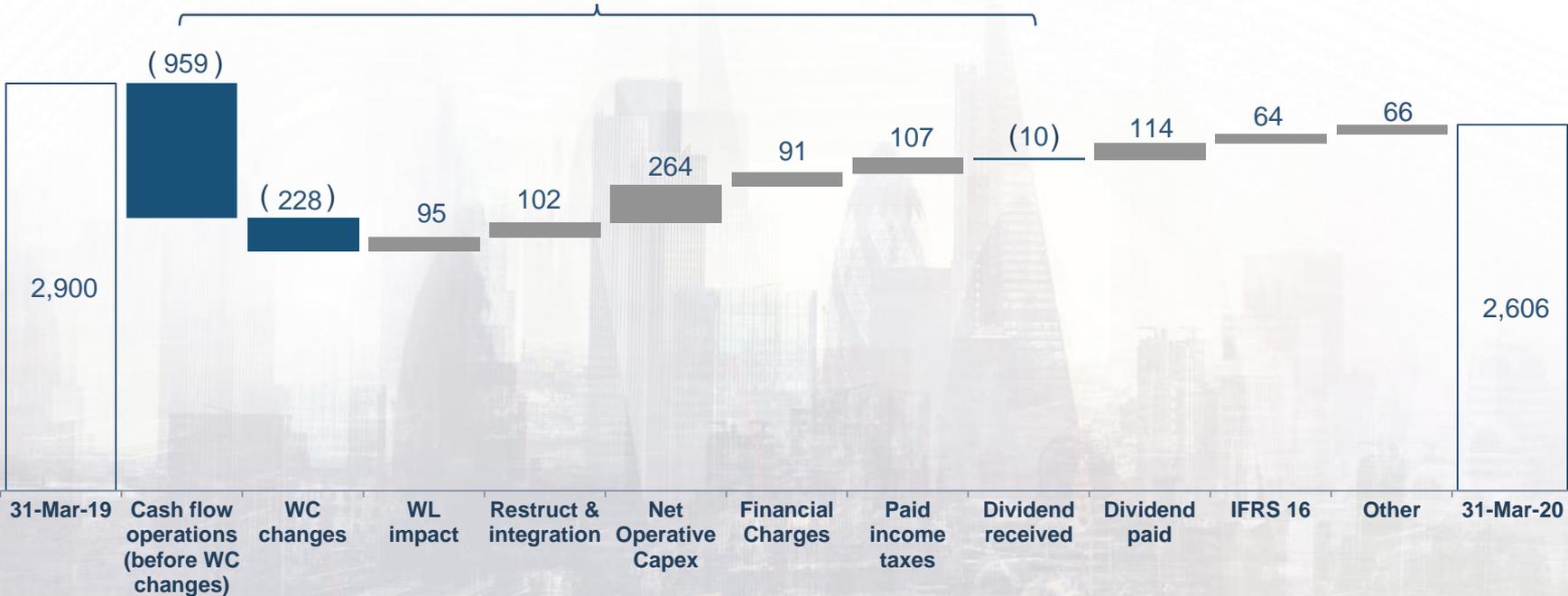
Prysmian Group Liquidity and Debt Profile

COMFORTABLE LIQUIDITY POSITION:

- Cash on balance at March end in excess of 600 €M plus 1 €Bn of committed Revolving Credit Facility fully unutilized and 400 €M of uncommitted credit lines
- Average debt maturity of 3.1 years with no refinancing needs before 2022

NET DEBT STRUCTURE

in millions of Euro	31 March 2020
Long-term financial payables	2,917
Short-term finance payables	214
Financial leases as per IFRS 16	155
Total financial liabilities	**3,286**
Cash and cash equivalents	(632)
Other financial assets	(48)
Total Financing and Equity	**(680)**
Net financial debt	**2,606**

FINANCIAL DEBT MATURITY PROFILE [1]

