

2023
SASB Report



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1. Methodological note

The 2023 SASB Report of Prysmian (hereinafter “the Report”) is aligned with the Sustainability Accounting Standards Board (SASB) framework, published in 2018, for the sector denoted as “Resource Transformation – Electrical & Electronic Equipment” (SASB code RT-EE). However, given the diversified nature of Prysmian’s business, accounting metrics associated with the sector denoted as “Infrastructure – Engineering & Construction Services” (SASB code IF-EN) have also been included. Prysmian will continuously evaluate the disclosure of additional topics as these emerge, considering relevance, availability of high-quality data and consistency with Prysmian’s business. The “SASB disclosure index,” containing details of the accounted metrics, is reported at the end of the Report.

The Report refers to the 2023 financial year (from January 1st to December 31st) and includes the most recent year-end figures available. The data and information reported refer to all companies of Prysmian on December 31, 2023, consolidated on a line-by-line basis. Within the report are included figures of 2022 for comparison.

For more information regarding the Group’s approach to the dimension included in the following disclosure, please refer to the information contained in the section “Consolidated Non-Financial Statement” of the 2023 Annual Report (prepared in accordance with articles 3 and 4 of Italian Legislative Decree 254/16) and in the 2023 Sustainability Report.

This document has been subjected to a limited examination, according to the principle of the International Standard on Assurance Engagement (ISAE 3000 Revised), undertaken by EY S.p.A. The audit was performed according to the procedures indicated in the “Independent Auditors’ Report,” included in this document.

For any comments, requests, opinions, and suggestions for improvement on Prysmian’s operations and on the information included in this Report, please contact the Sustainability Department at the following e-mail address: sustainability@prysmiangroup.com

2. Sustainability at the heart of Prysmian's strategy

Prysmian: Connect, to lead

With a direct presence in more than 50 countries around the world, 108 factories, 26 R&D centers and around 30,000 employees, Prysmian is a global leader in cable systems for energy and telecommunications. The Group HQ in Milan, Italy, employing around 800 persons, is supported by regional headquarters in North America, South America, EMEA and APAC.

Prysmian was established in 2005 following the acquisition of the Energy Cables and Systems and Telecom Cables and Systems businesses of Pirelli by the Goldman Sachs group. The Company was listed on May 3, 2007, with the market placement of 46% of the shares held by the Goldman Sachs group and joined the main FTSE MIB index in the following September. Prysmian is one of the few Italian industries with global reach to achieve public company status: shares are held by international institutional investors and the creation of shareholder value is a key factor when making strategic decisions at all levels.

Prysmian works every day to guarantee the sustainability of its production processes and safeguard the environment, working alongside local communities to ensure that their territories are protected and that workplaces are safe. This commitment was strengthened in 2021 with the launch of the Climate Change Ambition and the Social Ambition. These new challenging climate and social objectives are designed to promote the transition to a low-carbon world and a fair and inclusive working environment. The goal of the Group is to become a global leader in Sustainability.

Values, mission, vision

Prysmian has identified the Values, Mission and Vision that guide the operations of the Group. These translate into the products made and fuel the ambitions for our role in tomorrow's world.

Vision

we believe in the efficient, effective and sustainable supply of energy and data as the main driver for community development.

Mission

we offer our customers worldwide cables and solutions for the transport of energy and telecommunications, using state-of-the-art technological solutions.

Values

- **Drive:** our objective is to guide the evolution of our industry: we develop our human capital and our business, by following a clear strategy while anticipating customer needs.
- **Trust:** we aim to create an environment that inspires trust, where diversity and collaboration are valued and people are empowered to make decisions with integrity.
- **Simplicity:** our challenge is to simplify all that we can, focusing on activities that generate high value and timely decisions that enhance the Group's results.

Favorable market development: 4 macro-trends

1. Growth of renewables (Energy transition): >70% by 2050

To reduce CO₂ emissions and respond to climate change, industrialized countries are turning to renewable energy. Estimates expect it to cover 70% of global electricity generation by 2050, which is more than double the current figure of 30%.

2. Electrification: +30% electricity consumption by 2030

Population growth, the steady increase in electricity consumption and the proliferation of energy-intensive telecommunication infrastructures, are just some of the drivers that will cause electricity consumption to rise by 30% by 2030.

3. Enhancement of energy networks: 3x annual investment in grids by 2050

To support the energy transition, massive capital expenditure will be needed in strengthening the grid with the goal of making it capable of handling increased energy demand, the relative peaks, bidirectional energy flows and intermittent and distributed renewable energy generation.

4. Digital transformation: 2.5x sites and towers connected with fiber by 2030

An exponential increase in data consumption will be evident by 2030, due to the greater quality and quantity of the infrastructure that carries it. The growth of technologies and the speed of data exchange is driving innovative new solutions (2x IoT devices by 2030) and ongoing cost reduction, which will require increasingly fast and affordable connectivity. To support this transition, investments in data centers valued at USD 330 billion are planned between 2022 and 2030. Each of these trends brings with it strong convergence and interdependence between energy and digitalization. Just think of the case of data centers or 5G towers, where suppliers, distribution channels, customers and value chains all intersect.

Cutting across these four trends, the increasing focus of customers, investors, and partners throughout the value chain on all aspects of sustainability is another element of market **renewal**, as well as a significant opportunity for Prysmian.

As an enabler of the global green transition and digitalization, the so-called **“twin transition”** Prysmian supports the achievement of the goals of the European Green Deal, with the implementation of its sustainable strategy.

This complex transition process involves the modernization of industrial production processes through the development of new solutions to help society as a whole become more sustainable. To this end, technology and the smart use of data play a strategic role, which still has great untapped potential.

This transition strategy combines these critical functions to unlock massive efficiency and productivity gains. The twin transition can have a positive impact by making technology, data resources and infrastructure greener, while also accelerating sustainability throughout the organization.

Prysmian's competitive advantages

Faced with these continual complex changes, Prysmian can count on a solid business model based on the following strategic pillars:

Diversification

A broad product portfolio and geographically diversified coverage capable, respectively, of exploiting the convergence of Energy and Digitalization and reducing the cyclic nature of activity in Prysmian's various Regions and businesses.

Technological excellence

Innovative products and solutions, alongside highly skilled human capital, support Prysmian's positioning as a market leader. The convergence between innovation and sustainability is increasingly becoming a key element of technological innovation, resulting in products with a lower environmental impact.

Decentralized supply chain

A decentralized supply chain capable of creating custom solutions is a pillar of the Group's resilience, and constitutes a significant competitive advantage especially in years of major geopolitical changes.

Aggregation hub

Ability to successfully conclude acquisitions and integrations, achieving significant cost and revenue synergies.

Prepared for the future

Leveraging these robust competitive advantages, in October 2023 – at the company's first Capital Markets Day – Prysmian announced its new strategic plan up to 2027, based on which the company aims to:

Consolidate its leadership

in core sectors (e.g., interconnections, network enhancement, FTTx) with structural and long-term growth, including through targeted investments in production capacity and strategic assets.

Be a pioneer in technological innovation

both in sectors where Prysmian is already the recognized leader and in rapidly expanding sectors where there is greater room for growth, such as Solar, Wind, EV Charging, Data Centers and 5G.

Strengthen its intimacy with customers

to identify technological innovation needs early, including through greater emphasis on offering turnkey services.

Leverage the group's unique expertise

developed over decades, and the breadth of the product portfolio and markets in which Prysmian operates, to offer distinctive solutions in a timely manner.

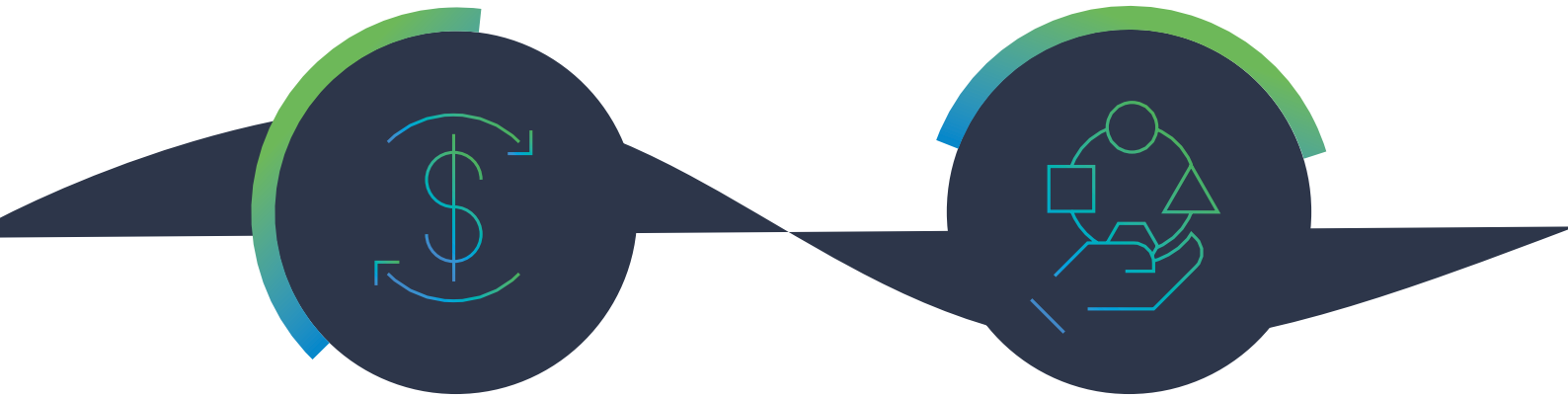
Selectively expand the portfolio with M&A

aimed at filling niches that are currently uncovered – whether geographically or in terms of product – especially in high-growth and innovative sectors.

