PASSION
INNOVATION
TEAM PLAY

INTEGRATED ANNUAL REPORT
2024

The planet's pathways

prysmian

Disclaimer

This document contains forward-looking statements, in particular in the "Business Outlook" section, relating to future events and Prysmian's operating, economic and financial results. By their nature, these forecasts have a component of riskiness and uncertainty, as they depend on the occurrence of future events and developments. Actual results may differ significantly from those announced in relation to a variety of factors.


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PASSION INNOVATION TEAM PLAY

Prysmian is an organization made up of people, united by a desire to connect the world and lead the energy transition and the digital transformation, in line with the "Connect to lead" strategy.

Passion, **innovation** and **team play** are what unites Prysmian every day with all of its stakeholders, working toward a horizon of sustainable growth.

The **passion** of responsible commitment, **innovation** as the mantra guiding every choice and **team play** as a model for thought, action and behavior.

Passion

Passion is an invisible connection that unites people at Prysmian at every level.

A passion that has always been nurtured by **a commitment to sustainability**. The Target? Generating shared value: for every individual, the community and the environment.

Prysmian was the first company to develop fully recyclable cables and **enhance the impact of products** based on design for sustainability paradigms.
Always at the forefront of supporting **local communities** in the most disadvantaged areas of the society - promoting social inclusion, gender balance and employee engagement as part of the **community**.
An active, real and celebrated passion.

Innovation

Innovation is the connection that propels Prysmian into the future, at corporate and individual level, with the understanding that there is no growth without the continuous drive to overcome the status quo.

That is why the company invests in its network of **research and development centers** and in the **talent of its people**, to make the energy transition and the digital transformation increasingly closer and more real, accessible and meaningful.

Prysmian's evolution reflects that of a company that, starting from cable manufacturing, is increasingly becoming a provider of solutions. Through its openness, the company has optimized mergers and acquisitions, coming into contact with new organizations and experiences and strengthening the Group.


Prysmian
Academy

Team play

Collaboration is a powerful connection that binds Prysmian to its suppliers and customers every day.

A collaboration based on **sound, shared principles and values** to jointly improve environmental and social performance throughout the value chain.

These are the same values that Prysmian seeks in its people, to create the **best climate in which to work**, expressing their abilities to the fullest with total respect for all diversity.

Prysmian strives to be a united team that can share different skills, experiences and cultures to grow together in **relationships based on trust**.
Only by playing as a team can we meet future challenges, in our role as Prysmian and as the men and women of this planet.

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LETTER FROM THE CHAIRMAN OF THE BoD

Dear readers,

2024 was a special year for me personally, but above all, for Prysmian. I was honoured to have been appointed Chairman of the Board of Directors in April 2024 at our Annual General Meeting, and I feel pride in holding this position.

At the same time as my appointment, we also held the full election of our Board of Directors, including the appointment of Massimo Battaini as the CEO. This appointment was the culmination of a successful transition from our previous CEO, Valerio Battista, who had successfully steered Prysmian over the past decades.

Prysmian and its board are proud to continue to be the flag-bearer for the very highest governance standards, befitting of our status as a public company.

Our Board reflects the true international, inclusive and independent nature of Prysmian. I am proud that our board has brought together the right sectoral, technological, financial, governance knowledge, sustainability focus and standing to help best represent the interests of all shareholders while challenging and supporting the management team to deliver in the interest of all stakeholders. The board also reflects a diversity in age, background, culture, gender, and nationality which makes our work so much richer.

Our Board has worked extremely well in our first months together, underlined by strong attendance as well as the effectiveness of our meetings.

In addition, the Board Committees have also been working successfully to help challenge, and support, the management team across their three areas of focus. Each of our three committees, the Control and Risks Committee, the Renumerations and Nominations Committee, and the Sustainability Committee are essential parts of the supervision of the activities and operation of the company and are all formed by independent directors. I am proud that also here, attendance and the efficiency of these meetings have been exemplary.

In 2024, Prysmian, now under the leadership of CEO Massimo Battaini has continued to deliver in the direction set-out in the 2023 Capital Markets Day; not only, but the acquisition of Encore Wire, the largest in the history of Prysmian, marked the strong commitment of the Company to reinforce its leadership position on a global basis.

Prysmian's 2024 results, and numerous achievements, are a testament to the efforts of all our colleagues across the world and the leadership from our management team.

I would like to close by thanking the Board. It has been a privilege to Chair our meetings and, together, act in the interest of all our shareholders across the world.

Sincerely,

Francesco Gori
Chairman, Prysmian

LETTER FROM THE CEO

Dear readers and shareholders,

It is a huge privilege for me to write this letter, my first as the CEO of Prysmian. The huge sense of pride that I feel in taking over the reigns during this exciting time in Prysmian's journey is only matched by how ambitious the entire leadership team, and myself, feel about the opportunities which lie ahead of us. I view the responsibility of our leadership team, starting from myself, is to drive sustainable value creation, and this will continue to be the driving force behind everything we do.

Prysmian entered 2024 with a clear plan that we took to the financial community at the end of 2023. At the close of 2024, we announced that we will need to return to the financial community once again, because we have put the Company in a position where we were reaching our medium-term targets in advance.

This is a story of Passion, Innovation and Team Play. Prysmian is passionate about growing – it is in our DNA. We absorb innovation, and we work together. Nothing epitomises this more strongly than our acquisition of Encore Wire, the largest in the history of Prysmian. Encore Wire has an innovative business model, meeting demand in a rapid, customer focused way. It makes us richer from a cultural and service perspective, and the strong culture that we have built over the years, viewing diversity as a strength, has enabled us to go far beyond what other companies can do when it comes to bringing in new colleagues from acquisitions and enabling them to make an immediate impact.

This has also been a story of milestone achievements. From the world record installation under the sea, to the longest ever interconnector – we are pushing the boundaries of what can be achieved from a technological point of view.

When we say we want to move from cable maker to solutions provider, we have seen huge progress. Prysmian is adopting new ways of working, exploring challenges and opportunities in partnership with customers and is pushing itself to not stand complacent with where it is today, because the role of the leader is to always look at what comes next.

We raised our outlook mid-year, and I am proud to say that we met this target. We have grown in both sales and profitability across the year. Sales exceeded €17 billion, the adjusted EBITDA at €1,927 million. Our free cash flow is at €1,011 million. These are considerable achievements and underline the huge journey Prysmian has been on in terms of scale and size. At the same time, these results have also been driven by considerable achievements in sustainability, reducing carbon emissions and driving products and solutions which have a positive impact on people and society. This is essential – not only are we making a positive impact but it also drives sustainable growth.

Prysmian is not only in great health, but it is also hungry for more success. I would like to thank all our shareholders worldwide for their trust in our journey, and above all, the Board of Directors for their role in challenging, and supporting the entire management team.

I cannot, of course, close my annual letter to you without mentioning our 33,000+ employees worldwide. It is their passion, their dedication and their team play which enables our success as we prepare to accelerate in 2025, and beyond.

Sincerely,

Massimo Battaini
Chief Executive Officer, Prysmian

LETTER FROM THE CHAIR OF THE SUSTAINABILTY COMMITTEE

Dear Stakeholders,

This is my first letter as the Chair of the Sustainability Committee since the election of the current Board of Directors in April 2024. I have been on Prysmian's Sustainability Committee since 2021, and in this time, there has been a strong focus, from the Committee, and across the Company to continuously push to become a champion of sustainability.

There are many achievements in 2024 that Prysmian can be proud of. It has been working to continue to reduce its emissions, enhance the use of sustainable materials in its products and use innovation as a driver for sustainable growth. It strives to have a positive impact on people and planet and to engage its employees and to seek a stronger role in supporting the communities it works in. All of this, of course, is underpinned by Prysmian's standing as a public company that is a reference not only for the Italian market, but also from an international perspective.

The 2024 results confirm that Prysmian's commitment to decarbonisation, as well as social and environmental targets, remains on-track, while including Encore Wire within the perimeter.

The decrease in Scope 1 & 2 GHG emissions by 37% versus the 2019 baseline is a commendable achievement. There has also been a significant achievement in Scope 3 GHG emissions, which have decreased 21% versus the 2019 baseline, and this is particularly impressive when compared to the -10% decrease at FY2023.

A lot of work has also been done on making our product portfolio more sustainable, with the percentage of revenue coming from sustainable sources reaching 43.1%, compared to 37% in FY23, while the percentage of recycled content on PE jackets and copper rose to 16.2%, up 3.5 p.p. when compared to FY2023.

Prysmian also reported an increase in the percentage of women in executive positions to reach 19.2%, up from 18.8% at FY2023, while the percentage of female desk workers hired rose by 1.5 p.p. from FY2023 to reach 47.5%. The total number of employees as shareholders was 46% - which in an industrial company is a market leading level and testament to how attached employees are to the long-term sustainability of the company overall.
Sustainability is often seen as a journey, and that is true. Prysmian is enabling the energy transition and digitalisation as a leader – and as a leader, there is also a responsibility to understand, assess and act to be able to create the most positive impact for all stakeholders. This is part of Prysmian's DNA and as it has grown throughout the years, and will continue to do so in the future, this special core of its identity will remain fundamental.

Sincerely,

Ines Kolmsee
Chairwoman - Sustainability Committee

A
Directors' Report

1. Introduction

Over the last year, Prysmian has continued to strive to consolidate a business model combining economic growth and sustainability, creating shared value for stakeholders and society as a whole. This Integrated Annual Report reflects the Group's ongoing commitment to deeply and comprehensively integrating financial and sustainability data in a coherent vision that permeates every aspect of its business strategy.

The process of integrating financial performance and sustainability targets is no longer a separate dimension, but a fundamental pillar guiding every decision, transaction and investment. The adoption of a unified report, which transparently reports on economic results alongside the social and environmental impacts of the Group's activities, represents the synthesis of an integrated approach rooted in its corporate culture, which allows it to respond to global challenges in an innovative and responsible manner.

The integrated annual report is not just a report, but a strategic tool that demonstrates how business decisions are guided by a balance between financial performance and sustainable growth. Every investment and initiative is the result of an approach where sustainability is a driver of innovation and an imperative for creating lasting value. Prysmian's long-term vision is borne out in a single annual report, where dialogue between financial and non-financial data is essential to tell the story of its success.

With this integrated report, the Group confirms its commitment to a future in which social and environmental responsibility is at the heart of its operations, with a view to generating a positive and lasting impact in the communities in which it operates, the surrounding environment and the economic results it will pursue.

The Annual Financial Statements and Consolidated Financial Statements have been prepared in accordance with IAS/IFRS, released by the International Accounting Standard Board (IASB) and published in the Official Journal of the European Community (OJCE). As of the current year, the Sustainability Report is prepared according to the European Sustainability Reporting Standards (ESRS), introduced by Directive (EU) 2022/2464 on corporate sustainability reporting (Corporate Sustainability Reporting Directive – CSRD).

European Single Electronic Format (ESEF) fulfillments

This document is prepared in PDF format and is a supplementary version to the official version that complies with the provisions of Delegated Regulation (EU) 2019/815 of the European Commission (European Single Electronic Format – ESEF Regulation) and is available on the Company's website as well as at the authorized storage mechanism called "eMarket STORAGE"[1].

1. www.emarketstorage.com.

02. 2024 Financial and Sustainability highlights

Key economic, financial, operating and ESG performance data

All percentages related to economics and financials data contained in this report have been calculated with reference to amounts expressed in thousands of Euro.

(Euro/million)	2024	2023	% change
Sales	17,026	15,354	+10.9%
Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies	1,903	1,595	+19.3%
Adjusted EBITDA[2]	1,927	1,628	+18.4%
EBITDA[3]	1,754	1,485	+18.1%
Adjusted operating income[4]	1,462	1,270	+15.1%
Operating income	1,206	860	+40.2%
Profit/(loss) before taxes	981	764	+28.4%
Net profit/(loss)	748	547	+36.7%

2. **Adjusted EBITDA** is defined as EBITDA before income and expense for business reorganization, non-recurring items and other non-operating income and expense.
3. **EBITDA** is defined as earnings/(loss) for the year, before the fair value change in metal derivatives and in other fair value items, amortization, depreciation and impairment, finance costs and income, dividends from other companies and taxes.
4. **Adjusted operating income** is defined as operating income before income and expense for business reorganization, non-recurring items and other non-operating income and expense, and before the fair value change in metal derivatives and in other fair value items.

(Euro/million)	31.12.2024	31.12.2023	change
Net invested capital	**9,903**	5,493	+4,410
Employee benefit obligations	**310**	333	-23
Equity	**5,297**	3,972	+1,325
of which attributable to non-controlling interests	**210**	191	+19
Net financial debt	**4,296**	1,188	+3,108

	Net capital expenditure[5] (Euro/million)	Employees (at period end)[6]	Earnings/(loss) per share basic (Euro)	Earnings/(loss) per share diluted (Euro)
2024	**784**	**33,161**	**2.59**	**2.52**
2023	624	30,088	1.94	1.84
% change	25.6%	10.2%		

Number of patents[7]

2024	2023
5,611	5,460

Number of plants

2024	2023
107	108

5. **Net capital expenditure** reflects cash flows from disposals of Assets held for sale and from disposals and additions of Property, plant and equipment and Intangible assets not acquired under specific financing arrangements, meaning that additions of leased assets are excluded.
6. **Employees** at the end of the period are calculated on the basis of FTEs (Full Time Equivalent).
7. These are the total number of **patents**, comprising patents granted plus patent applications pending worldwide.

SUSTAINABILITY HIGHLIGHTS

tCO_2 EMISSIONS - SCOPE 1 AND SCOPE 2 MARKET BASED[8]

582,397

616,059 (2023)

PERCENTAGE REDUCTION IN CO_2 EMISSIONS OF SCOPE 1 AND SCOPE 2 VS BASELINE FY 2019[9]

-37%

-33% (2023)

PERCENTAGE REDUCTION IN SCOPE 3 EMISSIONS VS. BASELINE 2019[10]

-21%

-10% (2023)

PERCENTAGE OF RECYCLED CONTENT ON PE JACKETS AND COPPER[11]

16.2%

12.7% (2023)

PERCENTAGE OF WOMEN EXECUTIVES (JOB GRADE ≥ 20)[12]

19.2%

18.8% (2023)

PERCENTAGE OF WHITE-COLLAR WOMEN HIRED ON A PERMANENT BASIS[13]

47.5%

46.0% (2023)

PERCENTAGE OF SHAREHOLDERS EMPLOYEES[14]

46%

46% (2023)

SAFETY ASSESSMENT PLAN[15]

4.01

3.40 (2023)

SHARE OF REVENUES FROM SUSTAINABLE PRODUCTS[16]

43.1%

37% (2023)

8. **Scope 1** Emissions comprise the direct emissions of the organization, being those generated from resources under its direct control. The reported Scope 1 emissions refer to combustion processes (using natural gas, LPG, petrol, diesel, fuel oil, marine diesel), leakage of refrigerant gases (HFC, PFC) and leakage of SF6 gas. **Scope 2** Emissions comprise the indirect emissions of the organization, being those deriving from its direct consumption excluding generation activities. These include: purchased electricity, district heating and steam. With regard to Scope 2 emissions, **Market-based** is a method of quantification based on the CO_2 emissions of the energy suppliers from which the business purchases, under contract, an electricity supply. The figure does not include Encore Wire emissions as the company is waiting for approval of the 2019 baseline restatement by SBTi.
9. Percentage of reduction in **Scope 1 and 2 GHG emissions compared to 2019 baseline**: percentage reduction in greenhouse gas emissions generated by business activities (Scope 1 and 2, market based). Includes the emissions of CO_2 and other gases (such as SF6) expressed in CO_2eq (CO_2 equivalent). The reduction is calculated with respect to 2019 baseline. The percentage of reduction refers to the actual figure at the end of 2024 compared with the 2019 baseline of 920 Kton CO_2. Neither figure includes Encore Wire emissions, as SBTi's approval of the baseline restatement is pending.
10. Percentage of reduction in **Scope 3 emissions compared with the 2019 baseline figure**. The percentage of reduction refers to the actual figure at the end of 2024 compared with the 2019 baseline of 920 Kton CO_2. Neither figure includes Encore Wire emissions, as SBTi's approval of the baseline restatement is pending.
11. Percentage by **weight of recycled content** of certain purchased materials. The scope of the indicator includes 1) copper purchased at Group level, excluding occasional suppliers and semi-finished products; 2) polyethylene used for sheathing, excluding those applications for which customers do not allow the use of secondary materials.
12. **Percentage of women in managerial positions**: share of women in executive positions (job grade 20 and above) as a percentage of total executive employees. The number of employees is the headcount as at 31 December 2024, including all permanent contract and temporary ones. The KPI shows the ability of the Group to develop internal figures to take on leadership roles, its capability to hire them from the market and its ability to retain those talents.
13. Share of **women desk workers hired with permanent contract** compared to the total employees hired with permanent contract. The index includes all desk workers hired abroad (including global recruiting programs and projects) and all change of contracts from agency/temporary to permanent.
14. **Percentage employee shareholders** number of employees with Prysmian shares deposited in company administrative accounts through GROW, YES and BE IN plans as at 31 December 2024, divided by the total number of employees eligible to participate in at least one of the plans. Encore Wire employees are excluded from the calculation because they were not yet "eligible" as at 31 December 2024.
15. **Safety assessment plan**: index relating to the level of maturity in the safety management of the Group's various plants, calculated following an Audit conducted by a specialized third-party company. The index consists of four different categories (governance, employee engagement, risk assessment and injury frequency rate). At the end of the assessment, an overall score is given on a scale of 1 (lowest) to 5 (highest).
16. **Share of revenues from sustainable products**: percentage of total revenues coming from the sale of environmentally friendly products.


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Prysmian
Group

Sustainability Consolidated Statement

ESRS 2
General disclosures

3. ESRS 2: General disclosures

Basis of preparation

Scope of reporting

The expanded, holistic reporting of Prysmian encompasses strategy, governance, production activities, financial performance and interactions with the social, environmental and economic context. Integrating the sustainability report and the annual report has a strategic, as well as compliance, significance for Prysmian, which is to be able to explain in a consistent, rigorous yet engaging manner why sustainability is at the heart of the Group's business.
The Integrated Annual Report, approved by the Board of Directors on 26 February 2025, in fact consists of the Directors' Report (integrated with both financial information and the Sustainability Report, including also the EU Taxonomy disclosures required by Regulation (EU) 852/2020), the Consolidated Financial Statements and the Annual Financial Statements of Prysmian S.p.A. For this reason, the consolidation scope used is the same for the entire Integrated Annual Report. The 2024 Sustainability Report is subject to limited review in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italy), by the auditing firm EY S.p.A. In addition, for the year 2024, a selection of performance indicators (please refer to the Appendices section, the Methodological Note in the Notes on the data and information section) has been subjected to a full review in accordance with the International Standards on Assurance Engagements - ISAE 3000 Revised, in the form of "Reasonable Assurance".

The figures and information in the Sustainability Report refer to all the companies that are part of Prysmian as at 31 December 2024, consolidated on a line-by-line basis. For companies liquidated during the year, metrics for up to the date of liquidation are reported in the document. The companies liquidated during the year were: Omnisens do Brazil; National Cable; Provedora de Cabla (Guatemala); Prysmian Netherlands Holding B.V; Prysmian (French) Holdings S.A.S.

In addition, subsidiaries are exempt from producing their own sustainability reporting under Article 29a(8) of Directive 2013/34/EU (for the full list of the companies please see Appendix A).

This Sustainability Report covers the Group's upstream and downstream value chain, which was considered in the materiality assessment to identify material impacts, risks and opportunities. In addition, policies, actions and goals extend to the value chain whenever possible. Please refer to the detailed sections in the document for more information. It should be noted that as at 31 December 2024, there are no additional companies, other than the listed company Prysmian S.p.A., that are required to report according to CSRD.

During the preparation of the Sustainability Report, the option to omit information due to intellectual property, to know-how or to the results of innovation was not used.

During the preparation of the Sustainability Report, the option to omit the information due to impending developments or issues in the course of negotiation was not used, as set out in Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

Disclosure in relation to specific circumstances

The Group defines time horizons in line with the provisions of ESRS 1 paragraph 6.4., as follows:

- short-term time horizon: one year;
- medium-term time horizon: one to five years;
- long-term time horizon: beyond five years.

In this paper, specific metrics, particularly Scope 3 emissions, include estimated upstream and/or downstream value chain data obtained from indirect sources such as industry averages or other proxy metrics.

Specifically, some Scope 3 data were estimated using information derived from industry studies, industry databases, proxy-based calculation models, and data provided by third parties. The accuracy of these estimates depends on the availability and quality of the sources used, the reliability of the parameters applied, and the methodological assumptions adopted. The estimates are detailed under the relevant metrics.

To improve the accuracy of these metrics, the company plans to implement actions to collect primary data directly from suppliers, update calculation methodologies with more advanced models, and develop monitoring and tracking systems to reduce reliance on indirect estimates. This approach aims to ensure greater transparency and reliability of reported information, in accordance with regulatory requirements.

For more information related to environmental issues, please refer to the following sections where thematic ESRSs are discussed.

Strategy – Prysmian, Connect to Lead

Global Leadership

With a direct presence in more than 50 countries around the world, 107 factories, 27 R&D centers and over 33,000 employees, Prysmian is a global leader in cable systems for energy and telecommunications. The Group's headquarters is in Milan, Italy, with approx. 800 employees; there are regional offices in North America, South America, EMEA and APAC. The total of over 33,000 employees is distributed among the different geographical areas as follows:

EMEA	NORTH AMERICA	SOUTH AMERICA	APAC
~16,300	~9,600	~3,600	~3,100

For more details, refer to chapter ESRS S1-Own Workforce of this document.

Prysmian was established in 2005 following acquisition of the Energy Cables and Systems and Telecom Cables and Systems businesses of Pirelli by the Goldman Sachs Group. It was listed on the stock exchange on 3 May 2007, with the market placement of 46% of the shares held by the Goldman Sachs Group itself, entering the main FTSE MIB index in the month of September of the same year. Since then, Prysmian is one of the few Italian industrial companies with global reach to achieve public company status. It is a company whose shares are held by international institutional investors, in which the creation of shareholder value is a key factor when making strategic decisions at all levels. In 2024, with the acquisition of Encore Wire, a leading manufacturer of a wide range of copper and aluminum power cables for power generation and distribution, Prysmian further consolidates its leadership in North America, improving its geographic and portfolio mix. Encore Wire is distinguished by a business model that has a low cost of production but does not compromise the excellent level of service and speed of shipping products from one coast of the country to another. Encore Wire's products are made in America at its single integrated manufacturing site in Texas. In addition, the acquisition of Warren & Brown, a leader in connectivity products for telecommunications networks, has enabled the group to expand its product portfolio in a highly specific area.

Prysmian - Global Footprint

+50 countries

107 plants

27 R&D centers

+33,000 employees

5 cablelaying ships

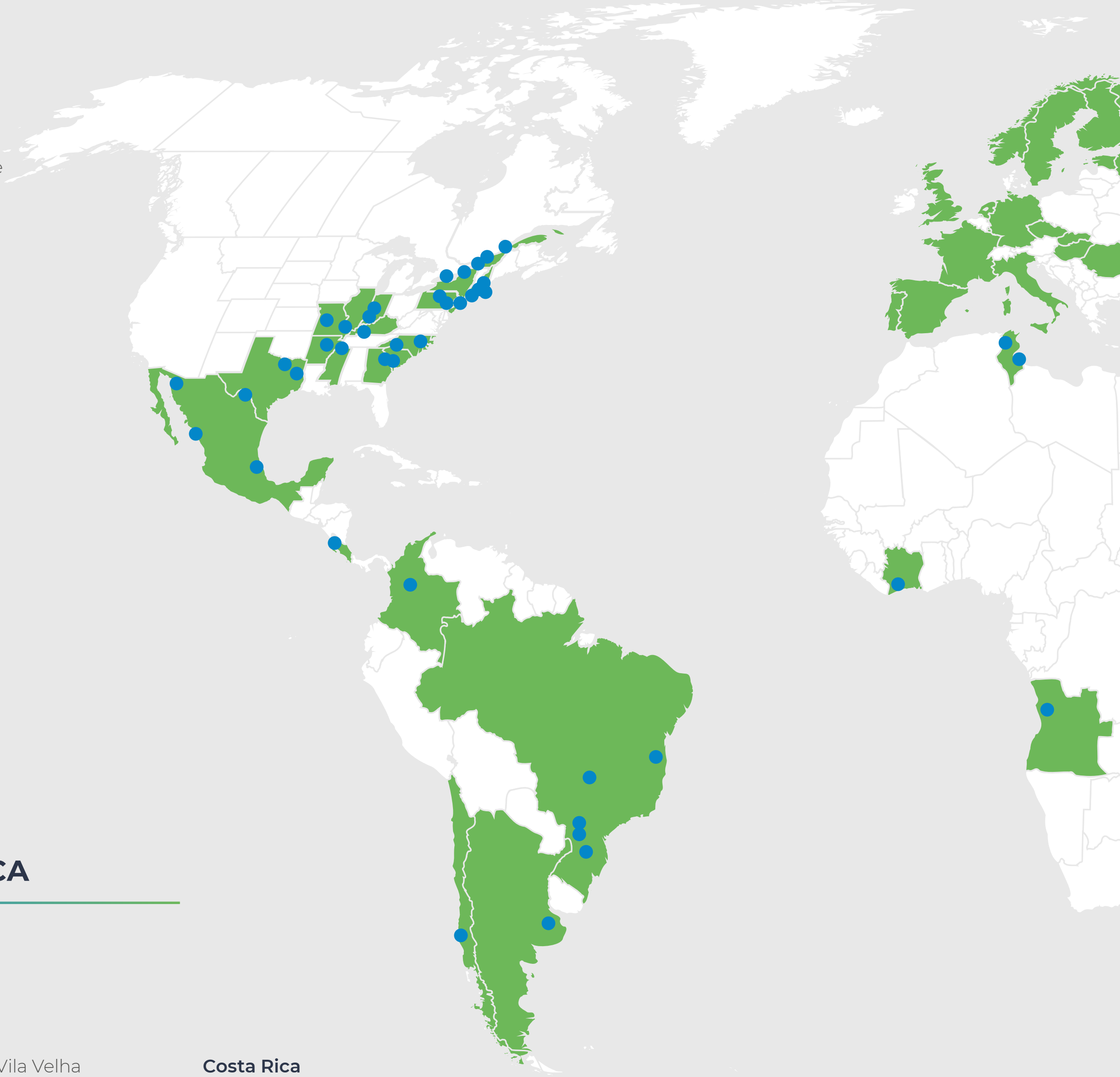
NORTH AMERICA

25

Plants

Canada
Oshawa
Prescott
Saguenay QC - Lapointe
St. Jerome
St. Maurice

USA
Abbeville
Bridgewater
Claremont
Du Quoin
Indianapolis
Jackson
Lawrenceburg
Lexington
Lincoln
Manchester
Marion
Marshall
McKinney
Paragould
Rocky Mount
SchuylkillHaven
Sedalia
Taunton
Williamsport
Willimantic



LATIN AMERICA

13

Plants

Argentina
La Rosa

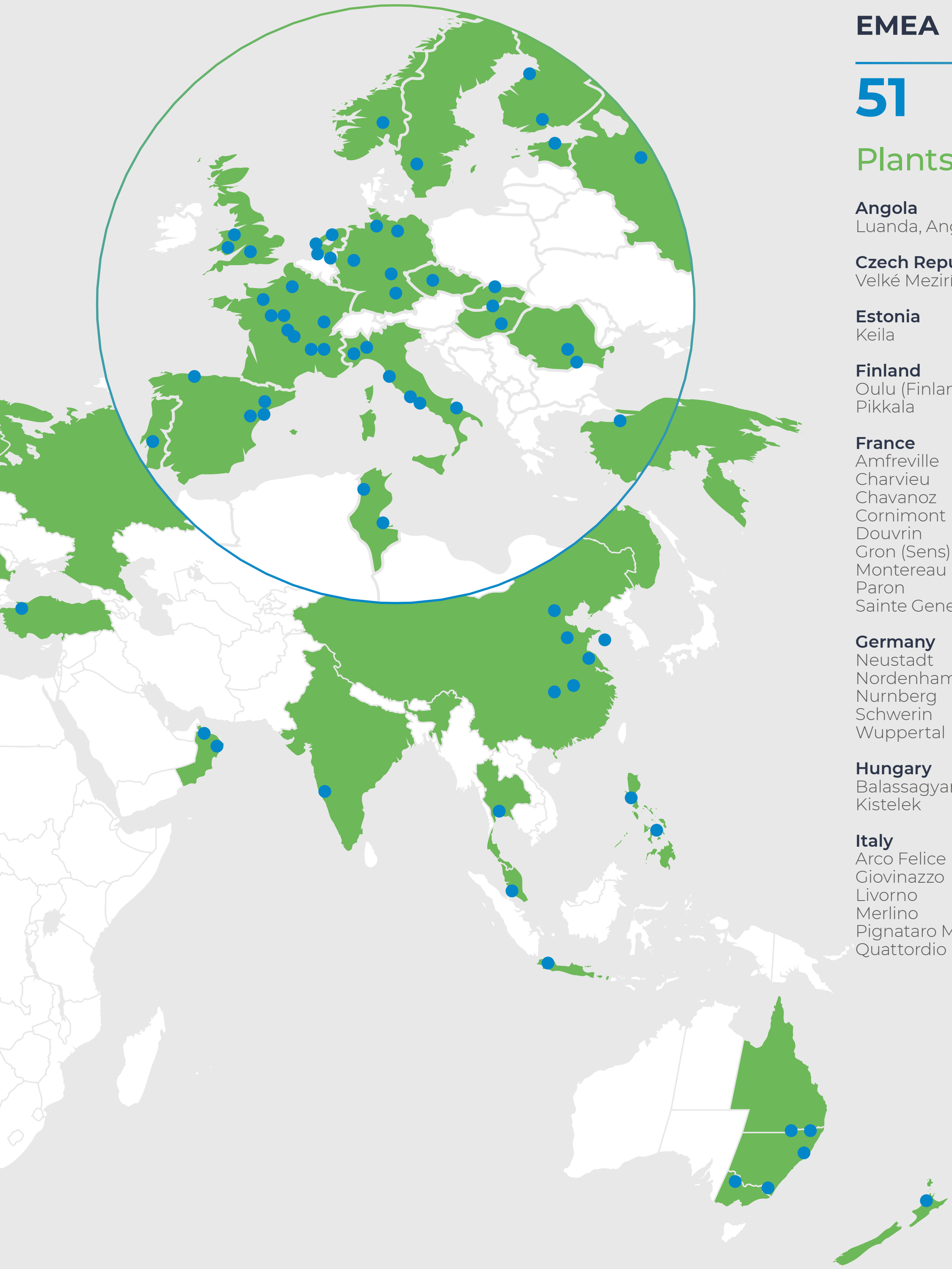
Brazil
Joinville
Poços de Caldas
Sorocaba Boavista
Sorocaba Eden
Vila Velha

Chile
Santiago

Colombia
Bogotá

Costa Rica
Heredia

Mexico
Durango
Nogales
Piedras Negras
Tetla



EMEA

51

Plants

Angola
Luanda, Angola

Czech Republic
Velké Meziříćí

Estonia
Keila

Finland
Oulu (Finland)
Pikkala

France
Amfreville
Charvieu
Chavanoz
Cornimont
Douvrin
Gron (Sens)
Montereau
Paron
Sainte Geneviève

Germany
Neustadt
Nordenham Plant
Nurnberg
Schwerin
Wuppertal

Hungary
Balassagyarmat
Kistelek

Italy
Arco Felice
Giovinazzo
Livorno
Merlino
Pignataro Maggiore
Quattordio

Ivory Coast
Sicable

Norway
Drammen

Oman
Al Khuwayriyyah
(Sohar) - OAPIL
Factory2 Rusayl (Mus-
cat) - OCI

Portugal
Morelena

Romania
Milcov
Slatina

Russia
Rybinsk

Slovakia
Prešov

Spain
Abrera
Santa Perpetua
Santander
Vilanova

Sweden
Nässjö

Netherlands
Delft
Eindhoven
Emmen
Nieuw Bergen

Tunisia
Grombalia
Menzel

Turkey
Mudanya

UK
Aberdare
Bishopstoke
Wrexham

APAC

18

Plants

Australia
Amapro
Dee Why
JCS
Liverpool
WB

China
Shangai
Shangai Comp.
Suzhou
Tianjin
Yixing
Zhongyao DEP

India
Chiplun

Indonesia
Jakarta

Malaysia
Melaka

New Zealand
Auckland

Philippines
Cebu
Manila

Thailand
Rayong

Connect to Lead and Sustain to Lead: a highly integrated strategy

Every day, all over the world, Prysmian contributes to the development of smarter, more sustainable electricity and telecommunications networks to transport clean energy and information faster and further.
Prysmian aims to position itself as a "Global Cabling Solution Provider", leading the energy transition and digital transformation processes. "Connect, to lead" is the business strategy adopted by the Group to achieve this goal. Indeed, 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.

Prysmian's business model is based on a strategy of sustainable growth, advanced research and development (R&D), as well as expansion into new markets and the acquisition of new technical skills. Key aspects of this model include:

1. **Technological Innovation**:
   Prysmian constantly invests in research and development to create innovative solutions that address global challenges, such as energy transition, digitalization and sustainability. The company is at the forefront of developing cables for renewable energy, smart grids and high-speed communications.

2. **Sustainability**:
   Prysmian is committed to innovating its products in order to better meet the demands of its customers, with a constant focus on the environment and society. This includes using eco-friendly materials, reducing CO_2 emissions and improving energy efficiency in its factories and production processes. In carrying out its activities, the Group gives, in fact, special consideration to ESG issues and the impacts, risks and opportunities generated and sustained. In this regard, Prysmian incorporates its strategy with reference to these elements. For more details on the integration dynamics of the Group's strategy and objectives with respect to ESG issues, please refer to the chapters containing information for each ESRS topic.

3. **Diversification of Products and Services**:
   The company offers a wide range of products and services, from high-voltage power transmission cables to telecommunication and fiber optic cables. The ability to diversify and adapt to the needs of different sectors is one of the distinguishing features of its model, further strengthened by the acquisition of Encore Wire and Warren & Brown. Prysmian is also constantly engaged in expanding its range of services to ensure a holistic variety of solutions in energy and communication cables.

4. **Global Expansion**:
   With its worldwide manufacturing and distribution network, Prysmian is able to serve a global customer base, with special focus placed on emerging markets and rapidly developing economies.

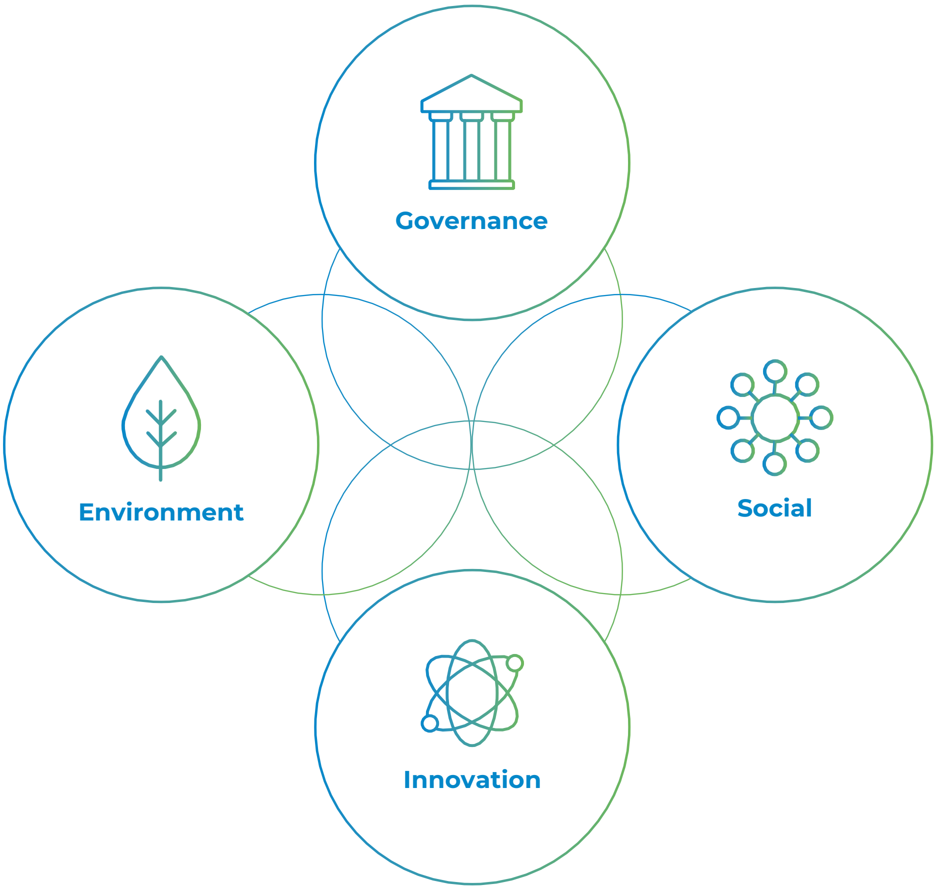
Through its operations, Prysmian continuously creates and distributes value within the markets and communities in which it operates. Therefore, in recent years, the company has been focusing on mapping and measuring the ESG performance of its value chain. Focusing on the entire value chain, and not just on one's own operations, introduces a holistic view of the production process, which is not limited to just the production of goods or services, but embraces all stages from initial design to final delivery to the consumer. Each activity along the value chain contributes significantly to the company's competitiveness, directly affecting product quality, process efficiency, customer satisfaction and ultimately profitability.

For Prysmian, understanding and optimizing its value chain is crucial to creating a sustainable competitive advantage. Indeed, effective value chain management enables cost reduction, improved quality, faster response to market needs and constant innovation. At the same time, it makes it possible to identify opportunities for differentiation, optimization of production flows and enhancement of collaboration among various departments and external partners.

In an increasingly globalized and competitive economic environment, Prysmian is better integrating its value chain within its business strategy, with the dual goals of implementing increasingly sustainable practices that contribute to the achievement of the goals defined by the UN and maintaining a leadership position in the market by addressing effectively the industry challenges and the evolving needs of its stakeholders.

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

Prysmian's sustainability strategy is based on 4 pillars, each of which contributes to the creation of value added for the benefit of the Group and all of its stakeholders and allows for the implementation of long-term plans focusing on sustainability, including financial.



GOVERNANCE:
The central role played by 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.

ENVIRONMENT:
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:
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 D4S "design for sustainability" program.

COMMUNITY:
Prysmian places people at the center 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.

Prysmian's two ambitions: Climate Change and Social Ambitions

The transition from fossil fuels to renewables is one of the biggest and most urgent challenges 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 the DNA of Prysmian, which 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 formalized two strategic ambitions that will guide its actions over the medium-long term: the Climate Change Ambition and the Social Ambition.

