



CLIMATE  
AMBITION  
ACCELERATOR



Global Compact  
Network Italia

# CLIMATE AMBITION ACCELERATOR

## TRANSITION PLAN TOWARDS THE NET-ZERO TARGET



Sponsor





## A journey that began two centuries ago



**1879**

Prysmian Group's history has its roots in the history of the Pirelli Group. Società Cavi Pirelli was established in Italy as the cable division of the recently founded company.

**2007**

Prysmian went public on in the Milan stock exchange after the sale of 46% of the shares held by the Goldman Sachs Group.

**1910**

Draka was founded under the name of Hollandsche Draad & Kabel Fabriek.

**1987**

Start of a 20-year period of global acquisitions, which included Philips Optical Fibres and Alcatel.

**1927**

General Cable was originally incorporated in New Jersey bringing together several older companies founded in the 1800s.

**2007**

The Company acquired NSW, an offshore submarine cable supplier and installer in Germany.

**2011**

The combination of the two market leading companies culminated in Prysmian Group.

**2018**

General Cable was merged into Prysmian Group.

**Prysmian Group**

Linking the Future





## A global footprint ensuring higher diversification by portfolio and geographical area



€+16BN

Sales



More than

30,000

Employees



50

Countries worldwide



108

Plants



26

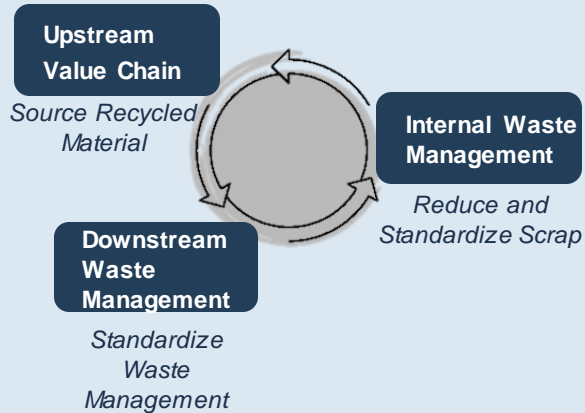
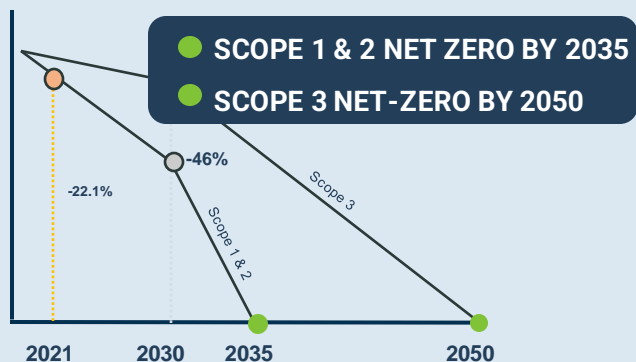
R&D Centres



# Prysmian Group Sustainability Priorities

## Solid Governance

### Environment



### Social



### THE SUSTAINABILITY ACADEMY

Long-lasting positive impact on the communities.  
Initiatives in Oman, Colombia, Brazil and Thailand