The pillars of the group's strategy

Prysmian's strategy is to capitalize on its leadership positions and to conquer new markets experiencing growth in order to become a global cabling systems supplier capable of driving the energy transition and the digital transformation.

In fact, the cable industry is increasingly strategic due to long-term market drivers that require resilient, high-performance, sustainable and innovative cable systems: growth in renewable energy generation, growth in electricity demand, power grid upgrades and significant growth in data consumption. Against this backdrop, and based on the results achieved to date through market consolidation, the strategy focuses on organic growth that leverages structural market trends, and consists of four pillars:



Self-financed capacity expansion

The first pillar of the strategy refers to investments supporting organic growth, underpinned by strong cash generation. This implies that the Company will continue to invest in expanding its capacity and enhancing its ability to continue to serve customers and keep up with growth in demand. The Group's financial strength was also recently confirmed with Standard & Poor's recognition of its public rating of "Investment Grade" (BBB-).

In order to support this growth, CapEx will double from Euro 310 million to Euro 540 million over the next 5 years.

Balanced and innovative portfolio

Prysmian's portfolio reflects the Company's focus on innovation. Indeed, one of the goals the Group intends to achieve with this strategy goes beyond mere traditional innovation linked to improving electrical performance. It is a new approach to innovation that is, of course, about improving electrical performance, but focuses primarily on the transition to more sustainable cable solutions. Therefore, a balanced portfolio and continuous innovation are essential to achieve the Company's goal of helping customers decarbonize their businesses and achieve their sustainability goals.

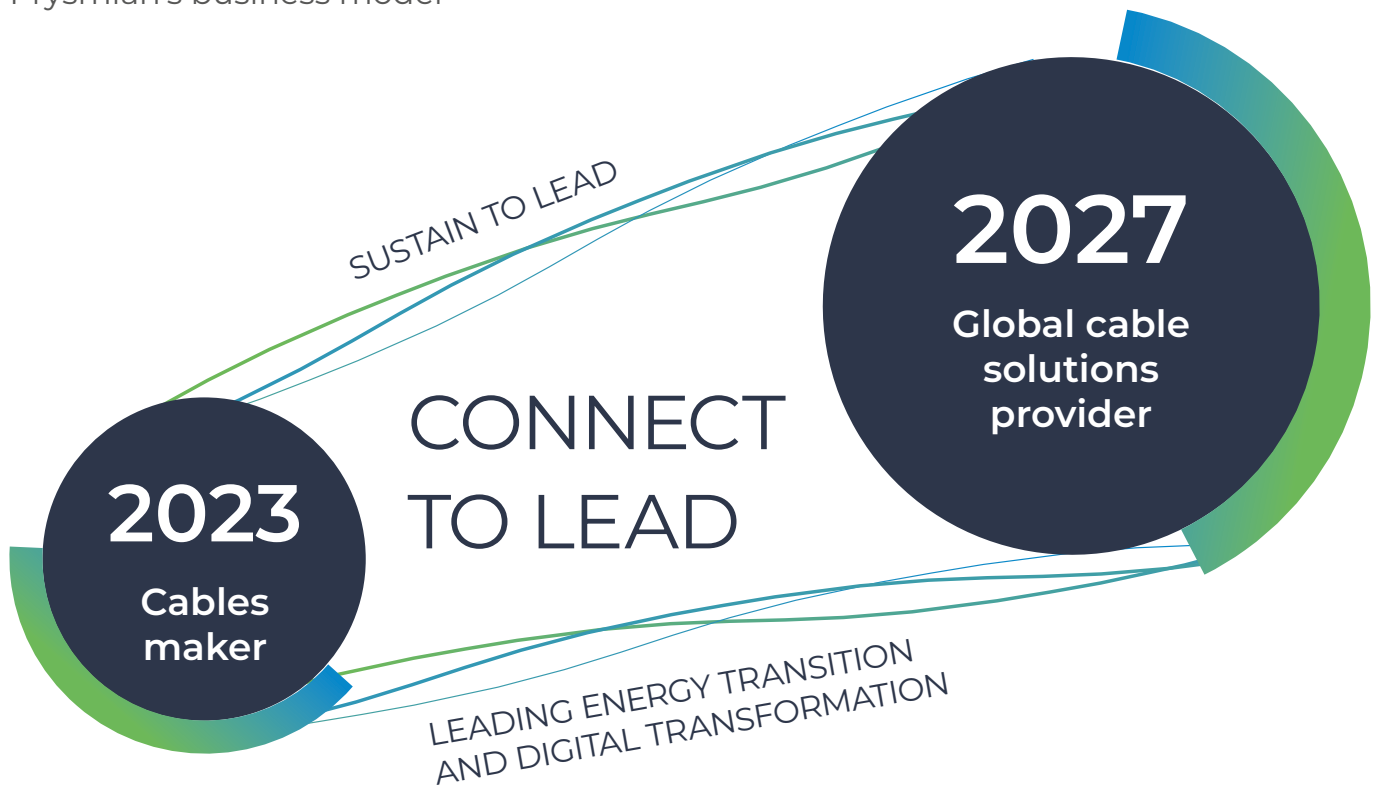


Empowerment of people

Prysmian recognizes and appreciates the true value of its workforce, believing it to be a fundamental pillar of the Company's success. This is why the Group invests heavily in promoting creativity and collaboration amongst its employees and developing their skills so as to enhance capabilities and know-how. This is really the true value of the Company and why Prysmian continues to invest in its human capital, always finding new ways to increase people's sense of inclusion and engagement. The Group has set precise goals to improve diversity, equality and inclusion (DE&I), digital inclusion, community empowerment, employee engagement and upskilling in order to enhance its human capital. Continuing with its efforts made in past years, in 2023 Prysmian confirmed its commitment to the welfare, growth and development of its employees and associates, and further invested in ensuring the best working conditions for them.

Business segmentation

The Group's structure will evolve from the current three segments to four new business segments starting in 2024, accurately reflecting the four market trends identified (Renewable Transmission, Power Grid, Electrification and Digital Solutions). Clearly, these new segments will not operate as separate and distinct entities, but synergistically in order to leverage opportunities such as being a one-stop-shop, operational efficiencies, and, more importantly, market edging. This new segmentation places a greater focus on market trends and improves go-to-market effectiveness, ensuring greater visibility into how the Group operates in the various areas.



The ability to increasingly integrate the various components of engineering, installation, network monitoring and after-sales services into value-added services guarantees recurring revenue and long-term partnerships with customers. Until the end of 2023, Prysmian had three macro-areas of activity: Energy, Telecom and Projects. These will be subject to a partial reorganization, announced in October during Capital Markets Day and effective as of the beginning of 2024, based on which the Group's activities will be divided into four new segments instead of three in order to be better positioned to take advantage of the opportunities arising from the four macro-trends described above:

Transmission

which includes the Submarine Power and Land HVDC business units, currently belonging to the Projects segment

Power Grid

which includes the HVAC business unit, also currently in the Projects segment, and Power Distribution and Overhead Lines, currently part of the Energy segment;

Electrification

which includes the Industrial & Construction (now called Trade & Installer) and Specialties (formerly included in Industrial & NWC) business units, currently belonging to the Energy segment;

Digital Solutions

the current Telecom segment, which includes the following business units: Fiber and Optical Cables, Connectivity, Multimedia & Inside Plant cables (MMS).

The new reorganization will allow the company to better respond to market demands in light of the development in demand described in paragraph "Favorable market development: 4 macro-trends."

As far as the current financial year is concerned, the Group's activities are divided into three business divisions, as follows.

Energy

Division specializing in products and services for power distribution and special cables for applications in a wide variety of industries, as well as medium- and low-voltage cables and accessories for the construction and infrastructure sectors:

- **Energy & Infrastructure**, which includes the Trade & Installers business, with a focus on the industrial and infrastructure segments (cables for power distribution to residential, commercial and industrial facilities and for infrastructure such as airports, ports, railway stations and data centers), and Power Distribution (medium-voltage cable systems for overhead and underground installations, and the related accessories and network components, for connecting industrial and/or residential buildings to the primary distribution network).
- **Special Cables for the Industrial & Network Components segments** that includes a broad range of cables for different industries – from renewables to marine, automotive to aerospace, flat lift cables to network monitoring solutions – with a high level of specificity, including turnkey and maintenance services.

The ENERGY business area generated 11.357 million euro in 2023, representing 74% of the total revenues of the Group.