Climate Change Ambition

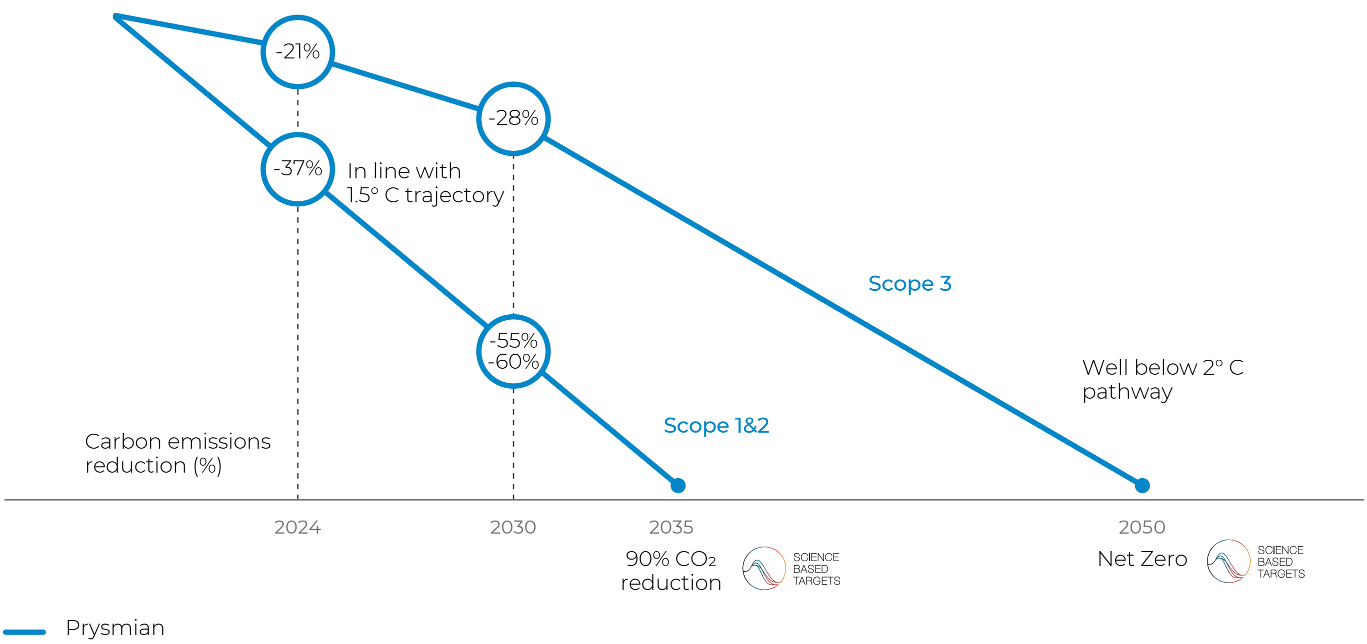
Prysmian's climate strategy adopts science-based targets aligned with the Paris Agreement climate goals. In particular, the Science-Based Targets initiative (SBTi) defines the requirements for an effective Net-Zero strategy:

- 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.

Short-term and long-term goals, as well as the Group's Net-Zero goal, include:

- **short-term goals**: Prysmian is committed to reducing absolute Scope 1 and 2 GHG emissions by 55-60% compared to the 2019 base year by FY2030. Prysmian is committed to reducing absolute Scope 3 GHG emissions by 28% within the same time frame;
- **long-term goals**: Prysmian is committed to reducing absolute Scope 1 and 2 GHG emissions by 90% by 2035, using 2019 as the base year, and to maintaining at least a 90% absolute reduction through 2050. Prysmian is also committed to reducing absolute Scope 3 GHG emissions by 90% by 2050, using 2019 as the base year;
- **Net-Zero overall goal**: Prysmian is committed to achieving net-zero greenhouse gas emissions throughout the value chain by 2050.

Confirmed commitment to decarbonization path



Encore Wire is not included in the 2024 results as Prysmian is awaiting SBTi approval of the baseline.

Social Ambition

Prysmian strives to build a more equal, inclusive and innovative world, starting with, but not limited to, its employees. To achieve this, the Group formalized its Social Ambition, which mainly concentrates on the commitment to improve Diversity, Equality and Inclusion (DE&I), digital inclusion, the empowerment of communities, employee engagement and upskilling. These commitments have been translated into specific Group targets to be achieved by 2030, aligned with the UN Sustainable Development Goals made explicit earlier. 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)	**50/50** in Recruiting of Desk Workers	More than **30%** of Executives from under-represented nationalities/ ethnicities/origins	At least a project per year, with focus on developing countries and vulnerable communities	Connecting **100%** (over 30,000) of our employees through global platforms, achieving a proper level of adoption	**40 yearly hours** per capita of experienced learning for all employees
	30% of Women in Senior Leadership roles	Local mentoring programs for 500 students coming from minorities-poverty	Local projects with donation of optic and electric cables		**25%** or employees involved in mobility/ growth experience every year
	25% of Women the Total Workforce				**50%** of employees as stable shareholders through share ownership plans (YES)
	+500 women in a fully dedicated STEM program				Higher than **80%** response rate to Engagement Surve Leadership Impact
	Zero Pay Gap Desk Workers				Index improved to **70-80%**

Prysmian's sustainability scorecard

In order to set a credible path to sustainability and give further substance to the long-term commitments of the Group, Prysmian has equipped itself with specific short-term objectives whose progress it monitors year after year. Starting from the end of 2022, Prysmian defined a new three-year scorecard (2023-2025, with baseline 2022) containing 12 impact KPIs, with the aim of improving the effectiveness of the processes of measuring, monitoring and reporting on results. These new KPIs were defined after an analysis of:

- Long-term ambitions of the Group (Social Ambition and Climate Change Ambition);
- UN Sustainable Development Goals (SDGs);
- Group Materiality Analysis (focusing on the external impacts generated by the business).

The Impact Scorecard is shaped on the four pillars of company's sustainability – Environment, People-Community, Governance and Innovation. Scorecard targets are regularly monitored by the Sustainability Steering Committee, chaired by the Chief Sustainability Officer, and shared with the Sustainability Committee.
The 2024 results include, for some KPIs, the integration of Encore Wire for the last six months and of Warren & Brown for the last month of the financial year, reflecting the Group's continued commitment to achieving its goals. Despite the expanded scope and acquisition-related processes, non-financial results improved and, in some cases, exceeded the targets set for 2025.

At the Capital Markets Day to be held on 26 March 2025, Prysmian will announce new targets to 2028, in line with the Group's new five-year strategic plan and some financial targets over the same time period to be announced during the event.

Prysmian impact Scorecard 2023-2025

SDG	ESRS Related topic	KPI	Baseline 2022	Result 2023	Result 2024	Target 2025
	S3-Communities concerned	Enable access to green electricity to households[1]	21 million	56 million	78.4 million	110 million
		Enable fast digital access to households[2]	3 million	9 million	17.1 million	15 million
	E1-Climate Change	Percentage reduction in GHG emissions Scope 1 and 2 Market-Based vs baseline 2019[3]	-28%	-33%	-37%	-38%/-40%
		Percentage reduction in Scope 3 emissions vs Baseline 2019[4]	-7.5%	-10%	-19%	-11.5%/-15%
	E5-Circular Economy	Share of revenues from sustainable products[5]	30%	37%	43.1%	40%
		Share of recycled content on PE jackets and copper[6]	10%	12.8%	16.2%	13.4%/15.7%
	S1-Own Operations	Percentage of desk workers women hired[7]	44.9%	46%	47.5%	47%/50%
		Percentage of women executives[8]	15.7%	18.8%	19.2%	20%/23%
	S1-Own Operations	Safety Assessment Plan[9]		3.4	4.01	2.75/5
		Leadership Impact Index[10]	55%	57%	N/A	57%/61%
	S1-Own Operations	Percentage of employee shareholders[11]	37%	46%	46%	44%/45%
	G1-Corporate conduct	Completion rate for compliance e-trainings promoting anticorruption[12]	75%	89.31%	90%	90%

(1) **Enable access to green electricity to households**: Estimated households connected to green energy through Prysmian products. It includes installed capacity through photovoltaic panels, onshore and offshore wind turbines, and interconnections intended for renewable energy generation.
(2) **Enable fast digital access to households**: Estimate of households connected with rapid digital access (defined as FTTH, FTTB, DOCSIS 3.0) thanks to Prysmian products.
(3) **Percentage reduction in GHG emissions Scope 1 and 2 Market-Based vs baseline 2019**: Reduction in CO_2 emissions (Scope 1 and 2) compared to 2019, according to SBTi methodology. Scope 2 is calculated using the Market-based method. The figure refers to Baseline 2019 equaling 920 kton CO_2, and does not include Encore Wire emissions as the company is waiting for approval of the baseline restatement by SBTi.
(4) **Percentage reduction in Scope 3 emissions vs Baseline 2019**: Reduction in CO_2 emissions from the entire value chain (Scope 3) compared to 2019, according to the SBTi methodology. The figure does not include Encore Wire emissions as the company is waiting for approval of the baseline restatement by SBTi.
(5) **Share of revenues from sustainable products**: Percentage of total revenues coming from the sale of environmentally friendly products.
(6) **Share of recycled content on PE jackets and copper**: Percentage by weight of recycled content of certain purchased materials. The scope of the indicator includes 1) copper purchased at Group level, excluding occasional suppliers and semi-finished products; 2) polyethylene used for jackets, excluding those applications for which customers do not allow the use of secondary materials. The target to 2025 has been modified compared to previous financial statements as a result of the change in scope due to the integration of Encore Wire. More information will be published by 16 March 2025 in the 2025 Report on remuneration policy and compensation paid. In 2024, the figure for the Prysmian perimeter alone, excluding Encore Wire, is 16%.
(7) **Percentage of desk workers women hired**: Share of women desk workers hired with permanent contract compared to the total employees hired with permanent contract. The index includes all desk workers hired from External (including global recruiting programs and projects) and all change of contracts from agency/temporary to permanent. For 2025, the KPI will exclude the US. In 2024, the figure for the Prysmian perimeter alone, excluding Encore Wire, is 47.7%.
(8) **Percentage of women executives**: Share of women in executive positions (job grade 20 and above) as a percentage of total executive employees. The KPI reflects the ability of the Group to develop internal figures to take on leadership roles, its capability to hire them from the market and its ability to retain those talents. The target as at 2025 has been modified compared to previous financial statements as a result of the change in scope due to the integration of Encore Wire. More information will be published by 16 March 2025 in the 2025 Report on remuneration policy and compensation paid. In 2024, the figure for the Prysmian perimeter alone, excluding Encore Wire, is 20.1%.
(9) **Safety Assessment Plan**: Index relating to the level of maturity in the safety management of the Group's various plants, calculated following an Audit conducted by a specialized third-party company. The index consists of four different categories (governance, employee engagement, risk assessment and injury frequency rate). At the end of the assessment, an overall score is given on a scale of 1 (lowest) to 5 (highest). The figure refers only to Prysmian alone, as it is not applicable to Encore Wire for the year 2024.
(10) **Leadership Impact Index**: Index calculated as the percentage of employees who declared a level of engagement with the company of at least 5 out of 7 points in the Speak Up survey conducted by the company. The indices and the survey were developed in collaboration with POLIMI University in order to ensure their quality and anonymity. In 2024, the Speak Up survey was not conducted in the face of the Encore Wire integration process that took place starting in the second half of the year. The survey will be sent to employees in 2025.

(11) **Percentage employee shareholders**: Number of employees with Prysmian shares deposited in company administrative accounts through GROW, YES and BE IN plans as at 31 December, divided by the total number of employees eligible to participate in at least one of the plans. In 2024, the number refers to Prysmian only; Encore Wire employees are not included in the calculation because they are not "eligible".

(12) **Completion rate for compliance e-trainings promoting anticorruption**: It includes e-learning conducted through the Group's business management system and is for all desk workers (excluding business partners, consultants, contractors, employees on leave of 30 days or more and temporary trainees). It is subject to annual approval of the compliance plan by the Board of Directors; topics may include one or more of the following: code of ethics, anti-corruption, gifts, conflicts of interest, Helpline or business policy. The number refers to Prysmian only, as it does not apply to Encore Wire for the year 2024.

Prysmian's business model

As of January 2024, the Group's activities have been divided into four operating segments instead of the previously existing three in order to better seize opportunities arising from new market macro-trends:

1) **Transmission**: includes the Submarine Power and Land HVDC business units. This operating segment focuses on the transmission of renewable energy through innovative cable solutions. It includes the following high-tech and high value-added businesses: High Voltage Direct Current (HVDC), Network component High Voltage, Submarine Power, Submarine Telecom, Offshore Specialties and EOSS High Voltage.
2) **Power Grid**: includes the HVAC business unit, Power Distribution and Overhead Lines. These are businesses aimed at supporting the modernization of the power grid with innovative technologies. The segment is organized into the following business lines: High Voltage Alternate Current (HVAC), Power Distribution, Overhead Lines, Network component Medium Voltage/Low Voltage, EOSS Medium Voltage/Low Voltage.
3) **Electrification**: includes various businesses in the energy area, with a comprehensive and innovative product portfolio aimed at meeting the growing demand for electricity in various market sectors, namely:
   - Industrial and Construction;
   - Specialties, which in turn includes OEM, Renewables, Elevators, Automotive, Oil & Gas and Downhole technologies (DHT);
   - Other: sales of residual products made occasionally.
4) **Digital Solutions**: includes the Fiber and Optical Cables, Connectivity, Multimedia & Inside Plant cables (MMS) businesses, dealing with the manufacture of cable systems and connectivity products used for telecommunication networks. The segment is organized into the following business lines: fiber optics, optical cables, connectivity components and accessories, OPGW (Optical Ground Wire) cables and copper cables.

Details of the Group's revenues divided by segment, in line with IFRS 8, are shown below.

Revenues by sector – ESRS	Revenues by sector – IFRS 8	UdM	2024
Energy Production & Utilities sector	Power grids	*€ million*	*3,544*
Energy Production & Utilities sector	Electrification	*€ million*	*9,695*
Energy Production & Utilities sector	Transmission	*€ million*	*2,481*
Media & Communication sector	Digital Solutions	*€ million*	1,306
Total		**€ million**	**17,026**

Prysmian's **customer types** range from energy and infrastructure to telecommunications and industrial sectors, with solutions covering from power transmission to data management. In relation to the 4 business segments, the following customer categories are identified:

1. **Transmission:**
   - Energy Transmission System Operators (TSOs)
   - Utilities
   - Large power generation plants
   - Governments and public agencies responsible for energy infrastructure.

In this segment, customers mainly focus on solutions for high-voltage power transmission and connection between power plants and distribution networks.

2. **Power Grid:**
   - Distribution System Operators (DSO)
   - Utility companies (both public and private)
   - Industrial plants with a need for electrical distribution management.

Customers in this segment are involved in the operation and maintenance of electric power distribution networks, with a focus on low- and medium-voltage solutions.

3. Electrification:
- Industrial sector (especially for high-power electrical systems)
- Enterprises in the construction sector (infrastructure and construction)
- Automotive, marine and railway sectors
- Electric mobility sector (e.g., electric vehicle charging infrastructure).

In this segment, customers are companies that need solutions for supplying electricity to industrial plants, buildings and other facilities.

4. Digital Solutions:
- Large telecommunications companies
- Data centers
- Internet and cloud service providers
- Wireless and fiber optic communications sector.

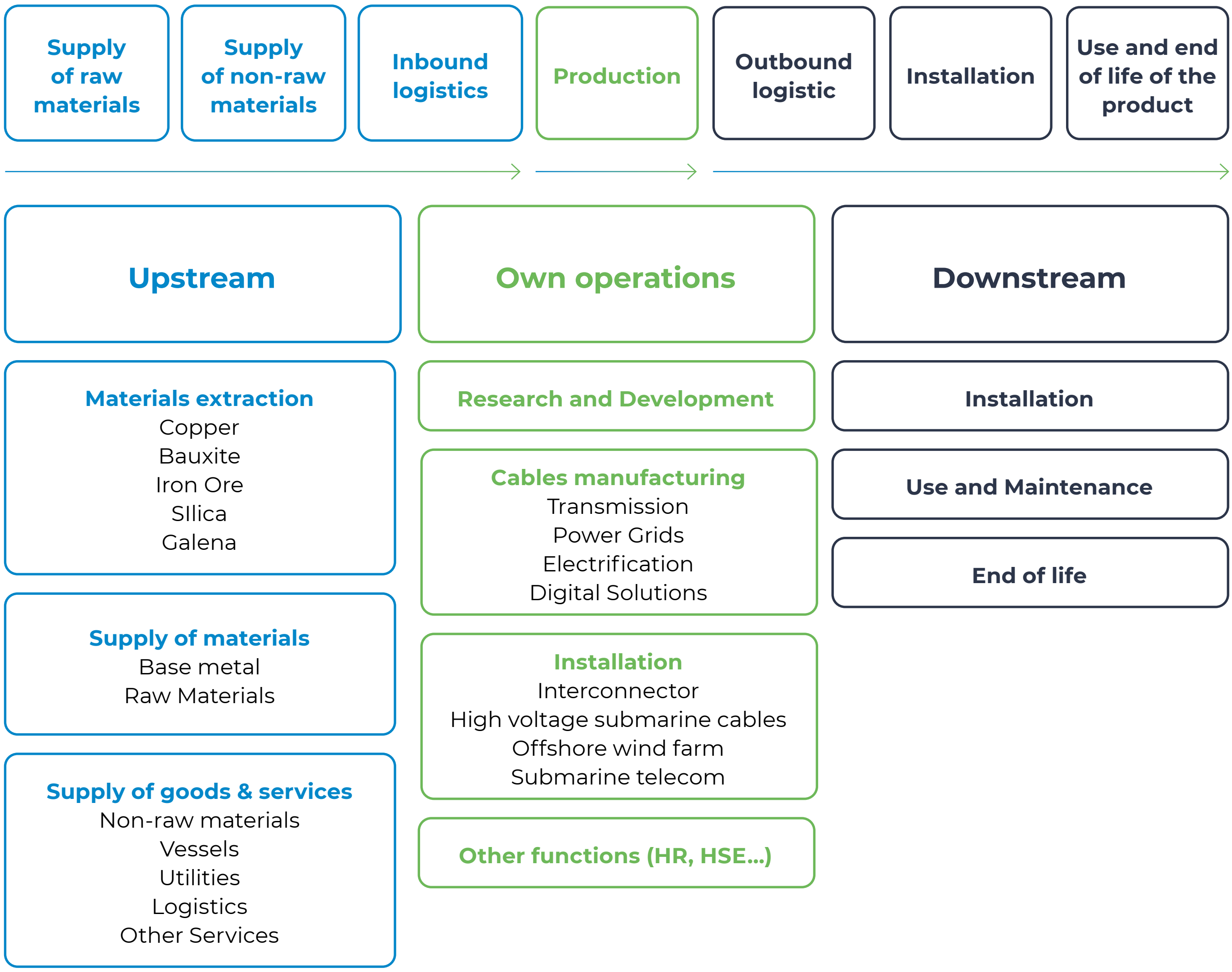
Customers in this segment are mainly companies that need advanced data management and transmission solutions, such as telecommunications infrastructure and data centers.

It is also specified that the Group is not involved in: fossil fuels; chemical manufacturing; so-called "controversial" weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons); and tobacco plantation and production.

Prysmian's value chain

Prysmian's Sustainability Report provides detailed information regarding Prysmian's environmental, social and governance (ESG) policies and performance, and delves into both upstream (suppliers) and downstream (customers and end users) value chain operations.
The company's value chain is a complex and integrated system that covers all stages of the production cycle, from design and research to production, distribution, installation in some business areas, and after-sales service. The main elements of its value chain include:

1. **Research and Development (R&D)**: The design of new cables and innovative solutions is the basis of the company's competitiveness. Prysmian has advanced research centers around the world where products are developed for specific applications, such as cables for renewable energy, broadband telecommunications and electric mobility.
2. **Purchase of raw materials**: The quality and availability of raw materials are critical to ensure the quality of finished products. Prysmian, with a responsible sourcing approach, purchases metals and specialized materials, such as copper, aluminum and plastics, from global suppliers with whom it builds long-term relationships.
3. **Production**: Cable production takes place in high-tech facilities equipped with state-of-the-art technology to ensure product quality, reliability and safety. Automation and optimization of production processes are key elements in improving efficiency and reducing costs.
4. **Distribution and Logistics**: Prysmian operates a global distribution network to ensure timely delivery of its products to customers. With its extensive global network of factories and warehouses, the company can quickly serve different geographic areas while optimizing transportation costs and timing.
5. **Installation and after-sales services**: A distinctive aspect of Prysmian's value chain is the technical support offered to customers. The company not only sells products, but also provides technical advice on installation and maintenance, as well as ensuring the management of complex projects, such as renewable energy projects or telecommunication networks. For example, in submarine and land cable projects, Prysmian, in addition to handling manufacturing and installation, offers a combination of state-of-the-art monitoring capabilities with a suite of preventive and reactive maintenance services in a single, effective solution to provide comprehensive management of any cable damage, from detection to restoration.
6. **Life cycle management of cables and manufactured solutions**: A growing aspect of the value chain is the focus on product lifecycle sustainability. This includes environmentally sustainable design to reduce network losses, recycling and waste management, with the goal of minimizing environmental impact throughout the product life cycle.



Prysmian adopts various methods to monitor and measure the ESG performance of its customers and suppliers, key players in its value chain, in order to improve its business strategies, optimize value chain management, and ensure a timely and customized response to market needs. The collection and analysis of this information is crucial to ensuring a high level of competitiveness and maintaining long-term relationships with its partners. Among the main tools used to collect value chain data, the Group focuses on:

1. **Direct Relations and Communication with Customers**: Prysmian establishes strong direct relationships with its customers through constant dialogue and regular interaction. These relationships are based on:
   - Field visits: Prysmian's sales and technical support teams are engaged in face-to-face meetings with customers to better understand their specific needs and provide customized solutions. These meetings can regard installing, maintaining or upgrading existing solutions.
   - Surveys and Feedback: Prysmian regularly collects feedback from its customers through surveys, interviews and listening sessions to obtain information on purchasing experiences, product quality and future expectations.
   - Analysis of usage data: The company also monitors the use of its products through software and integrated sensors, especially for advanced applications such as cables for smart grids and telecommunication networks. These data can be used to anticipate problems, optimize products, and improve service.

2. **CRM – Customer Relationship Management tools**: Prysmian uses advanced customer relationship management (CRM) systems, which enable it to collect and analyze detailed data on each customer. These systems:
   - Centralize information: They store all customer interactions, from initial inquiries to after-sale transactions, providing a comprehensive view of customer needs and preferences.
   - Enable market segmentation: They allow customers to be segmented by specific characteristics (e.g., industry, size, geographic region), enabling Prysmian to tailor its sales and marketing strategies.
3. **Collaboration with suppliers and strategic partnerships**: Prysmian collects information about its suppliers in different ways, including:
   - Long-term contracts and collaborative relationships: Many of Prysmian's suppliers are strategic partners with whom the company works on an ongoing basis. These agreements include regular communication to ensure alignment on quality, delivery time and innovation. Information flows in both directions as Prysmian actively collaborates with suppliers to develop new materials or technologies.
   - Audits and performance monitoring: Prysmian conducts regular audits and performance assessment of suppliers to ensure that they meet quality, sustainability and contractual compliance standards. This information is analyzed to optimize supplier choices and to identify potential areas for improvement.
   - Digital platforms and collaborative supply chain: The company uses digital platforms to monitor material flows and lead times in real time, improving supply chain visibility. Information exchanged between Prysmian and its suppliers is used to optimize inventory management, reduce costs and improve timeliness.
4. **Participation in industry trade shows and events**: When participating in international events and trade shows, Prysmian gathers information directly from customers and suppliers, learns new trends and builds networks of contacts useful for future collaborations.
5. **Data Analysis and Artificial Intelligence**: Prysmian has begun to integrate artificial intelligence (AI) and predictive analytics to collect and process large amounts of data from customers and suppliers. These tools make it possible to:
   - Analyze large volumes of data: Data from product sensors, customer feedback, transactions, and interactions are processed to gain useful insights for improving products and services.
   - Predicting trends and needs: The use of predictive algorithms helps to better understand future consumer trends and anticipate market demand, optimizing production and distribution.
6. **Social Media and Online Monitoring**: Prysmian also uses social media and online platforms to share and gather customer information, follow industry conversations, and monitor online reputation. Opinions, reviews, and discussions on digital channels provide immediate and useful feedback to understand customer expectations and improve offerings.

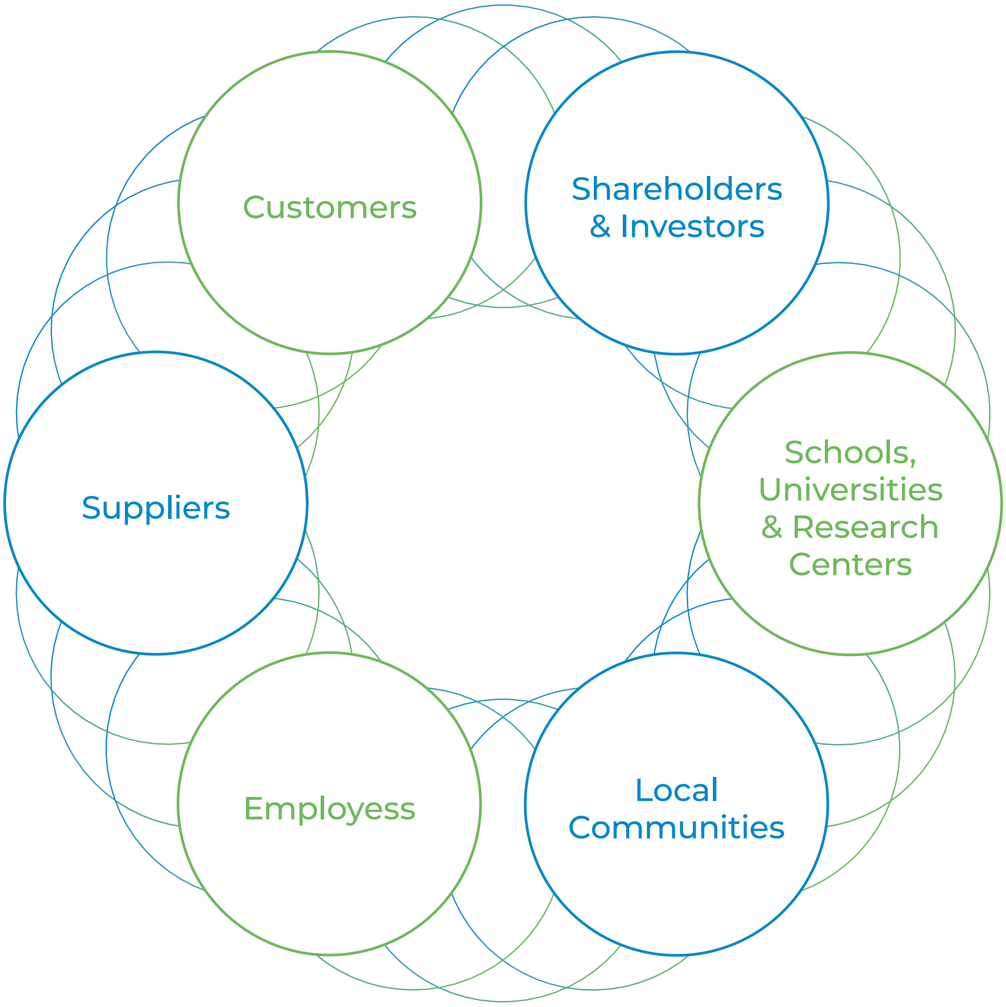
Prysmian leverages a combination of direct reports, advanced technologies, and market analysis to gather vital information about its customers and suppliers. This multichannel approach enables it not only to respond effectively to market demands, but also to optimize its value chain management, improve service quality, and continue to be competitive in the global market.

In conclusion, Prysmian's Sustainability Report 2024 comprehensively covers the value chain both upstream and downstream, highlighting its commitments and actions to promote sustainability throughout the product life, from supplier selection to final use by customers.

In this sense, E Path labeled products represent the Group's commitment to the customer to offer increasingly sustainable solutions based on recognized and measurable criteria. Customers are an integral part of Prysmian's sustainable value chain and every time they choose E Path-labeled products, they actively contribute to reducing environmental impact and drive the company to continuously improve and innovate. For this reason, Prysmian is constantly investing in research and development to find new solutions that, starting with the identification and development of new, more sustainable materials in collaboration with its suppliers, can further reduce the environmental impact of products over their entire life cycle.

In addition, the Group publishes the relative value of Scope 3 GHG emissions and the medium- and long-term targets approved by SBTi. Scope 3 includes, in fact, indirect emissions that occur along the value chain, both upstream and downstream of business activity, i.e., all those emissions that are not directly produced by business processes (as in the case of Scope 1, which deals with direct emissions, and Scope 2, which deals with emissions from energy consumption).

Active stakeholder engagement



Stakeholder dialogue initiatives are an integral part of the Group's growth strategy, as well as an effective channel of communication with each of them.

The purpose of these initiatives is to:

- identify improvement opportunities for process and product innovation and how they are communicated;
- map the impacts generated and felt by the Group, in order to ensure better management of reputational and other risks;
- inform, raise awareness and engage stakeholders on various issues relevant to both the Group and the communities in which it operates;
- identify the needs, problems and expectations of stakeholders in order to embed them in the Group's strategy and develop a relationship based on trust and transparency.

These engagement initiatives are pursued in various ways and via multiple channels.
During the year, Prysmian organized several Multi-Stakeholder events, including:

External stakeholder engagement activities:
- Prysmian Sustainability & Innovation Days;
- Local events targeting regional/national stakeholders;
- Thematic workshops;
- Interviews with leading investors, academics and industry experts;
- An ongoing relationship with the media and participation in public events through Prysmian representatives;
- Thematic Town Halls.

Internal stakeholder engagement activities:
- Top Management Interviews;
- Local events during Sustainability & Innovation Days;
- Calls and meetings with Sustainability Ambassadors;
- Recurrent meetings with the international communications team to ensure consistency of approach across the Group;
- Sustainability Steering Committee;
- Prysmian Sustainability Academy courses and activities;
- Sustainability Call for Ideas project – open to all employees to inspire new products, services or new ways of working.

To define and implement its stakeholder engagement process, Prysmian follows the guidelines of the 2015 updated version of the AA1000SES International Standard, developed by AccountAbility (Institute of Social and Ethical Accountability).

Stakeholder value creation

Stakeholder	Type of engagement	Purpose of engagement
Customers	• Customer satisfaction survey • Cable App and customer portal • Meetings with customers • Conferences	Listen and interact with customers to better serve them and drive innovation. Strengthen ties with Group customers to promote the sale of products and solutions with low environmental impact and sustainable technologies (Design to Sustainability).
Shareholders and investors	• Shareholder meetings • Meetings • Conferences and Roadshows	Prysmian is a publicly traded company with a large shareholder base, for which maintaining a regular and open dialogue with stakeholders on ESG (Environmental, Social and Governance) issues becomes a central aspect of its integrated strategy and value creation process.
Schools, universities and research centers	• Prysmian Academy • Local student mentoring program	Invest in and promote learning and training as major levers for improvement and innovation, fostering the development of innovative ideas that can materialize into real products.
Local communities	• Training activities in the local area • Donations • Sponsorships	Promote and contribute to the social and economic development of the communities in which the Group operates.
Employees and collaborators	• Town Halls • Open day in the offices	Create and foster a work environment based on diversity, inclusion and equal opportunity, in which meritocracy plays a central role.
Suppliers	• Sustainability audit • Supplier Conference	Proactively promote the decarbonization of its supply chain by integrating ESG factors into supplier selection.
Environment	• Dialogue with institutions and industry experts	Play an active role in international forums as a leading company and trend-setter in its industry.

Sustainability & Innovation Days

The main multi-stakeholder event organized by Prysmian – Sustainability and Innovation Days 2024 – "SUSTAIN TO LEAD", was held during the last week of June at the Headquarters in Milan. This event allowed Prysmian to engage with its key stakeholders to discuss highly relevant topics related to sustainable innovation, the strategic role of the supply chain along the path to decarbonization, and ways in which companies can promote innovative solutions to meet evolving customer expectations. The opening day was held through various discussion panels, in which key stakeholders, including customers, suppliers, university academics, investors and journalists, took part, always emphasizing – through their experience – the crucial role that innovation plays in providing sustainable solutions and mitigating the environmental impact of our products/services for the benefit of all stakeholders in attendance.

The event was held in a hybrid mode to reach a global target audience. There was a physical participation of more than 600 stakeholders and about 8,500 streaming connections from around the world.

Speakers included both representatives of the Group, such as members of the Board of Directors, Management and employees, and internationally relevant figures, such as top leaders of global organizations and value chain partners.

Prysmian also issued a press release about the event and held a press conference focused on sustainability. The event was broadcast on the Italian television channel Class CNBC, and media coverage was both international and domestic.

2024 Sustainability Call for Ideas Project

Sustainability Call for Ideas is a global Prysmian initiative, launched in 2023, for all Group employees to gather ideas in relation to four main sustainability-related topics (safety, customer engagement for sustainability improvement throughout the value chain, inclusion, sustainable products and processes), implement them locally and potentially expand them globally.

During the Sustainability & Innovation Days 2024, a day was dedicated to all those projects, selected from last year, that underwent significant progress and implementation during 2024 in order to give visibility to the goals achieved and increase internal engagement on specific sustainability issues.

The goals of this initiative were to integrate sustainability regionally and across all production facilities by enabling and supporting the implementation of the most locally relevant projects, to promote the visibility of the new sustainability governance and to engage all employees. Through this major initiative, more than 20 projects selected in 2023 were implemented during the year, and will now be implemented and realized globally.

Dialogue with shareholders

Priority stakeholders certainly include shareholders, for whom value creation is one of the Group's most important objectives. For this reason, Prysmian focuses its strategic and financial communication policy on the highest standards of fairness, clarity and transparency. Company activities and procedures aim to lend credibility to company communication flows to the market, with the goal of increasing and consolidating investor confidence, seeking to foster a long-term stock investment approach and avoiding information asymmetries. Guaranteeing that every investor, both current and potential, has the right to receive the same information to make thoughtful investment choices is a priority for the Group. Upon publishing its quarterly data, Prysmian organizes conference calls with institutional investors and financial analysts. In addition, the Company promptly informs the market about any action or decision that could have a material impact on the valuation and performance of the share.

During 2024, relations with the financial market were continuous and intense, with more than 600 conference calls and one-to-one or group meetings conducted both virtually and in-person at the Milan Headquarters and in the world's major financial centers such as London, Paris, New York, and Milan.

Prysmian also participated in numerous industry conferences organized by leading international brokers, as well as roadshows and thematic events focused on specific topics such as Energy Transition, Digitalization, Sustainable Innovation and Circular Economy. In addition, the Group is increasingly devoting special attention to its relations with ESG investors, meaning those that focus their investment strategies on environmental, social and governance issues. Continued engagement by the company and top management, with various activities organized, including Sustainability & Innovation Days and meetings specifically dedicated to them, have further contributed to increasing the weight these investors hold in Prysmian's ownership structure.

In addition to such ESG topics as Energy Transition, Digitalization, Climate Change, the Management of Human Capital, Diversity and Inclusion, the Sustainable Value Chain and Remuneration Policy, the meetings with investors also discussed other important matters that included Electrification, Innovation, Business Performance and Outlook over the short/medium-term, and the financial structure and strength of the Group.

The Investor Relations function also maintained constant relations with institutional investors through the website www.prysmian.com, where recordings of conference calls and presentations to the financial community, corporate documents, press releases, and all information regarding the Group are available in Italian and English.

Composition of the ownership structure

78% of the ownership structure are institutional investors.

Share ownership by type and significant shareholders

Source: internal calculation based on Nasdaq data

One-third of institutional investors are from the United States (31%). UK (26%) and French (12%) funds have a significant presence.

Institutional investors by geographical area

31%	US
26%	UK
12%	France
6%	Italy
5%	Germany
3%	Switzerland
11%	RoE
6%	RoW

Growth and values as drivers of investment

More than two-thirds (69%) of capital is held by investment funds with Value, Growth or GARP (Growth at Reasonable Price) strategies. They anticipate the creation of value by Prysmian over the medium/long-term and consider the current share price to be undervalued given the prospects offered by the fundamentals of the Company.

Institutional investors by investment style

28%	Growth
24%	GARP
17%	Value
17%	Index
4%	Hedge Fund
10%	Other

Source: internal calculation based on Nasdaq data

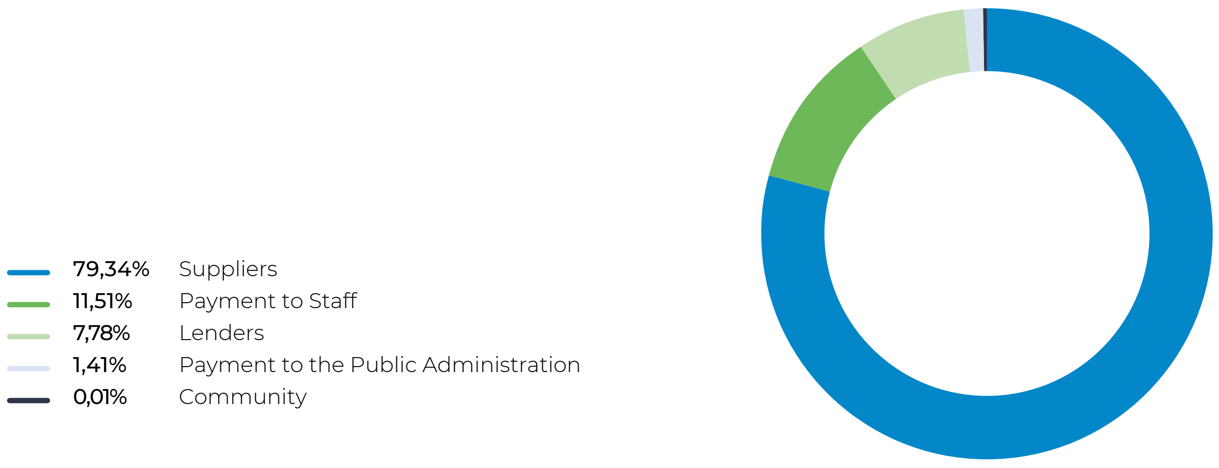
The total number of ESG investors – that is, those who place environmental, social and governance issues at the center of their investment strategies – in Prysmian's ownership structure is 43%. Regarding the type of ESG investors, the majority (about 75%) are "core ESG" investors, i.e., investors whose investment decisions are guided solely by ESG performance factors. These investors usually have a long-term investment horizon and strive actively to maintain constant, constructive dialogue on sustainability matters.