2020	2021	2022	2023	2024	
CDP 2017 **100**	EIB 2013 [2] **17**	Convertible bond zero–coupon **500** / Eurobond 2.5% **750**	Unicredit TL **200** / Acq. Term Loan **1,000**	RCF 2019 **1,000**	
				100	CDP 2019
				150	Intesa TL
				100	Mediobanca TL
				110	EIB 2017

[1] excluding 133 €M of debt held by local affiliated, 155 €M coming from IFRS 16
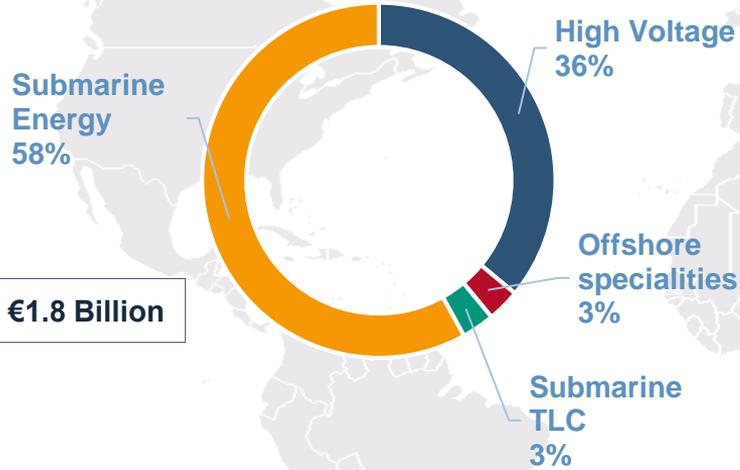[2] amortization period from 2020 to 2021