Telecom

Prysmian is the world's largest supplier of state-of-the-art cables and accessories for voice, video and data transmission, and offers a full range of fiber optic, optical and copper cables and connectivity systems. This division consists of:

- **Telecom solutions:** fiber optic and copper telecom cabling solutions and the related connectivity accessories. In both cables and connectivity, the Group is focusing on designing products that provide higher density in smaller diameters, are easy to use and optimize fiber management.
- **MMS Multimedia Specials:** fiber optic and copper solutions for fixed or mobile multimedia communication, such as audio-visual content transmission, or indoor connectivity – increasingly important for the development of smart buildings and the Internet of Things.
- **Optical fiber:** Prysmian produces single-mode and multimode optical and special fibers, using an innovative proprietary technique that places the Group at the forefront of today's technology.

The TELECOM business area generated 1.489 million euro in 2023, representing 10% of the total revenues of the Group

Projects

From underground cable systems supporting the energy transition and powering wind farms, to undersea systems installed by the Group's cable-laying vessels, Prysmian works on supply-only and turnkey projects for some of the world's largest operators. The Group uses specific technologies for undersea power transmission and distribution and is able to offer sophisticated solutions that satisfy the strictest international standards.

On acquiring General Cable, Prysmian returned to the submarine Telecom cables business, which specializes in the production and installation of data transmission cables. The Offshore Specialties business comprises a vast range of products for the oil industry, including umbilical cables, flexible pipes and all electrical, optical and data signaling components needed to operate oil wells, from the seabed to the offshore platform.

Prysmian has built **a unique set of assets** to meet market needs: with the ability to deploy connections more than 200 km long, an installation depth of up to 3,000 meters, proven expertise, a turnkey package combining technology, installation, monitoring, maintenance and repair, and innovative and environmentally sustainable materials, Prysmian is the partner of choice for major global operators.

The fleet of cable-laying ships

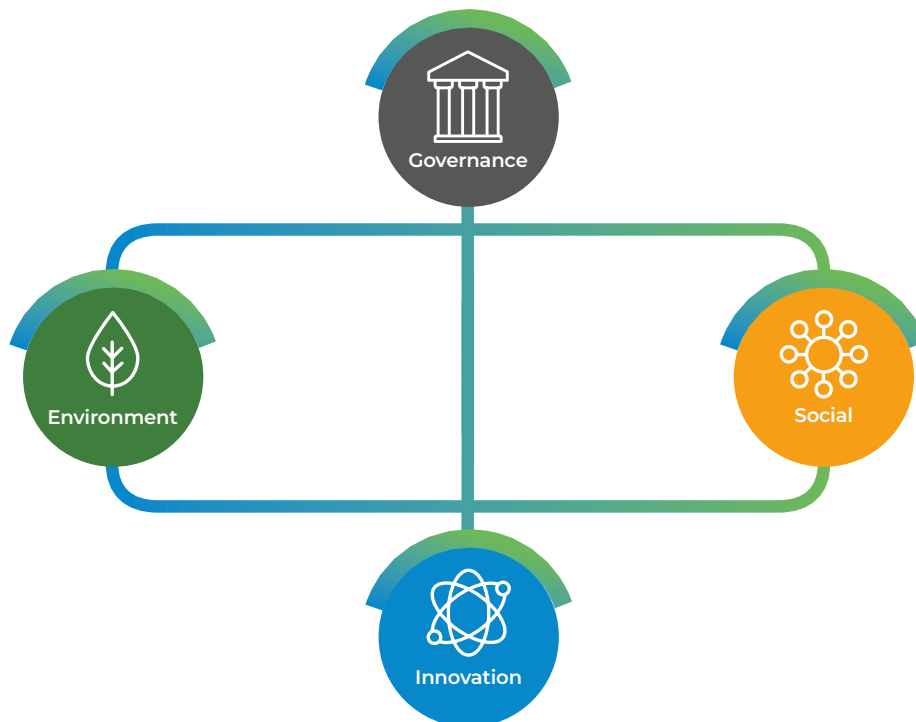
Today Prysmian can count on a fleet of five state-of-the-art deepwater **cable-laying vessels** – among them the flagship Leonardo da Vinci, the world’s most advanced cable-laying vessel, for shallow water and areas periodically washed by the tidal excursion – as well as the broadest range of inland equipment. Prysmian has also announced the purchase of two additional cable-laying ships in the years 2024-2027 to further bolster its fleet.



The PROJECTS business area generated 2.508 million euro in 2023, representing 16% of the total revenues of the Group.

Prysmian: Sustain, to lead

Prysmian’s approach to sustainability: a model based on four pillars



The **centrality of sustainability** in **Prysmian’s** strategy is also evident from the definition of a specific type of governance, which is responsible for **overseeing all Group initiatives in a structured and rigorous manner** and ensuring their alignment with ESG targets.



Prysmian is committed to reducing the negative impact on the environment during its manufacturing and installation activities and acts directly on the design and configuration of its products and solutions, helping to facilitate **decarbonization** along its value chain. **Prysmian** holds a **leadership** role in its supply chain by promoting virtuous practices with all its partners.



Innovation is an **indispensable** element in achieving the **sustainability goals of Prysmian**, which has always invested in **research and development** to offer **low-impact, high-efficiency** products. The commitment to innovative solutions continues; sustainability is one of the **key drivers** of **Prysmian’s** research and development strategy, reflected in the new “**design for sustainability**” concept.



Prysmian places **people at the centre** of its activities. This commitment is reflected both in employee initiatives (e.g., promoting work-life balance, diversity, inclusion, training) and in supporting the **social communities** in which the company operates.

3. Prysmian's two ambitions: Climate Change and Social Ambition

The transition from fossil fuels to renewables is one of the biggest and most urgent issues facing humanity, and one in which Prysmian can play an active role.

Indeed, access to cleaner and greener energy is enabled by more extensive and smarter networks and infrastructure. That is why sustainability is in Prysmian's DNA, as it strives every day to make it a reality through the solutions it offers, the processes to achieve them and the people involved in each local context.

During 2021 Prysmian introduced two strategic ambitions that will guide its actions over the medium-long term: the **Climate Change Ambition and the Social Ambition**.

Climate Change Ambition

Prysmian's climate strategy adopts science-based targets aligned with the Paris Agreement climate objectives. In particular, the **Science-Based Targets initiative (SBTi)** defines the requirements for an effective Net-Zero strategy:

- reduction of Scope 1, 2 and 3 emissions to zero, or at least to a residual level consistent with achieving the global or sector targets set in line with the Paris Agreement;
- neutralization of any residual and greenhouse gas (GHG) emissions released into the atmosphere.

In **2023** Prysmian obtained **official validation** by the **Science-Based Targets initiative (SBTi)** of its targets, defined as follows:

A. Overall Net-Zero Target

Prysmian is committed to achieving net-zero GHG emissions throughout its value chain by 2050.

B. Short-term goals

Prysmian is committed to reducing its Scope 1 and 2 GHG emissions - in absolute terms - by 47% by 2030 compared to the emissions recorded in the year 2019. Prysmian is also committed to reducing its Scope 3 emissions - in absolute terms - by 28% over the same time horizon.

C. Long-term goals (net zero)

Prysmian is committed to reducing its Scope 1 and 2 GHG emissions - in absolute terms - by 90% by 2035 compared to the emissions recorded in the year 2019. Prysmian is also committed to reducing its Scope 3 emissions - in absolute terms - by 90% by 2050. In addition, during the long-term target approval process, Prysmian - at SBTi's request - recalculated some Scope 3 categories using updated emission factors. Therefore, the Scope 3 value for 2022 has been revised from what was published in the 2022 Integrated Annual Report. For further details please refer to 2023 Integrated Annual Report, chapter "Environmental responsibility".

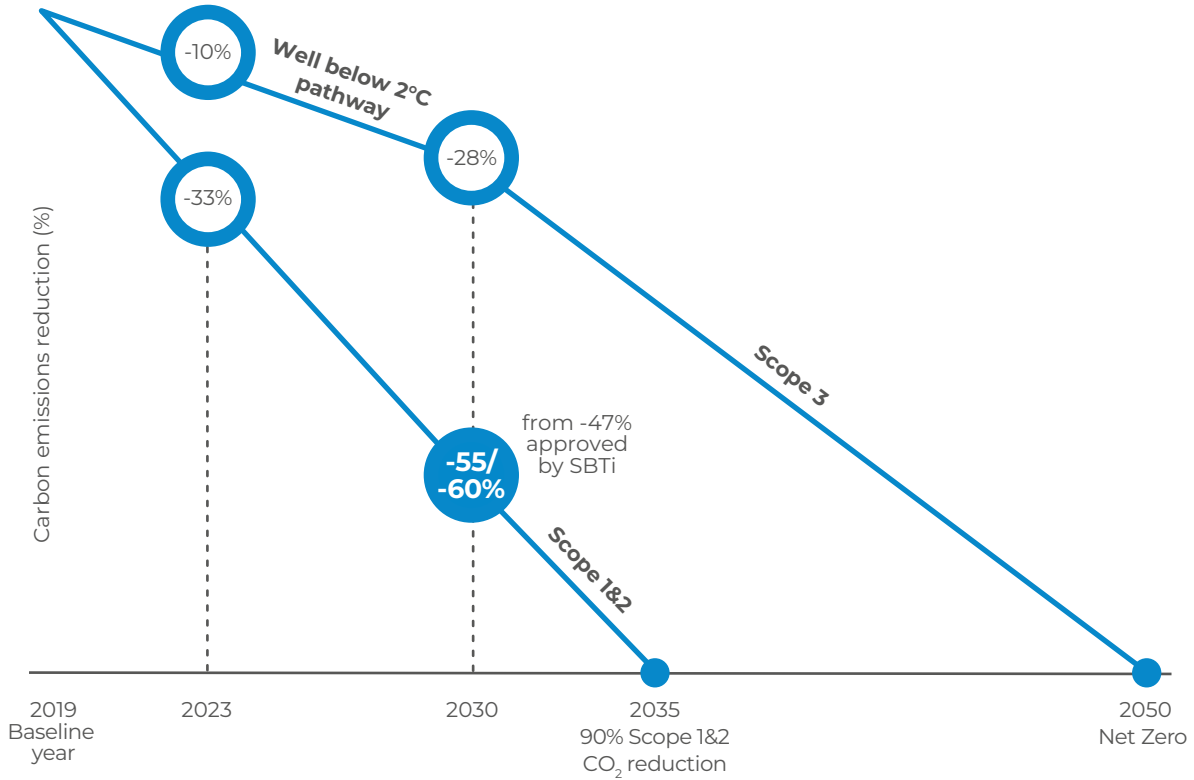
The SBTi target validation team classified Prysmian's Scope 1 and 2 emission reduction targets as aligned with the 1.5°C trajectory.