ESG institutional investors

Value creation for all Stakeholders is also represented by the summary indicator of “economic value generated and distributed”. This indicator, based on the re-aggregation of data from the audited financial statements, measures the overall economic wealth created by the Group.

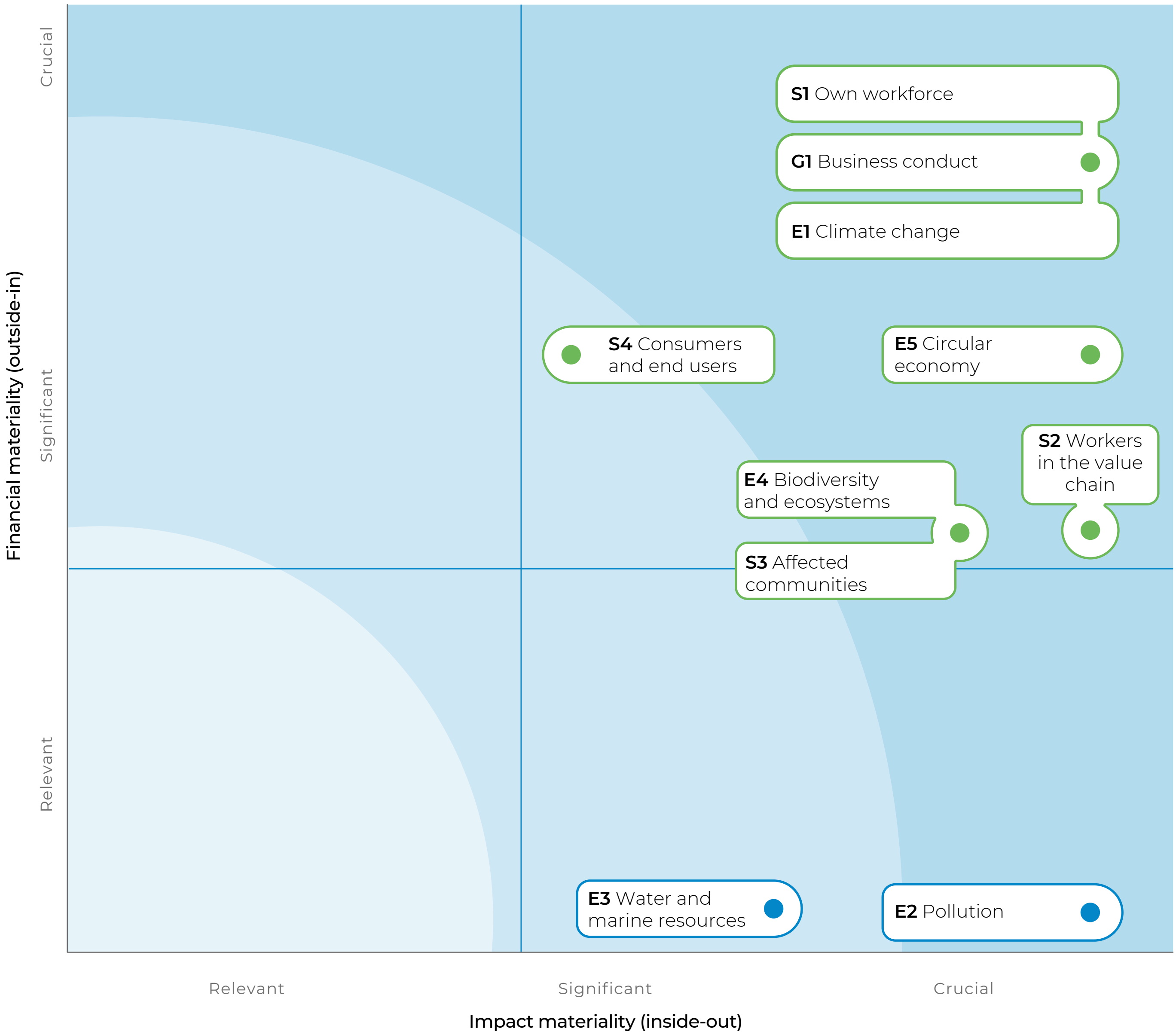
In 2024, the economic value generated and distributed amounted to Euro 17,818 million, compared with Euro 15,938 million in 2023. Most of this value was redistributed, reaching a total of Euro 17,069 million (Euro 15,391 million in 2023), for the sake of:

Economic value generated



Management of impacts, risks and opportunities (IROs): dual materiality

Materiality analysis 2024



Impact material topics

material topics whose impacts were found to be crucial in Group assessments, but whose risks and opportunities are less financially significant

Financial and impact material topics

material topics whose impacts, risks and opportunities were found to be crucial in Group assessments

Prysmian's dual materiality analysis is represented graphically through a matrix that highlights the correlation between impact materiality and financial materiality. For each theme defined by the ESRSs, two aspects are considered: the impact the company exerts on the outside world, represented on the x-axis, and the risk/opportunity that may affect the company's financial performance, represented on the y-axis.

The matrix is structured to evaluate each theme according to two main dimensions:

1. **Impact materiality**: represents the magnitude of the effect that the company's activity generates or may generate on the environment, people and community, considering factors such as the geographic distribution of the impact, its irreversibility and the likelihood of its occurrence.
2. **Financial materiality**: it measures the economic effect the issue in question may have on the company, both in terms of risks (such as unforeseen costs, penalties, reputational damage) and opportunities (e.g., economic benefits from adopting sustainable solutions or competitive advantages).

ESG issues are placed in the matrix based on the internal analysis conducted during the year by the company and shared with external stakeholders, taking into consideration the highest value associated with the impacts, risks and opportunities related to each ESRS issue. In this way, the matrix provides a clear representation of the areas with the highest overall score, considering the scale of impact, risk and opportunity, as well as the irreversibility and probability of events.

It is emphasized that all the issues mapped in the matrix, as well as the impacts, risks and opportunities described in the various chapters of the document, are considered material. Prioritization has been done, but each aspect is relevant and material to the analysis and management of business challenges and opportunities.

Indeed, this visualization makes it easy to identify priorities for the company, directing efforts toward those issues that present the most significant combination of impact and financial materiality, and thus require immediate strategic attention:

.01

CLIMATE CHANGE (E1)
OWN WORKFORCE (S1)

.02

BUSINESS CONDUCT (G1)

.03

RESOURCE USE AND CIRCULAR ECONOMY(E5)

The methodology used in the DMA

During 2024, Prysmian updated its dual materiality analysis in order to identify, and subsequently manage, the impacts, risks and opportunities (IROs) that characterize the Group's entire value chain (upstream, downstream, and in its own operations). This assessment took into account the peculiarities of the business in which Prysmian operates, and the interconnections with the parties in its value chain. This analysis therefore enabled the definition of the material impacts, risks and opportunities, which form the basis of the sustainability reporting process on an ESRS basis.

Specifically, the ESRS reporting standards introduced by the CSRD (EU 2022/2464) require conducting a dual materiality analysis that takes into account two distinct dimensions: an impact dimension with an "inside-out" rationale, covering all material information about the company's impacts towards people or the environment in relation to a "sustainability issue" (so-called Sustainability matter), and a financial dimension with an "out-side-in" rationale, covering all material information about risks and opportunities in relation to a sustainability matter. It is necessary to specify how interconnections can often occur between impacts, risks and opportunities, and how they should be evaluated in order to give a detailed overview of the synergies that can be created between the two dimensions of analysis.

Consistent with the requirements of the ESRSs, Prysmian conducted a dual materiality assessment focusing the analysis on its own activities ("own operations") and the peculiarities of its upstream and downstream value chain. The relationships with respect to its value chain required ad-hoc insights in order to correctly identify the Group's impacts (actual and potential) on people and the environment, requiring particular attention to be placed on the business relationships that Prysmian undertakes in carrying out its business activities, and also taking into account the location of certain impacts, which, based on the areas affected, enriched the impact materiality assessment process by making it more granular and adherent to the Group's operations. In assessing mapped IROs, country and site-specific disaggregation was also considered where relevant.

This assessment significantly required the input of actors who play key roles in Prysmian's business, both from its own supply chain and business partners, whose relationships with Prysmian define the upstream and downstream value chain described in the section "PRYSMIAN'S VALUE CHAIN". In addition, the identification of impacts included a process of engaging external stakeholders, specifically suppliers, customers and investors, which helped to further refine the assessment of impact materiality. The impact materiality analysis also included the involvement of external experts from academia, whose knowledge of Prysmian's business and the peculiarities of its value chain helped make the analysis reliable and transparent.

In addition, the assessment process and impact analysis were shared for information purposes with the Group's employee representatives at the European level. The goal was to discuss the issues that will be covered in the Sustainability Report 2024 and raise everyone's awareness of the sustainability issues that underlie the company's strategy.

As required by the ESRSs, the identified impacts were analyzed and evaluated as follows:

- for negative impacts, the evaluation dimensions were scale (i.e., how significant the impact is), magnitude (how widespread the impact is), severity, likelihood of occurrence, and irretrievability (the extent to which the impact can be repaired) of the impact;
- for positive impacts, all of the above dimensions were considered with the exception of irretrievability, as it was not applicable;
- in addition, for impacts that could adversely affect human rights, specific assessments have been made whereby the size of the severity of the impact takes precedence over its likelihood.

Similarly, risks and opportunities were also thoroughly assessed, which also took into account any links with the impacts mapped in the impact materiality and any dependencies that characterize the Group's operations. The mapped actual or potential risks and opportunities were then assessed using a dedicated methodology consisting of two assessment dimensions: magnitude of financial effects and probability of occurrence. Financial materiality related to sustainability aspects is certainly a strategic lever for Prysmian, whose industrial strategy is permeated by the principles of sustainability. The identification of risks underlies their proper management, and allows their subsequent reduction in magnitude, thus strengthening the resilience of its business model. In addition, opportunities that the Group takes up from the market are also mapped and enhanced, providing an additional perspective on sustainable development for its business. Importantly, Prysmian has an ERM function that maps traditional opportunities and risks. The purpose of the dual materiality process focuses on sustainability risks, and adjusts risk assessments to ensure a consistent evaluation process. Dual materiality analysis is therefore an additional tool for assessing the overall risk profile, which is essential for guiding the Group's mapped risk management processes, as well as strengthening the decision-making process related to the assessment of impacts, risks and opportunities.

A uniform scale applied to all impacts, with a range from 1 (low) to 4 (high) was adopted for the assessment of impacts. For risks and opportunities, a scale with the same range was used, aligned with the assessments made as part of the Enterprise Risk Management (ERM) process. This scale is based on the Group's financial effects, assessed in relation to cash flow and EBITDA indicators. Identified risks do not include mitigation actions (gross).

Prysmian, as part of its financial materiality analysis, also identified current financial effects from ESG (environmental, social, and governance) factors as a crucial component of managing sustainability-related risks and opportunities. The process considered the following aspects:

1. Analysis of ESG Risks and Opportunities

First, Prysmian examined the transition risks associated with increasing regulatory pressure and the transition to a low-carbon economy. The introduction of stricter climate change and sustainability regulations involved a careful assessment of the immediate financial effects, such as the technological adaptation needed to meet environmental standards. The company has identified, for example, how such regulations could impact operating costs and required investments, thus affecting cash flows in the short term.

In parallel, the financial effects from ESG opportunities were explored. Prysmian identified areas where the adoption of more sustainable and innovative solutions could generate a positive return. Expansion in these areas has had a direct impact on revenues, with increased sales related to innovative and "green" segments (such as, for example, the Pry-Cam range and P-Laser cable) and increased attractiveness to environmentally sensitive customers and investors.

2. Materiality Thresholds

In assessing current financial effects, Prysmian adopted materiality thresholds: only risks and opportunities that could significantly affect the company's cash flows or profitability were considered "material". **For impact materiality the threshold identified was 2.5 (information level); impacts with a final assessment below 2.5 were considered non-material and therefore not reported in this Report. On the contrary, impacts whose final assessment was between 2.5 (information level) and 4 (crucial level) were considered material, and therefore included in this Report. For financial materiality, the threshold chosen was 2 (information level), in order to provide a more complete representation of risks and opportunities for Prysmian. Accordingly, risks and opportunities with a final value of less than 2 have been considered non-material, while those between 2 and 4 have been included in this Report**.

3. Operational Management and Continuous Monitoring

The company has integrated these financial effects into the management of its operations, adopting a proactive strategy to anticipate challenges related to ESG aspects and take advantage of opportunities for solid and sustainable growth. ESG financial impacts are continuously monitored and updated based on variables such as regulatory changes or evolving demand for green solutions.
Prysmian's holistic approach, which combines detailed financial analysis, materiality thresholds, and advanced monitoring systems, enables the company to remain at the forefront of addressing sustainability-related risks and opportunities, thus ensuring robust and sustainable long-term economic performance.

See "RISK MANAGEMENT AND INTERNAL CONTROLS" for a more detailed discussion of the decision-making process and internal control procedures on the risk and opportunity assessment process.

The dual materiality assessment was studied in-depth through a number of key resources, which provided a comprehensive view of the Group's operations and the business relationships that characterize its supply chain:

INTERNAL DOCUMENTATION

the following materials were consulted: **Supply Chain Vendor Management Strategy; Desk & Risk Analysis conducted as part of the human rights due diligence process; Environmental Impact Assessment and technical project documentation as part of installation work**.

EXTERNAL DOCUMENTATION

the following were consulted: **the EFRAG Sector Classification Standard; the SASB Materiality Finder specifically regarding "Electrical & Electronic Equipment", "Engineering & Construction Services" and "Telecommunication Services"**.

It is also specified that the impacts, risks and opportunities were identified through the involvement of the functions most exposed to relationships within the Group's value chain and those that operate in connection with elements related to the IROs themselves.
Importantly, in the first year of adoption of the ESRSs, consultation of the EFRAG guidelines was a key element in evaluating the methodology of the dual materiality process. In addition, consultation of internal technical documents was crucial in order to capture the peculiarities of the impacts, risks and opportunities that characterize Prysmian's value chain.

As this is the first year of implementation of the dual materiality assessment for the purpose of reporting on an ESRS basis, it is not possible to comment on process changes from the previous year related to identified impacts, risks and opportunities.

Prysmian's administrative, management and supervisory bodies are informed about the opinions and interests of stakeholders through a structured process of continuous engagement and dialogue. As previously analyzed, Prysmian organizes multi-stakeholder engagement events throughout the year, which include customers, suppliers, universities, research centers, investors and labor unions. These events make it possible to identify the needs, problems and expectations of stakeholders and integrate them into the Group's strategy.

In addition, the analysis of the Group’s impacts, risks and opportunities, along with the related assessment, was shared with members of Prysmian’s Sustainability Committee, Control and Risk Committee and Board of Statutory Auditors during specific meetings. This made it possible to discuss the interests of all key parties in the Group’s value chain and prioritize material aspects, integrating them into the company’s sustainability and business strategy.

In fact, dual materiality considers both the impacts of the company on the environment and society (impact materiality) and the financial risks and opportunities for the company itself (financial materiality). This process of analysis and involvement enables governing bodies to make informed decisions and develop sustainable and responsible strategies.

Prysmian follows the guidelines of the international standard AA1000SES to define and implement the stakeholder engagement process. This approach helps to ensure that the views and interests of stakeholders are considered in business decisions, especially in relation to impacts identified in the dual materiality analysis.

Governance and corporate structure

Effective and efficient, in order to create long-term sustainable value and produce a virtuous circle with business integrity at its core

Prysmian Group seeks a form of governance capable of creating sustainable value over time and generating a virtuous spiral with business integrity at its center. In particular, awareness of the importance of good corporate governance for the achievement of ambitious and strategic objectives means ensuring that governance is: effective, while complying with the legal and regulatory framework, efficient in terms of cost-effectiveness, and fair towards all the Group's stakeholders. Consistently, Prysmian keeps its corporate governance system constantly in line with relevant recommendations and regulations, adhering to national and international best practices. In addition, the Group has implemented principles, rules and procedures governing and guiding the performance of activities of all organizational and operational structures, as well as ensuring that every transaction is carried out effectively and transparently. Also during 2024, Prysmian maintained its adherence to the Corporate Governance Code for Listed Companies approved by the Corporate Governance Committee.

For further information about:

- compliance with the principles and recommendations of the Corporate Governance Code and the reasons for non-compliance with one or more of its provisions;
- any corporate governance practices actually applied by the Company that go beyond the related legal or regulatory obligations;

please refer to the "Report on Corporate Governance and the Ownership Structure" approved by the Board of Directors and available in the Company/Governance section of the official website.

Corporate governance structure

The model of governance and control adopted by Prysmian is a traditional one, involving the presence of a Shareholders' Meeting, a Board of Directors and a Board of Statutory Auditors. Prysmian's corporate governance structure is based on the central importance of the Board of Directors (as the most senior body responsible for managing the Company in the interests of shareholders) in providing strategic guidance, in ensuring the transparency of the decision-making process and in establishing an effective system of internal control and risk management, including decision-making processes for both internal and external matters. Completing the Prysmian corporate governance structure is a Remuneration and Nominations Committee, a Sustainability Committee and a Supervisory Board instituted under Italian Legislative Decree 231/2001.

Further information regarding the corporate governance system of Prysmian S.p.A. and its ownership structure, as required by Art.123-bis of Italy's Consolidated Law on Finance can be found in the "Report on Corporate Governance and Ownership Structure" available in the Company/Governance section[17] of the official website, prepared in accordance with Art. 123-bis of the Italy's Consolidated Law on Finance. An overview of the Company's corporate governance structure as at 31 December 2024 follows, along with a description of its main features.

17. https://www.prysmian.com/en/company/governance.

Structure of Corporate Governance

Shareholders' Meeting

Statutory Auditing Company(6)
EY S.p.A.

Board of Directors(4)
Francesco Gori(*) (2)
Chair
Valerio Battista
Vicechairman
Massimo Battaini
CEO
Paolo Amato(*) (1)
Indepentent
Jaska de Bakker(*) (1)
Indepentent
Pier Francesco Facchini
CFO
Richard K. Palmer(*) (2)
Indepentent
Ines Kolmsee(*) (3)
Indepentent
Emma Marcegaglia(*) (3)
Indepentent
Susannah H. Stewart(*) (3)
Indepentent
Tarak Mehta(*) (3)
Indepentent
Annalisa Stupenengo(*) (2)
Indepentent

Board of Statutory Auditors(5)
Stefano Sarubbi
(President)
Roberto Capone
Laura Gualtieri

Board Secretary
Giovanni Villa

Monitoring Board (Italian Legislative Decree no. 231/01)
Silvano Corbella
(President)
Jean-Paule Castagno
Paola Pulidori

Lead Independent Director
Emma Marcegaglia

Remunerations and Nominations Committee
Richard K. Palmer
(President)
Francesco Gori
Annalisa Stupenengo

Control and Risk Committee
Jaska de Bakker
(President)
Paolo Amato
Tarak Mehta

Sustainability Committee
Ines Kolmsee
(President)
Emma Marcegaglia
Susannah H. Stewart

Managers responsible for preparing the company's financial reports
Alessandro Brunetti
Stefano Invernici

Group Internal Audit
Paola Pulidori

* Independent Director pursuant to Legislative Decree no. 58/1998 and the Corporate Governance Code for Listed Companies (January 2020 edition) approved by the Corporate Governance Committee, consisting of business associations (ABI, ANIA, Assonime, Confindustria), Borsa Italiana S.p.A. and Assogestioni.
1. Members of the Control and Risk Committee.
2. Members of the Remuneration and Nominations Committee.
3. Members of the Sustainability Committee.
4. Appointed by the Shareholders' Meeting of 18 April 2024.
5. Appointed by the Shareholders' Meeting of 12 April 2022.
6. Appointed by the Shareholders' Meeting of 16 April 2015.

Board of Directors

In compliance with the provisions of Art. 14 of the By-laws, the Company is currently managed by a Board of Directors consisting of twelve members – who will remain in office until the date of the annual general meeting that approves the financial statements for the year ended 31 December 2026. The Board of Directors is composed of two executive directors and ten non-executive directors. Nine of the non-executive directors are independent under both Art. 148, paragraph 3 of Italian Legislative Decree no. 58 dated 24 February 1998 (known as the Consolidated Law on Finance or "TUF"), and pursuant to Art. 2, recommendation no. 7 of Italy's Corporate Governance Code. In line with the recommendations of the Corporate Governance Code, the non-executive directors are sufficiently numerous and have enough authority to ensure that their judgment carries significant weight in Board decision-making. As at 31 December 2024, seven members of the Board of Directors are men and five are women (accounting for 42% of the members of the Board of Directors), in compliance with the provisions of the gender rules on the composition of corporate bodies applicable at the time of the appointment of the current Board of Directors. In addition, three directors are under the age of 55, six belong to the age group between 55 and 60, and three belong to the age group above 60. Two directors were elected to the Board from the slate of candidates presented by a group of institutional investors and management funds coordinated by Assogestioni and voted by a minority of those entitled to attend the Shareholders' Meeting (12.8%), while the other ten directors were elected from the slate of candidates presented by the outgoing Board of Directors and voted by the majority of those entitled to attend the Shareholders' Meeting (86.2%). The Board of Directors exercises the widest powers of ordinary and extraordinary administration, except for those that by law are reserved solely for the Shareholders' Meeting. The Board of Directors has identified a Chief Executive Officer and General Manager from among its members and granted him/her all the authority and powers of ordinary management of the company necessary or useful for conducting its business. Management of the business is the responsibility of the Directors, who carry out those activities necessary to implement the corporate purpose. The Board of Directors is also responsible for the Group's internal control and risk management system and is therefore required to verify its adequacy and to adopt specific guidelines for this system, with the support of the other parties involved in the internal control and risk management system, namely the Control and Risk Committee, the Director in charge of the internal control and risk management system, the Chief Audit Officer, the Board of Statutory Auditors and the Managers responsible for preparing company financial reports. **75% of the Board of Directors is made by independent members**. For more information on the composition, appointment and functioning of the Board of Directors, please refer to the corporate website, Corporate Bodies section, and to the "Report on Corporate Governance and Ownership Structure".

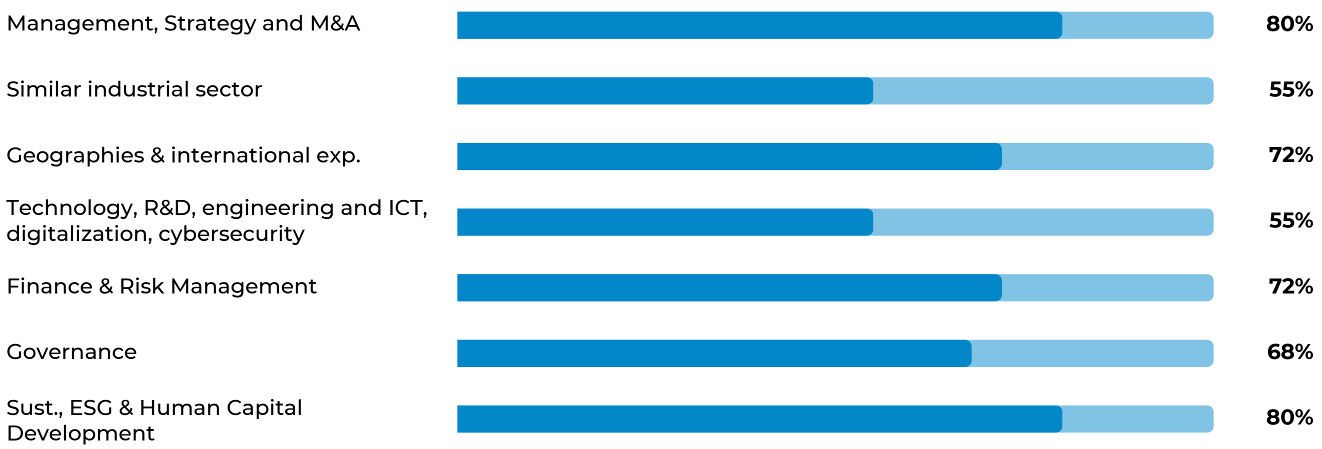
Members (4) Year of birth	First appointment (1)	Current office (2)	Independent Executive	Meetings (3)
Francesco Gori (*) Chairman – 1952	18/09/2018	18/04/2024 to 2027	Independent	14/14
Valerio Battista (*) Deputy Chairman - 1957	15/12/2005	18/04/2024 to 2027	Non-independent and non-executive	14/14
Massimo Battaini (*) Chief Executive Officer and General Manager – 1961	25/02/2014	18/04/2024 to 2027	Executive	14/14
Paolo Amato (**) Director – 1964	12/04/2018	18/04/2024 to 2027	Independent	14/14
Jaska Marianne de Bakker (*) Director - 1970	28/04/2021	18/04/2024 to 2027	Independent	14/14
Pier Francesco Facchini (*) Director and CFO – 1967	28/02/2007	18/04/2024 to 2027	Executive	14/14
Richard Keith Palmer (*) (2) Director – 1966	18/04/2024	18/04/2024 to 2027	Independent	8/8
Ines Kolmsee (*) Director – 1970	28/04/2021	18/04/2024 to 2027	Independent	13/14
Emma Marcegaglia (*) Director – 1965	18/04/2024	18/04/2024 to 2027	Independent	6/8
Tarak Mehta (*) Director – 1966	28/04/2021	18/04/2024 to 2027	Independent	10/14
Susannah Hall Stewart (**) Director – 1968	18/04/2024	18/04/2024 to 2027	Independent	8/8
Annalisa Stupenengo (*) Director – 1971	28/04/2021	18/04/2024 to 2027	Independent	14/14

(*) Director drawn from the list submitted by the outgoing Board that received the most votes.
(**) Director drawn from the list jointly submitted by a group of shareholders traceable to asset management companies and institutional investors.
(1) Date on which the director was first appointed (ever) to the Board of Directors.
(2) Expected to expire with the Shareholders' Meeting approving the financial statements ending 31 December 2026.
(3) Attendance at Board meetings in 2024 (no. of attendances/no. of meetings held).
(4) The Control and Risk Committee consists of: Jaska Marianne De Bakker (Chairperson); Paolo Amato; Tarak Mehta.
The Remuneration and Nomination Committee consists of: Richard Keith Palmer (Chairperson); Francesco Gori; Annalisa Stupenengo.
The Sustainability Committee consists of: Ines Kolmsee (Chairperson); Emma Marcegaglia; Susannah Stewart.

Following best practices within the Anglo-Saxon world and without prejudice to compliance with any provisions of the regulations in force from time to time, the Board of Directors has decided to adopt a Board Skill Matrix through which the existing skills within the Board are identified as well as any gaps and, consequently, indications are provided on the skills of the candidates who are considered useful for the composition of the slates of candidates for the appointment of the Directors.

In anticipation of the renewed appointment of the governing body in 2024, the Board of Directors updated the Board Skill Matrix in order to apply it to the selection of the next Board member candidates and, subsequently, for those who were actually appointed. The updated Board Skill Matrix is as follows:

Board skill matrix



- **MANAGEMENT, STRATEGY, MERGERS & ACQUISITIONS**

Experience in senior roles as CEO/Chairperson/Senior Executive in listed companies of significant size and complexity, leading strategy, development/transformation of a business or a strategic function, preferably with specific experience in M&A and post-merger integration transactions.

- **SIMILAR INDUSTRIES**

Expertise and experience in the sectors in which the Group operates or in related/complementary sectors in terms of product portfolio, focusing on complex projects in the most strategic areas for the business, including Energy, Telecom & Transmission Networks, and Industrial Solutions.

- **GEOGRAPHY & INTERNATIONAL EXPERIENCE**

Expertise and experience in key countries in which the Group operates.

- **TECHNOLOGY, R&D, ENGINEERING AND ICT, DIGITALIZATION, CYBERSECURITY**

Expertise and experience in technology, research and development particularly in material sciences and smart grid development; expertise and experience in innovation, digitalization and information & communication technology, specifically with regard to cybersecurity.

- **FINANCE & RISK MANAGEMENT**

Experience in senior roles in control functions (e.g., CFO, Risk Officer, Internal Audit), preferably in international industrial companies; alternatively, at least 5 years of experience in a Control and Risk Committee or an Audit Committee.

- **GOVERNANCE**

Knowledge of regulations, legislation, and codes of conduct and best governance practices in listed companies; experience preferably as chairperson in Governance or Nominations Committees.

- **SUSTAINABILITY, ESG, HUMAN CAPITAL DEVELOPMENT**

Expertise and experience in knowing how to integrate sustainability/ESG issues into the business vision and into human capital management.

Board of Statutory Auditors

The Board of Statutory Auditors is called upon to monitor compliance with the law and the by-laws, as well as compliance with the principles of good business practices in running the Company and also to review the adequacy of the Company's organizational structure, internal control system and administrative-accounting system. In compliance with the provisions of Art. 21 of the Company's By-laws, the Board of Statutory Auditors is composed of three standing auditors, including a Chairperson, and two alternate auditors, who will remain in office until the date of the shareholders' meeting called to approve the financial statements for the year ending 31 December 2024. All members of the Board of Statutory Auditors are independent (100%) as established by Art. 148, paragraph 3 of Italian Legislative Decree no. 58 dated 24 February 1998 (known as the Consolidated Law on Finance or "TUF"), and pursuant to Art. 2, recommendation no. 7 of Italy's Corporate Governance Code.

As at 31 December 2024, two standing members and two alternate members of the Board of Statutory Auditors are men and one standing member is a woman (equal to 20% of the members of the Board of Statutory Auditors), in compliance with the provisions of the gender rules on the composition of corporate bodies applicable at the time of the appointment of the current Board of Statutory Auditors.

One Standing Auditor, appointed as Chairperson, and one Alternate Auditor were elected to the Board of Statutory Auditors from the slate of candidates presented by a group of institutional investors and management funds coordinated by Assogestioni and voted by a minority of those entitled to attend the Shareholders' Meeting (15.2%), while the two other Standing Auditors and one other Alternate Auditor were elected from the slate of candidates presented jointly by the shareholders Clubtre S.r.l., Albas S.r.l. and Angelini Partecipazioni Finanziarie S.r.l. and voted by the majority of those entitled to attend the Shareholders' Meeting (80.8%).

For more information on the composition, appointment and functioning of the Board of Statutory Auditors, please refer to the corporate website, Corporate Bodies section, and to the "Report on Corporate Governance and Ownership Structure".

Members Year of birth	First appointment (1)	Current office (2)	Independence Code/TUF	Meetings (3)
Stefano Sarubbi(**) Chairman - 1965	12/04/2022	12/04/2022 to 2025	yes/yes	22/22
Robero Capone (*) Statutory Auditor – 1955	12/04/2022	12/04/2022 to 2025	yes/yes	21/22
Laura Gualtieri(*) Statutory Auditor - 1968	13/04/2016	12/04/2022 to 2025	yes/yes	22/22
Stefano Rossetti (*) Alternate Auditor – 1966	12/04/2022	12/04/2022 to 2025	yes/yes	N/A
Vieri Chimenti (**) Alternate Auditor – 1966	12/04/2022	12/04/2022 to 2025	yes/yes	N/A

(*) Auditor drawn from the list jointly submitted by the shareholders Clubtre S.r.l., Albas S.r.l. and Angelini Partecipazioni Finanziarie S.r.l., which received the most votes.
(**) Auditor drawn from the list jointly submitted by a group of shareholders traceable to asset management companies and institutional investors.
(1) Date on which the auditor was first appointed (ever) to the Board of Auditors.
(2) Expected to expire with the Shareholders' Meeting approving the financial statements ending 31 December 2025.
(3) Attendance at meetings of the Board of Statutory Auditors (12) and joint meetings with internal committees (10) in 2024 (no. of attendances/no. of meetings held. N/A: not in office during the period.

The representation of employees and workers within the administration, management and control bodies is not applicable for Prysmian because the company's governance structure follows the traditional Italian model, which does not provide for such representation.

Internal committees of the Board of Directors

The Board of Directors has established three committees from among its members with investigative, propositional and advisory functions, and appointed their members, including the chairperson.

The composition, duties and functioning of the Committees are described in the Corporate Governance Regulations adopted by the Board of Directors.

The Committees are composed of three non-executive and independent directors pursuant to the Corporate Governance Code and the T.U.F. The term of office of each member corresponds to their term in office as a director. For more information on the composition, appointment and functioning of the Board's internal committees, please refer to the corporate website, Committees section[18] and the "Report on Corporate Governance and Ownership Structure".

Governance of sustainability

With the aim of constantly improving the sustainability of its business activities and related communications to stakeholders, in 2022 Prysmian defined a new governance model that clarifies the role and responsibilities of all players:

1. The **Chief Sustainability Officer (CSO) and the Sustainability team** are responsible for:
   - leading the creation of the ESG Strategy, defining targets and setting priorities by identifying and monitoring material impacts, risks and opportunities of the Group;
   - supporting the Regions and Business Units in the implementation of actions and initiatives aimed at achieving the Group's sustainability targets;
   - managing Sustainability Indices;
   - guaranteeing the execution of Stakeholder Engagement activities;
   - leading the internal Sustainability Committee and the Network of Local Sustainability Ambassadors;
   - acting as Secretary of the Sustainability Committee;
   - supporting the Administration, Finance and Control Department in the preparation of the Integrated Report;
   - supervising the definition of the contents of the Sustainability Report.

2. The **Group Planning and Control and Group Administration Functions**, entrusted to the Managers responsible for the preparation of the financial statements with responsibility for:
   - monitoring the performance of ESG KPIs;
   - coordinating the collection of non-financial quantitative data;
   - drawing up the Integrated Report;
   - verifying the accuracy and quality of data.

3. The **Communications Division** has the following responsibilities:
   - developing communication campaigns focused on ESG issues;
   - collaborating with the Sustainability function to organize Stakeholder Engagement events.

4. The **Sustainability Committee** is composed of three non-executive independent directors. The Committee has been assigned powers to investigate, make recommendations and offer advice with regard to the supervision of sustainability matters associated with business activities and, in particular, has been tasked with:
   - promoting guidelines for consideration by the Board of Directors that integrate sustainability within the various business processes, in order to ensure the creation of sustainable value over time for shareholders and all other stakeholders;
   - spreading the culture of sustainability among employees, shareholders, customers and, in general, stakeholders;
   - assessing the environmental, economic and social impacts deriving from business activities;
   - providing opinions on the annual and long-term sustainability targets to be achieved with specific reference to the management of associated medium- and long-term risks for the Company and its subsidiaries, so that they are correctly identified and appropriately measured, managed and monitored;

18. https://www.prysmian.com/en/company/governance.

- monitoring the Company's position in the main sustainability indices;
- expressing opinions on the initiatives and programs promoted by the Company or by subsidiaries on Corporate Social Responsibility (CSR) matters;
- reviewing, in advance of the Board of Directors, the Sustainability Report, containing sustainability information pursuant to Italian Legislative Decree no. 125 of 6 September 2024, prepared by the relevant functions of the Company;
- preparing, upon request from the Board of Directors, opinions and proposals concerning specific CSR matters.

5. The internal **Sustainability Steering Committee**, headed by the Chief Sustainability Officer and composed of representatives from the various corporate functions, is responsible for:
   - developing objectives and targets and submitting them to the Group Leadership Team;
   - supporting the Chief Sustainability Officer in identifying and monitoring material impacts, risks and opportunities;
   - proposing actions to be implemented at the level of Regions, BUs and functions;
   - monitoring and following up sustainability-related KPIs and outcomes.

6. The **Local Sustainability Ambassador Network** established to promote local and global sustainability culture, initiatives and ESG actions at regional level through a cascade model.

Prysmian's value creation policy has always been based on effective management of risks and opportunities. Prysmian implements an evolutionary Risk Management system that promotes proactive risk and opportunity management through a structured and systematic tool to support key business decision-making processes. In fact, this Enterprise Risk Management (ERM) model, developed in line with internationally recognized models and best practices, such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and ISO 31000, enables the Board of Directors and management to make informed assessments of risk scenarios that could jeopardize the achievement of strategic objectives, and to adopt additional tools able to anticipate, mitigate or manage significant exposures and to pursue opportunities, in line with the Group's Risk Appetite, defined as the type and extent of risk that Prysmian is able and willing to assume.

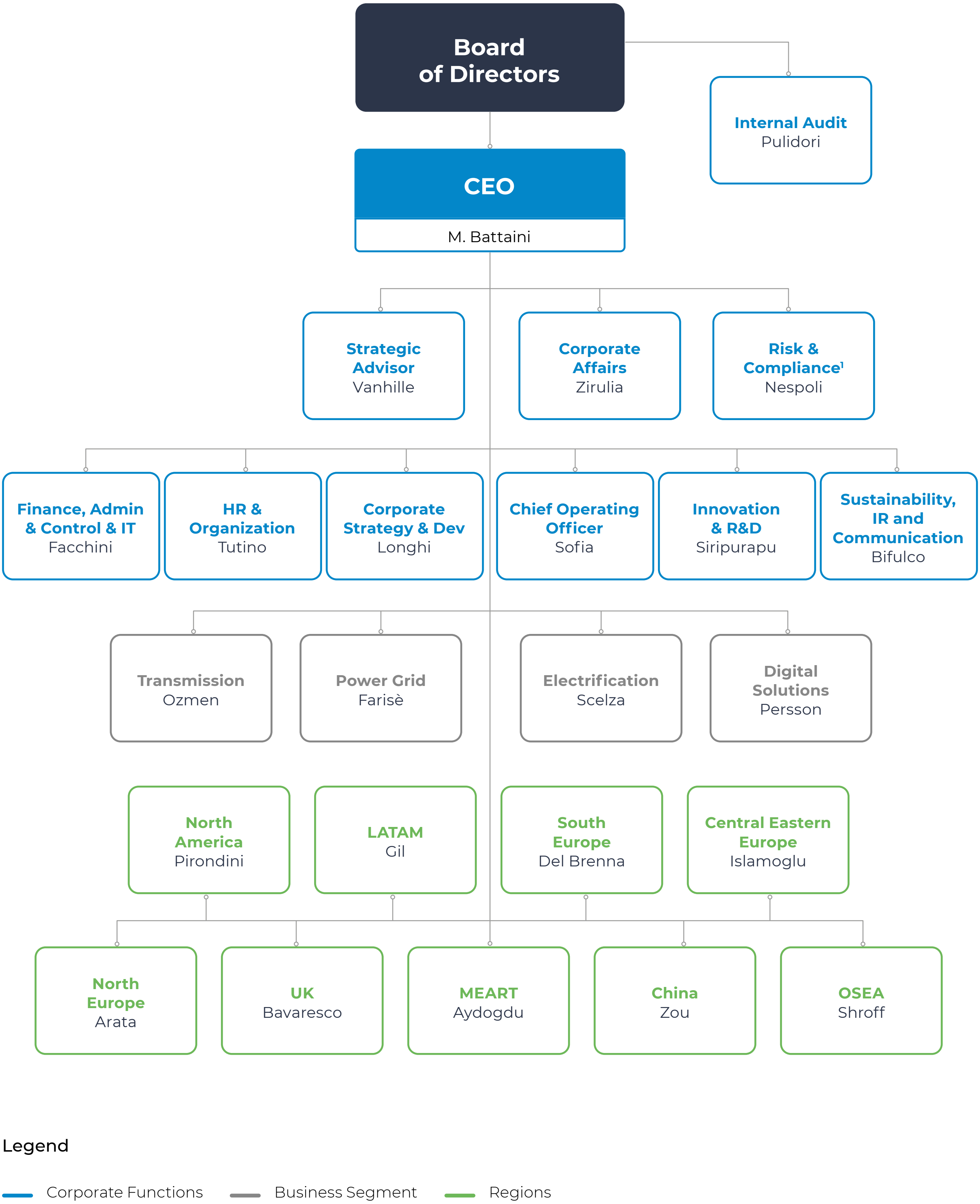
This system covers all types of risks and opportunities potentially relevant to the Group, and are divided into five main categories, known as the Group Risk Model: Risks related to the business and sector in which Prysmian operates, Environmental, Social and Governance Risks, Financial Risks, Legal and Compliance Risks, and Planning and Reporting Risks.