### Innovation



Allow customers to choose the greener option



Design solutions fit for sustainability

### A L E S E A

Leverage on innovation to decarbonize our customer's operations



**P-Laser**



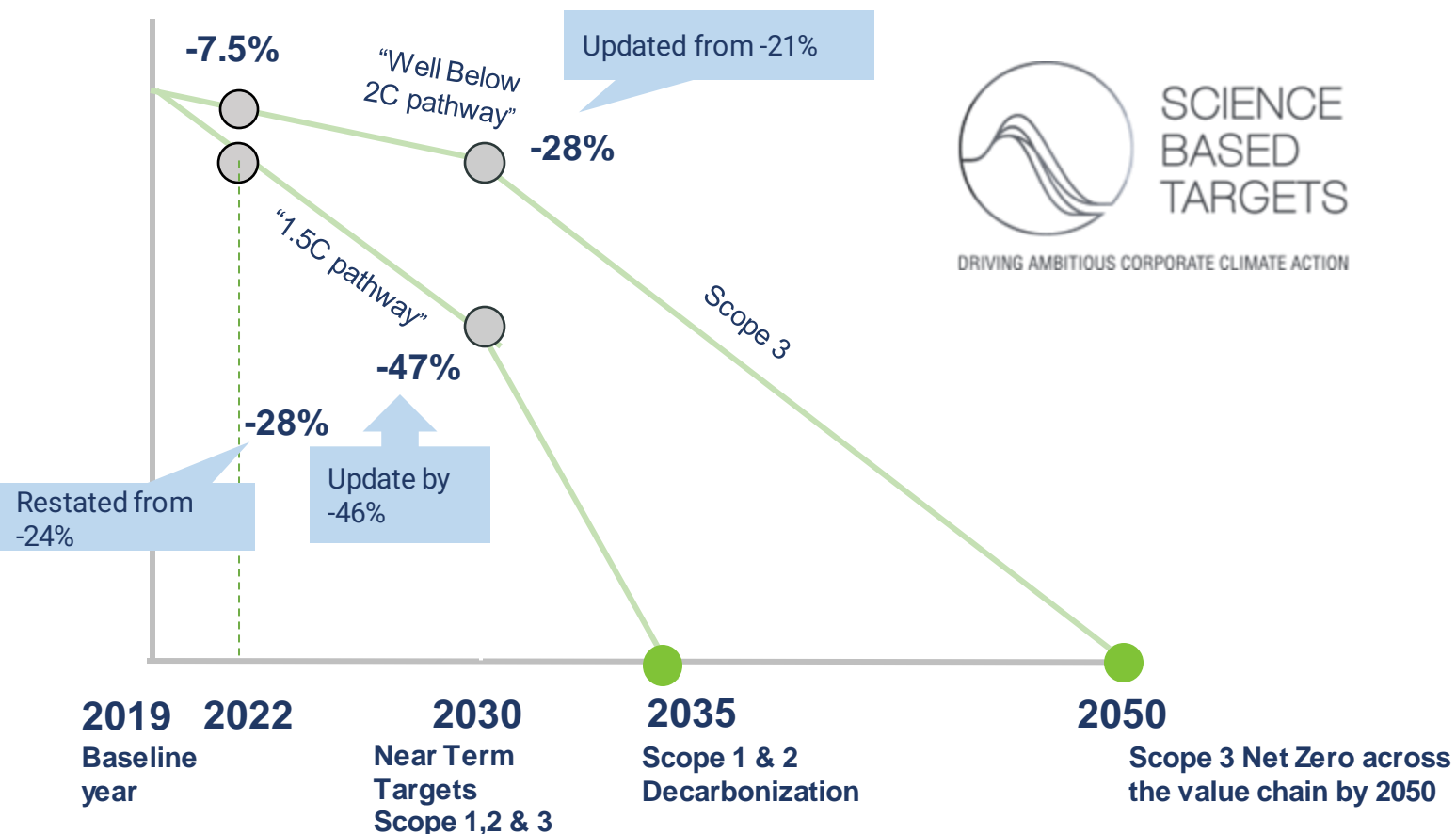
## 2023 – 2025 Impact Scorecard

SDGs	Category	KPI	Included in	BASELINE 2022	TARGET 2025	TARGET 2030
 	Impacts on Society	Enable access to green electricity to households		21m 	110m	
		Enable fast digital access to households		3m 	15m	
 	Climate	Percentage reduction of Scope 1&2 GHG Emissions vs baseline 2019	LTI	-24%	-35-37%	-46%
		Percentage reduction of Scope 3 GHG Emissions vs baseline 2019		-7.5%	-11.5-15%	-28%
	Green & Circular Economy	Share of revenues linked to Sustainable Products – in EU / <u>RoW</u>		52% / 5%	57% / 19%	
		Share of recycled content on PE jacket and copper	MBO / LTI	10%	15-16%	
 	Diversity & Inclusion	Percentage of Desk Workers women hired	MBO	44.9%	46-49%	50%
		Percentage of Executive women (grade >=20)	LTI	15.7%	21-24%	>30%
	People Wellbeing	Safety Audit Plan	MBO	-	2.75-5	
		Leadership Impact Index	LTI	55%	57-61%	>70%
 	Solid Governance & Ownership	Percentage of shareholders employee		37%	44-45%	>50%
		Completion rate for compliance e-learning promoting ethics and integrity		75%	90%	