The efforts made by the company to reduce its emissions are already showing promising results. In 2023 Prysmian announced that it was ahead of its decarbonization targets, anticipating – on Capital Markets Day held in October in Italy – a -45% reduction in Scope 1 and 2 emissions and a -23% reduction in Scope 3 emissions as early as 2027.

Based on this commitment and in line with the SBTi-approved net-zero trajectory, Prysmian decided in January 2024 to set a goal of achieving a percentage reduction in Scope 1 and 2 emissions of between -55% and -60% in 2030 as compared to -47% approved by SBTi.

This target represents the Group’s further commitment to the process of decarbonizing its operations by implementing internal solutions and processes that further limit its impact on the environment.

Climate Change Ambition



Social Ambition

Prysmian's Ambition is to build a more equal, inclusive and innovative world, starting with its employees.

The Group's Social Ambition mainly concentrates on the commitment to improve diversity, equality and inclusion (DE&I), digital inclusion, the empowerment of communities, employee engagement and upskilling.

The targets established for 2030 promote the achievement of Prysmian's Social Ambition goals and further align the Group with the UN Sustainable Development Goals.

The results of the initiatives carried out by Prysmian in recent years, and the investments planned in the coming years to achieve the Social Ambition goals, have enabled Prysmian to accelerate the achievement of several targets set for 2030, bringing forward to 2027 the goal of gender equality in the hiring of desk workers, and 25% in senior leadership roles.

2030 Social Ambition targets

Health & Safety	Gender Equality	Race/ethnicity Inclusion	Empower Local Communities	Digital Inclusion	Upskilling & Engagement
Injuries Index towards 0 (employees & contractors)	<p>50/50 in Recruiting of Desk Workers</p> <p>30% of Women in Senior Leadership roles</p> <p>25% of Women the Total Workforce</p> <p>+ 500 women in a fully dedicated STEM program</p> <p>Zero Pay Gap Desk Workers</p>	<p>More than 30% of Executives from under-represented nationalities/ethnicities/origins</p> <p>Local mentoring programs for 500 students coming from minorities-poverty</p>	<p>At least a project per year, with focus on developing countries and vulnerable communities</p> <p>Local projects with donation of optic and electric cables</p>	Connecting 100% (over 30,000) of our employees through global platforms, achieving a proper level of adoption	<p>40 yearly hours per capita of experienced learning for all employees</p> <p>25% or employees involved in mobility/growth experience every year</p> <p>50% of employees as stable shareholders through share ownership plans (YES)</p> <p>Higher than 80% response rate to Engagement Surve Leadership Impact</p> <p>Index improved to 70-80%</p>



4. Environmental dimension

Prysmian has made a strict long-term commitment to reduce its environmental impact throughout the entire value chain.

Prysmian strives actively to safeguard and protect the environment and conserve natural resources, to create sustainable value for both the Group and its Stakeholders. The Group's commitment to these aspects is expressed not only by the intrinsic characteristics of Prysmian's products, but also by how the production systems are managed. In particular, prevention and reduction of their environmental impacts are achieved, for example, by the efficient use of natural resources, the optimization of logistics flows and the responsible management of waste. Prysmian's commitment is highlighted both internally and externally by communicating and applying its Health, Safety, Environment and Energy (HSEE) policy, last updated in 2023 and signed by the CEO and top managers.

To address its commitments the Group manages environmental topics by implementing Environmental Management Systems (EMS) compliant with international standard ISO 14001:2015. Application of the EMS makes it possible to define plans, processes and practices intended to improve the environmental performance of the Group. Great attention has been given to the collection and analysis of HSE data, in accordance with Group-level criteria. Data deemed "material" is reported by business units on a monthly basis, thus allowing for a more reliable and up-to-date database.

This allows the HSE functions at the Regional and Corporate level to analyze this data throughout the year. Thanks to this activity, HSE functions can:

Monitor HSE data

Ensure compliance with local legislative requirements

Make forecasts

Launch (or extend) actions and/or projects coordinated at the central level, including initiatives aimed at achieving Group-level targets

For more information, see the section "Consolidated Non-Financial Statement - Environmental responsibility" of the 2023 Annual integrated report.

The following table reports Prysmian's performance in 2023 with respect to energy management.

Energy management

Topic	SASB Code	Accounting Metric	2023	2022
Energy Management	RT-EE-130a.1.	Total energy consumed in GJ ⁽¹⁾	9,631,104	9,971,915
		Percentage of energy consumed supplied from grid electricity ⁽²⁾	40.6%	41.2%
		Percentage of renewable energy consumed ⁽³⁾	20.2%	19.2%

(1) Figures are related to energy consumed. The term "Energy Consumed" means the number of Gigajoules (GJ) of energy consumed within the organization. This comprises energy acquired from sources external to the organization (e.g., electricity, heating, cooling, and steam purchased for consumption) or generated by the latter (e.g., fuel used in self-generation activities). Values reported include data for the Chiplun plant (India), which are estimated on the basis of actual production in 2022 and 2023.

(2) Calculation methodology: purchased grid electricity consumption divided by total energy consumption. The term "energy consumed from grid electricity" means the percentage of electric energy consumed coming from the grid.

(3) The term "renewable energy consumed" means the percentage of electric energy consumed coming from renewable sources. The percentage does not take into account the electricity produced by nuclear energy and covered by the purchase of the European Energy Certificate System.

In 2023, the Group's total energy consumption slightly decreased compared to 2022. In 2023, the share of renewable energy increased.

In 2023, Group investment dedicated to all HSE projects amounted to about Euro 25 million. Of this, about Euro 7 million was invested in initiatives for energy efficiency, the reduction of direct GHG emissions and optimization of both the management of water-based cooling systems and the management of waste. Notable in this context:

- The energy efficiency projects designed to reduce energy consumption and greenhouse gas (GHG) emissions at Group level.
- The initiatives to improve waste management by increasing the portion recycled.
- The optimal use of water resources via the addition of partial or total recirculation mechanisms as part of the Group's cooling systems.
- The Group projects for the reduction of SF6 gas releases (mainly associated with testing).
- The constant improvement of the systems and tools for managing Health, Safety, Environmental and
- Energy matters at both the production unit and organizational levels.

In compliance with the HSEE policy, Prysmian also monitors environmental data related to waste management. The main types of waste generated by production operations have been split into specific categories, classifying their level of danger (hazardous waste and non-hazardous waste) according to the related EU classification, regardless of the country of origin and disposal of the waste.

An exception is made for certain types of waste (such as laboratory chemicals), whose allocation among the categories depends on local regulatory requirements. Various initiatives to improve the management of waste were implemented during the year. In terms of reducing the production of waste, attention is drawn to the numerous efforts made to improve production efficiency (Lean Six Sigma projects) at individual plants, with coordination provided by the Manufacturing function. The objective of these practices is to reduce waste rates in production mainly in order to boost efficiency but also to indirectly reduce the volume of waste. The Company intends to become a sector leader in the use of recycled materials and the design of products that can be recycled more easily. For this purpose greater care is dedicated to supplier selection both up and downstream of the value chain. On the one hand, this has resulted in increased purchases of recycled materials, and on the other in the establishment of commercial relations with waste managers that share Prysmian's vision in terms of sustainability and circularity.

Upstream, Prysmian has decided to address this issue by including more specific HSE requirements in its processes for the selection of new commercial partners. To achieve this, a project was activated in 2021 to implement a vendor management portal to standardize various purchasing processes. This project will make it possible to structure the supplier qualification processes using questionnaires, with questions that cover many topics including HSE matters.

Downstream, regarding relations with the various waste management contractors, Prysmian has introduced specific requirements and/or performance indicators applicable to the various types of suppliers, with HSE sample audits to verify waste operations in accordance with contractual agreements and regulatory requirements. Among the performance indicators to be included in the requirements for tender competitions, Prysmian is considering adding the percentage of recycled materials. Lastly, some units have already taken advance action.