The Group Chief Risk & Compliance Officer (CRCO), designated to manage the ERM process, is responsible for ensuring, together with management, that the main risks/opportunities facing Prysmian and its subsidiaries are promptly identified, assessed, managed and monitored over time.
During periodic meetings with the Control and Risk Committee, which consists of non-executive members of the Board of Directors, the CRCO updates the Committee on the outcomes of the analyses and actions put in place, as well as any developments in the Group's ERM program. The CRCO preliminarily reports to an internal risk management committee composed of the Group's senior management.
As regards the Control and Risk Committee, at least once a year it is also updated on any new topics for which more in-depth training or education is needed, including new tools and methodologies for risk management and monitoring.

Instead, the identification of the main impacts generated by the Group through its activities on the environment, people, communities and economies is managed by the Sustainability function, led by the Group CSO, in collaboration with other corporate departments, including Purchasing, Business Divisions, Manufacturing and Innovation.
During periodic meetings with the Sustainability Committee, which consists of non-executive members of the Board of Directors, the CSO updates the Committee on the outcomes of the analyses and actions put in place, as well as any ongoing developments.

Organization chart

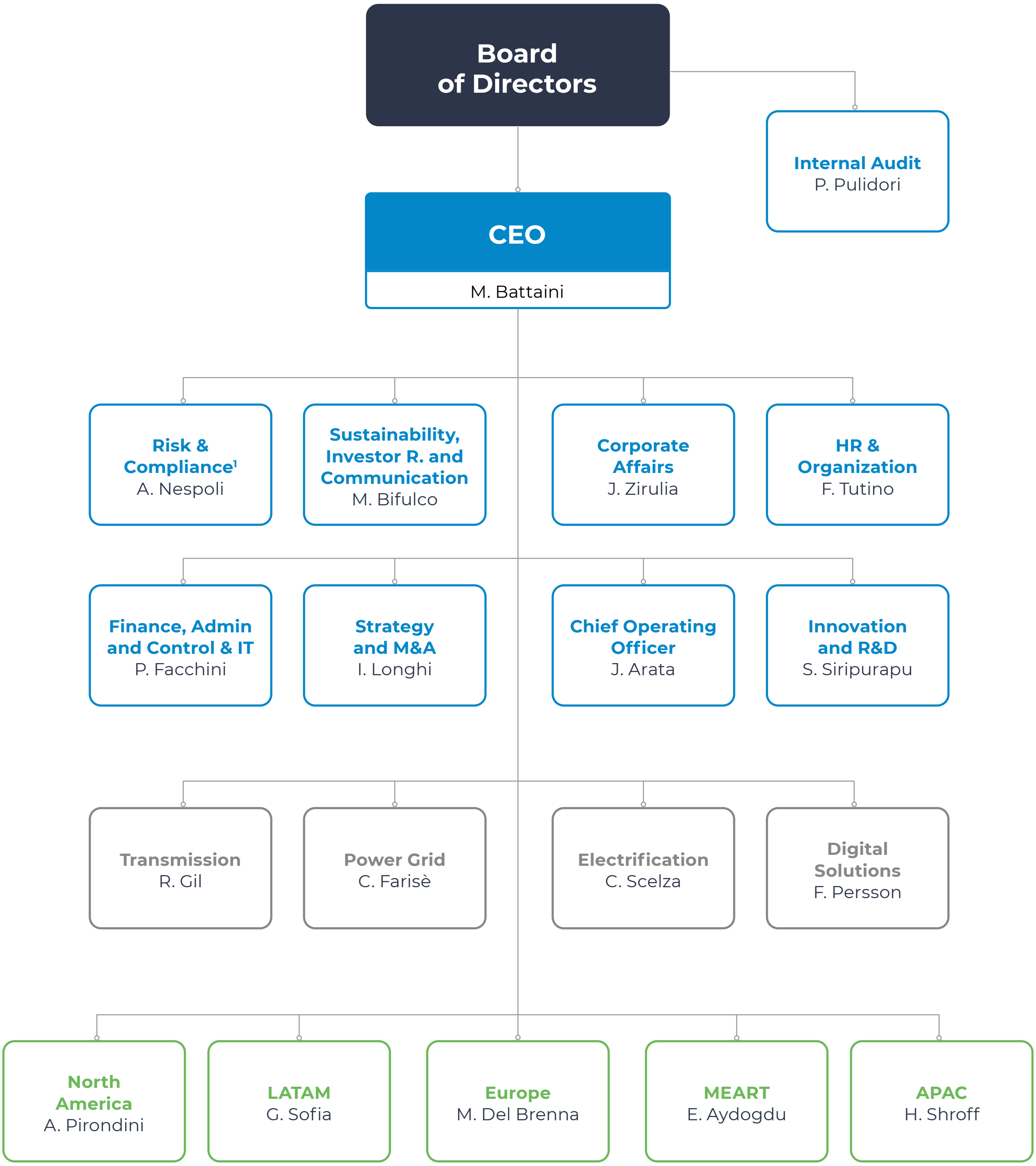
as at 31st December 2024



1. Also report to the Control and Risk Committee for the compliance program.

Organization chart

as at 1st January 2025



Legend

Corporate Functions — Business Segment — Regions

1. Also report to the Control and Risk Committee for the compliance program.

Shareholders' meeting

On 18 April 2024, the Shareholders' Meeting of Prysmian S.p.A. was held in single call to deliberate on the following items on the agenda: approval of the financial statements for the year 2023, allocation of profits for the year and distribution of the dividend, appointment of the Board of Directors for the three-year period 2024-2026, granting of authorization to purchase and dispose of treasury shares, appointment of the statutory auditors for the years 2025-2033, approval of the remuneration policy report, and consultation on the report on compensation paid. The Shareholders' Meeting, attended by 3,557 shareholders in person or by proxy, representing 70.8% of the share capital, approved all items on the agenda with a large majority.

The Shareholders' Meeting also approved the distribution of a dividend of Euro 0.70 per share. The dividend was paid on 24 April 2024, involving a total pay-out of approximately Euro 191 million.

Financial Time-Table

2024 Integrated Annual Report (Consolidated financial statements and draft financial statements)	Board of Directors meeting	26 February 2025
	Press release and conference call	27 February 2025
Shareholders' meeting to approve the Annual Financial Statements as at 31 December 2024		16 April 2025
Results of the 1st quarter 2025	Board of Directors meeting	7 May 2025
	Press release and conference call	8 May 2025
Half-year financial report as at 30 June 2025	Board of Directors meeting	30 July 2025
	Press release and conference call	31 July 2025
Results of the 3rd quarter 2025	Board of Directors meeting	29 October 2025
	Press release and conference call	30 October 2025

Information provided to administrative, management and supervisory bodies

Described below are the ways in which Prysmian's administrative, management and supervisory bodies, and their respective committees, were informed during 2024 about:

1. **The relevant impacts, risks and opportunities:**
   Prysmian's administrative, management and supervisory bodies are informed about relevant impacts, risks and opportunities on a regular and structured basis, through various means. In particular:

- **Frequency**: Information on risks and opportunities is presented to the Board of Directors (BoD) and relevant committees on a semi-annual or annual basis, depending on the nature of the issue. For example, the Control and Risk Committee receives a periodic overview of key strategic, operational, financial, legal, and compliance risks, including any sustainability impacts; the Sustainability Committee is briefed on sustainability issues related to the company's operations and its dynamics of interaction with all stakeholders; the Remuneration and Nominations Committee assesses the adequacy, overall consistency, and practical application of the remuneration policy, also in view of sustainability objectives.
- **Contents**: The information covers an overview of key risks, and their economic, operational, and sustainability impacts arising from external factors, such as regulatory changes, and/or internal factors, as well as opportunities arising from technological innovations or expansions into new markets, among others. These updates also include an analysis of financial (including planning and reporting risks), legal and compliance risks.
- **Responsibilities**: The Group Chief Risk and Compliance Officer, designated to govern the ERM process, is responsible for ensuring, together with management (i.e. Risk Owners identified for each risk) and the second-level control functions (e.g. Compliance, Legal, Sustainability, Finance), that the main risks/opportunities pertaining to Prysmian and its subsidiaries are promptly identified, assessed, managed and monitored over time, in line with the Group Risk Appetite.

2. **Implementation of due diligence:**
   Prysmian maintains an unwavering commitment to implementing due diligence in all its operations and business strategies. In this regard:

- **Frequency**: The governing bodies are updated regularly, often at annual or semi-annual meetings, on compliance with legal regulations. In some cases, these updates may also be submitted on a quarterly basis, depending on business developments or regulatory changes.
- **Contents**: Updates cover the implementation of governance policies, diligence practices in day-to-day operations (e.g., in relation to suppliers and contracts), and aspects of compliance with international sustainability, safety, and social responsibility regulations. The sustainability reporting carried out by Prysmian was done in accordance with the new ESRS principles, ensuring a high level of transparency and full alignment with European standards for non-financial reporting.
- **Responsibilities**: The Sustainability function, in collaboration with the Risk Management, Compliance, Legal and Finance functions, is responsible for monitoring sustainability issues in order to integrate sustainability into business processes, ensuring sustainable value creation over time. The Sustainability Committee is tasked with investigating, making recommendations and offering advice with regard to the supervision of sustainability matters associated with business activities and the interaction with all stakeholders.

3. **The results and effectiveness of policies, actions, metrics and targets adopted to address impacts, risks and opportunities:**
   Administrative, management and supervisory bodies are informed about the effectiveness of policies and actions taken to address risks and opportunities in order to ensure that the enterprise is pursuing established strategic objectives.

- **Frequency**: Updates on the effectiveness of adopted policies and the results of actions taken are presented on a regular semi-annual or annual basis. Committees, such as the Remuneration and Nominations Committee, the Control and Risk Committee, and the Sustainability Committee, receive specific updates on the relative metrics of sustainability goals, monitor the effectiveness of policies and related actions and evaluate the company's performance against long-term goals.
- **Contents**: Updates include detailed information on how company policies are positively or negatively affecting performance against strategic goals such as growth, profitability, innovation, and sustainability. Key performance indicators (KPIs) and related metrics are presented, as well as achievements against set targets.
- **Responsibilities**: The departments of Sustainability, Finance, Human Resources and Organization, and Operations are responsible for collecting and presenting this information, ultimately reporting it to the administrative, management and supervisory bodies.

Prysmian's administrative, management and supervisory bodies play a crucial role in assessing and integrating impacts, risks and opportunities into the company's strategic decisions. In the process of defining and reviewing corporate strategy, the Board of Directors (BoD) and relevant committees constantly analyze how external and internal factors, such as market dynamics, technological innovations and environmental risks may influence corporate decisions, in line with the Group Risk Appetite. When decisions are made on significant transactions, such as acquisitions, strategic alliances, or significant investments, governance bodies carefully assess the potential risks and benefits, seeking to balance growth and sustainability objectives with prudent risk management. Furthermore, in the risk management process, Prysmian takes an integrated approach, monitoring and mitigating operational, financial, legal, reputational and ESG risks through rigorous control and audit systems. The administrative bodies also consider possible trade-offs between objectives, seeking to ensure that decisions are in line with the company's long-term vision, balancing immediate needs with commitments to sustainability and sustainable growth. In this way, informed and strategic choices are ensured, reflecting judicious risk management and constant attention to emerging opportunities.

Prysmian's board committees – specifically the Sustainability Committee and the Control and Risk Committee – along with the Board of Statutory Auditors, as part of their supervisory and control functions, reviewed, discussed and validated the Group's list of material Impacts, Risks and Opportunities (IROs). This process has been essential to ensure that the company's strategy and operations are in line with the company's long-term goals, taking into account the main factors that could affect its performance and sustainability. The list of material IROs was analyzed, considering the economic, environmental, social, and governance risks that could arise, as well as opportunities arising from technological innovations, market expansions, and new trends. The committees discussed these elements, assessing their potential impact on the group's strategy, and validated this list to ensure that all relevant aspects are properly considered and monitored. This validation process has made it possible to strengthen Prysmian's risk management framework, ensuring that administrative bodies have clear and complete information to make informed decisions geared toward sustainable long-term value creation.

Sustainability-related performance in incentive systems

Like all people-oriented initiatives, also the remuneration policy adopted by Prysmian is designed to attract and recognize talented resources, who have the skills needed to address the complexity and specialized nature of the business and the international competitive context in which the Group operates. This policy is defined in a way that aligns the long-term interests of employees, management and shareholders, pursuing the priority objective of creating sustainable value over time for all stakeholders. The remuneration policy provides for systems that ensure a tangible and verifiable link between remuneration and performance, both at individual and Group level, which is also assessed with reference to the ESG framework. In particular, the aforementioned Sustainability Impact Scorecard (2023-2025), which collects three-year targets under the Social Ambition 2030 and the Climate Change Ambition, has been integrated into both the short- and long-term remuneration systems that are outlined below.
Part of the short- and long-term variable remuneration of all managers, including executive directors and key management personnel, is indeed linked to the achievement of sustainability targets, which are monitored using ESG indicators.

Prysmian's Remuneration Policies have long provided for the inclusion of ESG objectives in both the annual incentive plan ("MBO") and the long-term incentive plan ("GROW").

Short-term variable remuneration (MBO Plan) rewards annual performance based on objective and measurable indicators. With reference to financial year 2024, the targets are broken down as follows:

- economic-financial objectives, with a relative weight for determining the award of 60%,
- function/business area objectives with a weight of 20% and
- the ESG objective (measured by a specific scorecard below) with a weight of 20%.

Long-term variable remuneration (GROW plan) rewards mid-term performance based on three-year targets. It fosters the convergence of interests toward the creation of sustainable value in the medium- to long-term by strengthening the retention of key resources. The GROW Plan has two components: Performance Share and Deferred Share with Matching Shares.

1. **Performance Share**: Free award of shares subject to the following performance conditions:
   - Cumulative Adjusted EBITDA (20%);
   - Cumulative Free Cash Flow (20%);
   - Average return on capital employed (ROCE) (20%);
   - Relative Total Shareholder Return (rTSR) of Prysmian compared to a peer group of 11 constituents (companies/indexes) (20%);
   - ESG, as measured by a specific scorecard described below (20%).

2. **Deferred Share**: Free and deferred allocation in shares of 50% of the amount accrued under the MBO Plans 2023, 2024 and 2025;
   - Matching Share: Award, for each Deferred Share allocated, of an additional 0.5 free shares; for CEO and Top Management, the Matching Share component is subject to the achievement of the ESG performance condition.

In continuity with 2023, for 2024 the ESG goals of the MBO plan consist of a scorecard consistent with Social Ambition 2030 and focused on three key dimensions: safety, gender balance and environment. The latter dimension is reflected in an indicator related to circular economy and use of recycled materials:

ESG goal and Group targets

	KPI	Weight	Target	Max.
Safety	Safety Assessment Program	**33%**	**2.5**	**3.75**
Gender Balance	% of women hired – Desk Workers	**33%**	**47%**	**49%**
Environment	% recycled material (plastics for jacketing and copper)	**33%**	**13%**	**14.5**

iIn relation to the **GROW 2023-2025** long-term variable remuneration plan, the ESG component is measured through a scorecard that includes the following applicable indicators for the 2024 budget:

- Recycled Copper and PE jacketing material: reduced emissions related to new products through the development of low-emission products (higher recycled content/recyclable products);
- % GHG emission reduction: facilitating decarbonization to achieve Net-Zero and digitalization Contribution to Scope 1 and 2 greenhouse gas (GHG) emissions as a result of direct activities;
- % female executives: promotion of specific programs for a more inclusive and diverse work environment;
- Leadership Impact Index (%): adoption of people-oriented policies to meet people's needs and demands.

For each of these objectives, which are assigned an equal weight of 20%, a threshold, target and maximum level is set, against which the level of achievement of results will be measured.

	KPI	Threshold 2025	Target 2025	Max 2025
Environmental	Reduction of greenhouse gas emissions (Scope 1 and 2)	**36%**	**38%**	**40%**
Environmental	% recycled content on PE jackets and copper	**13.4%**	**14.5%**	**15.7%**
Social	% of executive women	**20%**	**21.5%**	**23%**
Social	Leadership Index (results of the Speak Up Survey)	**57.0%**	**59.0%**	**61.0%**

Both plans include a mechanism such that, in the event of a fatal accident during the performance period, the bonus linked to ESG indicators for the reference year is set to zero, regardless of the performance achieved.

The remuneration policy for expatriate employees and senior executives is determined centrally while, for other personnel, local program are implemented in accordance with the Group's guidelines.
The remuneration policy for executive directors and key management personnel is determined as the result of a shared and transparent process, during which both the Remuneration and Nominations Committee and the Board of Directors play a central role. Periodically, the Committee submits the remuneration policy to the Board for approval and during the year reviews its implementation, regularly engaging investors to gather feedbacks and inputs. Their opinions are taken into account in the formulation of the Remuneration Policy, which is periodically submitted to the Shareholders' Meeting for a vote.

Due diligence statement

Main elements of DD	Paragraphs in the sustainability statement
a) Integrate due diligence into governance, strategy and business model	*ESRS 2*
b) Involve stakeholders in all key stages of due diligence	*ESRS S2*
c) Identify and assess negative impacts	*ESRS 2 IRO-1 - ESRS S2*
d) Take action to address negative impacts	*ESRS S2*
e) Monitor the effectiveness of interventions and communicate	*ESRS S2*

Prysmian constantly strives to promote integrity and transparency in its business throughout the value chain. The complexity of business operations and the international scale of the Group mean that the Group 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 Company's reputation, adversely affect the socio-economic development of the communities in which it operates and restrict market competition. Partly to mitigate these risks, Prysmian has defined governance rules and implemented a system of internal controls that promote integrity and transparency among all business partners and stakeholders, as well as strict processes that must be followed. The actions and procedures comprising the system of internal controls are designed inter alia to provide credible, truthful information to the market about the Group's activities, thus increasing the confidence of current and potential investors in the business and encouraging them to adopt a long-term approach to their investments.

During 2024, in line with a risk-based approach, the Group Compliance and Corporate Affairs Functions carried out specific anti-trust risk assessments in some regions and, at the same time, delivered training sessions for some of the functions most exposed to the risk of violations of competition protection laws through classroom and videoconference training.

Export Control – In order to prevent and mitigate risks relating to exports, Prysmian has adopted a policy for their management and control that includes the following actions:

- monitoring of the countries and parties subject to restrictions, as well as the level of the restrictions in force;
- due diligence on the parties subject to restrictions, in order to avoid transactions with prohibited parties;
- classification of products to determine the applicable export compliance requirements and understand where and to whom they can be exported, as well as whether or not a license or other authorizations are required;
- basic training for all employees on the topic and targeted training for persons in functions responsible for international commercial transactions and the control of exports;
- requests for product/technology end-user declarations that they or the buyer complies with the current export regulations.

With regard to International Economic Sanctions, the Compliance Function also provides support to the Group through the implementation of computer applications (including special blocks integrated into the internal management system) that monitor all trade and procurement transactions on a daily basis to avoid possible matches with parties subject to applicable economic sanctions (e.g., US, EU, UN and UK blacklists) and to prevent the transfer/purchase of banned products. In addition, with the occurrence of the changing geopolitical environment and due to the application of strict international sanctions, starting in 2018 Prysmian initiated a product classification process aimed at identifying any dual-use products and/or technologies. Commencing from 2020, the Compliance Function periodically delivers training sessions to employees on this topic.
All Compliance Policies adopted by Prysmian are published on the corporate website[19] and are available in all official languages of Prysmian as they are applicable to all employees.

Risk management and internal controls

Prysmian has a model for establishing and maintaining a Sustainability Reporting Control System aimed at ensuring the reliability of non-financial reporting and its adherence to relevant regulations and reporting principles.

As in the case of financial reporting, this model is based on the CoSO Framework, defined by the Committee of Sponsoring Organizations of the Treadway Commission, used as an international reference for establishing, updating, analyzing and evaluating the internal control system.

The 2013 version of the "CoSO Internal Control Integrated Framework" has, in fact, highlighted the central role that the internal control system must play in also supporting the processing of sustainability information and not only that related to financial information.

On 30 March 2023, the CoSO also issued supplementary guidance for organizations ("Achieving effective internal control over sustainability reporting (ICSR): Building Trust and Confidence through the CoSO Internal Control – Integrated Framework") in order to achieve effective internal control over sustainability reporting (ICSR) using the CoSO Internal Control – Integrated Framework.

Prysmian's sustainability disclosure control model is based on the performance of the following activities:

- definition of scoping;
- risk assessment and definition of controls;
- monitoring;
- assessment and reporting;
- data validation and internal certificates.

Definition of scoping

The process of designing, establishing, applying, managing and evaluating the Group's internal control and risk management system involves defining its scope of application, using a top-down, risk-based approach, to ensure appropriate identification and adequate oversight of the areas and activities most exposed to the risk of fraud or unintentional errors relevant to sustainability reporting.

The definition of the scope of the internal control and risk management system is carried out annually and is updated through the scoping process, covering:

- the identification of Prysmian Companies to which the internal control and risk management system is to be applied;
- the identification of relevant information and data and its association with business cycles/processes.

The Companies and the information and data to be applied are identified on the basis of a process of analysis and evaluation. This considers both quantitative and dimensional aspects as well as qualitative aspects related to the risk profile arising from external and internal factors of the individual Company or process.

19. https://www.prysmian.com/en/company/ethics-integrity.

Risk assessment and definition of controls

Entity Level Controls (ELCs)

Analyses and assessments regarding the adequacy and effective operation of Entity Level Controls are an essential component of Prysmian's control model. ELCs are controls designed to mitigate risks that cut across multiple business areas, the absence or failure of which could undermine the reliability of sustainability reporting.

The structuring of the Group's ELCs associated with sustainability reporting included:

- the integration of the already existing catalogue of ELCs related to financial reporting;
- the allocation of the different control objectives to the 5 components of internal control and the 17 principles identified in the CoSO Framework (control environment, risk assessment, control activities, information and communication, and monitoring);
- the mapping, for each control objective, of how controls are carried out.

In order to ensure the full effectiveness of the defined ELCs, they are expected to be periodically, or if major organizational or business changes occur, evaluated and/or updated by the respective business functions with reference to their design and operational effectiveness.

Information Technology General Controls (ITGCs)

ITGCs are controls designed to reduce to an acceptable level the risk of improper operation of information systems relevant to sustainability reporting and thereby indirectly reduce the risk of potential errors.
The scope of ITGCs is made up of the information systems that support the processing of data reported as part of sustainability reporting.

ITGCs aim to guard against risks associated with the following areas:

- application systems development (*program development*): systems are developed, configured and implemented in order to achieve business objectives;
- application systems maintenance (*program changes*): changes to applications and technologies are appropriately requested, prioritized and executed, tested and implemented in accordance with management objectives;
- data and program security (*access to programs and data*): access to programs and data is limited only to authorized users after user authentication;
- computer system operations (*computer operations*): processing operations on systems in production are carried out completely and accurately in line with management objectives, and processing problems are identified and resolved in order to ensure data integrity.

The analysis of ITGCs uses tools that are homogeneous with those used to assess IT systems relevant to financial reporting.
For the definition and evaluation of the internal control system in IT and in particular for ITGCs, CObIT (*Control Objectives for Information and related Technology*, compiled by the IT Governance Institute) is the methodological framework of reference.

Process Level Controls (PLCs)

PLCs are specific process controls defined in relation to the processes underlying sustainability reporting and, consequently, to the indicators being reported, including those associated with the European Taxonomy, with the aim of preventing, detecting and correcting material errors concerning sustainability reporting. They concern the controls performed along the process of data generation, collection, aggregation and calculation.
The analysis of PLCs involves mapping of the activities of collecting, transmitting, consolidating, and reporting sustainability data, the identification and assessment of risks related to sustainability reporting and related control objectives, as well as the identification and assessment of existing process controls to mitigate the identified risks.
The analysis of the control system in relation to the processes underlying sustainability reporting is formalized through special "Risk & Control Matrices" (RCM) and through specific procedures.

The risks associated with the processes underlying the preparation of sustainability reporting mainly refer to the following aspects:

- untimely disclosure (not included in the information flow reasonably soon after the occurrence of the event to which it is related);
- inaccurate information (contains approximations or true inaccuracies);
- incomplete information (partially reflects the phenomenon to which it refers).

These risks are compounded by others, including but not limited to:

- risks associated with the absence of authorizations;
- risks of omitted or incorrect detection;
- risks associated with assessments/estimates.

Monitoring

To verify that the internal control and risk management system is effective over time and effectively applied, specific monitoring activities are planned.
In particular, the Corporate Departments/Functions of the Group companies included within the reporting scope are responsible for the proper functioning, updating and application of their own operational procedures for the formation/processing of the data provided and related controls.
There is also the provision for periodic monitoring by the Internal Audit Function by conducting special audits, the results of which are then shared with the relevant implementation managers, the Chief Sustainability Officer and the Financial Reporting Officer.

Assessment and reporting

The Financial Reporting Officer receives reporting flows related to the outcome of the monitoring activities described in the previous paragraph.
The identification in the course of monitoring activities of any deficiencies, referring to the inadequacy of the design of the control being audited or its failure to operate in relation to the defined design, lead to specific assessments of the controls as well as the definition and subsequent implementation of corrective actions to eliminate them.
For each corrective action, the person responsible for its implementation is identified and the timeline for action is defined.
For any deficiencies found, there is a monitoring (follow-up) activity aimed at verifying the effective implementation of corrective actions and the subsequent overcoming of the deficiencies in the internal control system on sustainability reporting identified.

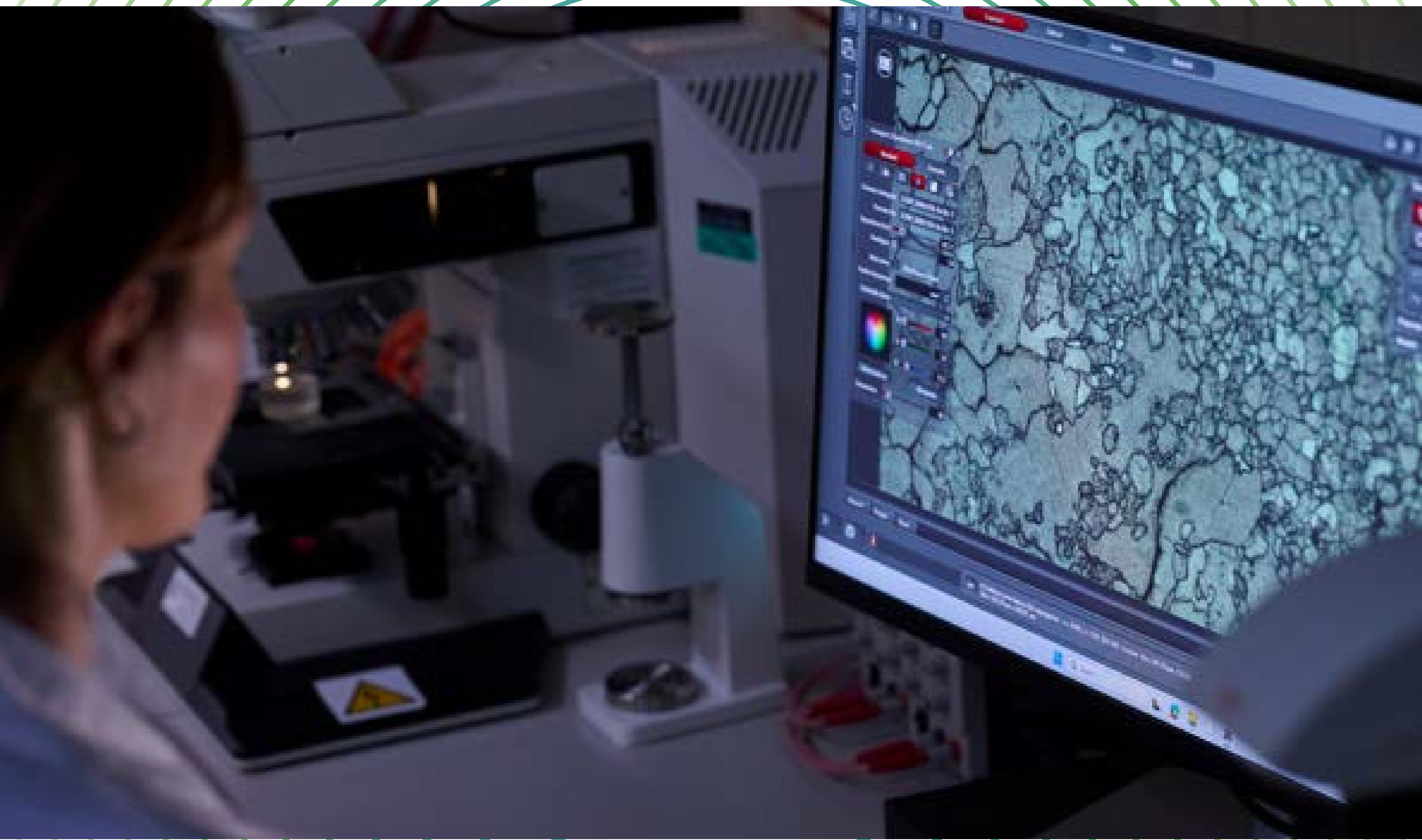
There are, in addition, specific periodic reporting flows on the analyses carried out in relation to the internal control and risk management system to the Control and Risk Committee and the Board of Statutory Auditors and, where deemed appropriate, to the Sustainability Committee.

Data validation and internal certificates

In addition, the Group's internal control system provides for the following activities to be carried out periodically at least annually:

- validation within the reporting system by designated parties of the data and information provided for sustainability reporting purposes, by the relevant corporate functions;
- issuance of appropriate internal certificates regarding the accuracy and completeness of data and information provided for sustainability reporting purposes.

Finally, it should be noted that Prysmian has a specific procedure to regulate the process of preparing sustainability reporting, which was updated during 2024 to reflect the changes introduced in terms of activities and responsibilities by the relevant regulations and reporting standards.
Specific training activities are also planned in order to raise awareness among the various parties involved in the sustainability reporting process of the importance of providing complete and accurate data and information.



E
Information on environmental aspects

4. E - Information on environmental aspects

EU taxonomy

The EU Taxonomy, introduced by EU Regulation 852/2020 (hereafter also the "Regulation" or the "Taxonomy") and in force since 1 January 2022, is a classification system aimed at identifying environmentally sustainable economic activities, created with the aim of increasing the development of sustainable investments and helping to achieve the stated goals of the European Green Deal.

Specifically, the purpose of the Taxonomy is to ensure reliability, consistency, and comparability of economic activities that are considered sustainable to protect investors from greenwashing, assist companies in the sustainable transition, mitigate market fragmentation and close the sustainable investment gap.

The submitted disclosure also refers:

- to Delegated Regulation 2021/2139 (hereinafter also referred to as the "Climate Delegated Regulation"), which introduces the list of economic activities eligible for the EU Taxonomy for the first two climate objectives and the related technical screening criteria;
- to EU Regulation 2021/2178 (hereinafter also referred to as the "Article 8 Delegated Regulation" or "Delegated Regulation on Disclosure");
- to EU Delegated Regulation 2022/1214 as regards economic activities in certain energy sectors, amending the Climate Delegated Regulation and the Article 8 Delegated Regulation;
- to Delegated Regulation 2023/2485 amending EU Delegated Regulation 2021/2139 by establishing additional technical screening criteria;
- to Regulation 2023/2486 (hereinafter also referred to as the "Regulation on remaining environmental objectives"), supplementing EU Regulation 2020/852, and its technical screening criteria, and amending the Article 8 Delegated Regulation.

The process for determining eligibility

The EU Taxonomy defines as eligible those economic activities described in the Climate Delegated Regulation and in the Delegated Regulation on remaining environmental objectives. In order to identify Prysmian's eligible activities, the activities carried out were analyzed to determine which ones could be classified as those included in the Delegated Regulations with reference to the six environmental objectives[20].

During 2024, Prysmian acquired the U.S.-based Encore Wire Group, active in the production of a broad portfolio of copper and aluminum power cables for power production and distribution. Encore Wire is distinguished by a cost-effective business model that nonetheless manages to provide an excellent level of customer service. Encore Wire's activities were considered within Prysmian's Taxonomy analysis, particularly for the eligibility assessment. Due to the acquisition during the year, the systems and procedures in place at Encore Wire did not allow for the proper analysis of alignment criteria and calculation of the related KPIs for 2024. However, Prysmian has been collecting and reporting eligibility data, with the goal of refining the analysis and completing the alignment assessment during 2025.

At the end of 2024, the company Warren&Brown was also acquired, which saw a rapid integration of product categories and systems. This made it easy to identify eligible products manufactured by this company.

With respect to the two climate objectives, some of the economic activities attributable to the Group's business, namely activities 3.1, 3.6 and 4.9, bear the same descriptions for both objectives. For this reason, they are considered eligible for both the Mitigation and Climate change adaptation objectives.

With respect to the two climate objectives, some of the economic activities attributable to the Group's business, namely activities 3.1, 3.6 and 4.9, bear the same descriptions for both objectives. For this reason, they are considered

20. Climate change mitigation, Climate change adaptation, Sustainable use and protection of water and marine resources, Transition to a circular economy, Pollution prevention and control, Protection and restoration of biodiversity and ecosystems.

eligible for both the climate change Mitigation and Adaptation objectives.
Eligible activities, i.e. only those that generate turnover, as described by the Regulation are described below.

Table 1 – Eligible economic activities[21]

EU Taxonomy Economic Activities	Description of Prysmian's activities	Environmental objectives
3.1 Manufacture of renewable energy technologies	Manufacture of cables and accessories for renewable energies (wind and solar).	Mitigation and Adaptation
3.6 Manufacture of other low carbon technologies	Manufacture of cables and accessories in the following categories, whose characteristics allow GHG emissions to be reduced in the sectors that use them: • fiber optic, optical cables and fiber optic submarine cables for the telecommunications sector; • PRY-CAM technology for the accurate remote measurement of key system-diagnostic parameters, identifying anomalies and overheating in real time in order to monitor and optimize energy consumption; • E-PATH[22]-labeled cables, the first green label in the cable industry.	Mitigation and Adaptation
3.18 Production of automotive and mobility components	Manufacture of vehicle cables and accessories.	Mitigation
3.20 Manufacture, installation and servicing of high-, medium- and low-voltage electrical equipment for transmission and distribution of electricity that contribute or allow substantial contributions to the mitigation of climate change	Manufacture of cables and accessories intended for power transmission and distribution.	Mitigation
4.9 Transmission and distribution of electricity	Manufacturing, installation, and maintenance projects for high-voltage onshore and submarine systems, high-voltage submarine interconnections and offshore wind farm connection systems.	Mitigation and Adaptation

Process for determining alignment

An economic activity is defined as Taxonomy-aligned when it contributes substantially to at least one of the six environmental objectives, does no significant harm to the other five environmental objectives and complies with the minimum safeguards.

Subsequent to the identification of eligible economic activities, specific analyses were carried out on the technical criteria established by the Regulation and Annexes I and II of the Climate Delegated Regulation to verify the alignment of each of the selected economic activities. Specifically, because the descriptions of activities 3.1, 3.6 and 4.9 coincide for the Climate Change Mitigation and Adaptation objectives, an analysis was carried out with respect to both objectives.

With reference to the activities[23] introduced with Delegated Regulation 2023/2485, Prysmian had already carried out the alignment analysis on the 2023 data for these as well, specifically for activities 3.18 and 3.20.

The assessment was therefore carried out in continuity with what was done last year for all identified activities.

The following paragraphs provide feedback about the technical screening criteria for aligned activities.

21. In addition, certain capital expenditure has been identified as eligible when related to the purchase of products deriving from Taxonomy-aligned economic activities, or to individual measures that enable the Group's activities to be less carbon intensive or to reduce its GHG emissions.
Further information can be found in the "Criteria for the calculation of KPIs and background information" section.
22. E-Path represents Prysmian's certification in low-impact solutions to bring clean energy and improved communications to our dwellings, infrastructure and cities around the world. For more information see the company website https://www.prysmian.com/en/sustainability/e-path.
23. Activity 3.18 (Manufacture of automotive and mobility components) and Activity 3.20 (Manufacture, installation and maintenance of high-, medium- and low-voltage electrical equipment for transmission and distribution of electricity that contribute or enable a substantial contribution to climate change mitigation).

Substantial contribution to the Climate Change Mitigation objective

Analysis of substantial contribution for activity 3.1

Prysmian manufactures cables and accessories dedicated to the renewable energies business, in particular wind and solar. These types of cable therefore satisfy the substantial contribution criterion for activity 3.1.

Analysis of substantial contribution for activity 3.6

The substantial contribution criterion for activity 3.6 requires the technology analyzed to be aimed at and demonstrate substantial GHG emissions reduction over the life cycle, and that such reduction with respect to the best alternative technologies/solutions/products available on the market be calculated using Commission Recommendation 2013/179/EU (or, alternatively, standard ISO 14067:2018 or standard ISO 14064-1:2018) and checked by an independent third party. None of the cable families covered by this activity meet the above criterion of substantial contribution. Therefore, in line with previous years, activity 3.6 is not aligned with the Taxonomy.

It should be noted that, as indicated in the FAQs published by the European Commission in December 2022, the application of the substantial contribution criterion for activity 3.6 leaves room for flexibility and is strictly dependent on the sector/activity to which it is applied. Any differences in the reporting of this activity may therefore depend on flexibility of interpretation.

Analysis of substantial contribution for activity 3.18

Requests for the substantial contribution for activity 3.18 set out that the components are for road passenger vehicles, category M1[24], M2[25] and M3[26], whose direct CO_2 emissions (from exhaust) are zero.

Therefore, the Group viewed cables exclusively for vehicles that produce zero CO_2 emissions as being aligned. The analyses performed were based on information already known to Prysmian in relation to the type of cables in question and information shared with customers.