# Climate Change Ambition: our commitment and targets

## Our Targets

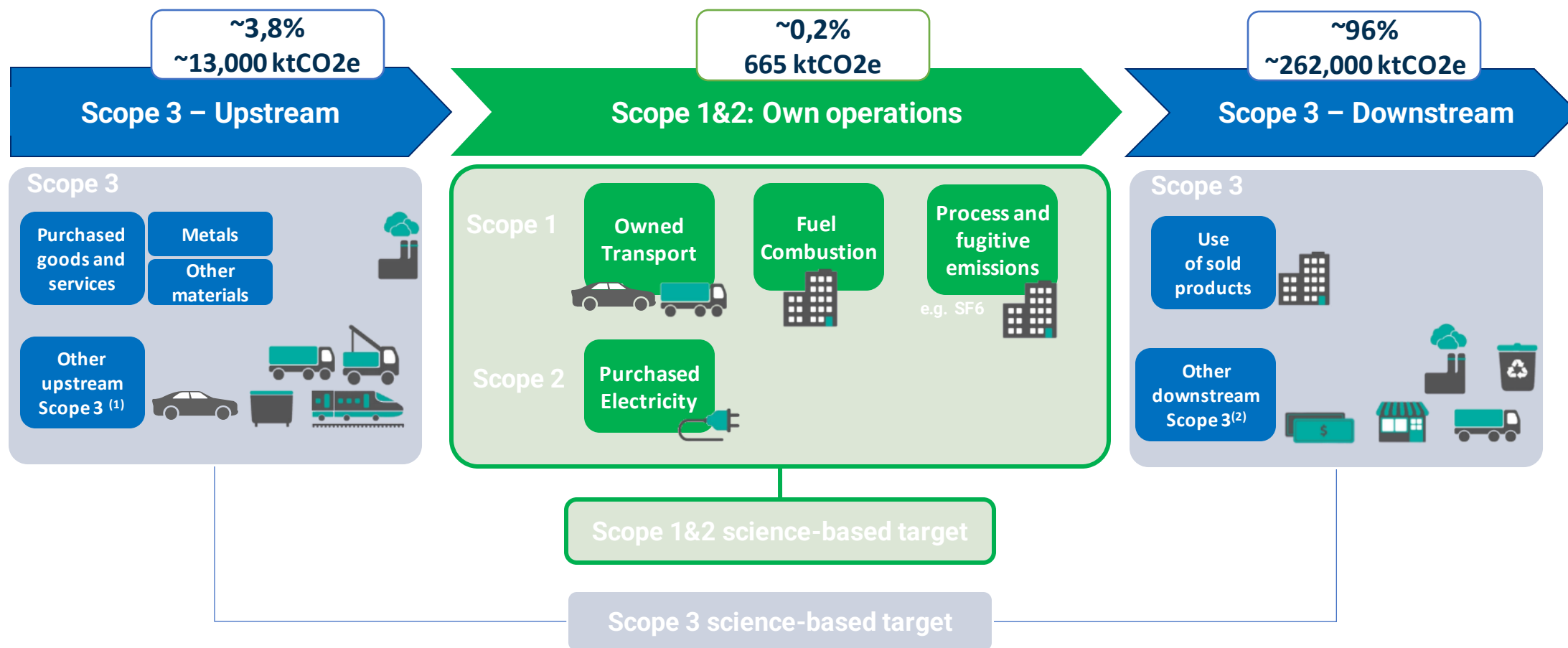


## Commitment

1. Reduce absolute Scope 1 and 2 GHG emissions 47% by 2030 from a 2019 base year. Reduce absolute Scope 3 GHG emissions 28% within the same timeframe
2. Decarbonize 90% of our Scope 3 carbon footprint by 2050 across the value chain
3. Offset the remaining emissions