Hazardous waste management

Topic	SASB Code	Accounting Metric	2023	2022
Hazardous Waste Management	RT-EE-150a.1.	Amount of hazardous waste generated in metric tons ⁽¹⁾	12,381	14,050
		Percentage of hazardous waste recycled ⁽²⁾	48.7%	47.1%

(1) Values reported include data for the Chiplun plant (India), which are estimated on the basis of actual production in 2022 and 2023.
 (2) Calculation methodology: total weight of hazardous waste generated that was recycled, divided by the total weight of hazardous waste generated.

During 2023 special attention was paid to standardizing internal activities for the management of production waste, a significant item in factory waste management. In cooperation with the affiliates and industrial directors in each region, an official Group Operating Instruction was drafted to present the best practices already in use and to define/standardize the basic rules for separating, handling, weighing and recording factory production waste.

The goal is to maintain control over the process so as to maximize its effectiveness, both from an economic (value ascribed to the waste) and environmental (better separation and differentiation of the various types of waste) point of view. Compliance with this Instruction is subject to audit starting in January 2024.

The level of scrap produced within the company's perimeter remained constant at 2022 levels. Nevertheless, manufacturing efficiency initiatives continued, both with the cooperation of Central Manufacturing and at a purely local level. These practices aim to reduce the production-related waste, making the production itself more efficient.

The following results are provided as examples:

- **Presov (Slovakia):** extra lengths of cable at the jacketing stage were reduced by 15% (composite scrap of copper, sheath and possible metal braid).
- **Kistelek (Hungary):** copper leftover waste at the stranding stage was reduced by 30%.
- **Pikkala (Finland):** an improved process control and quality mindset led to the reduction of the overall waste rate from 6.6% to 5.5%, with a change in absolute value of about 800 tons less waste produced.
- **Mudanya (Turkey):** improved control of support activities (logistics, R&D testing) have led to a considerable reduction in "non-production" waste, equivalent to about 1,000 tons.

In 2023, the percentage of waste (hazardous and non-hazardous) sent for recycling reached 72%, and the portion of waste sent to the landfill constitutes, on average, about 19% of the total amount of waste generated.

For more details, see the chapter on "Environmental Responsibility" in Prysmian's 2023 Non-Financial Statement.

Topic	SASB Code	Accounting Metric	2023	2022
Hazardous Waste Management	RT-EE-150a.2.	Number an aggregate quantity of reportable spills, quantity recovered ⁽¹⁾	No reportable spills	No reportable spills

(1) The term "quantity of reportable spills" means the discharge of one or more hazardous substances that adversely impact or threaten to adversely impact human health and welfare or the environment, requiring an immediate response.

Spills and incidents with potential environmental impact are managed locally as part of the ISO 14001 Management Systems. This indicator falls under the procedure "Management, analysis and registration of events" that governs the process of identifying, analyzing, and reporting so-called "events," including spills.

In 2023 the Group recorded no spills in its Operating Units.

5. Human capital dimension

Composition of human capital

Prysmian is people-centric, supporting and recognizing the abilities of those who work for the Group and for the community it operates in.

Prysmian invests in human capital and in the local territory. Via the Social Ambition, the Group has continued to pursue objectives intended to improve the level of diversity, equality, and inclusion (DE&I) - including digital inclusion - within the organization, employee engagement and upskilling, and respect for human rights throughout the entire value chain. This is because the primary drivers for the creation of value are the respect of people, their well-being, and the socio-economic development of the communities that Prysmian operates in.

The Group promotes programs designed to boost the digital inclusion of all employees, at the same time eliminating discrimination based on their role or position. By adopting a proactive approach, the Group is committed to facilitating the empowerment of women so that they can further develop their careers even in technical and scientific roles within Prysmian.

The targets for 2030 promote achievement of the Social Ambition objectives of Prysmian consistent with the UN Sustainability Development Goals (SDGs). To achieve, this continuous multi-disciplinary and specialist training programs have been developed for employees. Out of around 30,000 employees, about one third are stable shareholders. Together with management, these employees own more than 3% of the share capital, investing directly in the Company.

The Group has built its history and success on the abilities of its employees, who have been leading actors in the achievement of these results. Their ability to transmit values, experience, and attachment to the firm to younger co-workers, generation after generation, has proved to be a fundamental driver in the creation of value for the Group for almost 150 years. Specifically, regarding Occupational Health and Safety, Prysmian's organizational approach comprises clear and applicable set-up rules, training, and enforcement. For this reason, in addition to the activities carried out at the local level to determine and manage risks and prevent injuries, the corporate HSE function recommends how specific matters should be approached and assessed following statistical analyses and discussion with the Regions. To ensure compliance with current regulations, the local HR and H&S functions prepare training plans for their personnel and develop specific training programs for the various categories of workers, depending on their roles, duties, levels of responsibility and working environment.

At the corporate level, the H&S function carries out training based on the Group procedures to be applied locally, as well as training via the HSE Academy. Prysmian considers safety as a priority, and it is indeed a key, cross-functional element of the organization, both in terms of corporate value and in terms of the positive and negative impacts generated on all other key elements: Human Capital, Production, Property, Quality, relations with Customers and Suppliers. For this reason, since 2020 Prysmian has pursued a "Zero & Beyond" mission based on a vision and guided by values.

"Zero and Beyond" is a philosophy that includes safety in every aspect of life and in everything that is done at home and in the community as part of responsibility towards people and the planet. Zero is the final objective in terms of deaths, injuries, events, and professional diseases, while "Beyond" is the limit to be reached with this philosophy. To ensure a systematic and concrete approach to safety, the Group adopts the ISO 45001 "Occupational health and safety management system" for 75% of plants. Prysmian aims to have all plants earn ISO 45001 certification by 2025.

In the Health & Safety cultural strategy, the following goals are set:

- **Improve** the commitment and involvement of the **management line**.
- **Improve the soft skills** of HSE leaders and professionals.
- **Reduce cultural differences** and align practices.
- Ensure that everyone **takes care of themselves and others**.

Workforce health & safety

Topic	SASB Code	Accounting Metric	2023	2022
Workforce Health & Safety	I F-EN-320a.1.	Total Group Frequency rate (IF) ⁽¹⁾	1.34	1.40
		Total recordable incident rate (IF) for direct employees	1.28	1.32
		Total recordable incident rate (IF) for contract Employees ⁽³⁾	2.05	2.39
		Total Group fatality rate ⁽²⁾	-	-
		Fatality rate for direct employees	-	-
		Fatality rate for contracts employees ⁽³⁾	-	-

(1) Frequency rate (IF): ratio of injuries with loss of working days in excess of 24 hours to hours worked, multiplied by factor of 200,000. The calculation of injuries only considers those suffered in the workplace and not during travel between home and work unless transportation was organized by the Company.

(2) Fatality rate: ratio of the number of deaths to hours worked, multiplied by a factor of 200,000. Contract employees are defined as "temporary agency workers." Employees defined as "contractors" in the "Non-Financial Statement" section of the 2023 Annual Integrated Report and the 2023 Sustainability Report are not included in this ratio.

(3) Contract employees are defined as "temporary agency workers." Employees defined as "contractors" in the "Non-Financial Statement" section of the 2023 Annual Integrated Report and the 2023 Sustainability Report are not included in this ratio.

The Group's deep commitment to safety is concrete and the IF rate is calculated in accordance with the OSHA LTA. This rate was 1,34 at the end of 2023 (Prysmian employee and Temporary agency workers). The number of injuries was 455, of which 359 involving internal staff directly employed by Prysmian and 96 involving external staff (of which 44 temporary agency workers and 52 contractors).

In 2023 health & safety figures also include the Group's fleet (the Giulio Verne, the Ulisse, the Cable Enterprise, the Leonardo da Vinci and the Barbarossa I).



6. Business model & Innovation dimension

Prysmian seeks to be the go-to technology player, facilitating the production and transmission of cleaner, more intelligent, more efficient and more competitive energy.

Sustainable Innovation & Lean Manufacturing represent a strategically important pillar in pursuing the creation of sustainable value. In 2023, Prysmian increased investment in support of being an enabler of the energy transition, responding to the acceleration in demand for digitalization and electrification solutions. The geographical distribution and capabilities of the various plants allowed Prysmian to consolidate its industrial strategy even further during 2023.

This strategy is based on the following factors:

- 1. Creation of products with higher added value and technological content in a limited number of establishments destined to become centers of excellence with advanced technological skills and, where possible, the ability to leverage economies of scale, with consequent improvement in production efficiency and reduction of capital invested.**
- 2. Constant search for greater manufacturing efficiency in the commodities sector, while maintaining a well- diversified geographical presence in order to minimize distribution costs.**

In 2023, the value of gross investment was Euro 624 million, up from the previous year (Euro 454 million) due to increased investment in production and installation capacity, which is essential to meet the needs of the energy transition.

Group R&D is responsible for the overall innovation strategy, aimed at making Prysmian a key player in the value chain supporting energy transition, digitalization and Sustainability.

Innovation figures

128 million euros invested in R&D^(*)

About **5,500** patents covering the main innovations

26 research centres

258 product families launched in 2023

50 collaborations with research centres and universities

1,000 professionals

^(*) Operating expenses of Euro 106.5 million and investments of Euro 21.5 million.