Analysis of substantial contribution for activity 3.20

The substantial contribution related to activity 3.20 requires that the activity consists of the manufacture, installation or maintenance of current-carrying cabling products and equipment for power transmission and distribution, intended for cabling electrical circuits and transformers provided that such equipment and transformers contribute to increasing the share of renewable energy in the system or improve energy efficiency.

It is important to highlight that the cables under this activity, intended for power transmission and distribution, improve energy efficiency by definition, as they are used both to replace cables and systems that are now outdated, thus enabling any power losses to be reduced, and to strengthen the high-, medium- and low-voltage networks needed to connect the new, mostly renewable, installed capacity in the countries where the Group operates.

As said in criterion 2a, the substantial contribution of this activity also specifies elements of non-compliance, for example, where equipment is directly used to connect or strengthen the connection to a power plant with a greenhouse gas intensity greater than 100 g CO_2eq/kWh measured on a life cycle basis.
This requirement leads to critical information retrieval issues due to the peculiarities of operation of the various target markets, which in most cases are based on frame agreements for standard products with predefined purchase volumes and the installation of which is not managed by the Prysmian. Therefore, a precautionary approach was adopted for the purpose of its verification that could best reflect the current developments in the efficiency process of the power distribution sector in each country.

24. Vehicles with no more than 8 seats, excluding the driver's seat.
25. Vehicles with more than 8 seats, excluding the driver's seat, and weighing not more than 5 tons.
26. Vehicles with more than 8 seats, excluding the driver's seat, and weighing more than 5 tons.

The approach adopted was then to calculate the percentage of new renewable installed capacity compared to total new installed capacity for each country in which Prysmian operates by extracting data from the database available on the IRENA website. Then sales revenues were considered proportionally to the average between the percentages of new renewable capacity installed and the total in the last two available years (2022 and 2023), for each country.

Furthermore, as required in criterion 2a, in the event that Prysmian has evidence of the use of cables for connecting or strengthening the connection of a non-renewable source, such revenues will be considered to be unaligned and therefore excluded from the methodology described above. Specifically for the year 2024, the criterion is not applicable as such cases have not arisen. Finally, please note that, with regard to criterion 4, Directive 2009/125/EC is

not applicable.
With regard to criterion 2b, it is stated that cables destined for the fossil sector were considered ineligible.

Analysis of substantial contribution for activity 4.9

As required by the substantial contribution criterion of the Climate Delegated Regulation, consideration is only given to "turnkey projects" for the transmission and distribution of electricity.

In particular, the criterion is deemed satisfied for all projects that envisage installation of the infrastructure in the interconnected European system, as required by point 1)a) of the substantial contribution criterion specified in the Climate Delegated Regulation for activity 4.9.

On the other hand, for projects developed in non-European countries, conformity is checked via point 1)c) of the substantial contribution criterion of the above regulation provided below:

"*1. The transmission and distribution infrastructure or equipment is in an electricity system that complies with at least one of the following criteria:*
(c) the average system grid emissions factor, calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system, is below the threshold value of 100 g CO_2e*/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period.*"

Only projects that respect the above criteria comply with the substantial contribution criterion for activity 4.9.

Substantial contribution to the Climate Change Adaptation objective

Analysis of substantial contribution for activities 3.1, 3.6, 4.9

The substantial contribution criteria set forth in the Climate Change Adaptation objective are the same for activities 3.1, 3.6 and 4.9. For these activities, it is possible to say that physical and non-physical solutions ("adaptation solutions") have been identified as substantially reducing the most important physical climate risks weighing on the activity (for more details about the identification of physical risks and climate risk and vulnerability assessment, refer to the paragraph "Climate change adaptation" in this section).

However, such solutions have not yet been implemented or there is no possibility to accurately identify the value of economic KPIs associated with them (i.e. CapEx, OpEx).

Therefore, it was not possible to consider these activities as aligned with the Adaptation objective.

Verification of do no significant harm ("DNSH") criteria to the other 5 environmental objectives

Compliance with the DNSH (Do No Significant Harm) criteria was verified using a top-down approach. The analysis started at Group level, followed by more in-depth work and specific requests at business line, geographical segment and plant level, as well as with regard to individual activities where necessary, in order to identify and isolate potential areas of non-conformity using a consistent and uniform approach.

Climate change adaptation

The DNSH criterion regarding climate change adaptation is the same for activities 3.1, 3.6, 3.18, 3.20 and 4.9, requiring conformity with Appendix A of Delegated Regulation 2021/2139, which calls for a sound climate risks and vulnerabilities assessment, as well as adaptation solutions. Prysmian has devised an enterprise risk management (ERM) plan, applying models and best practices recognized at an international level, that also assesses climate risks, opportunities and the related actions. As in the prior years, a careful analysis of climate change and energy transition matters was also carried out in 2024.

In particular, the climate risks/opportunities considered significant for Prysmian have been identified from among those contained in Appendix A of Delegated Regulation 2021/2139. In order to determine the impacts associated with those risks/opportunities, a climate scenario analysis was developed (starting from an optimistic scenario, before considering the worst case) over a 10-year time horizon. The scenarios considered for the physical risk analysis are as follows:

OPTIMISTIC SCENARIO	PESSIMISTIC SCENARIO
IPCC RCP 2.6 ("*very stringent scenario*")	IPCC RCP 8.5 ("*business as usual")*

he procedures adopted for the management of climate risks include the implementation of adaptation solutions that seek to limit the impact of the risks identified and ensure business continuity. These solutions include constant monitoring of the more significant risks, the preparation of preventive actions and measures capable of managing sudden or unexpected events.

This approach developed by the Group is deemed to satisfy the requirements of the DNSH criteria on climate change adaptation.

Sustainable use and protection of water and marine resources

Regarding the goal of Sustainable use and protection of water and marine resources, verification of compliance with Appendix B of the Climate Delegated Regulation is required. This verification was carried out with respect to production facilities and related procedures, certifications and assessments related to activities 3.1, 3.6, 3.18, and 3.20, as there is no DNSH criterion for activity 4.9 regarding this environmental objective.

93% of Group plants hold ISO 14001 certification for their environmental management systems, through which the sustainable use and protection of water and marine resource are guaranteed and monitored. Mapping the sites showed that no more than 12% of the sites are located close to the sea (i.e., within 2 km), and that sites located close to the sea that could pose a potential hazard to the marine environment are about 6%. For these sites, the assessment of environmental aspects and impacts, performed through the HSE Management System, enabled the implementation of measures to prevent and protect various environmental aspects, including water and in particular surface and marine water. Furthermore, in addition to compliance with legal requirements and the requirements of specific Environmental Permits, the sites involved implement a monitoring and control plan, which in many cases is subject to periodic verification by the relevant authorities.

The commitment of the organization to preventing and managing the potential negative impacts on water resources is reiterated in specific policies for the water management plans and confirmed by completion of the *CDP Water Security Questionnaire*.

The DNSH criterion relating to the sustainable use and protection of water and marine resources is therefore deemed satisfied for all activities to which it applies (3.1, 3.6, 3.18 and 3.20).

Further information about how the Group manages its water resources is presented in the Chapter ESRS E3.

Transition to a circular economy

For activities 3.1, 3.6, 3.18 and 3.20, techniques that facilitate the circular economy must be implemented, from the product design phase to waste management, as outlined below:

"*The activity assesses the availability of and, where feasible, adopts techniques that support:*
(a) reuse and use of secondary raw materials and reused components in products manufacture;
(b) design for high durability, recyclability, easy disassembly and adaptability of products manufactured;
(c) waste management that prioritizes recycling over disposal, in the manufacturing process;
(d) information on and traceability of substances of concern throughout the life cycle of the manufactured products."

Prysmian has developed internal procedures for the selection of materials and raw materials, the traceability of substances throughout the production process and the management of environmental impacts. In addition, policies are implemented at production plant level for the proper collection and disposal of waste in accordance with Group best practices and the regulatory requirements of the country concerned.

For more information about the projects and research carried out to facilitate the transition to a circular economy, please refer to the Chapter ESRS E5 in this document.

With regard to activity 4.9, a waste management plan must guarantee maximum reuse or recycling at the end of the life cycle. The Group has developed a waste management plan that, for the projects analyzed and included in activity 4.9, ensures a high level of recycling and reuse during manufacturing and installation phases. For more information regarding the waste generated, its recycling and disposal, please refer to the Chapter ESRS E5 in this document.

For the five economic activities indicated above, the techniques, analyses, procedures and management systems adopted by the Group are deemed compliant with all the DNSH requirements for the transition to a circular economy.

Pollution prevention and reduction

The criteria in Appendix C of Delegated Regulation 2021/2139 were amended with the publication of Delegated Regulation 2023/2485. Specifically, criterion f)[27] was updated, while criterion g) set out in the previous Delegated Regulation was removed and replaced by an additional section[28]. Therefore, the requirements specified in Appendix C state that economic activities 3.1, 3.6, 3.18 and 3.20 do not lead to the manufacture, marketing or use of any of the chemical substances listed in specific European Regulations and Directives referred to in the Appendix. Prysmian was able to verify all reported criteria in a timely manner (letters a[29],b[30],c[31],d[32],e[33],f). It is also specified that, in line with the previous year, Prysmian verified all the criteria in the appendix, including the additional paragraph, which was already verified last year.

27. Substances, whether on their own, in mixtures or in an article, in concentrations greater than 0.1% W/W, which meet the criteria of Article 57 of EC Regulation no. 1907/2006, which have been identified in accordance with Article 59, section 1, of that Regulation for a period of at least 18 months, unless operators assess and document that no other suitable alternative substance or technology is available on the market, and that they are used under controlled conditions.
28. The activity does not involve the manufacture, the presence in the final product or result, or the placing on the market of other substances, whether on their own, in mixtures or in an article, in concentrations greater than 0.1% W/W, that meet the criteria of Regulation (EC) no. 1272/2008 for any of the hazard classes or categories of hazard listed in Article 57 of Regulation (EC) no. 1907/2006, unless operators have assessed and documented that no other suitable alternative substance or technology is available on the market, and that they are used under controlled conditions.
29. Substances, whether on their own, in mixtures or in an article, listed in Annex I or II of Regulation (EU) 2019/1021 of the European Parliament and of the Council, except in the case of substances present as unintentional trace contaminants.
30. Mercury, mercury compounds, mercury mixtures, and products with added mercury, as defined in Article 2 of Regulation (EU) 2017/852 of the European Parliament and of the Council.
31. Substances, whether on their own, in mixtures or in an article, listed in Annex I or II of Regulation (EC) no. 1005/2009 of the European Parliament and the Council.
32. Substances, whether on their own, in mixtures or in an article, listed in Annex II of Directive 2011/65/EU of the European Parliament and of the Council, except where full compliance with Article 4, section 1, of that Directive is ensured.
33. Substances, whether on their own, in mixtures or in an article, listed in Annex XVII of Regulation (EC) no. 1907/2006 of the European Parliament and of the Council, except when full compliance with the conditions set out in that Annex is ensured.

On 27 June 2024, ECHA (European Chemicals Agency) carried out the periodic update of the list of Substances of Very High Concern (SVHC), included in point (f) of the Appendix. This update has a significant impact on the entire cable industry; for this reason Prysmian decided to include it in its analysis as early as starting with the 2024 reporting, despite being introduced less than 18 months ago, thus following a timely and conservative approach.

The analysis was carried out first at the central level and then at the level of individual production facilities and individual material codes through the sharing of detailed questionnaires reporting the totality of the substances to be verified, with the aim of isolating and excluding from the scope of alignment those cables containing one or more of the chemicals included in the relevant Regulations and Directives.

Despite the complexity generated by the requirements set out in Appendix C, Prysmian has undertaken to identify all the expected substances and has manually verified their presence in its production processes and final products. In order to facilitate and automate substance verification activities as much as possible, the Group will consider in the near future the introduction of possible IT solutions and systems to support these activities.

Analyses of those activities 3.1, 3.18 and 3.20 that satisfy the substantial contribution criterion found that the majority of the cables and accessories analyzed met the requirements and that *Substances of Very High Concern* ("SVHC"), identified in criterion f), were only found in a limited number of cases.
In addition, some cable families were found to have other substances included in the list of substances required in the additional section.

As regards metallic lead, which in some cases is used in the production of submarine cables, it has been demonstrated that there are currently no suitable alternative substances available in the market to replace it, therefore, as provided for in point f) and the following paragraph, cables containing this substance, and based on such exception, can be considered compliant.

Accordingly, satisfaction of the DNSH criterion relating to the pollution prevention and control was not verified for the cables identified as containing one or more of the substances listed by the EU Commission, except as mentioned in the previous paragraph.

With regard to activity 4.9, eligible projects are limited solely to those involving underground or submarine cables; accordingly, the DNSH requirements referring to the over-ground lines are not applicable. In addition, no polychlorinated biphenyls (PCBs) are used.
As a result, activity 4.9 is deemed to comply with the DNSH criterion for the prevention and reduction of pollution.

Protection and restoration of biodiversity and ecosystems

The DNSH criterion refers to Appendix D of the Climate Delegated Regulation, which requires the impact of economic activities on biodiversity and ecosystems to be considered.

At manufacturing plant level (activities 3.1, 3.6, 3.18 and 3.20), for the purposes of conformity with the criterion and in view of their proximity to highly sensitive areas, positive consideration was given to the environmental management systems implemented to mitigate potential adverse effects, as indicated for the DNSH criterion relating to the sustainable use of water.

The eligible projects included in activity 4.9 were subjected to specific Environmental Impact Assessments and were found to be compliant with Appendix D. Specifically, environmental action plans were prepared in accordance with the relevant legislation (both local and international) for all projects deemed eligible, in order to protect the biodiversity of the animal and plant species affected by the Group's activities and infrastructure. Where necessary, or as agreed with the local authorities, Prysmian plants participate in the protection and restoration of the areas concerned.

In all cases, whether regarding manufacturing plants or individual projects considered eligible, the environmental assessments were carried out in compliance with the regulations in force in the territories concerned.

In addition, the Group has begun a process of mapping areas of environmental concern in order to create an updated database of the main characteristics and any critical issues of each of them. This initiative is part of a Group project to increase the importance of biodiversity issues in the risk management system and in the corporate sustainability strategy.

For more details regarding the Group's impact on biodiversity, see the Chapter ESRS E4 in this document.

The requirements of this criterion are therefore considered to be satisfied by both as regards the manufacturing sector activities (3.1, 3.6, 3.18 and 3.20) and the energy sector activities (4.9).

Minimum Safeguards

Regarding compliance with art. 3.c) of Regulation 2020/852, the Group analyzed conformity with the minimum safeguard standards relating to human rights and workers' rights, corruption, taxation and fair competition.

The assessment considered the design of the Group's processes and their adequacy in identifying and preventing possible negative impacts, as well as their compliance with the principles and the effectiveness with which any events were managed by recourse to corrective actions.

In the absence of further clarification from the European Commission regarding compliance with minimum safeguards, the Group has taken into consideration the guidelines presented in the "Final Report on Minimum Safeguards" published by the Platform on Sustainable Finance in October 2022. Furthermore, in the FAQs published in June 2023[34], the European Commission identified a connection between the minimum safeguards of the Taxonomy and the "do no significant harm" principle of the SFDR (Sustainable Financial Disclosure Regulation).

Accordingly, this connection involves compliance with PAI (Principal Adverse Impact) indicators with respect to social and personnel issues, respect for human rights and issues related to anti-corruption and anti-bribery. This introduces the possibility of adding some indicators to the minimum safeguards. They include:

- the unadjusted gender pay gap;
- gender diversity in the BoD;
- exposure to controversial weapons (landmines, cluster munitions, chemical weapons and biological weapons).

Regarding the first indicator, reference is made to the Chapter ESRS S1 in this document.
Finally, Prysmian is not known to be involved in the manufacture or sale of controversial weapons.

Human rights, including those of workers

In the context of responsible business conduct in terms of human rights, the commitments made by Prysmian are embodied in the Code of Ethics and the Human Rights Policy. In order to guarantee respect for that principle throughout the entire supply chain and within the organization, the Group implements a system of regular due diligence covering its suppliers. This system maps the risk throughout the supply chain by analyzing the risk factors attributable to three macro areas: sustainability and management systems; environmental criteria; human and workers' rights. Based on the results obtained, the Group arranges for a third party to carry out specific audits of critical suppliers. Forty-four audits were conducted from 2017 – the year the on-site sustainability audit program was implemented – to 2024. Refer to the Chapters ESRS S2 and ESRS G1 for more information.

Taxation

The Group is committed to the management of taxation, both at Parent Company level and in each tax jurisdiction. Prysmian has developed a tax strategy founded on transparency and cooperation with the tax authorities and third parties, in order to minimize the substantial impacts of any tax and reputational risks. This strategy represents a fundamental element of its Tax Control Framework (TCF), the system for monitoring and managing tax risks already applied by the Italian companies in the Group. In addition to the tax strategy, Prysmian has developed policies (such as the Transfer Price Policy), tax notes and training courses on the subject. Please refer to the Chapter ESRS G1 for more information.

Fair competition

Prysmian delivers adequate training on the subject of fair competition, in order to increase awareness among those who work in the name and on behalf of the Group and ensure compliance with the rules safeguarding competition. Please refer to the Chapter ESRS G1 for more details, and in particular to the Antitrust Policy.

34. Communication on the interpretation and implementation of certain legal provisions under the EU Taxonomy Regulation and links with the Sustainable Finance Disclosure Regulation (2023/C 211/01).

Anti-corruption

The procedures adopted by Prysmian to mitigate the risk of corruption include the application of an ISO37001-certified anti-corruption management system, an anti-corruption policy and Third Party Program and Process, Gifts & Entertainment and Conflicts of Interest procedures, regarding which periodic employee training is provided. Moreover, during 2023, in addition to updating the above policies, a policy regarding the management of relations with the public administration was introduced. With regard to respect for the principle throughout the supply chain, in addition to the Code of Ethics that must be accepted by each supplier, the Group implements the system of due diligence described above in relation to "Human rights, including those of workers", in which corruption risk factors are also taken into account.

Disputes

As identified in the assessments detailed above, Prysmian has not been definitively convicted of labor law or human rights, corruption and taxation violations and has not been involved in any cases reviewed by an OECD National Contact Point (NCP), or interrogated by the Business and Human Rights Resource Center (BHRRC). On the subject of taxation, the Group was not ordered to pay significant penalties by the tax authorities of the various countries in which it operates. The Group has been in the past and still is involved in antitrust investigations and disputes promoted by third parties, consequent to and/or connected with decisions adopted by certain competition authorities, the details of which are outlined in the note on Provisions for risks and charges in the Explanatory Notes to the Consolidated Financial Statements. Following these investigations and disputes, the Group has implemented a series of internal controls, described in the section on "Fair competition", to reduce the probability of infringements in this area.

Consistent with the requirements of Art. 3.c) of Regulation 2020/852, Prysmian therefore carries out its economic activities in compliance with the specified minimum safeguards.

Criteria for the calculation of KPIs and background information

The key performance indicators (KPIs) specified in the Taxonomy cover Turnover, Capital Expenditure (CapEx) and Operating Expenditure (OpEx).

The indicators are presented in the templates provided in Annex V of Delegated Regulation 2023/2486 amending Delegated Regulation 2021/2178, as well as in the templates included in the EU Delegated Regulation 2022/1214 regarding economic activities in certain energy sectors (i.e. gas and nuclear).

The proportion of the Group's taxonomy-eligible and -aligned economic activities was calculated with respect to Turnover, CapEx and OpEx in accordance with legal requirements and the accounting criteria specified in Annex I of the Delegated Regulation on Art. 8 and Annex V of Delegated Regulation 2023/2486.

Turnover

Definition and reconciliation

The taxonomy-eligible/aligned turnover reflects the ratio of net revenues deriving from eligible/aligned activities (numerator) to total net revenues (denominator). The denominator of the Turnover KPI makes reference to the "revenues" caption of the Consolidated Income Statement as at 31.12.2024, as consolidated in accordance with IAS 1.82(a). For more information, see the consolidated accounting schedules contained in the Annual Financial Statement of the Group, as well as the section on Accounting Policies.

Allocation

The numerator of the Turnover KPI consists of the net revenues associated with the Group products linked to eligible/aligned activities. The allocation of net revenues to the numerator was made possible by the Group's highly-detailed management and financial accounting system. The system made it possible to identify eligible/aligned projects precisely and reconcile them with the activities concerned, thus making the adoption of estimates unnecessary.

Other background information

The revenues indicated on the numerator are all linked to contracts with customers. No changes in the composition and reconciliation of revenues compared to 2023 are to be reported.

CapEx

Definition and reconciliation

The taxonomy-aligned capital expenditure (CapEx) reflects the ratio of CapEx deriving from eligible/aligned activities (numerator) to total CapEx (denominator). In particular, the denominator of the CapEx KPI comprises the increases in tangible and intangible assets during the year before depreciation, amortization, write-downs and write-backs, including those deriving from business combinations. Total CapEx can be reconciled with the 2024 Consolidated Financial Statements of the Group by reference to "Gross Capital Expenditure".

The eligible/aligned portion of CapEx includes:

- capital expenditure relating to assets or processes associated with taxonomy-eligible/aligned economic activities (category a pursuant to section 1.1.2.2. Annex I Article 8 Delegated Regulation);
- capital expenditure that is part of a plan ("CapEx plan") intended to expand taxonomy-aligned economic activities or enable taxonomy-eligible economic activities to become aligned (category b pursuant to section 1.1.2.2. Annex I Article 8 Delegated Regulation);
- capital expenditure relating to the purchase of products deriving from taxonomy-eligible economic activities, as well as to individual measures that enable the Group's activities to be less carbon intensive or to reduce its GHG emissions (category c pursuant to section 1.1.2.2. Annex I Article 8 Delegated Regulation).

Allocation

The capital expenditure on assets or processes associated with taxonomy-eligible/aligned manufacturing economic activities was allocated after a precise analysis of each expenditure caption, using the classification adopted when consolidating the Group's investments. In particular, when calculating eligibility, Prysmian referenced the activities identified as eligible when allocating turnover to the associated families of investments. On the other hand, when calculating alignment, a detailed analysis of each cost item was carried out to identify those associated with aligned activities. Regarding economic activities 3.1 and 3.20, a timely allocation of expenditures related to the sites responsible for these activities was carried out. In the case of sites where both taxonomy-eligible and/or aligned and/or non-aligned economic activities are carried out, the portion of CapEx was calculated with reference to the sales of the site, considering the ratio of taxonomy-eligible/aligned sales to the total sales of the site. This allocation methodology represents a refinement of the calculation that improves the transparency and meaningfulness of the CapEx KPI.

Other background information

Capital expenditure included in a CapEx plan concern the amount of about Euro 590 million for the construction of new cable-laying vessels. This will expand the alignment of activity 4.9 "Electricity transmission and distribution", thus contributing to the achievement of the "Climate Change Mitigation" objective. Specifically, these vessels will be used from 2025 on projects involving the installation of power transmission cables to connect the power grid to offshore wind farms.

The capital expenditure relating to the purchase of products deriving from taxonomy-eligible economic activities, as well as to individual measures that enable the Group's activities to be less carbon intensive or to reduce GHG emissions, is completed and made operational within 18 months of its recognition in the financial statements and is attributable to the economic activity 7.3 Installation, maintenance and repair of energy efficiency devices and 7.6 Installation, maintenance and repair of renewable energy technologies. In order to avoid double counting, any capital expenditure identified in category c, pursuant to section 1.1.2.2. Annex I of the Article 8 Delegated Regulation, also associated with capital expenditure included in the denominator relating to assets or processes associated with taxonomy-eligible/aligned economic activities (category a pursuant to section 1.1.2.2. Annex I of the Article Delegated Regulation) were included in the latter category.
The capital expenditure associated with the above economic activities is treated solely as eligible. In fact, the Group, in part because of the amount of expenses involved and the timeframe that would be required for further verification with suppliers, did not proceed with the alignment analysis.

Consistent with the requirements of the Article 8 Delegated Regulation, the Group provides below the amounts included in the numerator of the alignment KPI.

Quantitative breakdown by economic activity of the amounts included in the numerator of the alignment KPI (Euro mln)

Activities	Increases in property, plant and equipment	Increases in internally generated intangible assets	Of which part of a CapEx plan
3.1	3	-	-
3.6	-	-	-
3.18	-	-	-
3.20	18	2	-
4.9	492	3	248

Please note that during the year there were no increases in assets arising from business combinations.

OpEx

Definition and reconciliation

The Taxonomy-eligible/aligned operating expenses (OpEx) reflect the proportion of eligible/aligned OpEx included in the non-capitalized direct costs incurred on R&D, short-term rentals, maintenance and repairs, and the cost of personnel dedicated to the internal maintenance of plant and equipment with respect to the total OpEx of those categories.

Allocation

In order to ensure a linear process and avoid the risk of double counting, operating expenses were deemed eligible/aligned if they related directly to taxonomy-eligible/aligned economic activities. Where the direct allocation of operating expenses was not possible, the eligible/aligned portion was calculated with reference to the corresponding percentage of turnover.

Other background information

Consistent with the Article 8 Delegated Regulation, the amounts included in the numerator of the alignment KPI are detailed below by type of cost.

Quantitative breakdown of the amounts included in the numerator of the alignment KPI

	OpEx (Euro mln)
R&D costs	32.8
Short-term leases	15.2
Maintenance and repair	40.6
Other direct expenditure on the routine maintenance of property, plant and equipment	22.8
Total	**111.4**

Commentary on performance trend and future developments

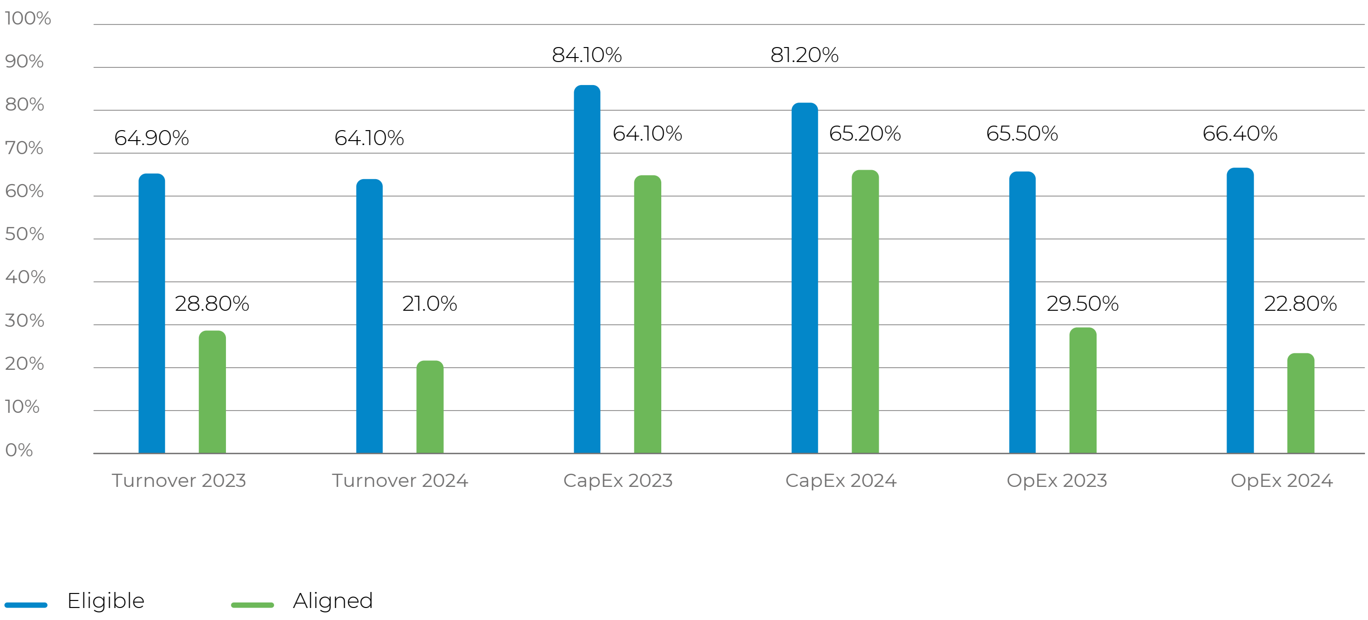
The percentage of Turnover eligibility in 2024 stood at 64.1%, slightly down from 2023 (64.9%). The acquisition of Encore Wire accounted for -4.7%.
In contrast, the Turnover alignment percentage reflects a significant reduction from 28.8% in 2023 to 21.0% in 2024. This decrease is due to the acquisition of Encore Wire and the timely alignment to the updated list of Substances of Very High Concern (SVHCs) included in point (f) of the Appendix. Excluding these effects, the alignment percentage would have stood at 31.0%, reflecting the positive contribution of investments made in order to facilitate the energy transition.

The acquisition of Encore Wire also affected the Capex alignment percentage by -4.8%. Eligible capital expenditures under activity 3.6 were found to be Euro 2.9 million. The acquisition of Warren&Brown had no impact on capital expenditure.

The effect of updating the list of SVHC substances on the percentage of Capex alignment is -2.3%.

Despite these issues, the taxonomy-aligned share of capital expenditure is 65.2% for 2024 compared to 64.1% in 2023, confirming Prysmian's increasing focus on the strategic power transmission business.

Commentary on performance trends and future developments



Prysmian has chosen to adopt a transparent and conservative approach, interpreting the requirements of the Regulation as strictly as possible. The company has continuously monitored European Commission publications and the interpretations and guidance provided by the Platform on Sustainable Finance, and has also participated in working tables and discussions with other industry players, particularly within Europacable.

To date, the European Taxonomy remains a recent and evolving regulation; therefore, further updates and more guidance on the interpretation and applicability of the technical screening criteria can be expected for future reporting years, which could also significantly impact the Company's eligibility and alignment results.

E1
Climate Change

E1 - Climate Change

Governance

As the world strives to achieve a low-carbon economy, climate change represents a growing challenge that could profoundly transform the external environment in which we operate. The measures required to mitigate and adapt to this climate crisis involve significant policy, regulatory, technological and market changes. These, in turn, affect in terms of costs the financial position, strategic decisions and the way the company operates on a daily basis.

The transition from fossil fuels to renewable energy sources is one of humanity's most urgent challenges, and Prysmian is determined to play an active role in this process. Access to cleaner and more sustainable energy depends on ever more extensive and smarter networks and infrastructure, which is why sustainability is at the heart of Prysmian's identity: every day the company is committed to translating this value into concrete actions, through the solutions it offers, the processes it adopts and the contribution of the people working locally. The Group also addresses the issue of emission reduction in the context of remuneration. Specifically, Prysmian's emission performance is one of the KPIs in the ESG component of the Long Term Incentive Plan applied by the Group to certain key Group figures. For more details on the Long Term Incentive Plan and the remuneration of the administrative, management and supervisory bodies, please refer to Chapter ESRS 2 "General Information".

In 2021, Prysmian formalized its strategic approach guiding the Group's climate change activities by drafting the Climate Change Ambition. The ambition is to achieve carbon neutrality throughout the value chain by 2050, following a phased pathway with a series of intermediate targets approved, along with long-term goals, by the Science-Based Targets initiative (SBTi). The Climate Change Ambition aims to position the Group as a major technological player in the transition to low-carbon energy. Prysmian's climate strategy adopts science-based targets aligned with the Paris Agreement climate goals.

Prysmian uses several decarbonization levers to reduce its greenhouse gas emissions. The company is committed to reducing the negative impact on the environment during its manufacturing and installation activities by acting 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 of its partners. In addition, as part of its transition plan, specific decarbonization levers relating to efficiency measures, the use of renewable energy and the reduction of direct greenhouse gas emissions have been identified, planned and in some cases already implemented. Please refer to the actions section of this chapter for more details on the actions planned and carried out.

Regarding locked-in greenhouse gas emissions, in Prysmian's Scope 3 emissions calculation, the GHG (Greenhouse Gas) emissions related to the phase of using the products sold, in tCO_2eq, are included entirely in category 11 and are calculated as the volume of product sales in the reference year, multiplied by the sum of direct GHG emissions in the use phase estimated over the expected lifetime. Thus, there are no "locked-in" cumulative emissions that could jeopardize the achievement of the group's emission reduction targets.
In relation to the Group's assets, production facilities and ships currently have a dependence on fossil fuels and therefore will result in emissions in the future. However, there are a number of actions aimed at decarbonization (refer to the actions and targets section for more details), so the Group does not consider these assets an impediment to achieving decarbonization targets.

Capital expenditure included in Prysmian's CapEx plan concerns the investment of about Euro 590 million for the construction of new cable-laying vessels. Specifically, these vessels will be used from 2025 on projects involving the installation of power transmission cables to connect the power grid to offshore wind farms. Therefore, this CapEx plan cannot be directly connected to the decarbonization levers of the Group's own operations mentioned in the chapter, but is related to Prysmian's role as an enabler of the energy transition process.

The Climate Change Ambition is approved and continuously monitored by the Group's Board of Directors. The implementation of the plan is divided into a phased path that includes intermediate and long-term goals and takes into account input from the Group's key stakeholders, such as production sites, the HSE and Manufacturing functions, both centrally and regionally, and Top and Strategic suppliers.

In line with the targets set, the actions identified and carried out by the Group during the year (including targeted investments, efficiencies, self-production or procurement of green energy, appropriate relocations and consolidation of production volumes) led to a reduction of 37% in Scope 1 and 2 direct emissions by 2024, compared to the 2019 baseline.

Finally, as a market leader, Prysmian is included in the EU Paris Benchmark Agreement and the MCSI index (EU-Paris Aligned Benchmark index), with a score of A in 2024. MSCI ESG Research ranks companies on a scale of "AAA to CCC" based on their exposure to ESG risks and how they manage such risks relative to peers.

Strategy

In the context of global trends linked to climate change, such as the rise of renewable energy and electrification, Prysmian conducted a quantitative model-based climate scenario analysis aimed at capturing different types of trends in the phenomenon of transitioning to a resilient, low-carbon economy and the associated macroeconomics. These scenarios are integrated into strategic planning, financial decisions and business development. Indeed, these scenarios also identify the risks that are analyzed by the management and incorporated into plans, which are also used to test the sustainability of asset carrying amounts. The above risks are also described in the "Risks" section of the Directors' Report. In addition, the estimate of the anticipated financial effects has been appropriately considered in the cash flows deriving from the investments, considered in the impairment test exercise, that the Group is implementing in order to achieve the objectives set out in the Climate Change Ambition.

To explore and assess the resilience of its business to climate change, Prysmian conducted an analysis involving various climate-related scenarios, including a 2°C or less temperature increase, in order to model how the impact and likelihood of the material risks and opportunities identified might change from time to time.
Two types of models were considered:

IPCC RCP SCENARIOS	IEA SCENARIOS
for the physical risk assessment.	for transition risks and opportunities.

The risk and opportunity analysis was performed over three time horizons and was based on external data sets on climate drivers and internal data sets on the Group's business activities to create advanced measurement models (time series and cross-sectional iterations using Monte Carlo simulations).

The following time horizons were evaluated:
- **Short term** (1 year);
- **Medium term** (2-5 years);
- **Long term** (more than 5 years).

Prysmian has defined these time horizons so as to align with its business strategies and asset life cycles, incorporating these definitions into capital allocation plans and strategic planning horizons.

1. **Short-term time horizon**: refers to a time frame of 1 year. This horizon is mainly focused on daily operations and annual goals. During this period, planning focuses on operational efficiency, cash flow management and optimizing existing business resources. The lifespan of major short-term assets is closely linked to this planning, which also includes capital allocation plans for short-term investments.
2. **Medium-term time horizon**: eextends from 2 to 5 years and reflects Prysmian's strategic goals, including expanding its market share and adopting new technologies or initiatives. During this period, company assets (such as production infrastructure, machineries and technology) are planned to be optimally utilized during their life cycle, contributing to sustainable business growth. Capital allocation decisions include investments in innovation, plant modernization and geographic expansion.

3. **Long-term time horizon**: extends beyond 5 years. During this period, Prysmian is focusing on long-term strategic developments, such as expansion into new markets, technological evolution and sustainability at global level. The long-term horizon is closely linked to the lifespan of the company's major industrial and infrastructure assets, which can have very long life cycles. Capital allocation decisions in this period include investments in research and development, new acquisitions and long-term strategic projects.

The climate scenarios used and the time horizons are therefore compatible with the horizons and outlooks developed in the financial budget. These scenarios with reference to medium-term time horizons are consistent with the plan used by the company's management to test the sustainability of the carrying amounts of the company's main assets in the financial statements. This testing did not bring to light any need to impair these assets. Please refer to the section on "Property, plant and equipment" and "Intangible assets" in the Consolidated Financial Statements.

The scope of the analysis is that of the Group's operations as at 2024, including corporate changes taking place during the year. The analysis focused on physical and transitional risks, with the exception of regulatory risks, to which scenario-related projections are difficult to apply.

The above scenarios and connected analyses led to the following results:

- The physical risks identified are divided into a chronic risk linked to sea level rise, which has the potential to impact the Group's business, and an acute physical risk regarding the increased severity of extreme weather events that may impact the Group's business.
- With regard to transition risks, reputational risks were identified arising from not meeting Scope 3 Net Zero targets due to the insufficiently decarbonized grid, in addition to the risk linked to the business impact deriving from the carbon tax regime and greenhouse gas (GHG) price volatility, including CBAM.
- As far as climate-related opportunities are concerned, the Group has identified opportunities relating to capitalizing on global cable market trends, access to financing with a reduced cost of capital and the development and use of low-emission solutions.

In addition, Prysmian has not identified any business assets or activities that are incompatible with or would require significant efforts to be compatible with the transition to a climate-neutral economy.