Prysmian Group
Linking the Future

Agenda

2019 sales breakdown by Business and Geography

Projects | 2019 sales breakdown

SALES BREAKDOWN BY BUSINESS

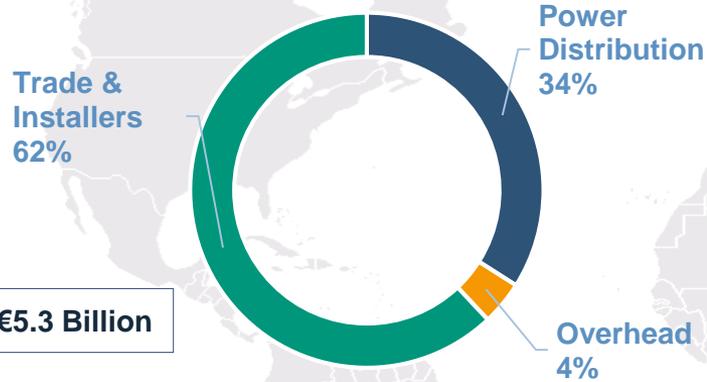High Voltage
36%

Submarine Energy
58%

Offshore specialities
3%

Submarine TLC
3%

€1.8 Billion

SALES BREAKDOWN BY GEOGRAPHY

North America
5%

LatAm
3%

APAC
6%

EMEA
86%
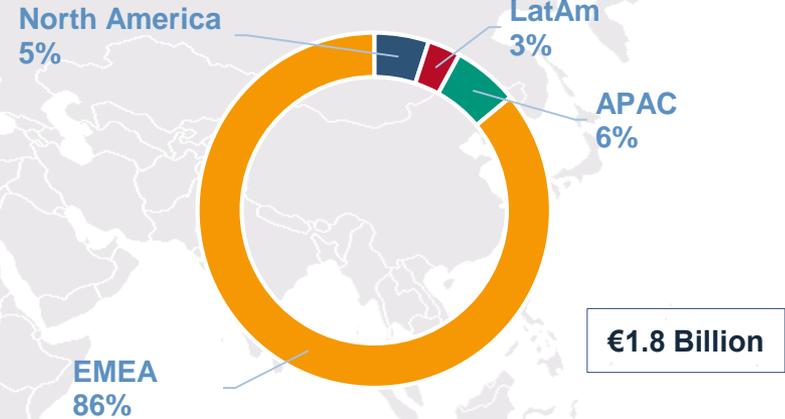
€1.8 Billion

Energy & Infrastructure | 2019 sales breakdown

Power Distribution 34%

Trade & Installers 62%

€5.3 Billion

Overhead 4%

EMEA 50%

North America 34%

€5.3 Billion

APAC 6%

LatAm 10%
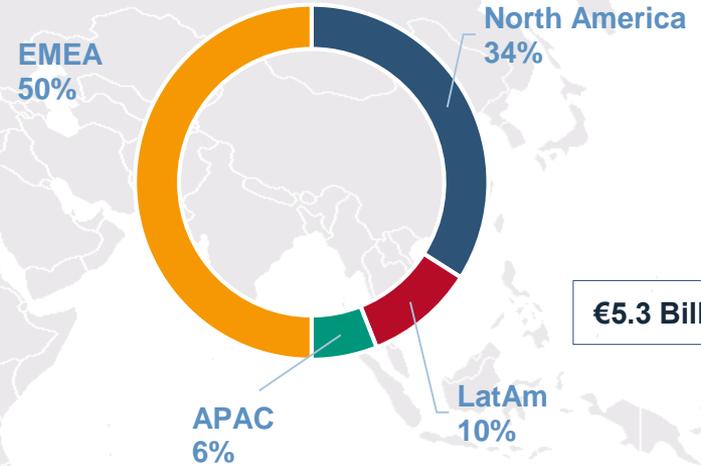
Industrial & Network Components | 2019 sales breakdown

SALES BREAKDOWN BY BUSINESS

Network Components
6%

Other Industrial
11%

Elevators
10%

Core Oil & Gas products
12%

€2.5 Billion

Specialties, OEM & Renewables
39%

Automotive
22%

SALES BREAKDOWN BY GEOGRAPHY

EMEA
38%

North America
39%

€2.5 Billion

APAC
16%

LatAm
7%
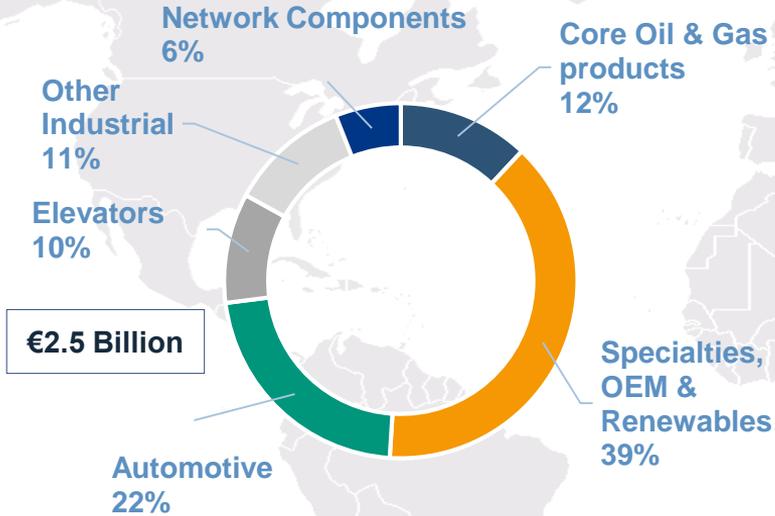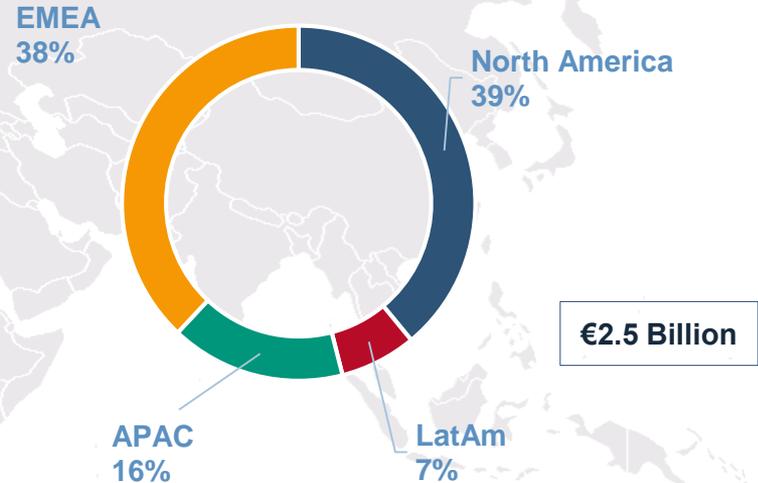
Telecom | 2019 sales breakdown