The R&D office, located close to the Milan headquarters, coordinates the activities carried out in the local R&D centers and promotes innovative revolutionary projects, oriented towards a medium- and long-term perspective. It includes laboratories where it is possible in full autonomy to develop of new cables and technologies thanks to an experimental prototype room for producing cables and compounds, a facility for electrical tests equipped with the most advanced testing systems for EHV cables, and a chemical-physical laboratory equipped with cutting-edge instruments for in-

depth analysis of cables and material properties. Local R&D centers participate actively in new product development, the Design to Cost (DTC) program and the rationalization of product families. Particularly worthy of note are the important investments being made in the Quattordio factory in order to enlarge the EHV testing capacity of the Company both for AC and DC systems.

This project, which includes three new test bays already completed plus six to be installed by 2025, will allow supporting the energy transition process of our customers by increasing testing capacity and enabling additional cutting-edge experimentation.

Within this framework, Prysmian's R&D has continued to provide fundamental support to the business, enabling its growth both in terms of profitability thanks to the design-to-cost (DTC) program, which reached a new record during 2023 in terms of global results, and the launch of new products on the market (NPI), an area in which pleasing results were achieved both in terms of vitality (about 21% of 2023 global sales are related to new products, launched on the market in the last 3 years) and the contribution to NPI sales of products in the "Innovation" category, which doubled compared to what was recorded in 2022 (from 2% to 4% of total sales).

Product design & lifecycle management

Topic	SASB Code	Accounting Metric	2023	2022
Product lifecycle management	RT-EE-410.a.1.	Percentage of products by revenue that contain IEC 62474 declarable substances ⁽¹⁾	0%	0%

(1) The term "Products that contain IEC 62474 declarable substances" means the percentage of substances and substance groups present in the products.

In order to better manage the information and indicators regarding products that contain declarable substances, in line with several European regulations and standards, Prysmian is rolling out the program for tracking the presence of hazardous substances in cables, covering more and more geographical areas within its industrial footprint. As in 2022 the covered area included the entire EU perimeter, plus UK, China and Australia.

The area covered has been extended to other OSEA Region countries (specifically Malaysia, Indonesia, Thailand, Philippines) and the MEART Region (Mudanya and the production units located in Oman). This work was performed according to the consolidated process, by mapping the Raw Materials containing hazardous substances in the countries, flagging them in the Company ERP (SAP) and calculating the content of hazardous substances in each cable item using the specific function developed for the Cable Design system used by the Company (Common Analisi).

Within the perimeter covered by end of 2023, it can be reported that about 11% of cable items contain SVHC substances (Substances of Very High Concern) in a percentage above the level indicated by the REACH Regulation. Duly plans are in place involving central and local levels of the Group for their gradual phasing out or substitution with alternative solutions after proper qualification.

Considering the wider geographical perimeter of the 2023 assessment and the typology of the new countries included, some of which are still in an initial phase of their Sustainability journey, this number shows a significant progress with respect to the result recorded in 2022 (13%), as a demonstration of the serious commitment of the Company towards more sustainable products with a holistic view, including all the phases of the lifecycle of cable products

Topic	SASB Code	Accounting Metric	2023	2022
Product Lifecycle Management	RT-EE-410.a.3.	Revenue (in million euros) from renewable energy-related and energy efficiency related products ⁽¹⁾	7,206	7,283

(1) Calculation methodology: annual revenues from "low-carbon enabling" products were calculated based on the sales of Prysmian's different business areas as of 31 December 2023. All business areas, or those among them, that are classified as "low carbon enabling" have been identified by applying the taxonomy defined by the Climate Bond Initiative.

In 2023 the revenues attributable to products, using the Climate Bond Initiative taxonomy, which facilitate the energy transition and achievement of the COP 21 targets as well as the digitalization of grids, were 46.9% of total Group revenues.

Material sourcing

Topic	SASB Code	Accounting Metric
Material Sourcing	RT-EE-440.a.1.	Description of the management of risks associated with the use of critical materials

The Group's business model, with a global presence in over 50 countries and a high level of diversification of product applications, is based on a complex supply chain that requires a continuous interaction with numerous suppliers of different sizes and cultural backgrounds. Therefore, managing a complex supply chain can lead the Group to source from suppliers that do not comply with the guidelines of the Group's Code of Business Conduct, with the risk of supporting suppliers that do not operate in accordance with international standards. Furthermore, the Group believes that it has a responsibility that goes beyond the scope of the organization, and therefore managing the sustainability of its supply chain (upstream or downstream operations and customers) allows it to limit any reputational risks that may arise.

In addition to its commitment to assessing counterparties, the Group has guidelines and policies that suppliers are required to comply with (such as the Code of Ethics and the Code of Business Conduct). An immediate reaction is foreseen in the event of conduct that does not comply with the principles of environmental and social sustainability by third parties involved in the supply chain that might expose the Group to potentially significant image and reputation risks. The Group may activate a resolution approach for existing business operations and the exclusion of Group suppliers.

The assessment of risks related to the sustainability of third parties is a fundamental element of the entire supply chain management process that defines clear rules for:

Supply chain strategy and vendor management



Policies

- Code of Ethics
- Code of business conduct
- Conflict Minerals Policy
- Human Rights Policy

Questionnaires

- Supplier qualification questionnaire (Raw materials and Base metals)
- Conflict Minerals Reporting
- Template (Base metals)

Assessment

- Supplier Desk Analysis
- Supplier Risk Analysis
- Sustainability audit
- Responsible Mica Initiative activities

Monitoring of performance

- Purchases dashboard
- Supplier ratings (ODT)
- Supplier management (Energy projects)

- Sustainability Scorecard
- Sustainability training
- ESG factors as recognition drivers

Technical evaluation

With respect to critical materials that the Group sources specifically, Prysmian enforces a Conflict Minerals Policy with the aim of guaranteeing a “Conflict-free” supply chain that doesn't contribute to the ongoing armed clashes in conflict-affected and high-risk areas. This is possible throughout the following activities:

- identification of purchased materials/semi-finished products containing 3TG (tin, tungsten, tantalum, and gold);
- requiring all current and new suppliers of products containing said materials to provide the conflict Minerals Reporting Template (CMRT) as per the latest version developed by the Responsible Minerals Initiative (RMI);
- analysis of information received for red flags and inconsistencies and implementation of corrective actions.

In addition to the above, to measure the effectiveness of Prysmian's conflict minerals policy, a 100% response rate is required of base metal suppliers who supply 3TGs to the Group worldwide. These responses are analyzed to verify the status of all smelters in the supply chains of our 1st-tier suppliers. This, together with the membership in the Responsible Mica Initiative, helps Prysmian translate its policies into actions.

In 2023 the Group's activities were supported by the Vendor Management portal, a modular web-based application adopted to increase efficiency in managing relationships with suppliers and eventually track ESG factors. The platform consists of four modules and aims to harmonize and improve the performance of company processes:

Supplier Management: sole repository for data collection, supplier qualification process that also includes the assessment of sustainability aspects

Contract: standard templates available on the platform, dynamic contract repository

Sourcing: integrated tool for tender analysis

Long Term Supplier Declarations (LTSD): proper tracking and management of goods' origin to comply with customs requirements

The project went live in 2022, starting from HQ and pilot regions, and is now in the process of being integrated worldwide.

Moreover, in order to manufacture certain safety cables and make them fire-resistant, Prysmian contacts producers and distributors to purchase limited quantities of certain types of glass-based tape containing low percentages of mica. This mineral is not used directly in the Group's products and production processes. Mica is mined in geographical areas where several factors contribute to unsustainable working conditions and the use of child labor. Since 2016, Prysmian has been involving suppliers of mica-containing products in activities to raise awareness of working conditions.

The Group gives special attention to the analysis of risks present in the supply chain and makes responsible efforts to work with suppliers that share the objectives defined in its Human Rights Policy, requiring appropriate disclosures regarding mica sources and to certify the absence of child labor. Prysmian is also committed to reducing as much as possible the amounts of mica in its products. The volumes of mica purchased are now in the range of 0.05% of total raw material requirements for the Group.

Prysmian has been addressing this issue since 2016 by requiring all suppliers to provide appropriate information about their mica sources and certify the absence of child labor. In 2021, Prysmian became the first business in the cable industry to join the Responsible Mica Initiative (RMI).

7. Leadership & Governance dimension

Prysmian seeks to uphold the highest standards of fair and ethical practice in every action taken across all areas it operates in. Prysmian is a public company with a broad shareholder base, and as such it is fundamental to align the interests of the Group with those of all stakeholders.

This special nature requires an ability to develop open and transparent dialogue with shareholders, employees, customers, and suppliers, with the institutions and with the communities we work in. Prysmian has always invested in these values, striving to comply with the highest international standards of governance. For example, 75% of Board members are independent (this percentage refers to the members who are deemed independent pursuant to the Consolidated Finance Act) and 42% are women. Ethics and Integrity as corporate values are expressed using a series of instruments and policies disseminated throughout the entire organization, including: the Code of Ethics, the Anti-Corruption policy, privacy and data protection and the Helpline program.