Identification of climate change

Below, the table contains the impacts, risks and opportunities (IROs) related to the topic discussed in this chapter, with the indication, for current risks and opportunities, also of their current financial effects.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
E1 Climate change	Increase emissions due to Scope 3 Group emissions	Upstream, Downstream	Negative	Actual	Short term
E1 Climate change	Lock-in of polluting asset and contribution in the fossil fuel industry	Downstream	Negative	Actual	Short term
E1 Climate change	Increase emissions due to Scope 1 and 2 Group emissions	Own Operations	Negative	Actual	Short term
E1 Climate change	Emission related to installation activities, both on-shore and off-shore	Own Operations	Negative	Actual	Short term
E1 Climate change	Facilitating the energy transition and decarbonization	Own Operations	Positive	Actual	Short term
E1 Climate change	Energy consumption for cables production	Own Operations	Negative	Actual	Short term
E1 Climate change	Energy consumption for metal and raw-materials extraction and processing	Upstream / Own Operations	Negative	Actual	Short term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
E1 Climate change	Increased severity of extreme weather events (e.g. river floods, hurricanes, cyclones, etc.) due to climate change	Across	Risk	Long term	N/A
E1 Climate change	Tightening of Carbon Tax, Emission trading or CBAM scheme regulations leading to higher costs (e.g. carbon offset credits prices)	Own Operations	Risk	Long term	N/A
E1 Climate change	Non-compliance with Environmental laws / internal standards	Own Operations	Risk	Medium term	Reference should be made to the section "Provisions for risks and charges" in the Explanatory Notes to the Financial Statements concerning potential environmental risks, which, although not having a material current financial impact, represent a probable liability that can be reasonably estimated by management, which is therefore reflected in the financial statements. The amount of the risk provision as at 31 December 2024 for environmental issues was Euro 108 million.
E1 Climate change	Development and expansion of low emission solutions, in all business segments	Downstream	Opportunity	Medium-Long term	Please refer to the Group's economic performance in the Report on Operations, which shows that 43.1% of the Group's total revenues come from sustainable products (E Path range).
E1 Climate change	Capitalize on expected global cable market growth and trends	Own Operations	Opportunity	Long term	N/A
E1 Climate change	Use of lower-emission sources through installation of renewable energy systems (e.g., photovoltaic) and purchase of renewable energy	Own Operations	Opportunity	Medium term	Please refer to the section ""Property, plant and equipment"" in the Explanatory Notes to the Financial Statements, regarding the investments related to sustainability issues in order to reach the goal of reducing GHG emissions of Scope 1 and 2 equivalent to 55% by 2030 (compared to the 2019 baseline) and achieve Net Zero by 2035. Furthermore, these investments were considered in the impairment tests. See Notes to the Financial Statements, Goodwill and other intangible assets section.

Detailed analysis: transition risks

The cable industry plays a crucial role in the ongoing ecological and energy transition process. Prysmian conducted an advanced analysis of three possible scenarios suggested by the International Energy Agency (IEA) to assess the resilience of the organization's strategy, taking into consideration several climate-related scenarios:

.01 STEPS

Stated Policies Scenario (conservative benchmark for the future, based on uncertainty whether governments will meet their established targets, with a temperature increase exceeding 2°C).

.02 APS

Announced Pledges Scenario (benchmark for the future based on ambitions and targets announced by governments, and temperature increase limited to 2°C).

.03 NZE

Net Zero Emissions (pathway for the global energy sector to achieve net zero CO_2 emissions by 2050, consistent with limiting the global temperature increase to 1.5°C).

With regard to transition risks, the following risks have been identified.

TCFD classification	Transition risk	Description	Comment
Political/Legislative	Tightening regulations on carbon tax, emissions trading or CBAM system, leading to higher costs (e.g., prices of carbon offset credits)	Increased production costs due to the Carbon Tax or Emissions Trading System	Risk with a current and forward-looking financial effect that does not change in terms of magnitude depending on climate scenarios

In addition, through the Double Materiality analysis conducted by the Group, an additional transition risk was identified related to potential non-compliance with environmental laws and internal standards, for which it was not deemed necessary to perform a scenario analysis.

The transition risks identified are considered relevant to the Group as a whole and to its business operations. These transitional risks were analyzed in view of their probability, magnitude and duration. As a result of the analysis, Prysmian considers the defined risks to be closely related to its business strategy and market positioning. Therefore, it was found that transition risks do not have an impact on company assets.

Detailed analysis: physical risks

The physical risks directly related to climate change include extreme weather events, such as hurricanes and floods (i.e. long-lasting), or long-term chronic weather conditions, such as persistent high temperatures causing sea level rise or more intense heat waves. Such risks can have significant financial implications as they damage assets, reduce resource availability and trigger operational disruptions throughout the value chain.

With a presence in more than 50 countries and 107 production plants, Prysmian is particularly exposed to these physical risks. Its broad geographic coverage increases the potential impact of climate change on infrastructure and production assets, including the entire supply chain.

Prysmian has reevaluated the physical risks linked to climate change, examining all major risk categories, including rising temperatures and changing precipitation patterns. The analysis was conducted considering the company's assets and business activities and expected asset lifespans, thus ensuring a prospective and strategic view of the risk.

Two key climate risks were identified and assessed:

- Increased severity of extreme weather events
- Sea level rise

To test the consequences, Prysmian analyzed the impact of these risks in two temperature scenarios, i.e.:

1. **IPCC RCP 8.5** ("business as usual", society makes no concerted efforts to reduce greenhouse gas emissions, and the temperature increase exceeds 3°C)
2. **IPCC RCP 2.6** ("very stringent scenario")

The analysis conducted using dedicated tools (CatNet®, a geo-specific risk exposure profiling tool developed by Swiss Re, and Aqueduct, a web-based platform developed by the World Resources Institute) enabled the Group to assess limited exposure to these risks. In the case of new operations, a specific climate change risk assessment is carried out based on the Group's ERM policy. To understand how its supply chain (upstream or downstream activities and customers) might be impacted by physical risks, the Group carried out a specific benchmarking analysis on certain key customers and suppliers. Prysmian was able to verify the robustness of its resilience planning and evaluate the appropriate countermeasures to be taken for production assets, including considering their expected lifespan and the supply chain.

Details are provided below regarding the results of the analysis performed on material physical risks.

TCFD classification	Physical risk	Description	Comment
Acute	Increased severity of extreme weather events (e.g. river flooding, hurricanes, cyclones, etc.) caused by climate	Failure to adapt to climate-related events could cause disruptions in Prysmian's upstream value chain, generating difficulties in the supply of key materials. Extreme weather events could lead to critical issues in mining operations, causing greater difficulties in raw material sourcing. In addition, due to the lack of infrastructure, some mines located in developing countries would be more exposed to the risks of extreme weather events, leading to additional procurement difficulties if they fail to adapt to climate-related events. In addition, some key resources could be severely affected during extreme weather events.	Risk considered of medium intensity for all time horizons and all scenarios.

Detailed analysis: climate opportunities

Climate change represents a complex scenario of challenges, but at the same time it opens the door to a panorama of new opportunities for growth, improvement and value creation. Aware of this context, Prysmian plays an active role in climate change mitigation and adaptation. Its well-defined mission and strategy, together with its solid operating model, enable the Group to generate sustainable financial value along the entire value chain. By embracing the convergence of key emerging market trends, such as the growing emphasis on renewable energy generation, the rapid proliferation of electric applications, the pressing need for electrical grid reinforcement and the pervasive impact of the digital transformation, Prysmian has positioned itself at the forefront of innovation and adaptation, reflecting an acute understanding of changing market trends. Through an ongoing commitment to improving energy efficiency, the progressive adoption of renewable energy sources and the implementation of circular business models, Prysmian not only reduces its environmental impact but also controls operating costs, thus improving business resilience even during periods of instability.

Prysmian's cutting-edge technologies offer the Group a significant opportunity to positively influence its operations, contributing to a substantial reduction in energy and resource consumption while avoiding harmful emissions. This commitment not only positions Prysmian as a sustainability leader, but also stimulates demand for the products, solutions and services offered by the Group, creating a virtuous cycle that contributes to revenue growth and strengthens its reputation with stakeholders. To make its medium and long-term growth assessments coherent and consistent, Prysmian evaluated a range of perspectives relating to the global cable market, for all business segments. Once the key growth drivers were identified, through the extensive involvement of Group management, a number of key opportunities associated with climate change were defined. **These opportunities were analyzed in terms of positive impacts based on the same IEA scenarios used for transition risk assessment: IEA STEPS, IEA APS and IEA NZE.**

The following material opportunities were identified.

TCFD classification	Opportunities	Description	Comment
Market	Development and expansion of low-emission solutions in all business segments	Growing demand for products and services with lower emissions, and improvement in competitive positioning, reflecting changing consumer preferences, lead to the resulting increase in revenues and attraction of low-carbon investors (access to sustainable financing)	Opportunities with moderate anticipated financial effect that may emerge in the medium term with significant increases in the NZE scenario
Market	Taking advantage of the growth and expected trends in the global cable market	Increased revenues due to the strengthening of market share by taking advantage of global cable market trends (renewable energy generation, power grid upgrades for climate change resilience, growth in electrical applications, digital transformation)	Marked and incremental prospective financial effects that in the long term turn out to be relevant in the APS and NZE scenarios
Energy sources	Use of lower-emission energy sources, through the installation of renewable energy systems (e.g., photovoltaics) and purchase of renewable energy	Use of renewable energy to carry out operating activities, with a view to reducing the organization's carbon footprint. Reduced greenhouse gas emissions and resulting lower exposure to changes in energy and carbon costs	A moderate impact on the organization is estimated in the long term regardless of climate scenarios (STEP, APS, NZE)

Detailed analysis: impacts

Prysmian has in parallel identified its actual and potential impacts on climate change by taking into consideration the specific characteristics of its production sites and activities in the value chain, both upstream and downstream. This process has enabled the Group to identify and select the most relevant impacts, risks and opportunities for the business and the associated mitigation actions.

One of the Group's key impacts that emerged in the double materiality analysis is its contribution to increasing the CO_2 concentration in the atmosphere resulting from its activities and processes in the value chain. In particular, the mining of metals and raw materials, the production of PVC for cables and the transportation of materials and finished products result in significant emissions of CO_2 and other greenhouse gases. In addition, electricity and natural gas consumption during production and installation processes and greenhouse gas leaks are considered other factors of critical importance.

In particular, Prysmian's installation activities, which include the logistics and mechanical operations required to install cables and the use of vessels for offshore installations, contribute significantly to greenhouse gas emissions due to high fossil fuel consumption.

Despite these impacts, Prysmian plays a crucial role in facilitating the energy transition and the process of decarbonizing the economy. The Group offers innovative solutions to connect renewable energy sources, such as offshore wind farms, to the power grid, increasing the availability of renewable energy and enabling a more resilient and sustainable power grid. These solutions contribute to the digital transformation and the decarbonization of the economy, with positive effects on both the environment and society.

In terms of identifying and assessing risks and opportunities, Prysmian adopts an internal control and management system based on tools and information flows that enable the Board of Directors to make informed strategic decisions and set system guidelines, considering the Group's operating environment and the relative risks and opportunities, including those relating to sustainability and climate change, in line with the Group Risk Appetite. The latter represents the type and extent of the risk the Group is willing to take in pursuit of its strategic goals.

By analyzing various climate scenarios, Prysmian assessed the adequacy of its strategy in terms of resilience against physical risks, deriving from climate change as a cause of acute events or from chronic changes in climate patterns, and against transition risks, relating to a transition to a low-carbon economy. These analyses confirm Prysmian's central role in the energy transition thanks to its ability to enable the transition to a sustainable economy through innovative solutions and the development of low-emission grids around the world. Integration with the Group's Enterprise Risk Management (ERM) system also ensures constant alignment between risk assessments and Group strategies in the short, medium and long term. Prysmian's resilience is also supported by a solid business model based on diversification, technological excellence, a decentralized value chain and an aggregation hub.

Based on the results of climate scenario analysis, Prysmian devotes ongoing efforts to developing specific action plans to address each significant risk. The goal is to understand the extent to which the impact of such risks may be reduced and business resilience increased. For example, in terms of mitigation actions linked to transition risks:

- The appointment of a Chief Innovation Officer (CIO) and a Chief Digital Officer and the establishment of a Group Innovation Steering Committee, chaired by the CIO, further consolidate the Group's commitment to innovation, research and development. The Group strategy is complemented by roadmaps dedicated to innovation, cost reduction and projects in Transmission and Digital Solutions, innovation-related competitions among employees, also involving key customers, and a professional development plan dedicated to strengthening the innovation skills of employees.
- Prysmian is committed to constantly monitoring changes in laws and regulations governing greenhouse gas emissions internationally, particularly in countries where manufacturing plants are located.
- The Group has established a strategic plan, reflected in the Sustainability Scorecard, which includes, among others, quantitative targets to reduce Scope 3 greenhouse gas emissions.

In terms of mitigation actions for physical risks on the other hand, the Group has established and continues to implement a program of activities relating to the decarbonization plan, as well as local flood protection measures such as dams, walls, etc., aimed at mitigating the risk of coastal flooding as well. In addition, an agreement has been reached with an international company specializing in disaster recovery & restore services, and insurance coverage has been taken out for both direct losses and lost profits due to production interruptions. Please refer to the dedicated section of this chapter for more details on the actions carried out by the Group.
In addition, the assessment of third-party sustainability risks, including risks relating to sea level rise and extreme weather events, is a key step in the entire supply chain management process and defines clear rules for the introduction of new suppliers, periodic assessments and the monitoring and improvement of the supply chain management strategy.

Policies

Prysmian conveys its commitment to combating climate change through its Climate Change Ambition, which attests to the Group's commitment to managing this issue. At policy level, the Group's Health, Safety, Environment and Energy (HSEE) Policy includes relevant goals such as optimizing energy consumption and efficient, effective and sustainable energy sourcing. This policy promotes an approach geared toward continuous improvement in the performance of production processes and associated activities, adopting a Life Cycle perspective and complying with international standards for energy management. **Prysmian adopted and updated its HSEE policy in 2024, which was signed by the Group CEO (responsible for implementing the policy through the relevant functions), COO and HSE VP and approved and validated by the Sustainability Committee (board committee).**

The policy, adopted by the CEOs and COOs of each Region, applies to all of the Company's operations and employees, as well as contractors, temporary workers and those under the Company's supervision. It includes all group geographical areas and legal entities, which are responsible for implementing its principles across all activities and segments of the company's operations and value chain. Prysmian ensures that all of its employees and people/organizations working under its control are competent and, in the case of specific tasks, authorized on the basis of appropriate education, training and experience, as well as in possession of certifications or licenses, where required, to perform their duties without harmful effects on the environment, health and safety.

The policy contains all of the principles that the Group Companies undertake to follow, including:

- optimizing energy resource and raw material consumption and preventing pollution by identifying, monitoring and reducing the environmental impact of processes/products;
- carrying out activities by adopting health, safety, environmental and energy management systems in compliance with international standards, with a commitment to continuous improvement in the performance of all production processes and associated activities, taking a Life Cycle approach;
- encouraging a systematic approach to energy management by identifying responsibilities and duties aimed at continuous energy efficiency improvement, seeking out innovative and technological solutions and designing and purchasing efficient products and services to improve energy performance.

Thus, the aforementioned policy directly addresses the issues of energy efficiency and efficient, effective and sustainable energy sourcing with a view to climate change mitigation. However, it does not directly address the issue of climate change adaptation.

Furthermore, by implementing this policy, Prysmian undertakes to meet applicable legal requirements and other commitments made by the organization in the areas of health, safety, environment and energy. The organization implements HSEE management systems compliant with international standards, addressing risks and identifying opportunities that arise in the context of the organization and its activities.

In developing its HSEE (Health, Safety, Environment and Energy) policy, Prysmian has taken stakeholder views into consideration through a consultation and involvement process. This approach included dialogue with employees, union representatives, customers, suppliers and other stakeholders to ensure that the policy met the needs and expectations of all parties concerned. In addition, feedbacks were analyzed on risks and opportunities linked to health, safety, environment and energy, with the goal of developing a policy that was not only effective but also globally shared and supported.

The HSEE Policy is publicly available on the corporate website[35] and is distributed to all Group companies via the intranet and HSEE Management Systems.

35. https://www.prysmian.com/en/sustainability/environmental-responsibility.

Actions

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Transmission innovation	Short term	Achieving a new global record in installed depth and expanding the production and testing of high-voltage and submarine cables.	Ongoing
Power Grid innovation	Medium Term	Expanding capacity, improving grid reliability and reducing carbon emissions, with global initiatives such as the use of recycled polyethylene and green overhead conductors, and the development of new underground cable technologies.	Ongoing
Electrification innovation	Medium Term	Global launch of the PrySolar cable for solar panels and the PryID solution for digitalizing electricity infrastructure, responding to increasing electrification and the transition to renewable sources.	Prysolar: concluded
Measures to reduce direct emissions associated with SF6 emissions	Medium Term	Measures to reduce emissions of sulfur hexafluoride (SF_6), a greenhouse gas mainly used in electrical equipment.	Ongoing
Defining an Energy Audit Plan	Medium Term	Prysmian uses periodic energy audits to improve energy efficiency and reduce GHG emissions in its operating units.	Ongoing
Investments in photovoltaic panels	Medium Term	Installation of photovoltaic panels at Group facilities in order to self-produce renewable electricity.	Ongoing
Energy efficiency investments	Medium Term	Energy efficiency investments aim to reduce energy consumption and CO_2 emissions through the adoption of energy-efficient technologies.	Ongoing
PPA planning for renewable energy generation	Long term	Power Purchase Agreement for the supply of electricity from renewable sources	Ongoing
Factory electrification	Long term	Investments in electrification aimed at reducing the use of natural gas, especially in space heating and temperature regulation systems.	Ongoing
Transmission BU fleet decarbonization	Long term	Promoting the use of biofuels for the Prysmian fleet and introducing shore connection for the use of electricity for installation stand-by phases	Ongoing
Transport optimization	Long term	Prysmian is exploring and testing green transport solutions, by launching pilot projects for electric road transport in northern Europe, with the goal of reaching the Net Zero Emission target.	Ongoing
Supplier engagement programm	Medium Term	Supplier engagement program aimed at collecting primary data on CO_2 emissions.	Ongoing

Transmission innovation

In 2024, Prysmian achieved important milestones in the field of Innovation, developing more efficient and sustainable connection solutions, suitable for increasingly complex applications.
In particular, Prysmian set a new world record of 2150 m of installed depth for mass-impregnated technology operating at 500 kV. To maintain HVDC technology leadership and to complete the backlog of record projects, in 2024 industrialization testing was conducted on multiple new lines in the Group's European plants. Prysmian continues to gain solid experience with its proprietary P-Laser 525kV HVDC polypropylene-based solution, and total industrial production exceeded 800 km by the end of 2024.
In addition to cable production, the company is also expanding its capacity to test high-voltage and submarine cable systems with a state-of-the-art electrical laboratory, under construction in Quattordio, through a CapEx of about Euro 30 million.

The Group continues to focus strongly on its umbrella technology platform for dynamic applications covering both renewable export cable systems and the development of state-of-the-art hybrid umbilical cables. Prysmian is the only end-to-end supplier capable of designing, manufacturing and integrating electrical power cores up to 66 kV with hydraulic components and fiber optics to achieve superior dynamic performance in deep water, delivering key projects in 2024.

As far as innovation in transmission system components is concerned, Prysmian continues to strengthen the technology with a CapEx of around Euro 9 million for scaling up 525 kV couplings by leveraging its in-house proprietary EPR rubber compound solution, developed and industrialized specifically for such demanding applications. In 2024, 250 parts were produced at the Livorno Mare facility in Italy. In addition, along with the removal of SF6, dry-type terminations for 420 kV AC and 525 kV DC are coming in the final stage of development. This cutting-edge technology offers a completely safe, fluid-free (gas/oil) and, therefore, leak-proof solution, which is also easy to install (saving 40% on installation time and cost). This once again demonstrates the company's commitment to making a serious and concrete contribution to reducing environmental impact, using innovation as the main driver.

These applications enable the Group to consolidate its role as an enabler in the transition to a sustainable future, particularly by fostering rapid development of renewable energy and electrification, and thus contributing to the fight against climate change. The total investments made by the Group are not disclosed for the purposes of this disclosure as it is considered sensitive data.

Power Grid innovation

The power grid transition emphasizes capacity expansion, reliability improvements and significant carbon emission reduction. To meet market and customer demands, Prysmian promotes multiple initiatives at global level. This year, the Group implemented recycled polyethylene (PE) in cable jackets worldwide and introduced green aluminum-based overhead conductors, achieving a carbon footprint reduction of up to 70%. Specifically, to support increased consumption of recycled polyethylene, a multi-year project involving CapEx of roughly Euro 3 million was approved during the year, which includes the installation of metering systems, the adjustment of extrusion lines and the necessary laboratory equipment.

In addition, to further improve reliability and support rapidly growing energy demand, E3X technology is being promoted in multiple countries.

E3X coating solutions were developed to improve thermal dissipation and reduce the absorption of solar radiation in overhead line conductors. The coating ensures both higher power transmission at the same temperature and lower losses than a conductor of the same size. Retrofitting existing lines is made possible by a cleaning and application robot capable of applying coating to live lines.

In addition, a coating for high temperatures (250°C) was developed. The ability of this coating to resist oscillations and other mechanical stresses has been demonstrated with some field experiments. In particular, a CapEx of around Euro 3 million was approved during the year in order to expand this technology within the group.

During the year, Prysmian received funding from the U.S. Department of Energy to develop an innovative solution for splicing machines to improve the reliability and resilience of underground cables. This solution is expected to be ready for validation by the end of 2026.

Specifically, this solution transforms the reliability and safety of the underground cable network with a mission to eliminate underground cable network splice failures from ~90% to <10%. This machine will automatically complete the splicing process using an automated arm with customized end effectors that capture the process with advanced images to apply machine learning in the future. A laser will be used to cut cable layers for greater precision than a blade. In 2024, we completed the whole subsystem design and developed the cable laying preparation method. The cable prepared using this method was validated with partial discharge tests. In addition, a machine structure was built to evaluate practicality in field conditions. We plan to build all subsystems in 2025 to validate splicing feasibility.

Details of the Group's operational expenditure for major Power Grid innovation projects are provided below.

	2024	2025	2026
r-PE	EUR 127,000	EUR 110,000	N/A
Green Al	N/A	N/A	N/A
E3X	USD 275,000	USD 150,000	N/A
Splicing Machine	EUR 267,000	EUR 317,000	EUR 211,000

Electrification innovation

The continuing trend toward electrification of most energy consumption and the progressive and rapid shift to renewable sources require new products that reliably and safely enable these evolutions. The introduction of new technologies to increase the production of solar farms has required the development of new products, and Prysmian has globally launched PrySolar, the high-resistance cable for solar panels with extended durability even when immersed in water. To support the need for the digitalization of electrical infrastructure, the PryID solution was developed for easier product tracking and the fail-safe uploading of digital information on customer systems. The application associated with this new product family provides a number of useful features during both installation and maintenance. The CapEx associated with this activity amounted to Euro 70,000 in 2024.

Measures to reduce direct emissions associated with SF_6 emissions

By the end of 2023, the Group had achieved, 12 months earlier than expected, an 88% reduction in SF_6-associated emissions compared to the 2019 baseline: 15kton compared to 116 of four years earlier.
The activities were led by the R&D (Research & Development) department and resulted in either a large-scale replacement of SF6 with other less polluting gases (99 times lower emission factor) or the implementation of a new dry technology that would allow HV tests to be performed without the use of inert gases.
Compared to this stream, 2024 was the year of stabilization: the remaining sites affected by the use of this gas are less than 5% of the total scope, and the results achieved at the end of 2024 project a value completely aligned with the previous year.
The Group intends to maintain its internal target even lower: the internal target is to settle at 10kton/year (-92% vs. 2019) within the next 18 months.

Defining an Energy Audit Plan

For many years, Prysmian has been using energy audits as a tool for identifying and analyzing energy consumption and use at the Group's operating units.
Audits are planned periodically in order to obtain an in-depth analysis of energy consumption, define significant uses and the related performance indicators, and identify targets and actions to reduce energy consumption and the corresponding GHG emissions, in line with the Group's decarbonization targets. Audit frequency varies depending on legislative requirements, energy management system procedures or country- or unit-specific decarbonization goals.
In operating units that have obtained the ISO 50001 (17%) energy management system certification, the Energy Analysis is updated annually and progressive consumption reduction is verified by external certifying bodies.

Given the fundamental function of energy audits as a lever for decarbonization, Prysmian is working on establishing shared rules for the periodic performance of energy analyses across all Group units, above and beyond legal requirements and certifications. This initiative will enable Prysmian to have ownership and control of energy issues, increase awareness, and systematically structure and manage energy problems, in addition to meeting legal requirements, to also be aligned with Group objectives.
In 2024, based on recommendations from energy audits, Action Plans were established in the group's business units, and a number of interventions, described in detail below, such as boosting energy efficiency, increasing the percentage of renewable energy, and engineering and design solutions, were either initiated or completed. Details of the main actions implemented or planned, timing and dedicated resources are provided below.

Investments in photovoltaic panels

Prysmian's focus on renewables consistently continued throughout 2024.

The Group's sustainability actions have not stopped at securing a green energy supply, but it is continuing along a path of local self-generation with the installation of photovoltaic facilities at production units.
In addition to the 5 initiatives already in operation as at December 2023 (Kistelek in Hungary, Arco Felice in Italy, Vilanova in Spain, Neustadt in Germany and Morelena in Portugal), 3 additional photovoltaic power plants were commissioned in 2024.
The Slatina (Romania) plant began operating in January, and the Pignataro (Italy) and Abrera (Spain) plants in February 2024. The total installed capacity of the 8 plants has now exceeded 12MWp and is capable of generating around 15,000 MWh/year of completely clean energy, with a decline of 5,000 tons of CO_2 equivalent. Teams on various levels and at various latitudes have continued to work on the issue, and upcoming initiatives are well underway.
Additional plants are currently being installed and finalized, both in Europe (Quattordio in Italy, Gron in France, Balassagyarmat in Hungary and Schwerin in Germany, in the latter two cases exceeding 3MWp installed) and opening up to new geographical areas.
In fact, new self-generating solar power plants will open up during 2025 in Asia (factories in Yixing, China and Melaka, Malaysia) and the Americas (Tetla in Mexico, in partnership with Siemens, and DuQuoin in the US).
Through these initiatives that have already been approved and are in the implementation phase (they will come into operation at different times in the first half of 2025), it will be possible to reach 31MWp installed and 38,000 MWh delivered per year, with a reduction in CO_2 emissions of about 18 ktons, thus actively contributing to climate change mitigation.

Energy efficiency investments

Energy Efficiency activities have also now been largely launched and well established, albeit with a slightly revised organizational structure. After a Corporate-led start in the years 2021-2023, with centrally allocated investments aimed at identifying the most promising efficiency strands (LED lights, AC vs. DC motor replacement, etc.), energy efficiency activities are now mainly managed by regional leadership teams, with Corporate oversight aimed at encouraging cross-sharing and assessing which activities can be "promoted" to receive a centrally allocated dedicated budget.
This new set-up has allowed for more widespread intervention, involving and employing far more people and succeeding in reaching detailed topics invisible to the Big Picture.

Some of the main ones include:

- **Specific maintenance, control and empowerment of utilities**: a common strand across all Regions was the monitoring of compressed air systems, which, in several cases, showed considerable room for improvement. Specific assessments, carried out internally and with the support of third-party agencies, identified the most critical points in terms of air leakages and then remedied them. It is estimated that these activities have brought and will bring savings in electricity consumption equivalent to hundreds of tons of CO_2.
  On the utilities side, boilers used for heating have also received specific attention: in addition to the Heating System Replacement investment in Nordenham, another significant example involves the Lincoln factory in the United States, where, following an in-depth analysis, the decision was made to replace the boiler. It is estimated that this action, which took place in October, will be able to generate net savings of around 2,000 tons per year of CO_2 equivalent.
- **Energy monitoring, Omhero installation**: the devices manufactured by Prysmian EOSS are now present in about 30 Group factories, numbering more than a thousand and three hundred units. As much as phasing is particularly relevant in this initiative (it can take months from purchase to installation to the initial statistical data analysis), some benefits have already been recorded: in one of the factories in the United Kingdom, for example, thanks to energy consumption analysis, it was possible to identify a number of machines that continued to consume electricity even when they were turned off. This led to a thorough analysis of the machinery and the definition of targeted actions to reduce energy waste of this magnitude, which would not have been detected without the use of a dedicated monitoring tool.
- **Lighting regulation**: in some factories, traditional lighting systems have been equipped with position/presence sensors (for offices) or dimming (also in production areas). This system is, including with LED lights, a further step forward in reducing unnecessary consumption.

- **Solutions for preventing heat loss (or redistribution)**: systems to prevent heat loss have been implemented in a number of factories, primarily in Northern Europe. These involve either double gates for forklift entrances/exits, or thermal scanning to identify locations in buildings that require greater protection. At the factory in Nieuw-Bergen, the Netherlands, a series of blowers were installed in order to convey and push heat from hotter to colder areas (mainly the materials warehouse).
- **Regulation of shop floor temperatures**: in several factories, especially in Southern Europe and Central and Eastern Europe, control tools have been installed that are capable of regulating heating depending on the outside temperature to avoid unnecessary overheating.

Solutions are currently under consideration that can make the set of actions discussed above more robust and stable. For example, some pilot projects are underway aimed at understanding how well AI algorithms can support these activities. The goal is twofold: to make system efficiency partially independent of individual actions, and to shorten the time required to analyze information and develop an action plan.

PPA planning for renewable energy generation

Off-site power purchase agreements (PPAs) are one of the tools currently chosen by the Group as a decarbonization lever to be able to significantly increase the use of renewable energy in its facilities directly from renewable technology plants, such as PV solar and wind power.

The following main actions were carried out in 2024:

- Signing of a PPA in Italy to supply renewable energy to Italian facilities starting from 2025;
- Signing of a PPA in the Netherlands to supply renewable energy to Dutch facilities starting from 2025;
- Signing of a PPA in Germany to supply renewable energy to German facilities starting from 2025;
- Signing of a PPA in Brazil to supply renewable energy to Brazilian facilities starting from 2026.

Overall, the renewable electricity that will be delivered with the start of procurement via off-site PPAs signed in 2024 is 46.3 GWh per year for Europe and 63.9 GWh per year for Latin America.

The Group is actively exploring new PPA opportunities to further increase the percentage of energy delivered to its facilities directly from renewable power generation plants. Over the next three years, the Group plans to formalize PPAs in North America and other European countries with high energy consumption.

The financial resources dedicated to the PPAs already signed are operational costs and amounted to a total of roughly Euro 6.3 million per year when fully operational, consisting of commodities and green certificates.

Factory electrification

As mentioned previously, reducing natural gas consumption and other combustion emissions is one of the key battles to be won if Net Zero is to be achieved.
Consistent with this thinking, Prysmian strives to devote capital expenditure to electrification, with a special focus on heating systems and the gas used to regulate internal temperatures.
Following this, there are two pilot projects currently underway to test the technical and economic feasibility of such a solution: one in the Energia factory in Pignataro Maggiore (Italy), and one in the multi-business factory in Montereau (France).

The Pignataro pilot project, called Zero Gas, aims to completely eliminate the use of natural gas by installing a system of heat pumps in series. The initiative is particularly complex and educational due to the fact that Pignataro uses gas not only for heating purposes but also for the production process: the electrification scope will therefore also cover degassing chambers.
The project, approved during the year with a dedicated capital expenditure of approximately Euro 1.3 million, is already in the implementation phase and will run throughout 2025, consistent with invasive modification works and production shutdowns, in order to minimize business disruptions.

The situation at the French Montereau factory is different: at the multi-business and multi-building plant, with gas use for both heating and process purposes, a process is currently underway to electrify a portion of the plant. With the preliminary study completed, the executive study is being finalized to identify the areas of greatest interest from which to start.

The Group's transition plan, defined as part of the Climate Change Ambition, is fundamental to the implementation of Prysmian's sustainability strategy. Also in 2024, Prysmian continued to invest in sustainability to achieve the objectives of the Climate Change Ambition. In 2024, these investments reached around Euro 5 million, and for 2025 a plan of around Euro 7 million is planned, covering various areas, including photovoltaics, electrification of energy consumption and natural gas efficiency.

Transmission BU fleet decarbonization

1) Use of biofuel

The initiative consists of replacing fossil fuels with lower-carbon, plant-based alternatives made from waste products. Specifically, Transmission BU vessels will replace conventional diesel with biofuel, thus ensuring a significant reduction in CO_2 emissions throughout the fuel supply chain and a decrease in the overall environmental impact of maritime operations.

By 2030, the entire BU fleet will be progressively involved in the initiative, and supply sources will then be selected that can maintain high fuel quality and performance standards, while also taking into consideration the specific geographic areas covered by the Transmission BU's operations.

Procurement activities and the feasibility study were already started in 2023. The alternatives considered include various types of fuels, depending on the concentration of biodiesel: FAME 30 (30% Fatty Acid Methyl Esters from waste oils) and FAME 100 (100% Fatty Acid Methyl Esters from waste oils). Vessel engines are compatible with all fuel types, from fossil fuels to biodiesel with various concentrations. Despite the engine manufacturers' stated compatibility, minor modifications and subsequent testing steps will be required to fine-tune the engine fuel supply system and evaluate overall combustion efficiency.
In addition, the impact of biodiesel on transfer systems (pumps, hoses and seals) and on the painting of storage containers is being studied, given the more corrosive nature of biodiesel compared to conventional diesel fuel.

In the third quarter of 2025, the first tests with FAME 100 biofuel will be conducted on the Leonardo Da Vinci and Cable Enterprise. The test results will be crucial to validate the fuel and determine the optimal concentration to be adopted for the entire fleet.

Lastly, the extra costs of using biodiesel compared to conventional diesel have been estimated in the range of 35% to 45%.

2) HV shore connection

The shore connection initiative aims to electrify some port activities, in order to reduce CO_2 emissions and contribute significantly to lessening the impact of operations. Specifically, vessels in the Transmission BU's fleet will receive the necessary energy from the power grid in port operations, avoiding the use of engines, which have higher emissions, as generators.

The project involves retrofitting existing vessels and implementing the shore connection on new units. Specifically, in the port it will be necessary to set up connections to the power grid or energy storage systems on board vessels (energy storage), while factories will be equipped with energy supply infrastructure.

The goal is to implement the initiative in all factories and the fleet of the BU by 2030, with the following plan:

- **2025**: launch of the Mona Lisa, equipped with energy storage and shore connection;
- **2027**: launch of a new vessel with storage and shore connection;
- **2028**: installation of the first shore connection support at SAF (or Pikkala) factories;
- **As of 2029**: retrofitting of the remaining fleet.

The planned financial resources to cover the CapEx for this project are more than Euro 20 million.

Transport optimization

In line with previous years, overland transportation continues to be the vehicle type most used by the Group (86% in terms of expenditure). The use of air transportation for transoceanic fiber optic flows, already decreasing in 2023, has remained at minimal levels in order to improve transportation-related CO_2 emissions. In response to the European Union's growing awareness and guidance on sustainability, Prysmian is exploring and testing green transportation solutions, such as using HVO fuels on intra-European long-haul routes. In addition, pilot projects for electric road transport have been launched in Northern Europe, with the long-term goal of reaching the Net Zero Emission target.

The amount of financial resources invested in this project is Euro 100,000 of OpEx aimed at achieving the result of 6,000 tons of cables delivered with Zero Emission Transport in 2024 (10% of domestic volumes in the Netherlands).

The Future Goal is to deliver 8,000 tons of cables with Zero Emission Transport in 2025. Considering an extrapolation of the cost of transportation in 2024, this would mean a total of about Euro 133,000 OpEx in 2025.

Supplier engagement program

The supplier engagement program is developed based on supplier segmentation according to strategic relevance to guide the depth of information requested in the questionnaire and the frequency and scope of interactions. As part of engagement, critical information is collected on suppliers to assess their risk exposure on financial, operational, IT, geopolitical and ESG KPIs and measure CO_2 emissions. Based on this information, a scoring system is implemented to highlight critical issues in each risk area, prioritize intervention and guide interactions with suppliers. The program objectives are:

- ensuring compliance with the latest regulations in ESG and IT risk areas that require supplier risk assessment and monitoring;
- limiting business disruptions by proactively monitoring supplier risk exposure on key families (e.g., financial, operational, geopolitical, cyber, ESG) and mitigating actions to reduce the likelihood of the adverse event and/or its magnitude;
- strengthening supplier relationships by establishing a long-term structured interaction plan that aims to consolidate collaboration in strategic areas to jointly address external threats and take advantage of opportunities.

The process is currently under development and will be applicable to material suppliers, transportation suppliers and suppliers of non-raw materials.
For more details on this project, please refer to Chapter S2.

The pool of actions currently identified represents a good mix of targeted dedicated investments, leasing initiatives and commercial agreements, which are essential for the implementation of the actions planned.

In terms of CO_2 emissions, based on what was mentioned above, in the 2024-2025 two-year period, the Group expects to achieve a reduction:

- of about 4,000 tons/year as a return on the direct investments made;
- of around 25,000 tons/year, as a result of PPA contracts signed in strategic, high-consumption countries (Italy, Germany, the Netherlands);
- of roughly 5,000 tons/year as a result of local activities and internal energy efficiency (local projects).

The CapEx and OpEx indicators required to implement the actions described are reported in the required Taxonomy KPIs when applied to the cable production lines considered eligible and aligned, based on the description of the activity. Among the KPIs required by the Taxonomy, Prysmian reports some items relating to specific interventions completed during the year, specifically with respect to interventions carried out on the Group's buildings and plants, as well as efficiency improvements.

Some capital expenditure relating to the CapEx plan involving the construction of new cable-laying vessels is included in the CapEx reported in the context of the European Taxonomy. However, this plan is not about interventions connected to climate change and decarbonization issues, but to the Group's role as a transition enabler.