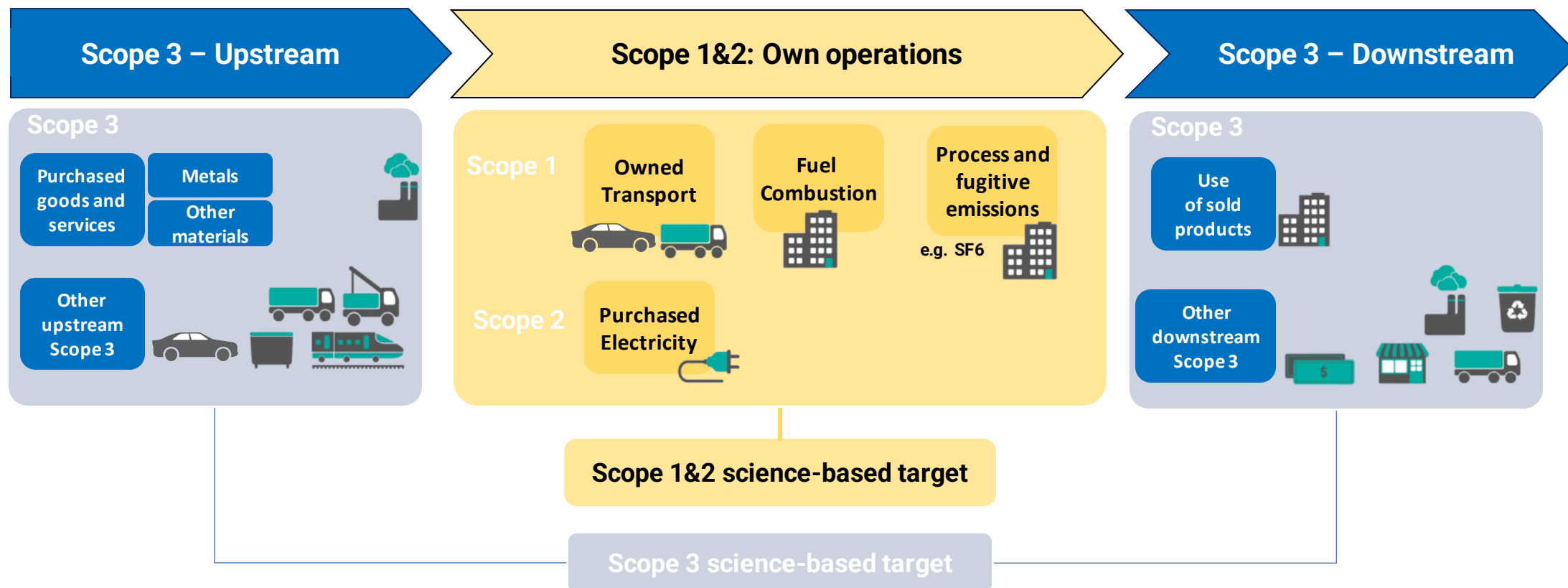


## The entire value chain: Analysis of Scope 1, 2 & 3 in 2022





## The entire value chain: Focus on Scope 1 & 2

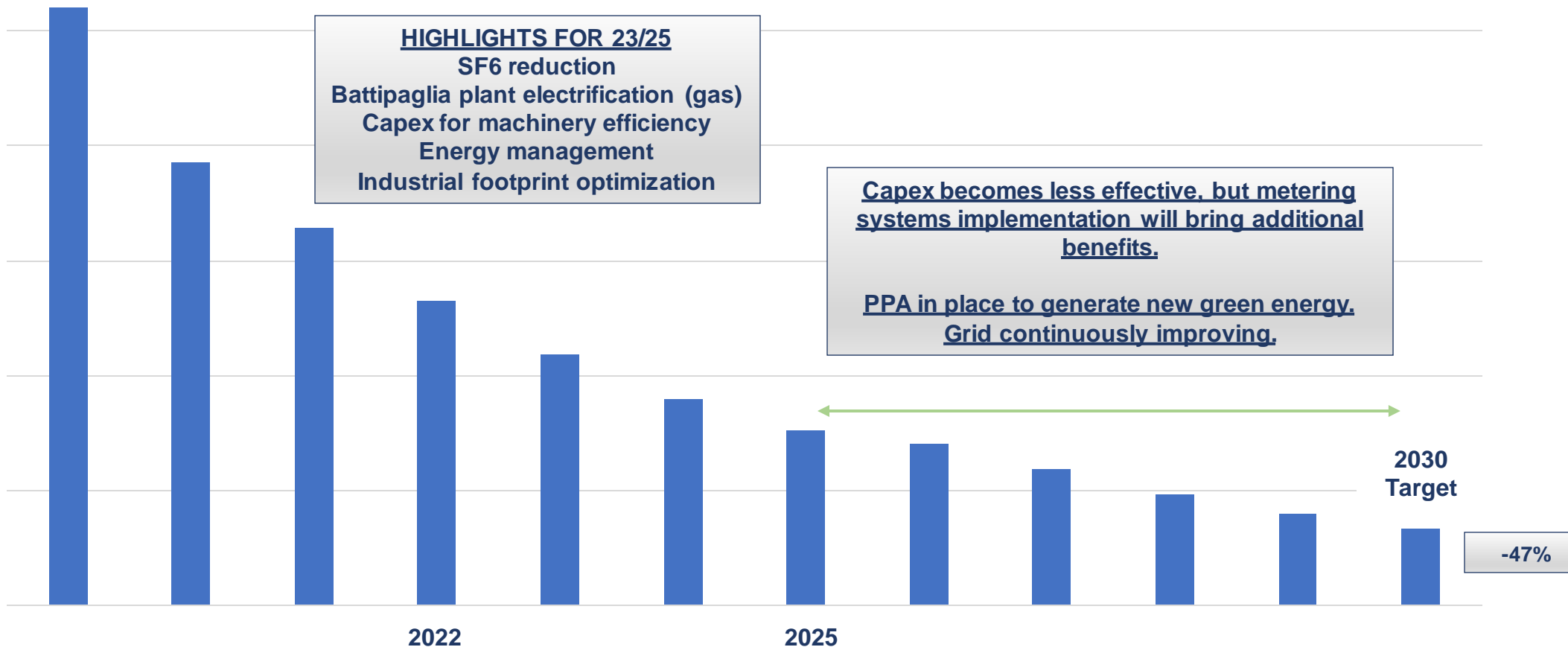






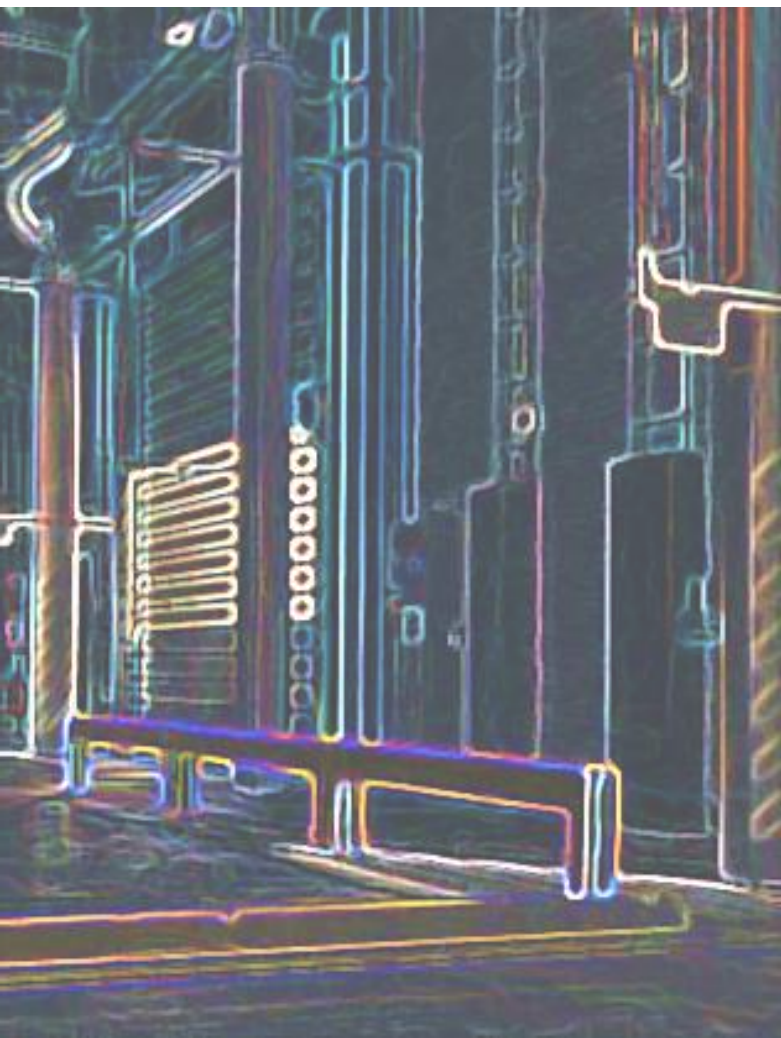
# Climate Change Ambition Projection towards 2030










2019  
Baseline





## Prysmian Scope 1&2 Energy efficiency Capex-related Actions

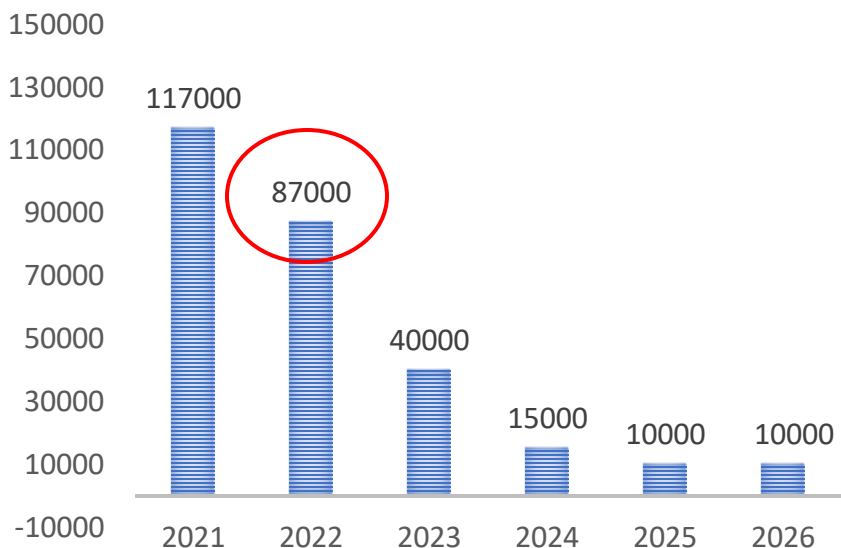


Work stream	Impact on	Invested M€ ('21-'23)
SF6 Elimination		29,7
LED installation		
Motor/compressors replacement	 	
Nat. Gas removal **		
Nat. Gas efficiency		
Photovoltaic systems		
Spot activities	 	