This is supported by Group Compliance Policies (including an Anti-Bribery Policy and Antitrust Code of Conduct, among others) designed to ensure adherence by employees, suppliers, business partners, sales agents, sub-contractors, and distributors with Prysmian way of doing business.

Product safety

Topic	SASB Code	Accounting Metric	2023	2022
Product Safety	RT-EE-250.a.2.	Total amount of monetary losses due to legal proceedings associated with product safety	-	-

No monetary losses (excluding legal fees/expenses) were paid by the Group in 2023 as a result of a provisional and/or final judgments/awards arising out of judicial/arbitral proceedings concerning product safety (i.e., litigation concerning product safety – such as a product that may represent a threat to the health and safety of the individuals - and compliance with relevant applicable norms and/or regulations).

Business ethics

- **Ethics in business operations.**
- **Ethics in international relations.**
- **Ethics in environmental and social matters.**

Prysmian constantly strives to promote business integrity and transparency throughout the entire value chain. The complexity of business operations and the international scale of the Group mean that Prysmian is exposed to possible infringements of applicable laws and regulations, with possible repercussions for stakeholders, including employees, customers, contractors, and suppliers. In addition, these infringements might damage the reputation of the Company, adversely affect the socio-economic development of the communities in which it operates and restrict market competition. Partly to mitigate these risks, Prysmian defined governance rules and implemented a system of internal controls that promote integrity and transparency among all commercial partners and stakeholders, as well as strict processes that must be followed. Among other things, the actions and procedures comprising the system of internal controls were designed to provide credible, truthful information to the market about the activities of the Group, thus increasing current and future investor confidence in the business and encouraging them to adopt a long-term approach to their investments.

Internally, Prysmian has adopted a series of initiatives to define the ethical-social and behavioral responsibilities of its personnel, from the Code of Ethics to the Anti-corruption Policy, from the Antitrust Code of Conduct to the Helpline Policy, to name but a few. These documents establish how to conduct activities and work with colleagues, as well as pursue the Group's ambitions.

Among these documents, the Code of Ethics¹ represents the Group's "Constitution," being the charter of rights and moral duties that defines the ethical-social responsibilities of each participant in the organization.

The Code of Ethics (hereinafter "Code") establishes the principles of conduct that all must follow, consistent with the vision and mission of Prysmian. Acting as a veritable guide to daily behavior, the Code plays a strategic role for the Group as a tool for preventing irresponsible or illegal conduct by those who work in the name and on behalf of Prysmian. In fact, the Code covers all areas of compliance and applies to business partners that work with the Group and are required to read it.

The Code exists and evolves in parallel with the development of the business in a competitive context. It is always subject to requests for legality and propriety received from stakeholders. The Code complies with international best practices and adopts the principles embodied in the UN Universal Declaration of Human Rights and the Fundamental Conventions of the International Labor Organization ("ILO").

The Group has implemented a series of preventive actions relevant to the fight against corruption. The most important was the adoption of an **Anti-Corruption Policy**² that prohibits the corruption of both public officials and private individuals and requires Prysmian's employees to respect it, and where more restrictive to observe and comply with all the anti-corruption laws in force in the countries where the Group operates.

With regard to anti-competitive behavior and in compliance with the priorities defined in the ERM process, the Group has adopted an **Antitrust Code of Conduct**³ that all directors, executives, and employees of the Group are expected to know and follow in the performance of their duties and in relations with third parties. In addition, more detailed documents were also adopted covering current antitrust regulations in the European Union, North America, China, and Australia.

Given the ambitions stated by Prysmian with a view to conducting business in an ethical and transparent manner, a series of actions have been implemented to guarantee respect for the pledges made.

In this context, every two years the Group holds specific online training dedicated to the Code of Ethics. This training session was completed by 96% of the employed population in 2022 and will be held again in 2024. All new employees of the group receive online compliance training upon joining the company, which includes the Code of Ethics and covers other policies as well. In addition, a **Due Diligence process** has been in place since 2018, enabling Prysmian to map the potential impact of Group activities on human rights. Following this assessment, aside from the eight plants found to be at high risk of violating human rights that were audited in 2022, in 2023 an additional nine sites were audited with respect to the company's Human Rights policy. It should be noted that none of the Human Rights audits identified issues.

Specific actions by Prysmian to prevent corrupt practices within the Group include:

- On-site monitoring combined with an audit of sample transactions, as part of the annual plan of the Compliance Function.
- In keeping with the objectives set in prior years, during 2023 Prysmian continued to monitor anti-corruption compliance, with the maintenance of ISO 37001:2016 "Anti-Bribery Management Systems" certification by Prysmian S.p.A. (earned in 2021) and by Prysmian PowerLink S.r.l., the subsidiary dedicated to the Projects segment. Alongside these certifications, top management and each Regional CEO signed Declarations of Conformity confirming their commitment to ensure:
 1. understanding of the Group's compliance policies and
 2. completion of the training and initiatives.

¹ The Code of Ethics of Prysmian was updated and approved by the Board of Directors in 2019. It is made known to all stakeholders – external and internal – by publication on the corporate website www.prysmiangroup.com, in the Ethics and Integrity section, and on the "Prysmian People" intranet <https://www.prysmiangroup.com/sites/default/files/atoms/files/Code%20of%20Ethics.PDF>

² The Anti-Corruption Policy of Prysmian was approved by the Board of Directors in 2019 and most recently updated in 2023. It is made known to all stakeholders – external and internal – by publication on the corporate website www.prysmiangroup.com, in the Ethics and Integrity section, and on the "Prysmian People" intranet <https://www.prysmiangroup.com/sites/default/files/atoms/files/1-Anti-Corruption-Policy.pdf>

³ The Antitrust Code of Conduct of Prysmian was updated and approved by the Board of Directors in 2019. It is made known to all stakeholders – external and internal – by publication on the corporate website www.prysmiangroup.com, in the Ethics and Integrity section, and on the "Prysmian People" intranet https://www.prysmiangroup.com/sites/default/files/atoms/files/1.%20Antitrust%20Code%20Of%20Conduct_%20Feb%202018.pdf

The **“Third-Party Program”** was updated during 2023. This Group policy is intended to prevent and manage the risk of corruption deriving from relations with agents, distributors and certain categories of supplier (“Third Parties”). In particular, before establishing business relations with any Third Party, the Policy establishes that due diligence must be carried out in relation to that party using a dedicated online platform.

As a result of the above, a level of risk (high, medium, low) is assigned to each Third Party, which consequently is subjected to an approval procedure responsive to the identified risks. Additionally, the due diligence work must be repeated every 12, 24 or 36 months, depending on the level of risk identified and the type of Third Party concerned. Further, the Code of Ethics (which includes an anti-corruption clause) is accepted and signed by all contractors, suppliers and agents and, following introduction of the new Third-Party Program Policy, all new Third Parties must also sign the anti-corruption certificate. With regard to Antitrust matters, the nature of Prysmian’s business means that competition is an inherent part of the activities of the Group’s commercial functions. For this reason, the Compliance function assists with the delivery of relevant training sessions. During 2023, according to a risk-based approach, employees in the most relevant functions received antitrust training in the classroom, via video conference and online.

- On the topic of Whistleblowing, during 2023 Prysmian:
 1. updated its Helpline Policy in order to comply with the requirements set forth by Directive (EU) no. 2019/1937 and the respective transposition measures and
 2. at the level of the holding company – Prysmian S.p.A. – earned the renewal of the ISO 37002:2021 “Whistleblowing Management Systems” certification, confirming the soundness of the Group’s approach.

With regard to **Export Control**, the Compliance Function supports the Group by implementing specific IT applications for this purpose. Commencing in 2020, the Compliance function periodically delivers training sessions to employees on this topic.

In addition, given geopolitical changes and the application of severe international sanctions, beginning in 2018 Prysmian identified those products with both civil and military (“dual use”) applications, checking all commercial and procurement transactions on a daily basis to avoid matches with the various economic sanctions lists (USA, EU, UN etc.).

In addition, since 2020 the Company organizes questionnaire campaigns regarding “Conflicts of interest.” See the section on “Risk factors” in the 2023 Integrated annual report for further information.

Lastly, the **Fraud Risk Management Policy** was introduced in 2022 and provided to all functions that might be affected significantly. The Compliance function is offering worldwide training on this topic.

All compliance policies adopted by Prysmian (including the following policies in addition to the above: **Global Compliance, Gifts & Entertainment, Donations, Sponsorship, Third-Party Program, Conflicts of Interest and Export Control**) are published on the corporate intranet and are available in all official languages of Prysmian, as they apply to every employee.

The following policies are published on Prysmian’s corporate website in the Ethics and Integrity section: Code of Ethics, Human Rights, Helpline, Anti-corruption, and Antitrust Code of Conduct, as they also apply to various external stakeholders.

Topic	SASB Code	Accounting Metric	2023	2022
Business Ethics	RT-EE-510.a.2.	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	-	-
	RT-EE-510.a.3.	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	-	-
	IF-EN-510.a.2.	Total amount of monetary losses as a result of legal proceedings associated with charges of bribery or corruption	-	-
		Total amount of monetary losses as a result of legal proceedings associated with charges of anti-competitive practices	-	-

Anti-corruption

There were no cases of corruption within Prysmian during the three-year period 2021-2023.