Targets

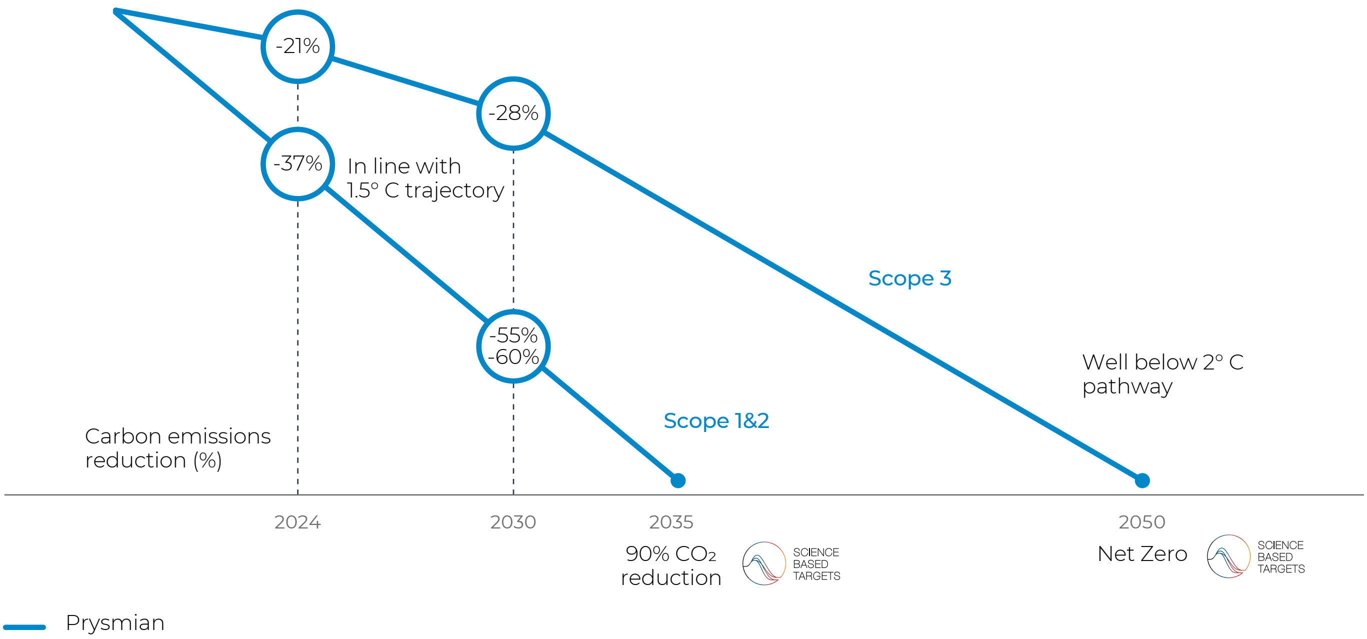
The Group's emission reduction targets have been defined as a consequence of its commitment to reducing its negative impacts relating to consumption and emissions and are in line with the environmental protection principles defined in the HSEE Policy.
The Group's short- and long-term and Net-Zero Science-Based targets are summarized in the following table:

Target	Year of target achievement	Performance as at 2024	Base year and relative baseline value
Short-term goal			
Reduction of absolute Scope 1 and 2 GHG emissions by 55%-60%	2030	-37%	2019 920 $ktCO_2$
Reduction of absolute Scope 3 GHG emissions by 28%	2030	-21%	2019 297,192 $ktCO_2$
Long-term goals			
Reduction of absolute Scope 1 and 2 GHG emissions by 90%. Maintaining at least a 90% absolute reduction until 2050	2035	-37%	2019 920 $ktCO_2$
Reduction of absolute Scope 3 GHG emissions by 90%	2050	-21%	2019 297,192 $ktCO_2$
Net-Zero overall goal			
Achieving net zero greenhouse gas emissions throughout the value chain	2050	-21%	2019 298,112 $ktCO_2$

The goals set by Prysmian cover Scope 1, Scope 2 and Scope 3 emissions. Therefore, all emission sources are evaluated. They refer to all operations and subsidiaries owned by or under the operational control of the Group, without considering changes in scope taking place in 2024. In addition, the goals were established by taking into consideration the most recent scientific papers and research, following the internationally recognized SBTi methodology.

Prysmian's short-term and overall Net-Zero targets were approved by the SBTi in 2023. However, during 2024, Prysmian requested an update of its Scope 1 and 2 emission reduction target and recalculated the 2019 baseline to reflect changes in the Group's composition during the year. The Group's new goals are currently being reviewed by the Science-Based Target Initiative. Specifically, Encore Wire and Warren&Brown, acquired in 2024, two vessels and a barge pertaining to the cable installation business, were included.

Confirmed commitment to decarbonization path



Encore Wire is not included in the 2024 results as Prysmian is awaiting SBTi approval for its 2019 baseline restatement.

The company's GHG emission reduction targets on Scopes 1 and 2 follow the methodology and specifications required by the Science-Based Target initiative (SBTi): a 90% reduction compared to the baseline (in Prysmian's case, 2019). This target is aligned with a limitation of the global temperature increase to 1.5 C°, and as a percentage remains unchanged even in the case of changes in scope that require an update of the reference baseline (as actually happened, due to post-2019 acquisitions).
Prysmian extensively collects consumption and GHG gas emissions data, which are entered by each operating unit into a tool shared by the entire scope.

These data are then validated by regional managers at both the Operations and Finance level, and the entire cycle is spot-checked by a third-party auditor. Scope 1 and Scope 2 emissions are calculated automatically using conversion and emission factors taken from internationally recognized databases (e.g. DEFRA, IEA, ABI, etc.). Scope 2 indirect emissions are calculated with both the Location-based and Market-based methods; the latter is also the method used for setting SBTi-validated reduction targets.
Starting with the long-term Net Zero target (2035), the Group has set intermediate targets to 2030 (medium term) and 2025 (short term).
To define and carry out the actions necessary to hit these targets, Prysmian has introduced a multifunctional working team entirely responsible for defining the decarbonization strategy (what actions to take and how), which is thus handled internally.

The following variables are considered:

- The expected medium/long-term business volume forecast, consistent with business growth forecasts communicated on internal and external channels (which businesses will grow, how much, in which regions/countries/factories);
- KPI history by country/factory (consumption, consumption/ton of finished cable);
- The expected vessel fleet growth forecast;
- Changes in footprint and scope;
- The availability of investment and known technologies.

Within the decarbonization roadmap, no external variables completely beyond the company's control are considered, such as major changes in regulations or disruptive technologies that are currently unknown, nor are aggressive assumptions such as the total decarbonization of each country's electricity grid by the end of 2035.

The work team meets on a quarterly basis, both internally and with the corresponding regional figures. Also, on a quarterly basis, it presents an update to the top management regarding final reporting for the period just ended and a review of estimates and ongoing projects.
The Group's decarbonization targets have been defined in agreement with Board members, and taking into consideration demands and input from the market and investors, as well as from international organizations and European bodies, which are pushing large companies like Prysmian to set increasingly challenging targets.

The reference year for the goal baseline, from 1 January 2019 to 31 December 2019, is considered the most representative reporting year at the time the science-based goals were set, in accordance with SBTi methodologies.

Greenhouse gas (GHG) emission reduction targets were set in line with the scope established for the GHG emission inventory, which includes direct emissions (Scope 1), energy indirect emissions (Scope 2) and value chain indirect emissions (Scope 3). The Science-Based targets are based on the GHG emissions inventory for 2019 (base year), whose consistency with the 2024 reporting year inventory was ensured by adopting the same calculation methodologies, data sources and reference reporting standards (GHG Protocol). Indeed, the acquisition of Encore Wire resulted in the revision of the base year GHG inventory and previously set Science-Based Targets, which are currently being approved by the SBTi.

The achievement of the Group's emission reduction targets is closely linked to the decarbonization levers and actions planned and implemented as part of the Group's transition plan (Climate Change Ambition).
For more information, please refer to the previous section on actions.

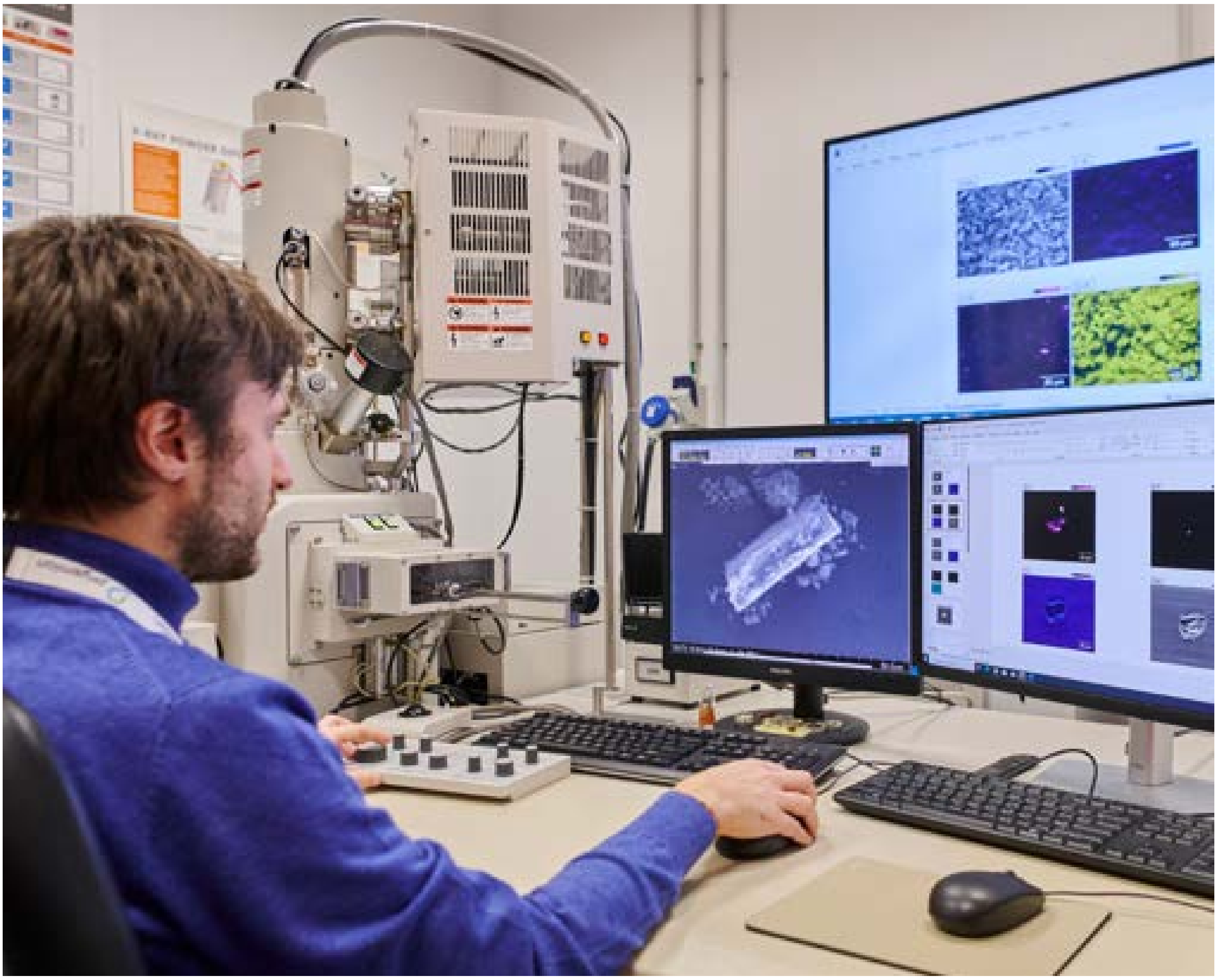
Metrics

Targets related to climate change mitigation and adaptation (34. a, 34. b)

	Total 2024 former Prysmian perimeter	Total 2024 Prysmian	Target 2030	Target 2035	Target 2050
GHG emission reduction Scope 1					
Absolute value of GHG emissions tCO_2e	217,306	227,215	-	-	-
Percentage reduction of GHG emission	-44%	-	-	-	-
Intensity reduction of GHG emission tCO_2e	0.001%	-	-	-	-
GHG emission reduction Scope 2 - Location Based					
Absolute value of GHG emissions tCO_2e	447,153	474,155			
Percentage reduction of GHG emission	-23%	-	-	-	-
Intensity reduction of GHG emission tCO_2e	0.003%	-	-	-	-
GHG emission reduction Scope 2 - Market Based					
Absolute value of GHG emissions tCO_2e	365,091	393,573	414,229	92,051	92,051
Percentage reduction of GHG emission	-32%	-	-55%	-90%	-90%
Intensity reduction of GHG emission tCO_2e	0.000%	-	-	-	-
GHG emission reduction Scope 3					
Total Gross indirect (Scope 3) GHG emissions - Absolute value of GHG emissions	235,598,561	239,303,832	213,978,518	-	29,719,239
Percentage reduction of GHG emission	-21%	-	-28%	-	-90%
Intensity reduction of GHG emission	1.38%	-	-	-	-
1: Purchased goods and services - Absolute value of GHG emissions	11,115,382	11,747,429	-	-	-
Percentage reduction of GHG emission	-0.2%	-	-	-	-
Intensity reduction of GHG emission	0.07%	-	-	-	-
2: Capital goods - absolute value	315,735	324,258			
Percentage reduction of GHG emission	153%	-	-	-	-
Intensity reduction of GHG emission	0.002%	-	-	-	-
3: Fuel and energy-related activities (not included in Scope 1 or Scope 2) - Absolute value of GHG emissions	187,793	199,625	-	-	-
Percentage reduction of GHG emission	11%	-	-	-	-
Intensity reduction of GHG emission	0.001%	-	-	-	-
4: Upstream transportation and distribution - Absolute value of GHG emissions	424,491	443,212	-	-	-

	Total 2024 former Prysmian perimeter	Total 2024 Prysmian	Target 2030	Target 2035	Target 2050
Percentage reduction of GHG emission	-8%				
Intensity reduction of GHG emission	0.002%				
5: Waste generated in operations - Absolute value of GHG emissions	120,092	121,523			
Percentage reduction of GHG emission	105%				
Intensity reduction of GHG emission	0.001%				
6: Business traveling - Absolute value of GHG emissions	23,102	23,124			
Percentage reduction of GHG emission	368%				
Intensity reduction of GHG emission	0.00%				
7: Employee commuting - Absolute value of GHG emissions	52,508	52,669			
Percentage reduction of GHG emission	9%				
Intensity reduction of GHG emission	0.00%				
8: Upstream leased assets - Absolute value of GHG emissions	660	660			
Percentage reduction of GHG emission	70%				
Intensity reduction of GHG emission	0.00%				
9: Downstream transportation - Absolute value of GHG emissions	23,703	24,075			
Percentage reduction of GHG emission	100%				
Intensità di riduzione di GHG emission	0.00%				
11: Use of sold products - Absolute value of GHG emissions	223,206,626	226,207,451			
Percentage reduction of GHG emission	-22%				
Intensity reduction of GHG emission	1.31%				
12: End-of-life treatment of sold products - Absolute value of GHG emissions	15,508	46,847			
Percentage reduction of GHG emission	-68%				
Intensity reduction of GHG emission	0.00%				
15: Investments - Absolute value of GHG emissions	112,960	112,960			
Percentage reduction of GHG emission	67%				
Intensity reduction of GHG emission	-68%				

	Total 2024 former Prysmian perimeter	Total 2024 Prysmian	Target 2030	Target 2035	Target 2050
GHG emission reduction					
Scope 1 + Scope 2 - Location Based + Scope 3					
Absolute value of GHG emissions tCO_2e	236,263,020	240,005,202	-	-	-
Percentage reduction of GHG emission	-21%	-	-	-	-
Intensity reduction of GHG emission	1.39%	-	-	-	-
Scope 1 + Scope 2 - Market Based + Scope 3					
Absolute value of GHG emissions tCO_2e	236,180,958	239,924,620			29,816,040
Percentage reduction of GHG emission	-21%	-	-	-	-90%
Intensity reduction of GHG emission	1.39%	-	-	-	-



Energy consumption

Energy consumed means the value expressed in Mwh of energy consumed within the organization, including both energy purchased from external sources and self-produced.

Energy consumption and mix not (37., AR 34.) - high impact MWh	Total 2024 Prysmian former perimeter	Total 2024 Prysmian	Total 2023
38. (a) Fuel consumption from coal and coal products	-	-	-
38. (b) Fuel consumption from crude oil and petroleum products	275,469	275,479	294,669
38. (c) Fuel consumption from natural gas	619,459	717,344	632,604
38. (d) Fuel consumption from other fossil sources	-	-	-
38. (e) Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	1,137,729	1,214,607	1,121,666
37. (a) Total energy consumption from fossil sources	2,032,658	2,207,429	2,048,939
AR 34. Share of fossil sources in total energy consumption	**78.34%**	**79.71%**	**76.59%**
37. (b) Consumption from nuclear sources	41,699	41,699	-
AR 34. Share of consumption from nuclear sources in total energy consumption	**1.61%**	**1.51%**	**0.00%**
37. (c) i. Fuel consumption for renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renewable sources, etc.	1,038	1,038	244
37. (c) ii. Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	506,423	506,423	626,124
37. (c) iii. Consumption of self-generated non-fuel renewable energy	12,792	12,792	-
37. (c) Total energy consumption from renewable sources	**520,253**	**520,253**	**626,368**
AR 34. Share of renewable sources in total energy consumption	**20.05%**	**18.78%**	**23.41%**
37. Total energy consumption	**2,594,610**	**2,769,382**	**2,675,307**

The 2023 and 2024 figures include estimates only for the Chiplun site.

For the conversion to GJ, the input data expressed in kg or m^3 of fuel have been multiplied by the respective conversion factors (source: DEFRA 2024). For electricity, the primary data in kWh have been multiplied by the constant 0.0036 to obtain the GJ. Finally, the GJ of each energy carrier have been multiplied by the constant 0.27778 to obtain the consumed MWh.

During the year, Prysmian achieved a 3% reduction in energy consumption compared to the previous year. This result, as widely described, was the result of a set of initiatives aimed at improving energy efficiency, including the optimization of production processes and the adoption of more efficient technologies.
The energy production in MWh is shown below, which is related only to self-produced renewable energy, the rest is energy consumed. The ratio between the consumption of energy produced and associated revenues is also reported, since Prysmian is a sector with a high climate impact, net revenues are illustrated in the report on operations, with reference to the paragraph on the group's economic performance and in the notes to the financial statements in the income statement section.

Emissions

Gross Scopes 1, 2, 3 and Total GHG emissions (48., 49., 51., 52.) tCO_2eq	Total 2024 Prysmian former perimeter	Total 202 Prysmian	Total 2023
Scope 1 GHG Emissions			
48. (a) Gross Scope 1 GHG emissions	217,306	227,215	226,131
48. (b) Percentage of Scope 1 GHG emissions from regulated emission trading schemes	-	-	-
Scope 2 GHG emissions			
49. (a) Gross location-based Scope 2 GHG emissions	447,153	474,155	474,715
49. (b) Gross market-based Scope 2 GHG emissions	365,091	393,573	389,928
52. (a) Total GHG emissions Scope 1 and 2 (location-based)	**664,460**	**701,370**	**474,715**
52. (b) Total GHG emissions Scope 1 and 2 (market-based)	**582,397**	**620,788**	**616,059**
Scope 3 GHG emissions			
51. Total Gross indirect (Scope 3) GHG emissions	235,598,561	239,303,832	267,433,725
Purchased goods and services	11,115,382	11,747,429	11,787,039
Total GHG emissions (Scope 1, 2, 3)			
Total GHG emissions	**236,180,958**	**239,924,620**	**268,049,784**
52. (a) Total GHG emissions (location-based)	**236,263,021**	**240,005,202**	**267,908,440**
52. (b) Total GHG emissions (market-based)	**236,180,958**	**239,924,620**	**268,049,784**

The GHG emissions inventory for the 2024 reporting year is consistent with previous years through the adoption of the same calculation methodologies, data sources, reference reporting standards (GHG Protocol). In terms of reporting scope, it should be noted that Prysmian finalized the acquisition of Encore Wire in 2024, which led to a change in the Company's structure and in its upstream and downstream value chain. This acquisition had a direct impact on reported greenhouse gas (GHG) emissions, affecting in particular:

- Scope 1 emissions, following the integration of the acquired Company's manufacturing activities.
- Scope 2 emissions, in relation to the Company's energy consumption and related sources of supply.
- Scope 3 emissions, due to changes in the supply and distribution chain related to the acquisition.

Scope 1 and 2 CO_2eq emissions reporting follows the guidelines of the GHG Protocol. The methodologies, assumptions and emissions factors used to calculate and measure GHG emissions are described below. Greenhouse gases analyzed: GHG emissions included in this document refer to CO_2, HFCs, PFCs and SF6. Other gases such as CH4 and N2O whose emissions were found to be insignificant were also analyzed. GHG emissions are expressed in CO_2eq, the standard unit of measurement for the global warming potential (GWP) of greenhouse gases, calculated as the warming power of a unit of gas with respect to that of carbon dioxide. The GWP values used to calculate the CO_2eq are taken from the Fifth Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC) and cover a period of 100 years. With regard to refrigerant gases, the GWP values associated with them were considered. In all cases, an oxidation factor of 1 is presumed.

MwH	Total 2024	Total 2023
39. Non-renewable energy production	-	-
39. Renewable energy production	12,792	8,028

MwH	Total 2024	Total 2023
40. Total energy consumption per net revenue associated with activities in high climate impact sectors	**163**	**173**
41. Total energy consumption associated with activities in high climate impact sectors	**2,769,382**	**2,675,307**
Optional - Total net revenue (Financial statements)	17,026	15,476
42. The undertaking shall specify the high climate impact sectors that are used to determine the energy intensity required by paragraph 40.	All the sectors	

Scope 1, Scope 2 emissions sources

Scope 1 GHG emissions come from sources owned or controlled by the Group, including: Natural gas, LPG, Petrol, Diesel, Fuel oil, Marine diesel, Refrigerant gas leaks, Biogas/biofuel/biomass, SF6 gas leaks.

Scope 2 GHG emissions come from purchased energy generated outside the Group but consumed by the Group, including: electricity generated from renewable sources and obtained by purchasing Guarantee of Origin (GO) certificates and certificates from the European Energy Certificates System (EECSs), electricity generated from fossil fuels, district heating, district heating from renewable sources, district heating generated from renewable sources and obtained by purchasing Guarantee of Origin (GO) certificates, steam.

The Group's Scope 1 direct emissions are mainly generated by the Group's production and service activities, due to fuel consumption, the emission of excess refrigerant gas and the emission of SF_6 (the latter two gases are part of a reduction process compliant with Prysmian's transition plan). The calculation is performed by multiplying the amount of direct source GHG by the relevant emissions factor. Scope 2 indirect emissions are generated outside Prysmian's plants, due to the use of electricity, central heating and steam generation. The calculation is performed by multiplying the amount of energy purchased - both electric and thermal - by the relevant emissions factor, according to two different methods described by the GHG Protocol, the Market-Based and Location-Based method:

- **Market-Based** reflects emissions from energy that companies have intentionally chosen.
- **Location-Based** reflects the average emissions intensity of the grids where energy consumption takes place.

The source of Scope 1 emissions factors relating to fuels and fugitive emissions is DEFRA 2024 "UK Government - GHG Conversion Factors for Company Reporting". The source of Scope 2 emissions factors relating to electricity consumption are:

A. Location-Based Method: values are provided by the IEA "Emission factors" 2024.
B. Market-Based Method: values are provided by: AIB, European "Residual Mixes 2023" for sites in Europe, Center for Resource Solutions, "2024 Green-e Energy Residual Mix Emissions Rates", for sites in the United States and Canada, IEA "Emission factors" 2024.

The source of Scope 2 emissions factors relating to thermal energy purchased as steam and off-site central heating is provided by DEFRA 2024 "UK Government - GHG Conversion Factors for Company Reporting" for both the Location-Based and Market-Based approaches. Scope 2 emissions relating to electricity produced from renewable or nuclear energy and covered by the purchase of "Energy Attribute Certificates," and "Guarantees of Origin" (GO) are considered to be equal to zero according to the EECS Rules. Prysmian does not currently use dedicated tools to quantify its GHG emissions. Emissions data are processed by following recognized international guidelines and standards, especially

the GHG Protocol. The methodology adopted makes no specific assumptions, relying solely on established emission factors and company data concerning direct and indirect energy consumption.
The GHG emissions reporting period is fiscal year 2024 for both Scope 1&2 and Scope 3 emissions.

During the reporting period, Prysmian purchased Energy Attribute Certificates (EACs) and Guarantees of Origin (GO) as contractual instruments to cover a portion of its electricity consumption. These instruments certify the renewable origin of purchased energy, contributing to the commitment to sustainable energy management and the achievement of Scope 2 - Market-Based indirect emission reduction targets. Consumption covered by these instruments accounts for roughly 31.41% of total electric/thermal energy consumption, corresponding to 533,103.69 MWh out of a total of 1,697,421.34 MWh of purchased electric/thermal energy.

GHG intensity per net revenue	Total 2024	Total 2023	Delta %
53. Total GHG emissions (location-based) per net revenue	1.39	1.73	-0.34%
53. Total GHG emissions (market-based) per net revenue	1.39	1.73	-0.34%
Connectivity with financial reporting information			
AR 55. Total net revenue €/million	**17,026**	**15,476**	**1,550**

Net revenue is presented in the directors' report, with reference to the group economic performance section and in the notes to the financial statements in the income statement section.

E2
Pollution

E2 - Pollution

In view of the increasing focus on sustainability and the environment, Prysmian is being called upon to respond to global challenges relating to pollution and climate change.

Pollution is one of the most significant environmental factors capable of impacting Prysmian's operations. Increasingly severe regulations, high social expectations and changes in environmental policies require ongoing efforts to reduce emissions and pollution, both in the manufacturing process and during product use.
Prysmian is aware of the risks linked to pollution, ranging from regulatory penalties and higher operating costs to damage to its image and customer trust. In addition, pollution can adversely affect the natural resources on which the company depends, such as water and energy, and can compromise the health and well-being of workers and neighboring communities. On the other hand, the proactive management of pollution risks offers a number of opportunities. **First of all, the adoption of more sustainable practices and technological innovation enable Prysmian to reduce the environmental impact of its products and processes, thus improving its competitiveness in the market. In addition, a strong commitment to sustainability makes it possible to attract new investors, partners and customers who are increasingly sensitive to environmental issues, strengthening the brand's reputation.**

Therefore, adequately reporting on pollution-related impacts and risks in the sustainability report is essential to ensure transparency and accountability. Through reporting, Prysmian demonstrates its commitment to addressing environmental issues by accurately monitoring its environmental performance, resource consumption, pollutant emissions and other key sustainability indicators. This not only responds to stakeholder expectations, but also helps to strengthen the company's positioning in view of the increasing sensitivity to sustainability. Clearly and transparently reporting on these issues in the sustainability report is not just a requirement, but a strategic lever to strengthen the company's long-term competitiveness and resilience.

Management of impacts, risks and opportunities

Identification of pollution-related iros

The following table shows the impacts related to the topic covered in this chapter.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
E2 Pollution	Air pollution associated with base metal refining processes	Upstream / Downstream	Negative	Actual	Medium term
E2 Pollution	Air pollution associated with cables manufacturing	Own Operation	Negative	Actual	Short term
E2 Pollution	Pollution of water due to extraction activities	Upstream	Negative	Potential	Medium term
E2 Pollution	Use of dangerous substances within the manufacturing process	Own Operations	Negative	Potential	Long term

Regarding the topic relating to ESRS E2, "Pollution", the dual materiality analysis conducted resulted in the identification of the material impacts described in detail below.

The impact associated with upstream raw material extraction activities in the Group's supply chain, both in terms of emissions to air and to water, was considered material. Indeed, mining and copper production and refining processes can generate dust and emissions that can degrade air quality and cause acid rain, as well as generate hazardous waste that could contaminate water. With regard to Prysmian's own operations, atmospheric emissions relating to cable manufacturing activities and installation (through its own vessels), for example, of nitrogen oxides (NOx), sulfur oxides (SOx) and other significant pollutants, are mainly attributable to activities linked to natural gas combustion (for heating or manufacturing processes) and the production of optical fiber.

The study currently underway to quantify these emissions has made it possible to identify a significance limit, by sharing questionnaires in order to investigate the specific activities of each site with respect to these pollutants. Therefore, the sites deemed significant are those plants that:

- directly measure NOx and SOx because they are subject to local regulations that set emission limits to be met;
- do not perform direct measurements, but declare within their own production facilities the presence of activities that may contribute to the emission of these substances.

On the other hand, as regards substances of concern and substances of very high concern, the potential impact relates to the use of specific additives during manufacturing processes. In detail, in its operating units Prysmian uses organic solvents:

- for certain industrial processes, such as for the cable marking process (with inks containing solvents);
- for washing/cleaning/maintenance activities.

The solvents consumed are monitored annually in HSEDM[36], where each unit reports the types and amounts of solvents used (kg). Total non-methane volatile organic compounds (NMVOCs) (kg) emitted to the atmosphere are considered to be equal, by weight, to the total amount of all solvents used during the year (kg) and reported externally.
Furthermore, the financial materiality assessment identified only impacts relating to ESRS E2 "Pollution", but not material risks and opportunities.

In the process of defining and assessing pollution-related impacts, Prysmian participated in meetings and one-on-one interviews with key parties in its value chain, with a specific focus on customers, suppliers and academic experts. This approach made it possible to gather a range of perspectives and address the topic in an integrated manner. Indeed, customers and suppliers represent not only strategic partners, but also the direct point of contact with the communities in which Prysmian is present and operates. Because of their local connection, they are able to highlight the specific needs and requirements of these areas, significantly contributing to understanding local dynamics and improving business practices.

Its interaction with these parties enables Prysmian to develop more targeted, effective and sustainable solutions to respond to environmental and social challenges in a shared and responsible manner.

For additional details on the process of identifying material impacts, risks and opportunities, please refer to the dedicated Chapter ESRS 2.

36. HSEDM is the digital tool used by Prysmian worldwide to monitor and measure all indicators relating to health, safety and the environment

Policies

Prysmian is actively committed to protecting the environment, by paying attention to pollution prevention and reduction, and conserving natural resources in order to create sustainable value for the organization and its stakeholders. The Group's commitment is reflected not only in the intrinsic characteristics of its products, but also in the management of its production systems, which is geared toward limiting environmental impacts and reducing all forms of pollution.

Prysmian demonstrates this commitment both inside and outside the organization by implementing its Health, Safety, Environment and Energy (HSEE) Policy, which it promotes in line with its Vision: "Efficient, effective and sustainable energy supply as an engine for community development". Environmental protection and the focus dedicated to reducing pollutant emissions are considered a priority in the organization of the Group's activities, in order to actively contribute to the mitigation of climate change, the preservation of biodiversity and the improvement of energy performance, generating value for all of the Group's stakeholders.

Indeed, Prysmian's HSEE policy also refers to the reduction of substances of concern and very high concern. It addresses issues linked to occupational health and safety, as well as environmental management, with a specific focus on the use of hazardous and extremely hazardous substances. In this context, Prysmian is committed to minimizing risks resulting from the use of these substances by promoting safe and sustainable practices across all of its operations.

The HSEE policy has been officially signed by the Group CEO, who, together with the COO, is responsible for implementing and monitoring it, while ensuring that it is fully complied with and effective within company operations.

Prysmian shares its Health, Safety, Environment and Energy (HSEE) policy with its stakeholders in several ways. First and foremost, the policy is disseminated internally, ensuring that all employees are informed and aware of the company's health, safety, environmental and energy commitments. This is done through training, corporate communications via the intranet and the integration of these topics into daily work practices.

In addition, Prysmian also shares its policy externally with stakeholders, such as suppliers, customers and investors, through official channels like the company website, annual sustainability reports and other institutional publications. The policy is also discussed during meetings and partnerships with suppliers to ensure that they too adopt practices aligned with Prysmian's safety and environmental standards. This is how the Group guarantees transparency and alignment with its expectations, while promoting a shared commitment to sustainability and environmental responsibility.

Specifically, Prysmian undertakes to optimize the consumption of energy, water and raw material resources and prevent pollution by identifying, monitoring and minimizing the environmental impacts of its processes/products. For Prysmian, the identification of pollutants (as described within the section "Management of impacts, risks and opportunities") is fundamental to the management of its environmental impacts.

Through the Policy, all Group Companies ensure that they comply with applicable legal requirements and meet their commitments to protect occupational health and safety and the environment by adopting Management Systems relating to occupational health, safety, environment and energy that comply with international standards, with a view to continuous improvement.

For more information regarding the HSEE Policy, please refer to Chapter E1 – Climate Change.

Furthermore, the Group's HSEE Policy lays out general principles regarding health and safety and environmental management and acts as the point of reference for the management and mitigation of impacts associated with the various sources of pollution. For more details, please refer to the previous section "Identification of pollution-related IROs". Topics such as substituting and reducing the use of hazardous substances, phasing out substances of very high concern and managing emergency situations are translated into concrete actions in the Group's activities, managed as part of the Environment and Safety Management System, based on the assessment of risks and environmental aspects and impacts and the establishment of specific procedures for the operational control of its activities and the prevention of pollution or the minimization of significant environmental impacts, as well as emergency management.

Actions

In early 2024, the HSE Corporate function launched a project to assess and quantify Group-wide NOx and SOx emissions in accordance with the new requirements of the CSRD and the new ESRS E2 Pollution benchmark standard. To this end, preliminary activities were carried out, including the launch of an emissions questionnaire and the development of calculation methodologies based on the results collected. In addition, for 2025, based on the findings, reporting on emission indicators was planned, followed by the development of an improvement plan.

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Emissions mapping questionnaire	2025	Distribution of a questionnaire aimed at investigating the presence of NOx and SOx emissions in Group facilities	Completed
Guidelines for data collection and quantification calculation	2024	Preparation and distribution of a methodology for the implementation of data calculation/collection	Completed
Reporting of pollution indicators and development of reduction plans	2025	Reporting on indicators already mapped based on the data collected in previous project phases; extending the project to identify, assess, and quantify all other potential pollutants; and planning of interventions to improve and reduce emissions where necessary	In development as of 2025

Emissions mapping questionnaire

In the course of 2024, a questionnaire was distributed in order to map the presence of SOx and NOx emissions and any monitoring activities in place within the Group's operating units. The questionnaire was completed by all Prysmian facilities in July-September, and the results were processed by the HSE Corporate function.

Currently, the project to assess the significance of NOx and SOx emissions in the group's operating units, and the associated quantification, does not entail significant operational expenditure (OpEx) and/or capital expenditure (CapEx).

Data measurement guidelines

Following the analysis of the questionnaire results, guidelines for the management of existing measurement and data collection campaigns were drafted in 2024, based on reports of the analyses performed at the Group's production sites and their cataloguing. The data collection and analysis performed in 2024 resulted in the identification of three groups of sites:

1. sites with processes/plants that contribute to NOx and/or SOx air emissions, for which a specific emission monitoring plan is in place, and which exceed the significance threshold for NOx and/or SOx;
2. sites with processes/plants that contribute to NOx and/or SOx air emissions, but have no active emission monitoring;
3. sites where NOx and SOx emissions are not monitored and estimated emissions are below the significance threshold.

As things stand, the project to assess and quantify NOx and SOx emissions in the Group's operating units does not entail significant operational expenditure (OpEx) or capital expenditure (CapEx).

Reporting on pollution indicators and development of reduction plans

After analyzing the results of the questionnaire administered in 2024 and drafting data measurement and collection guidelines, the next step, planned for 2025, will be the use of the HSEDM tool. This tool will make it possible to report on the pollution indicators already assessed and quantified, and will also identify, assess and quantify additional pollutants potentially present in the Group's manufacturing processes, so that plans can be made to monitor and reduce the associated emissions for Prysmian units that exceed the established significance threshold.

By means of the activities planned, Prysmian aims not only to ensure compliance with the new requirements of the CSRD and the ESRS E2 Pollution standard, but also promotes a focused and systematic approach to pollutant management, based on the specific situation and available data, which will allow individual pollution indicators to be identified and evaluated, integrating the significant ones into the Group-wide data stream starting from the 2025 reporting year.

Currently, the project to assess the significance of NOx and SOx emissions in the group's operating units, and the associated quantification, has not entailed significant operational expenditure (OpEx) and/or capital expenditure (CapEx). Starting in 2025, it will be possible to indicate the extent of future financial resources (CapEx and OpEx), associated with the Monitoring and Reduction Plans to be defined.

Targets

Insofar as Pollution is concerned, each Group operating unit establishes objectives and action plans based on the assessment of environmental impacts, in compliance with the HSEE Policy and the environmental management system. This system, which is ISO 14001-certified in 93% of production plants, monitors performance indicators and encourages continuous improvement in environmental performance.

Although each operating unit is responsible for its own objectives and actions, common objectives at Group level have not yet been established. However, Prysmian assesses the effectiveness of its policies and actions by maintaining certified HSEE management systems, monitoring performance indicators (both qualitative and quantitative) and implementing targeted audits on data and specific topics. Special attention is paid to rigorous data management, from collection at peripheral units to validation and reporting.

For example, for all investments, a preliminary assessment of potential health and safety risks and environmental impacts is conducted, along with the associated costs. This process is a fundamental requirement for investment approval at operating unit, business unit, regional or corporate level. Particularly significant investments are approved by the central investment committee.

In the future, based on the results of the ongoing projects concerning Pollution described above, Prysmian plans to:

a. set improvement goals, if applicable;
b. reinforce the monitoring of processes and the quality and quantitative indicators used to assess the progress made;
c. disclose the effectiveness of its policies and actions in relation to material sustainability-related impacts, risks and opportunities.

Metrics

ESRS 2-4 Pollution of air, water and soil	Total 2024
28. (a) Emissions of pollutants into the air	-
NOX ton	5,337.5
28. (a) Emissions of pollutants into the water	-
28. (a) Emissions of pollutants into the soil	-

Prysmian reports all highly polluting substances as shown in the table below, where lead is identified as the main substance.

Two sites, representative in both size and production of ENERGY CABLES (Arco Felice) and FIBER OPTICS (Douvrin), were selected, on which the applicability of the parameters in the table in Annex II of REGULATION (EC) No. 166/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of January 18, 2006, concerning the establishment of a European Pollutant Release and Transfer Register and amending Council Directives 91/689/EEC and 96/61/EC) was verified.
For each of the two Sites, considering the parameters regulated in the respective Integrated Environmental Permits and the analyses carried out during 2024, the total amount of each pollutant emitted into the atmosphere was compared with the threshold value established by the regulation.
The threshold value is exceeded (NOx - Douvrin) only in one case. The Douvrin factory annually quantifies and reports to the authorities the NOx/NO2 emissions obtained by measurement (6 measurements during 2024) and calculation (based on the operating hours of the lines subject to measurement). Given the exceedance of the established threshold for NOx at one of the representative sites, Prysmian has estimated NOx emissions at the Group level for the reporting year 2024, following an approach based on the analysis of data from production plants. Through a questionnaire sent to each production site, relevant factories were identified based on the following criteria:

- sites where there are processes with significant environmental impact, but whose emissions are not directly monitored;
- sites where pollutant emissions are measured directly, in accordance with limits imposed by national regulations.

For plants in the first category, NOx emissions were calculated by multiplying fuel consumption recorded in 2024 by specific emission factors derived from Ecoinvent and EMEP/EEA databases. Emissions from electricity, district heating and steam consumption were excluded because they were not considered direct emissions of the company.
For sites subject to regulatory monitoring, the most recent available NOx measurements were collected, from which annual emissions for 2024 could be calculated.
For new acquisitions, air emission data were collected from the McKinney factory (Encore Wire). The reported Group-wide data for NOx therefore include values from that factory for the second half of 2024 (6 months of Prysmian ownership).
In addition, NOx emissions from ships were estimated from Marine Gas Oil consumption and multiplied by the specific emission factor from the EMEP/EEA database. Quantities of Hydro-fluorocarbons (HFCs) and Hydrochlorofluorocarbons (HCFCs) released from refrigeration systems used at the Operating Units are collected through the HSEDM database.

The aggregate figure provides the total at the Group level and is stated in tons of CO_2 eq (Scope 1 emissions).
These emissions do not include the parameter (CH_4). In fact, for this pollutant, which is essentially associated with degassing operations of certain types of products, Prysmian has made calculations - based on 2023 data and making very conservative assumptions - that go so far as to demonstrate the negligibility of methane emissions from degassing, both at the Group level and at the individual sites that emit this pollutant. The methodology applied to 2023 remains valid for 2024. At the Group level, the kg of SF6 released into the atmosphere by sites using this gas (mainly for testing activities) are collected through the HSEDM database. Scope 1 (Group) Emissions include SF6 releases (in 2024, from 6 sites) in tons CO_2 eq.