# SF6 EMISSIONS – updated plan

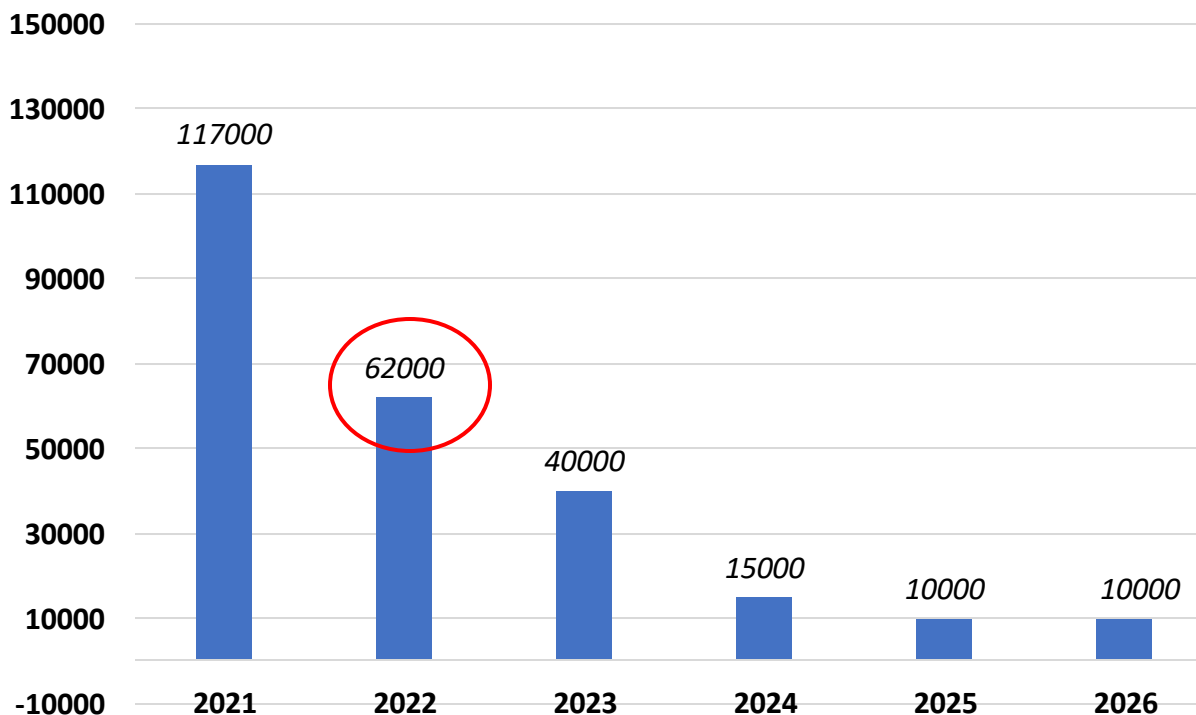
*CO<sub>2</sub>eq emissions - 2022 Proposal*



**Expected** reduction of 28 kton of CO<sub>2</sub>eq emissions from 2019\* to 2022

**Actual** reduction of 53 kton of CO<sub>2</sub>eq emissions from 2019\* to 2022

*CO<sub>2</sub>eq emissions – 2023 updated roadmap*



*Additional -52 ktons CO<sub>2</sub> in 2023->2025*



## Scope 1&2 Emissions Reduction Plan Energy Efficiency

### Electrical



Lighting



Compressors



Motors



Obsolescence



Air Conditioning



Solar PV

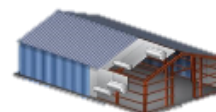
### Thermal



Heating



Own Production



Building Improvement

### Energy Management

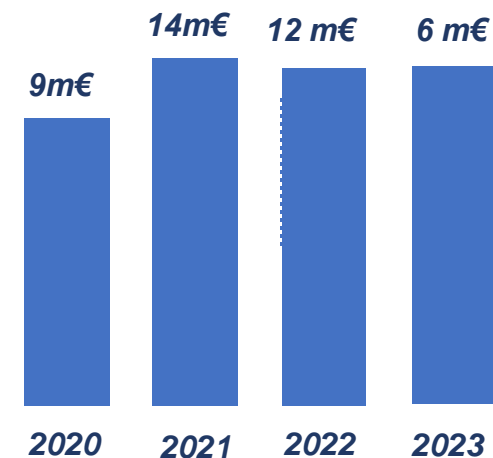


Automatic Metering



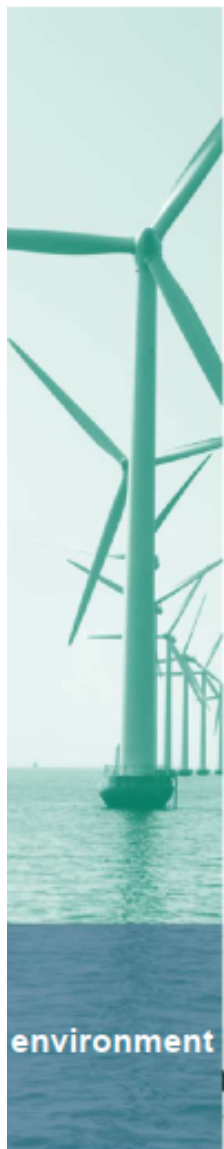
Energy Management System

### CapEx Plan





# ENERGY & EFFICIENCY PILLARS



## GOVERNANCE

Monthly Touch Base | Maintenance & Env Tream Engagement | Good Practices exchange | new regional Energy & efficiency position