SALES BREAKDOWN BY BUSINESS

MMS
28%

Fiber
6%

€1.6 Billion

Telecom
Solutions
66%

SALES BREAKDOWN BY GEOGRAPHY

EMEA
55%

North America
29%

LatAm
9%

€1.6 Billion

APAC
7%
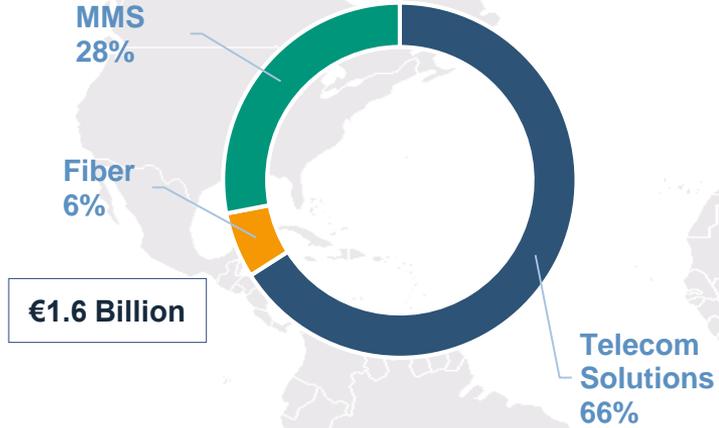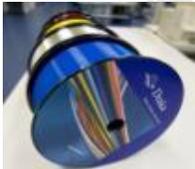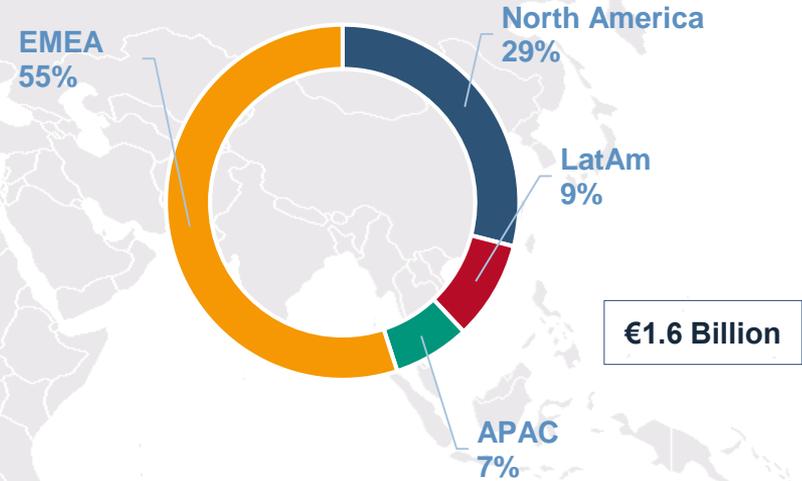
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- The managers responsible for preparing the company's financial reports, A.Brunetti and C.Soprano, declare, pursuant to paragraph 2 of Article 154-bis of the Consolidated Financial Act, that the accounting information contained in this presentation corresponds to the results documented in the books, accounting and other records of the company.

- Certain information included in this document is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially. The Company's businesses include its Projects, Energy and Telecom Operating Segments, and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting these businesses.

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- In addition to the standard financial reporting formats and indicators required under IFRS, this document contains a number of reclassified tables and alternative performance indicators. The purpose is to help users better evaluate the Group's economic and financial performance. However, these tables and indicators should not be treated as a substitute for the standard ones required by IFRS.

Thank you

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