Prysmian has implemented a series of actions aimed at managing corruption issues on a preventive basis. The first of these is the adoption of an Anti-Corruption Policy that prohibits the corruption of both public officials and private individuals and requires Prysmian's employees to abide by it and to observe and comply with all anti-corruption legislation in force in the countries where they are employed or active, if these are more restrictive. It is confirmed that the Anticorruption policy of Prysmian strictly prohibits making any political contributions. In fact, the expenditure on political contributions during fiscal year 2023 was exactly €0.

Anti-trust

Competition law on restrictive practices and the abuse of dominant positions now plays a central role in governing the activities of firms operating in all sectors of economic life. Prysmian's strong international presence in more than 50 countries subjects the Group to the competition law in force in all countries in which we operate globally.

Prysmian, potentially exposed to the risk of being involved in conduct that could be considered anticompetitive and result in extremely high economic sanctions, with negative repercussions on the reputation and credibility of the Group's governance system, operates in the market in compliance with competition law.

Consistent with the priorities defined in the ERM process, the Board of Directors has adopted an Antitrust Code of Conduct that all directors, executives, and employees of the Group are expected to know and comply with in the performance of their duties and in relations with third parties.

In addition, more detailed documents were also adopted covering the antitrust regulations in force within the European Union, North America, China, and Australia. In 2017, Prysmian introduced an antitrust training program - Integrity First (IF Training) - designed to increase awareness among those who work in the name and on behalf of the Group, so that during their activities they comply with the rules safeguarding competition.

The Antitrust Code of Conduct, which is an integral part of this training program, seeks to describe the issues relating to the application of the competition policy with regard to cartels and the abuse of dominant positions.

With regard to the Antitrust investigations in progress and the disputes promoted by third parties against Group companies consequent to and/or connected with decisions adopted by the competent authorities, details of which are outlined in the note on Provisions for risks and expenses in the Explanatory Notes to the Consolidated Financial Statements, it should be noted that the Group has recorded a provision for risks and expenses of about Euro 184 million on 31 December 2023.

Although the outcome of the outstanding investigations and related disputes is uncertain, this provision is deemed to represent the best estimate of liabilities based on the information available at the time this document was prepared.

8. Annex

SASB dimension reported in the report

Topic	Accounting Metric
Environment	This dimension includes environmental impacts, either using nonrenewable, natural resources as inputs to the factors of production or through harmful release into the environment that may result in impacts to the company's financial condition or operating performance.
Human Capital	This dimension addresses the management of a company's human resources (employees and individual contractors) as key assets for delivering long-term value. It includes issues that affect the productivity of employees, management of labor relations, and management of the health and safety of employees and the ability to create a safety culture.
Business Model and Innovation	This dimension addresses the integration of environmental, human, and social issues in a company's value-creation process, including resource recovery and other innovations in the production process, as well as in product innovation, including efficiency and responsibility in the design, use phase, and disposal of products.
Leadership and Governance	This dimension involves the management of issues related to the business model or common practice in the industry and that are in potential conflict with the interest of broader stakeholder groups, and therefore create a potential liability or a limitation or removal of a license to operate. This includes regulatory compliance, risk management, safety management, supply-chain and materials sourcing, conflicts of interest, anticompetitive behavior, and corruption and bribery.

SASB disclosure index

The SASB's sector Standard "Resource Transformation – Electrical & Electronic Equipment" (SASB code RT-EE) is the primary SASB standard relevant for Prysmian according to SICS® Look-up Tool.⁴

In addition, three accounting metrics of the SASB's sector Standard "Infrastructure – Engineering & Construction Services" (SASB code IF-EN), considered relevant for the Group to be reported, have been identified. All other accounting metrics that are part of the "Infrastructure – Engineering & Construction Services" sector are omitted due to lack of applicability or relevance. The tables below contain the list of accounting metrics included in the Report.

Table 1. "Resource transformation – electrical & electronic equipment" sustainability topics & accounting metrics⁵

Topic	SASB Code	Accounting Metric	Chapter and page	Comments
Energy management	RT-EE-130a.1.	<ul style="list-style-type: none"> · Total energy consumed · Percentage grid electricity · Percentage renewable 	Environmental dimension, page 16	
Hazardous waste management	RT-EE-150a.1.	Amount of hazardous waste generated; percentage recycled	Environmental dimension, page 17	
Hazardous waste management	RT-EE-150a.2.	Number and aggregate quantity of reportable spills, quantity recovered	Environmental dimension, page 17	

⁴ The tool (<https://www.sasb.org/find-your-industry/>) allows determining the primary industry for companies listed around the world, enabling investors and corporations to determine which SASB sustainability accounting standard is applicable to that company.

⁵ Reference: SASB Materiality Map.

Topic	SASB Code	Accounting Metric	Chapter and page	Comments
Product safety	RT-EE-250a.1.	Number of recalls issued; total units recalled	ND ⁽¹⁾	Not applicable to Prysmian Business
Product safety	RT-EE-250a.2.	Total amount of monetary losses as a result of legal proceedings associated with product safety	Leadership & Governance, page 25	
Product lifecycle management	RT-EE-410a.1.	Percentage of products by revenue that contain IEC 624 74 declarable substances	Business Model & Innovation Dimension, page 22	
Product lifecycle management	RT-EE-410a.2.	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	ND ⁽¹⁾	Not applicable to Prysmian Business
Product lifecycle management	RT-EE-410a.3.	Revenue from renewable energy- related and energy efficiency-related products	Business Model & Innovation Dimension, page 22	
Materials sourcing	RT-EE-440a.1.	Description of the management of risks associated with the use of critical materials	Business Model & Innovation Dimension, page 23	
Business ethics	RT-EE-510a.1.	Description of policies and practices for the prevention of: 1. corruption and bribery and 2. anti-competitive behavior	Leadership & Governance dimension, page 25	
Business ethics	RT-EE-510a.2.	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Leadership & Governance dimension, page 27	
Business ethics	RT-EE-510a.3.	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Leadership & Governance dimension, page 27	

(1) ND = not disclosed.

Table 2. “Resource transformation – electrical & electronic equipment” activity metrics

Topic	SASB Code	Accounting Metric	Chapter and page	Comments
	RT-EE-000.A	Number of units produced by product category	Prysmian connect, to lead, page 3	Covered with the revenues by business area as more relevant metric for Prysmian business
	RT-EE-000.B	Number of employees	Prysmian connect, to lead, page 3	

Table 3. “Infrastructure – engineering & construction services” sustainability topics & accounting metrics disclosed in the report as relevant for the group

Topic	SASB Code	Accounting Metric	Chapter and page	Comments
Business ethics	IF-EN-510a.2.	Total amount of monetary losses as a result of legal proceedings associated with charges of: bribery or corruption and anti-competitive practices	Leadership & Governance dimension, page 27	
Business ethics	IF-EN-510a.3.	Description of policies and practices for prevention of: 1. bribery and corruption, and 2. anti-competitive behavior in the project bidding processes	Leadership & Governance dimension, page 25	
Workforce health and safety	IF-EN-320a.1.	1. Total recordable incident rate (TRIR) and 2. Fatality rate for: · Direct employees · Contract employees	Human Capital dimension, page 19	

9. Independent auditor's report



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Independent auditors' report on the "SASB Report 2023"

To the Board of Directors of
Prysmian S.p.A.

We have been appointed to perform a limited assurance engagement on the "SASB Report 2023" of Prysmian Group (hereinafter also "the Group") for the year ended on 31st December 2023 (hereinafter "SASB Report").

Responsibilities of Directors for the SASB Report

The Directors of Prysmian S.p.A. are responsible for the preparation of the SASB Report in accordance with the "Engineering & Construction Services Sustainability Accounting Standards 2018" and with the "Electrical & Electronic Equipment Sustainability Accounting Standards 2018" defined by SASB - Sustainability Accounting Standards Board (hereinafter "SASB Standards"), as described in the paragraph "Methodological Note" of the SASB Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a SASB Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* issued by *International Ethics Standards Board for Accountants*, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior. Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the SASB Report with the requirements of the SASB Standards. Our work has been performed in accordance with the principle "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the SASB Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

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Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
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The procedures performed on the SASB Report were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the SASB Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the identification process of the applicable SASB Standards' Topics and Accounting Metrics performed by the Prysmian Group;
2. analysis and evaluation of the criteria for identifying the consolidation area, in order to evaluate its compliance with the provisions of the SASB Standards;
3. comparison of the economic and financial data and information included in the SASB Report with those included in the Prysmian Group's consolidated financial statements;
4. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the SASB Report.
In particular, we have conducted interviews and discussions with the management of Prysmian S.p.A. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the SASB Report.

Furthermore, for significant information, considering the Group activities and characteristics, at group level:

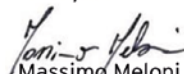
- o with reference to the qualitative information included in the SASB Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
- o with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the SASB Report of the Prysmian Group for the year ended on 31st December 2023 has not been prepared, in all material aspects, in accordance with the requirements of the SASB Standards, as described in the paragraph "Methodological Note" of the SASB Report.

Milan, 15 March 2024

EY S.p.A.



Massimo Meloni
(Auditor)