## BASIC CONDITIONS

Boilers System Maintenance | Compressed Air Leakages |

## ENERGY SCAN TOOLS

Energy consumption inventory | Projects mapping | Dash board

## MANAGEMENT SYSTEM

ISO 50 001 | incorporation of energy operational instruction on management system

## NEW PROJECTS MAPPING

Compressed Air | Boilers Revamping | PF Panels | Refraction Change | Air Conditioner | Motor replacement for efficiency equipments

## PROJECTS ON GOING MONITORING

LED Lamps | Laminator 90 | Boiler Revamping |



## The road towards net zero factory

Pikkala plant



**75%** electricity purchased with 100% green certification contract

**25%** electricity come from biogas produced from **new solid biomass-based energy plant**) based on new long-term energy delivery agreement

**From 2022 fossil fuel consumption ends in energy production**

Arco Felice Plant  
Centre of Excellence for Submarine



**5%-10%** produced using electricity come from solar power

**95%-90%** electricity purchased with 100% green certification contract

**0M<sub>t</sub> CO<sub>2</sub> emission** start from 2022 **derived by SF6 leaks** used for testing cable joints (continuous decrease from 2014)

Brayton Point



**Project design similar to Pikkala** without fossil fuels in energy production

**Solar plant** to cover part of energy consumptions

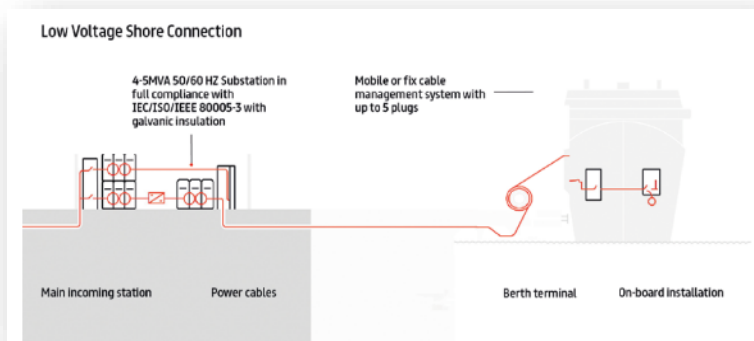
The possibility to receive **LEED sustainability building certification** is under discussion

Main Actions achieved



## The road towards net zero vessel

### SHORE CONNECTION *ZERO DIRECT EMISSIONS (5-10% of total shipping fleet) FROM THE VESSELS DURING CABLE LOADING*



**Building infrastructure to power ships** with electricity from shore when staying at berth. Electricity from shore will **replace the on-board generation**



**scope 1 direct emissions replaced with scope 2 indirect emissions** (zero if from renewables)

### Fatty Acid Methyl Esters (FAME) BIODIESEL



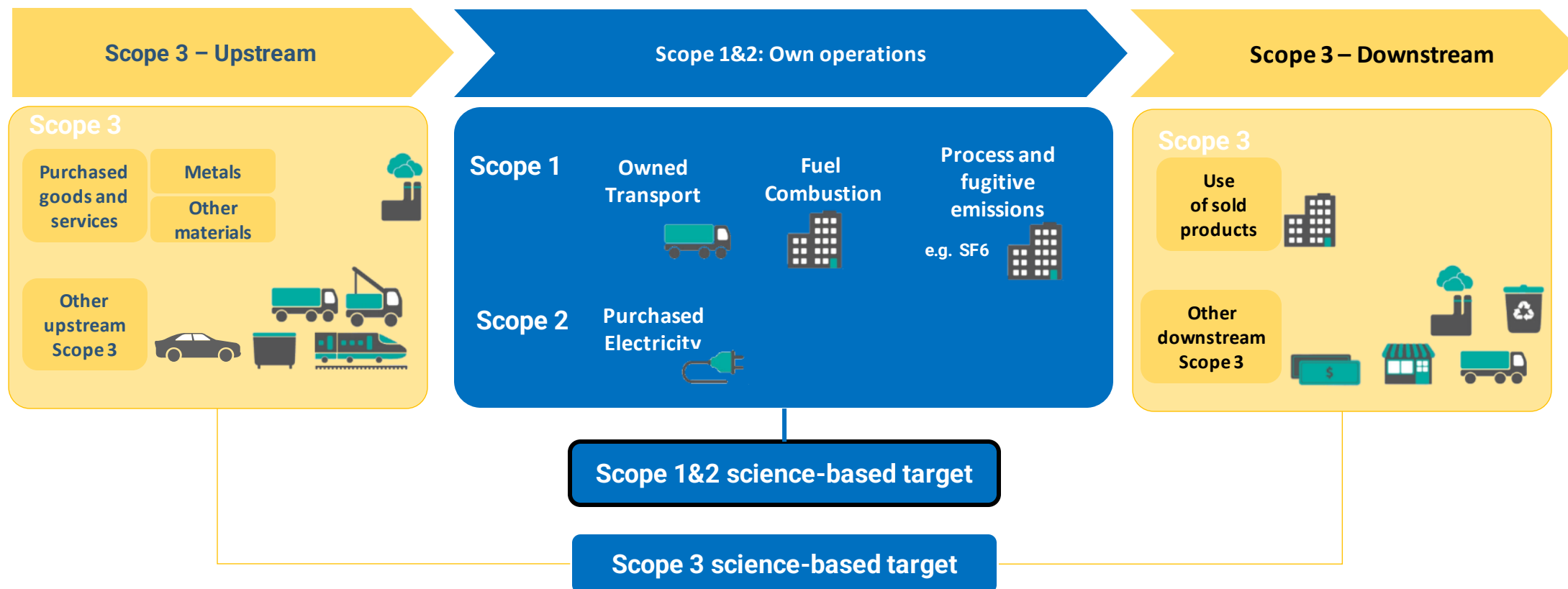
**Running the fleet on biodiesel could be achieved a significant milestone by removing up to 85% of the scope 3 emissions for the fuel used onboard**



**B100 FAME (100% biodiesel).  
Trial planned for 2024 on Leonardo da vinci**



## The entire value chain: Focus on Scope 3







## Climate Change Ambition: Focus on Scope 3

### Scope 3 Upstream SUPPLIERS

Prysmian Group

### Scope 3 Downstream CUSTOMERS

#### Responsible Sourcing

**70%** of Copper sourced from ESG best in class Suppliers

**50%** of Aluminum sourced from low carbon sources

- Continuous monitor and benchmark of the supply base scouting Sustainability KPIs
- **Move Supply to best performer suppliers**

#### Partner up with Customers to reduce losses during use phase

- **Design for sustainability:** Cable size, material, lifetime etc
- **New Cable Technologies** (e.g. E3X )
- **Innovative Materials**
- **Smart Monitoring** (e.g. Prycam )



e-on








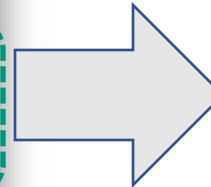
**97%** of emissions happens during the use of the cable





## Scope 3: 2023-2025 Scorecard

SDGs	Categoria	KPI	Baseline 2022	Target 2025
	Impacts on Society	Enable access to green electricity to households <sup>1</sup>	21m 	110m
		Enable fast digital access to households <sup>2</sup>	3m 	15m
	Climate	Percentage reduction of GHG emissions (Scope 1&2 Marked Based) vs 2019 baseline <sup>3</sup> 	-24%	-35%/-37%
		Percentage reduction of Scope 3 GHG Emissions vs 2019 baseline <sup>4</sup>	-7.5%	-11.5%/-15%
	Green & Circular Economy	Share of revenues linked to Sustainable Products – in EU/RoW <sup>5</sup>	52%/5%	57%/19%
		Share of recycled content on PE jackets and copper <sup>6</sup>	10%	15%/16%
	Diversity & Inclusion	Percentage of Desk Workers women hired <sup>7</sup>	44.9%	47%/49%
		Percentage of Executive women <sup>8</sup>	15.7%	21%/24%
	People Wellbeing	Safety Assessment Plan <sup>9</sup>	-	2.75/5
		Leadership Impact Index <sup>10</sup>	55%	57%/61%
	Solid Governance & Ownership	Percentage of shareholders employees <sup>11</sup>	37%	44%/45%
		Completion rate for compliance e-trainings promoting anticorruption <sup>12</sup>	75%	90%



### Sustainable Product Revenues

EcoCable deployment  
Innovation workstreams  
Customer engagement  
Growth focus

### Circular Economy

Recycle PE + Recycle Cu  
High quality supply chain  
Customer approvals  
Manufacturing upgrades



## Sourcing Recycled Material

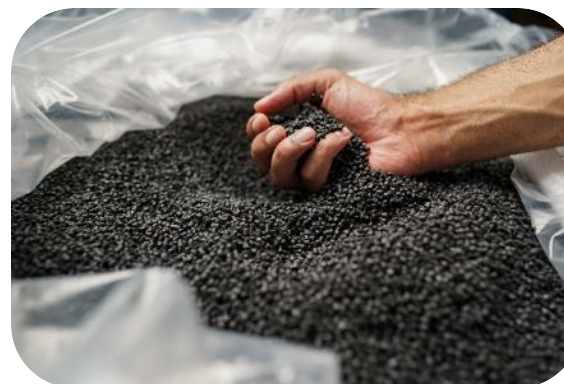
### RECYCLED COPPER



**10% Global  
>20% EU**

- Selected suppliers ( Aurubis, KGHM, LaFarga)
- **Limited availability** on the market, and often directed to easier applications.
- Integrated suppliers (*i.e. those with mines*) have no incentives in recycling

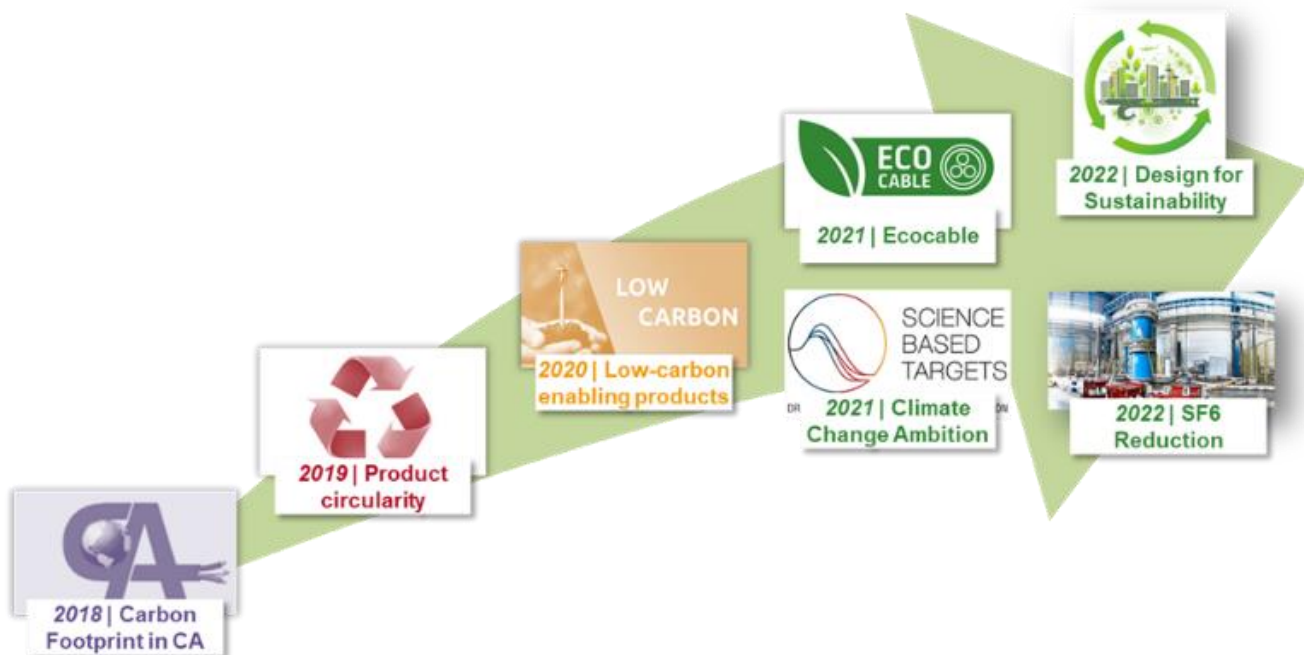
### JACKETING POLYETHYLENE



**5% Global  
>20% CEE**

- Target is **20% Globally by 2025**
- **Necessity to lock-in** capacity of high-quality grades
- **Mostly offered by SME**, while incumbents are lagging

# Sustainability Journey in R&D



## D4S: Re-envisioning our Product Design at 360°

1. Rethink the product:
  - Regulations
  - Circularity principles
  - Customer insights
2. Understand & track emissions and cost impact of design decisions to achieve our sustainability ambitions
3. Foster the right mindsets and capabilities to integrate sustainability into each product and design decision

### PROCESS & KPIs



### PEOPLE



### ORGANIZATION



### TOOLS



DTC  
Design-to-Cost

NPID  
Design-to-Value



D4S  
Design-4-Sustainability



## Overview on EcoCable

THE FIRST PROPRIETARY GREEN LABEL IN THE CABLE INDUSTRY:



BASED ON MEASURABLE AND INTERNATIONALLY RECOGNIZED CRITERIA, AND A  
COMPLEMENT TO NET-ZERO SCOPE 3 TARGET

A valuable commercial development opportunity leveraging sustainability



### SUSTAINABILITY

Sustainability is part of Prysmian Group's DNA. It is within Prysmian Group's goals to leverage all possible efforts to pursue sustainable excellence.



### MARKET

Strong need for environmentally sustainable strategies and growing demand for eco-friendly products.



### REPUTATION

Reinforcement of the corporate brand reputation through an initiative that is the first of its kind in the cable industry.

Opportunity to be the leader, not a follower.

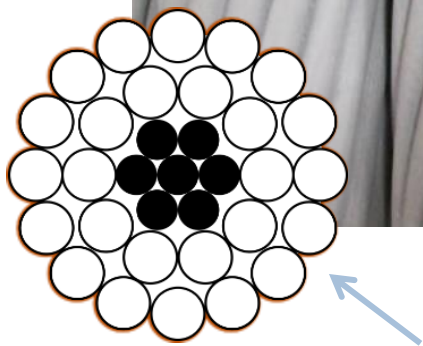


## What is E3X Technology?

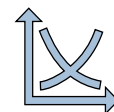


**0.9**  
HIGH  
EMISSIVITY

**0.2**  
LOW  
ABSORPTIVITY



CERAMIC SURFACE  
COATING FOR BARE  
CONDUCTORS



Engineered surface treatment turns variables into data sheet values



**Environmentally stable & Non-Toxic coating**



Hard, Flexible, Durable, Abrasion and Heat Resistant



Chemically Bonded to **Aluminum** and **Aluminum Alloys**



A proprietary Technology covered by **over 15 patents**, both Factory applied and Robotic System



# The Sustainability Call for Ideas

February 2023  
**PROJECT LAUNCH** 

Project and categories definition, and stakeholders' engagement

February - April  
**IDEAS COLLECTION** 

Collection of ideas across 12 local call for ideas in Regions and Divisions

April-May  
**REGIONAL SELECTION** 

Selection of most promising ideas at regional and divisional level

June 28<sup>th</sup>-29<sup>th</sup>  
**SUSTAINABILITY WEEK & SC4I FAIR** 

Ideas presentation to the global Prysmian population

Selection of 15 ideas (out of 60 ca.) for global scale-up

June  
**WAVE 1 IDEAS SELECTION FOR IMPLEMENTATION** 

Development of roadmaps, project plans and KPIs

July-September  
**WAVE 1 IDEAS DEVELOPMENT** 

1<sup>st</sup> management update on wave 1 and launch of wave 2 development

Q4 2023  
**END OF YEAR MILESTONE REVIEW** 

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# Thank you

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agenda