From the screening of all substances of concern or high concern, those reported are the substances applicable to Prysmian:

Substances of concern and substances of very high concern	Amount generated or used during production, or procured (Tons)
35. Substances of high concern	**<3500**
Citric acid, nickel ammonium salt	<1
Citric acid, nickel salt	<1
(metilenobis(4,1-fenileneazo(1-3-(dimetilamminopropil)-1,2-diidro-6-idrossi-4-metil-2-ossopidrina-5,3-diyl)))-1,1'-dipiridinio dicloruro diidrossicloruro	<1
3-[3-(4?-bromo[1,1?bifenile]-4-ile)-1,2,3,4-tetraidronaft-1-lie]-4-idrossi-2H-1-benzotio-piran-2-one	<1
Distillates (petroleum), heavy paraffinic hydrotreated	<200
1,3-diidro-4(o 5)-metil-2H-benzimidazolo-2-tione, zinc salt	<1
Distillates (petroleum), hydrotreated light paraffinic	<1
Distillates (petroleum), hydrotreated heavy naphthenic	<20
Residual oils (petroleum), solvent de-waxing	<100
Bumertizolo	<1
Benzotriazole	<1
Bis (α,α -dimetilbenzil) peroxide	<3000
35. Substances of very high concern	
Boric acid	0.02
Lead monoxide (lead oxide)	5.87
Orange lead (lead tetroxide)	246.95
Diazene-1,2-dicarboxamide (C,C'-azodi(formamide))	3.35
Imidazolidine-2-thione (2-imidazoline-2-thiol)	0.70
Dodecamethylcyclohexasiloxane (D6)	0.94
Lead	25,100.52
Tris(4-nonylphenyl, branched and linear) phosphite (TNPP) with ? 0.1% w/w of 4-nonylphenol, branched and linear (4-NP)	2.79
4,4'-isopropylidenediphenol	1.62
Decamethylcyclopentasiloxane (D5)	0.03
Octamethylcyclotetrasiloxane (D4)	0.23
Dioctyltin dilaurate	14.07
Medium-chain chlorinated paraffins (MCCP)	602.16
Fatty acids, C16-18, lead salts	0.03
6-6'-di-tert-butyl-2,2'-methylenedi-p-cresol	0.01
tris(2-methoxyethoxy)vinylsilane	53.28
Diarsenic trioxide	1.56
Diarsenic pentaoxide	0.01
Dibutyl phthalate (DBP)	0.00
Alkanes, C14-17, chloro	0.09
2-methyl-1-(4-methylthiophenyl)-2-morpholinopropan-1-one	0.78
Lead sulfochromate yellow (C.I. Pigment Yellow 34)	0.02
Bis(2-ethylhexyl) tetrabromophthalate covering any of the individual isomers and/or combinations thereof	11.62

Assessment of purchased volumes of SVHC (Substances of Very High Concern) was performed based on a preparation work done in last 3 years with the Regions, consisted in mapping the Raw Materials containing SVHC. With this information, it was possible to recover from Purchasing Team the data about purchased volumes within the requested period and consequently the volumes of SVHC, calculated based on the related content in the Raw Materials. Reparametrization was performed for the missing geographical perimeter.

As far as high concern substances are concerned, the estimation of purchased volume was partially based on knowledge of main Raw Materials containing the substances to be monitored, with application of a proper margin for adjustment; and partially based on consumption of similar SVHC substances (which volumes were calculated as above) having analogue functionality and considering a proper margin for adjustment.

E3
Water and marine resources

E3 - Water and marine resources

Water is a fundamental resource for many of Prysmian's industrial activities and processes. Its responsible and sustainable management is a strategic priority, not only to reduce the environmental impact, but also to meet growing global challenges linked to its shortage and quality. Transparently reporting the impacts, risks and opportunities associated with water use throughout the value chain is essential to ensure that this vital resource is used efficiently and responsibly.

In its sustainability report, Prysmian undertakes to accurately monitor water use in its production processes and global operations, identifying risks associated with excessive or inefficient use. At the same time, it underscores the opportunities deriving from the adoption of innovative technologies, consumption reduction practices and water recovery, which not only minimize environmental impact but also improve operational efficiency. By reporting on these aspects, stakeholder expectations are met and social and environmental responsibility is strengthened, contributing to the protection of a precious and increasingly limited asset.

Management of impacts, risks and opportunities

Identification of water and marine resource IROs

The following table shows the impacts related to the topic covered in this chapter.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
E3 Water and Marine resources	Water consumption for base metal processing and the manufacturing process	Own Operations	Negative	Actual	Medium term
E3 Water and Marine resources	Water consumption for base metal processing and the manufacturing process	Upstream	Negative	Actual	Medium term

As far as the topic relating to ESRS E3, "Water and Marine Resources", is concerned, the dual materiality analysis conducted resulted in the identification of two material impacts: one in the upstream value chain of the Group and one in the Group's own operations. Specifically, the impact throughout the value chain relates to water consumption during base metal processing, which reduces its availability for wildlife and other uses, potentially exacerbating water stress conditions. With regard to the production process, the impact identified relates to water resource use in the Group's operations, while no significant risks or opportunities have emerged linked to these aspects. The water bodies potentially affected by these activities are local rivers, lakes and groundwater. The double materiality analysis conducted by Prysmian also took into account the impact of the ships' activities on water and water resources but was not material.

To assess the impacts, risks and opportunities relating to the topic of water management, direct consultations of affected local communities were not conducted. However, the analyses carried out after signing the WASH Pledge were taken into consideration. More details are provided below.

Prysmian conducts a water stress analysis by evaluating the relationship between water demand and water availability through 2040. For this analysis, the "Aqueduct" tool developed by the World Resources Institute (WRI) is used, as suggested by the Task Force on Climate-related Financial Disclosures (TCFD), to identify Group facilities at risk of water shortage. Some of the Group's facilities are located in water stressed areas. For more details on the Group's water consumption from water stressed areas, please refer to the "Metrics" section of this chapter.

The Group is therefore committed to improving water resource management, with a specific focus on water withdrawal and recirculation, giving priority to these areas.

For additional details on the process of identifying material impacts, risks and opportunities, please refer to the dedicated Chapter ESRS 2.

Policies

Prysmian's approach to the topic of water management is formalized through the Health, Safety, Environment and Energy (HSEE) Policy. The policy highlights the Group's priority of optimizing the consumption of energy resources, including water and raw materials, and preventing pollution by identifying, monitoring and reducing the environmental impact of their processes/products, in line with the Group's Net Zero objectives. In addition, Prysmian is committed to ensuring access to safe water, sanitation and hygiene for all employees at all Group locations, and supporting partners along the value chains and communities surrounding our workplaces.

The HSEE Policy has been officially signed by the Group CEO, who, together with the COO, is responsible for implementing and monitoring it, while ensuring that it is fully followed and effective within company operations.

Specifically, through this policy, Prysmian undertakes to:

- optimize the consumption of energy, water and raw material resources and prevent pollution by identifying, monitoring and minimizing the environmental impacts of its processes/products;
- ensure access to safe drinking water, sanitation and hygienic conditions for all employees at all Group locations and support partners throughout value chains and the communities near Prysmian's workplaces.

The HSEE Policy is public and accessible to all stakeholders via the corporate website[37]. It is also distributed to all Group companies and their employees through the internal intranet channel and the HSE Management Systems.

By adopting this Policy, all Group Companies undertake to comply with applicable legal regulations and fulfil the commitments to protecting occupational health and safety and the environment. To this end, 93% of Prysmian sites adopt Health, Safety, Environmental and Energy Management Systems compliant with international standards, with an ongoing commitment to continuous improvement.

For more details on the HSEE Policy, please refer to Chapter E1 – Climate Change.

In relation to water resource consumption optimization, the HSEE Policy defines the core principles that guide the Group's actions in carrying out operating activities and does not cover the value chain.

Water is consumed in Prysmian's facilities mainly for industrial use and, in particular, for cooling purposes during certain processes. Cooling water is recirculated, in whole or in part, in almost all facilities to reduce the volume of water withdrawn.

Measurements of the volume of water withdrawn at facilities are monitored both locally and at Group level, recorded in the company-wide Environmental Management System, and disclosed in this Sustainability Report, in line with ESRSs.

Prysmian assumes that water consumption is equal to the volume of water withdrawn. When determining the volume of water withdrawn at facilities, all variables are measured either directly (using a dedicated meter) or indirectly (using a water ratio). Water consumption is reported by all facilities in the shared database (HSEDM), except for Chiplun (India), whose data were estimated.

As concerns water discharge, the Group collects data on the amount of water returned to surface waters in a specific section of the shared database (HSEDM). The type of measurements performed on effluents and their frequency are determined locally, as industrial discharges in receiving water bodies are virtually zero in many cases due to recirculation systems. Data are periodically monitored and measured locally in the Environmental Management System.

37. https://www.prysmian.com/en/sustainability/environmental-responsibility.

Greater effort by the Group to monitor water-related parameters could result in a comprehensive calculation of total discharges in the future so that trends can be better analyzed.

The quality of the water supplied by Prysmian is checked in each plant through laboratory analyses, which make it possible to assess its suitability and define the necessary treatments, which are implemented locally according to the source of supply and the characteristics of the water itself. Given the industrial use, in most cases, these treatments are limited to the softening and control of the biological component, as well as the monitoring of quality parameters. Prysmian's water quality control can reduce the pressure on the aquatic environment and the need for withdrawal in a number of ways:

- **Pollution reduction**: By monitoring and treating water, you prevent the release of pollutants, protecting local flora and fauna.
- **Optimization of water use**: Targeted analysis and treatments allow for more efficient use, reducing the amount needed and excessive withdrawal.
- **Long-term sustainability**: Sustainable management practices ensure water resources for the future while preserving aquatic ecosystems.

These actions protect the aquatic environment and promote responsible use of water resources.
However, it should be noted that the Group's HSEE policy does not specifically address aspects relating to water management and the design of products and services with a view to addressing water-related problems and preserving marine resources. In some cases, specific requirements regarding the frequency and methods of water monitoring are contained in the Environmental Authorizations and the local authorities periodically verify compliance with these requirements.

Prysmian's industrial water discharges originate only from cooling systems, so they are practically zero when cooling water is fully recirculated and very limited in the case of partial recirculation. Discharge quality is not a critical issue because for cooling water, no strict treatments are required prior to discharge. Where necessary, in order to comply with current regulations and prevent or minimize impacts on receiving water bodies, while also avoiding accidents, de-oiling and settling units are installed upstream of the discharge point.

Water discharge quality and quantity are monitored locally, and in some cases there are specific requirements regarding water monitoring frequency and methods contained in environmental permits, pursuant to which local authorities conduct periodic compliance audits.

No specific policies or practices relating to oceans or seas have been established for Operating Unit activities. In fact, when cooling systems are closed-loop, there is essentially no discharge of industrial water, while water used in open or partially open cooling systems is discharged into the drainage system or as surface water after quality control. A very limited number of sites are located near the seashore; however, there are no industrial water discharges in brackish surface water/seawater.

Actions

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Water volume analysis and mitigation plan	Short term	Prysmian constantly measures and analyzes the volume of water withdrawn at its facilities. The mitigation plan complements this activity by presenting improvements to optimize water consumption.	Ongoing
Monitoring of supplier impacts via the CDP questionnaire	Short term	Major suppliers of metals and raw materials were invited to fill out the CDP questionnaire. Based on the responses, Prysmian has an idea of the impacts associated with water resources in its supply chain, as stated by its suppliers in terms of absolute consumption, water use efficiency, and potential water pollution.	Recurring

The actions in this section are applied across the board to all Group sites, regardless of whether they are located in water stressed areas, so as to ensure a uniform and precautionary approach to water resource management.

Water volume analysis and mitigation plan

Prysmian regularly measures the volume of water withdrawn at its production facilities, while analyzing and checking cooling process parameters to ensure efficient water consumption; in this regard, water supply systems are properly maintained to avoid significant leaks.
For most facilities for which water availability or water stress risks have been identified, it should also be kept in mind that current production processes employ water recirculation to reduce consumption.

Finally, the mitigation plan includes further improvements in the percentage of recirculated water and/or the installation of new recirculation systems to optimize water consumption where necessary or cost-effective, thus reducing risk exposure.

In order to keep the impact on water low, all new installations are designed with closed-loop cooling systems, and for existing installations, periodic consumption monitoring allows any anomalies to be promptly detected and corrected to avoid additional consumption. In addition, the expected results for this action are substantiated by reduced water consumption and, where possible, maintenance of the targets achieved.

The action includes an initial analysis phase, with investments and operational expenditure planned on the basis of the results obtained, considering individual installation characteristics and needs.

Monitoring of supplier impacts via the CDP questionnaire

Considering the quantity and quality of water sources, type of use and existing recirculation systems, the water impact is significant not only for the Group's activities, but also within the supply chain and the production cycles of raw material suppliers, particularly with reference to metals. This is why, in addition to continuing to track and check "critical" suppliers with regard to sustainability criteria and indicators (see the Policies – Supply Chain Strategy and Vendor Management section in Chapter S2 for more details), in 2021 Prysmian extended the water availability risk assessment to its entire supply chain.

Also in 2024, the Group's main suppliers were asked to fill out the CDP questionnaire, which includes the Water section. Based on the responses to the CDP, Prysmian has obtained an idea of the significant impacts associated with water resources in its supply chain, in terms of absolute consumption, water use efficiency – particularly in water stressed areas – and potential water pollution. The Group has introduced specific rating systems, including ISO 14001 certification and completion of the CDP, as indicators of the proper management of all environmental aspects/impacts by its suppliers. In addition, participation in the CDP rating was the expected goal following action implementation.

Targets

Also with reference to the topic of water resources, each operating unit manages its own aspects and impacts and defines goals and programs, while monitoring performance indicators (volume of water consumed, both in absolute value and in relation to production).

In many cases, environmental permits or authorizations contain specific requirements and require systematic reviews by local authorities. As a result, no targets have been set at the Group level. As explained in the chapter on pollution (ESRS E2), Prysmian assesses the effectiveness of its policies and actions regarding sustainability-related impacts, risks, and opportunities through certified HSEE management systems and by monitoring various quality and quantitative performance indicators. In addition, the Group rigorously manages data starting from when it is collected in peripheral units, and conducts targeted audits on both data and specific topics.

Metrics

Water drawn (m^3) by source 2024	Total 2024	Total 2023
28. (a) total water consumption	6,705,486	7,040,079
28. (b) total water consumption in areas at water risk, including areas of high-water stress	1,723,497	1,954,995
28. (c) total water recycled and reused	5,163,225	6,350,855
28. (d) total volume of water stored	-	-
28. (e) any contextual information necessary regarding points (a) to (d), including the water basins' water quality and quantity, how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modelled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors.	93%	93%
29. The company provides information on its water intensity: total water consumption in its operations in cubic meters per million EUR of net revenue.	39	45

Cooling water is recirculated, either totally or partially, at most plants in order to optimize the volume of water drawn. Results show that 76% of units have in place recirculation systems ensuring water recirculation percentages over 90% (46% recirculating 99-100% of water; 26% with recirculation rate of 95-99%; 4% recirculating between 90 and 95%; 17% have a recirculation rate lower than 80% or don't have recirculation).

The above results are based on a study involving 93% of Prysmian productive units.

E4
Biodiversity and ecosystems

E4 - Biodiversity and ecosystems

Strategy

Biodiversity is a key resource for the planetary well-being and the survival of species, including humans. In a world where anthropic pressure on ecosystems and natural resources is constantly increasing, safeguarding biodiversity becomes a priority goal for companies of all sizes, including those active in the industrial sector, such as Prysmian.

Prysmian, a global leader in the manufacturing of cables and energy solutions, realizes that biodiversity is not only about the conservation of species, but also about the long-term sustainability of the natural resources that form the basis for the company's production and operations. In an ever-changing economic and environmental landscape, preserving biodiversity is essential not only to preserve ecosystems, but also to promote resilience and efficiency of business processes.

Identification of IROs related to biodiversity

The following table shows the impacts, risks and opportunities related to the topic covered in this chapter.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
E4 Biodiversity and Ecosystems	Land-use change due to off shore and on shore cable installation	Own Operations / Upstream	Negative	Actual	Medium term
E4 Biodiversity and Ecosystems	Impact of Aluminum production on biodiversity	Upstream	Negative	Actual	Long term
E4 Biodiversity and Ecosystems	Noise pollution caused by vessels	Own Operations	Negative	Potential	Long term
E4 Biodiversity and Ecosystems	Biodiversity loss due to deforestation and soil erosion from copper mining and bauxite extraction in Prysmian's production chain	Upstream	Negative	Potential	Medium/Long term
E4 Biodiversity and Ecosystems	Development of floating solutions	Own Operations and Downstream	Positive	Actual	Short term
E4 Biodiversity and Ecosystems	Land degradation	Upstream and Downstream	Negative	Actual	Long term
E4 Biodiversity and Ecosystems	Land use change	Own Operations	Negative	Actual	Long term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
E4 Biodiversity and Ecosystems	Biodiversity risk (e.g. impact on animals and/ or plants near the areas in which Prysmian operates consequence of Prysmian products and dependencies on ecosystems)	Own Operations	Risk	Medium term	N/A

The actual and potential impacts, risks and opportunities on biodiversity and ecosystems were identified taking into account the specificities of the Group's production sites as well as upstream and downstream value chain activities. Knowledge of the projects in which the Group is involved and the assessment of the peculiarities of its activities allowed for a thorough screening of the main impacts that characterize the Group's business in order to ensure the best level of granularity.

In relation to the assessment of impacts on biodiversity for its own operations, Prysmian conducted specific assessments on production plants, also using the "Biodiversity Risk Filter" tool provided by WWF, which enabled an in-depth study focused on analyzing the areas most at risk in terms of biodiversity in order to map any critical issues. Although some of the Group's sites operate in areas of interest from a biodiversity perspective, no significant biodiversity-related negative impacts or dependencies arise because the sites' activities do not adversely affect these areas by causing the deterioration of natural habitats and species habitats. In this regard, it was not necessary to implement specific mitigation measures.

From the analysis of the Group's operations, both marine and land cable installations emerge as most potentially impacting biodiversity. These operations, in fact, involve off-shore work on the seabed and on-shore work on the land where the cable is being laid. In this context, operations involving seabed movement (e.g., dredging, jetting, trenching) that are performed by third-party vessels have potentially significant impacts on nature and biodiversity due to the higher risk of land degradation and disturbance of marine ecosystems. This disturbance could also be caused by the activities of cable-laying vessels, which may generate noise that can interfere with the orientation of marine mammals. In the context of marine and land installation activities, which may take place in areas of high natural interest, environmental impacts in areas where Prysmian is required to operate, including biodiversity, are assessed at the site level. Any protection measures to safeguard species identified as at risk according to national regulations, and the mitigation measures required in case of undesirable events, are an integral part of the project contract documentation that contains the specific requirements issued by the competent authorities.

In addition, underground cable-laying activities could result in potential impacts to biodiversity through land-use change; they may have negative impacts on the land on which they are laid and, in some cases, could alter the originally intended land use.

The following are the Group's major projects as regards installation activities carried out in 2024 and characterized by peculiarities in terms of biodiversity addressed at the project design level as an integral part of project activity management:

Project	Project information and possible impacts
NeuConnect (England/Germany)	*The cable landing site is located at Isle of Grain (UK), a wetland area found near the Thames estuary. The great crested newt has been found in one of the reservoirs bordering the site; potential impacts on the species are as follows: · Disturbance of the species · Habitat fragmentation · Loss of habitat · Destruction of the population · Loss of refuge and mating sites The impacts of Prysmian's activities may also involve several protected species of birds found in the area, causing: · Loss of habitat · Alteration of species behavior · Loss of food resources and suitable nesting sites*
Bay of Biscay (Spain-France)	*The construction site in Le Verdon (FR) is at a wetland, where the presence of a protected frog has been found; possible impacts due to our activities to be attended to are: · Loss of refuge/mating sites · Destruction of the population · Disturbance of the species · Habitat fragmentation · Damage to the epidermis of specimens due to pollution At the same site there are several parks where a protected orchid species is found. Impacts that could affect the flora species in question are: · Destruction of the population · Habitat fragmentation · Soil alteration*
EGL1 and EGL2 (England and Scotland)	*A wetland is located at the cable-landing site of the EGL1 project in England. Impacts of Prysmian's activities may involve protected species found in this area, causing: · Loss of habitat · Alteration of species behavior · Loss of food resources and suitable nesting sites · Soil erosion n Scotland, the EGL2 project landing site is at a protected habitat under local legislation, consisting of imported sand dunes for shrub plant species; the impacts that may be encountered in this habitat are: · Destruction of the habitat · Chemical pollution · Loss of ecosystem services · Damage to plant populations present · Alterations in invertebrate populations of the soil. Both marine cable routes of the two projects encounter protected marine areas characterized by the presence of seals and marine mammals; the potential impacts of our activities on these marine species are: · Disturbance of the species · Alteration of communication frequencies between conspecifics*

Prysmian recognizes the importance of preserving marine species in carrying out its activities. For this reason, special attention is paid to the conservation of Posidonia, a plant essential to the biodiversity of the marine ecosystem.

The assessment of impacts along the Group's entire value chain shows that impacts on biodiversity mainly affect the upstream value chain, which is related to the sourcing of raw materials used in the cable manufacturing process. Specific impacts related to land degradation, extraction of materials used to manufacture the Group's products, and applications of the cables produced were mapped as results of the value chain impact assessment. In the upstream section of Prysmian's value chain, biodiversity risks related to copper and bauxite mining, which often cause deforestation and soil erosion due to the technologies and machinery used in these activities, emerged as significant.

On the other hand, as far as the downstream value chain is concerned, Prysmian produces cables for the energy sector, including both renewable energy (e.g., wind farms) and nonrenewable energy (e.g., oil and gas plants) whose activities could potentially threaten certain ecosystems. Power plants can have impacts on terrestrial biodiversity for onshore plants and marine biodiversity for offshore plants, especially in the case of fossil fuel-related sites.

In addition, transition risks, such as those related to legislative changes that could potentially expose Prysmian to penalties in the event of non-compliance with certain environmental requirements, and acute and chronic physical risks, such as loss of biodiversity related to soil degradation, were also considered in the dual materiality assessment. The assessment also considered systemic risks such as, for example, the consequences that could potentially lead to the collapse of ecosystems in areas of interest to the business, as well as the possible financial consequences that some critical biodiversity issues would have on the Group's operations.

Note that impacts, risks and opportunities identified by the Group under the biodiversity theme do not specifically refer to dependencies on biodiversity-critical resources.

Management of impacts, risks and opportunities

Consultation with communities concerned

In defining biodiversity-related risks, impacts and opportunities, consultation with communities concerned regarding possible impacts related to the land use for Group operations is of paramount importance. The latter can, in fact, alter the original land use, such as during underground cable laying activities or for factory-related land clearing and conversion needs, affecting local communities both during the installation phase and the life cycle of the installed products.

Within the installation projects, consultation activities are conducted by the Group's customers during the process of obtaining the necessary permits for the work, such as in the preparation of the ESIA (Environmental Social Impact Assessment). In some cases, there are professional figures within Prysmian who liaison with local communities, landowners and fishermen, with the aim of reducing problems and misunderstandings that might arise during operations. It should be noted that representatives of local communities were not directly involved in the dual materiality analysis process. However, knowledge and experience from these dialogues have helped inform the identification and assessment of impacts, risks and opportunities.

Transition plan and business model resilience

Prysmian conducted an in-depth analysis to assess the resilience of its strategy and current business model against physical and transition risks associated with sustainability issues, including biodiversity. By integrating with the Group's Enterprise Risk Management (ERM) system, Prysmian ensures alignment between risk assessments and short-, medium-, and long-term strategies.

The business model resilience assessment considered cable production sites and installation activities, potentially located or carried out near protected areas and/or where there could potentially be endangered species. Within the value chain, the scope of the resilience analysis focuses on the dependence on ecosystem services for Tier 1 suppliers that Prysmian relies on, and the lack of which could result in a critical issue for the business model.

The analysis considered more than 100 existing and operating plants in compliance with local environmental regulations, some of them close to sensitive areas. With regard to installation activities carried out by the Transmission BU and installation projects, biodiversity issues are handled by the customer according to the specific impacts of the project. In fact, during the design phase and before installation begins, an assessment is carried out to evaluate all the environmental risks of the activities that will be carried out by Prysmian on the area affected by the project. The presence of particularly biodiversity-sensitive areas is monitored internally through the project cable route, a system for assessing the presence of areas belonging to the Natura 2000 Network and biodiversity hotspot areas.

Prysmian conducted the preliminary biodiversity risk assessment on its production plants and installation activities. This analysis was conducted using the "Biodiversity Risk Filter" tool provided by WWF, which, based on the location of each site, allowed for the investigation of different categories of risk and indicators (proximity to protected areas, presence of endangered species, dependencies on ecosystem services such as water, wood, etc.). **18% of Prysmian sites were found to be potentially affected by significant risks associated with biodiversity**. However, mitigation measures have already been taken for some of these risks, while for others, Prysmian is conducting further detailed analysis in line with the LEAP methodology of the Taskforce on Nature-related Financial Disclosures (TNFD) framework.

In line with the ERM methodology and the dual materiality assessment conducted for the evaluation of impacts, risks and opportunities, the following time horizons were defined:

1 YEAR	1 TO 5 YEARS	BEYOND 5 YEARS
SHORT-TERM TIME HORIZON	**MEDIUM-TERM TIME HORIZON**	**LONG-TERM TIME HORIZON**

The resilience analysis of Prysmian's business model, taking into account the mitigation measures put in place by the Group, confirms the absence of potential dependencies or significant impacts on biodiversity, both based on the risk assessment of production plants and installation activities, considering all environmental impacts, including biodiversity, carried out at the level of each project.

The biodiversity protection efforts that the Group implements in the context of its projects make its business model robust with respect to identified risks and, in fact, integrates ecosystem protection into the design phase of projects.

Stakeholder engagement is a crucial element for Prysmian in assessing the resilience of its business model with respect to biodiversity.

For production plants, each facility carries out and keeps up-to-date an inventory of protected areas in the vicinity of the operating unit, considering specific situations, any requirements for the presence of areas classified as important for biodiversity, and any mitigation measures in place. For installation activities, specific mitigation measures are part of the project owner's requirements and are always developed in collaboration with local experts. In addition, the necessary permits for on-site activities are always granted by the local authorities responsible for project development.

Policies

Prysmian is committed to identifying and assessing any biodiversity-related risks by applying a hierarchical mitigation approach (avoid, minimize, restore, and compensate) to all operations, in line with its HSEE policy. This policy, last updated in 2024, applies to the entire Prysmian Group and to all operations and employees of the company, as well as contractors, temporary workers or persons under the company's supervision. The HSEE policy is signed by the Group CEO and the responsible functions HSE VP, Group COO.

Prysmian considers biodiversity conservation a primary and essential prerequisite for achieving its goals and creating added value for all stakeholders inside and outside the Group. The HSEE Policy is publicly available on the corporate website[38] (and is distributed to all Group companies via the intranet and HSEE Management Systems).

The HSEE policy addresses the issue of biodiversity at a high level by guaranteeing Prysmian's commitment to monitoring related impacts, which are managed directly within the Group's operations under specific initiatives. This policy covers biodiversity at a high level, setting the Group's commitment to monitoring and assessing biodiversity-related risks. Impacts, risks and opportunities that emerged as significant in the reporting year are not addressed in this policy. In addition, the policy does not specifically address issues of product and raw material traceability or sourcing along the Group's value chain that could have major impacts on biodiversity.

38. https://www.prysmian.com/en/sustainability/environmental-responsibility.

Based on what is specified in the HSEE policy, Prysmian adopts biodiversity protection behavior in all places where it operates, with a commitment to identifying and assessing any biodiversity-related risks by applying a hierarchical mitigation approach (avoid, minimize, restore, and compensate) to all operations.

In the case of facilities located in areas of biodiversity concern, Prysmian calibrated the result returned by WWF's "Biodiversity Risk Filter" tool for the industrial sector on Prysmian sites. The significance of the 5 categories proposed by the tool, was evaluated for each of the Prysmian locations, considering the indicators themselves provided by the tool. The overall result confirms the absence of significant negative impacts related to biodiversity. In this case, some of the indicators considered are already being assessed and mitigated under existing procedures and programs, such as the risk of "Water scarcity" or "Pollution", which are already covered and mitigated through existing management systems, or the risks of fire or extreme weather events, which are already being covered in Loss Prevention programs. In this regard, it was not necessary to define specific policies or implement additional specific mitigation measures.

Actions

Prysmian, in order to ensure compliance with biodiversity risk areas, implements actions that cut across the various areas with common physical characteristics, and specific actions depending on the species and needs specific to certain territories, which are established with customers starting from definition of the contract. Actions taken by the company in areas with common characteristics include:

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Adoption of material to inhibit the growth of epibenthic species	Since 2021	Prysmian applies best practices that can ensure that any material used as an erosion and offshore cable protection system is made from natural or engineered stone in order not to inhibit the growth of epibenthic species, by providing three-dimensional complexity in height and in interstitial spaces where feasible. Prysmian decided to employ bioactive concrete (i.e., containing bio-enhancing mixtures) to strengthen primary erosion protection (e.g., concrete mattresses) and to promote biotic growth. In addition, because this type of mattress replicates the local marine environment, marine species use the infrastructure as their habitat, thus resulting in a more environmentally sustainable alternative that offers better protection than traditional concrete mattresses.	Ongoing
Protection of Posidonia	N/A	In the presence of Posidonia, specific equipment capable of ensuring the protection of this seagrass is used to bury cables in trenches and backfill them. As for the Elba-Piombino project, a buoyancy control machine specially developed for the protection of submarine cables in a marine environment inhabited by Posidonia was used. The equipment consists of a chain trench installed on a buoyancy control structure and operated by divers. The machine is equipped with several burying systems, a system for collecting and repositioning Posidonia, and a machine to prevent crushing of plants.	Ongoing
Special Protection Areas (SPAs)	N/A	Special Protection Areas (SPAs) for rare or vulnerable species, as well as for all regularly migrating species, are identified and monitored during project implementation, paying special attention to the presence of waterways, lakes, swamps and marshes of international significance. Where necessary, bird deterrents such as "Hawk Kites" are used, or soundproofing systems (eco-barriers) or other types of deterrents such as reflective tapes are installed.	Ongoing

However, the actions described are adjusted to the specifics of each project based on the project activities. Therefore, the timing and deadlines for finalizing actions follow project requirements, as does the planning of current and future CapEx and OpEx, which change according to the scope of activities. For information purposes, examples describing the implementation of specific actions within projects with biodiversity characteristics are given below.

1) Neuconnect – United Kingdom/Germany

The NeuConnect project is a link that includes the laying of 725 km of marine HVDC cable and will connect new substations located in Isle of Grain (Kent, UK) and Wilhelmshaven (Germany), with the aim of connecting Europe's two largest energy markets.

When completed, the interconnection will have two-way transmission capacity of up to 1400 MW, enough to supply power to 1.5 million homes.

Currently, civil and cable-laying activities are underway in the UK that involve compliance with environmental requirements and best practices readily adopted by Prysmian.

Biodiversity management and control

The site organization set up by Prysmian includes the presence of an experienced local ecologist who conducts tri-weekly ornithological monitoring during the nesting season of sensitive species in which he assesses the presence of these species through ornithological censuses and identifies potential suitable nesting areas. In addition, during 2024, deterrence measures were installed in order to prevent birds from nesting within the construction site. In particular, a pilot method using the emission of "engineered pink noise" was studied and introduced. Such noise has the characteristic of overlapping with the communication frequencies of the birds themselves and therefore functions as a method of deterrence. This system does not result in negative impacts on the species themselves, as the pink noise falls within the range of frequencies audible to the human ear and not in the frequencies of ultrasound, resulting in a method that avoids damage to the species themselves.

The site in the United Kingdom is located at a wetland that has several reservoirs, which over time have led to the proliferation of several protected species, including the great crested newt *(Triturus cristatus).* This species is protected by the **Wildlife Act 1981** and the **EU Habitats Directive. It is also listed on the IUCN Red List of Threatened Species** as "Near Threatened," meaning that the species is close to being considered vulnerable and could face a risk of extinction. Monitoring was carried out to assess the presence of this protected species in the areas affected by the construction site through e-DNA analysis. The initial study identified 13 water bodies to be considered for further investigation. The surveys conducted in May 2023 found 11 potentially suitable water bodies, with 8 rated as excellent, 2 as good, and 1 as poor for sustaining the great crested newt. Based on this classification, 9 water bodies were subjected to e-DNA testing, confirming the presence of the great crested newt in only 1 water body. Therefore, local regulations require the application of a dedicated permit in order to provide economic compensation for the development of additional habitats related to this protected species. Prysmian, through the civil sub-contractor, applied for such a permit to local authorities in order to obtain permission to use this compensation method.
Costs for the necessary inspection and reporting activities were approximately Euro 400,000.

2) Bay of Biscay – France/Spain

The "Bay of Biscay" interconnection project consists of the construction of a 2,000 MW link. This interconnection consists of two independent cable links with a rated capacity of 1,000 MW each for a DC operating voltage of 400 kV.

This interconnection will link the French Cubnezais substation (near Bordeaux) and the Spanish Gatica substation (near Bilbao) via a 280-km-long submarine direct current (DC) cable link.

Biodiversity management and control

A protected orchid species *(Ophrys passionis*) was identified at the Le Verdon site in France and was included in the French regional red lists because the conservation status of the species, according to said red lists, varies from "Least Concern" to "Endangered" depending on the region. In addition, *Ophrys passionis* is listed in Appendix B of the CITES Convention, which regulates its trade in order to prevent this species from becoming subject to extinction. Considering the conservation status and protection of the species according to local and international legislation, all green areas where the presence of this orchid has been verified have been fenced off and signs identifying their presence have been placed within them. To provide additional protective measures, all people who are working at this site or simply accessing it are shown during site access training the areas where this species is found and the measures taken to protect it, such as prohibiting access or prohibiting activities in unloading and storage of materials with the aim of not harming the habitat where it is present.

In 2024, a protected amphibian species, the Mediterranean tree frog *(Hyla meridionalis*), was found at the same site. This species is included in the list of protected species under the Nature Protection Act of July 10, 1976, which prohibits the destruction, capture and trade of these animals. In terms of its conservation status, according to IUCN the *Hyla meridionalis* is classified as Least Concern (LC) on the French Red List of Amphibians. This means that it is not currently considered endangered in the country, although it is considered important to continue monitoring its populations and habitats to ensure that it remains out of danger of extinction. For this purpose, several protective measures have been introduced, such as the presence of an ecologist who conducts biweekly monitoring on the site to preserve the species and avoid harming the populations present. To date, the four specimens of *Hyla meridionalis* have been moved from the critical part of the site to a more suitable one under the supervision of the ecologist with the aim of conserving the species. In addition, a natural barrier was placed to prevent any vehicle from entering the area where this species was observed.

To protect marine biodiversity, there will be two professionals on board the ships that will carry out the various activities on this project, acting as MMO (Marine Mammal Observer) and PAM (Passive Acoustic Monitoring). They are in charge of conducting monitoring before the start of the daily activity so as to check for the presence of marine mammals and in case their presence is found, stop the activities so as not to interfere with their passage.

The costs of the above activities are around Euro 100,000, understood as being activities carried out by Prysmian, while the costs incurred by the Customer for the initial conditions verification are not reported.

3) EGL1 and EGL2 – United Kingdom

Eastern Green Link 1 and 2 (EGL1 and EGL2) are projects that will connect England to Scotland. The project involves the construction of a 2-GW HVDC link, operating at 525kV, between the Torness area in East Lothian, Scotland and Hawthorn Pit in County Durham, England. The cable will have a total length of about 196 km, with 176 km submarine.

Eastern Green Link 2 involves the construction of a 2-GW HVDC link. It includes about 505 km of underground and submarine HVDC cables between new converter stations at both ends of the power transmission link. These in turn will be connected to the high-voltage electricity transmission grids via the 400-kV Peterhead substation and the 400-kV Drax substation via 400-kV AC cable circuits.

Biodiversity management and control

Both projects have a scheme whereby environmental and biodiversity aspects are very important; therefore, 2 different documents containing different biodiversity requirements were created ad hoc. Dedicated environmental figures have been provided for these projects, including an experienced ecologist who can assess all critical environmental aspects.

EGL1 and EGL2 are intended to be ranked according to BREEAM Infrastructure certification, which aims for excellence in management of the environmental aspects of the project. For this reason, a number of plans for managing environmental aspects are being worked on, including three Construction Environmental Management Plans, two for England and one for Scotland. The plans contain a number of other documents related to invasive species control and species conservation on the site. A number of other documents will be produced for England that aim at biodiversity management, in detail: the Arboricultural Method Statement, Tree Survey, and Tree Protection Plan, Biodiversity Enhancement Plan, and the Landscape and Habitat Management Plan.

In the UK territory, the BNG (Biodiversity Net Gain) regulation applies. It aims to leave biodiversity, at the end of the project, in a better state than before the project began. This involves offsetting any alteration of the initial state through actions that improve biodiversity; therefore, the project is committed to achieving 10% net gain and Prysmian will support the customer to achieve this goal.

On the marine environment side, Prysmian has prepared a plan for marine mammals and invasive alien species. In both projects, the design was revised so as to minimize and prevent any kind of environmental impact (e.g., use a smaller focus area, avoid removing some trees and pine forests, etc.).

During the design phase for both projects, surveys are conducted, for which professional ecologists were hired to check for the presence of protected species (e.g., otters, badgers, bats, water vole, breeding birds, reptiles and amphibians). On the EGL1 project monitoring of present habitats was conducted to identify mitigation measures and protected floristic species. Through this monitoring, mitigation measures that should be applied during the construction phase and conservation measures to protect biodiversity will be identified.

For the marine part of the project, Prysmian developed a plan for marine mammals and invasive alien species. **Joint Nature Conservation Committee** (JNCC) guidelines for minimizing the impact of geophysical monitoring on marine mammals will be followed for all offshore activities. In following these guidelines, an assessment will be made on the acoustic impact of instruments on marine fauna in order to minimize the impact on species. Finally, appropriately trained Marine Mammal Observers (MMOs) will be on board. Passive Acoustic Monitoring (PAM) will also be provided for nighttime activities.

The costs for the above 2024 activities carried out by the assigned Professionals are around Euro 300,000.

4) Saudi Arabia/Egypt

As part of the "Interconnection between Egypt and Saudi Arabia – Gulf of Aqaba KSA Side" construction site, in an environment located in front of the coral reef of the Gulf of Aqaba in the Red Sea, one of the largest and best preserved coral reefs in the world, the installation of silt curtains was an essential measure to reduce the environmental impact of construction activities carried out near a protected marine ecosystem. These temporary floating barriers, consisting of permeable fabric, were installed on the stretch of water in front of the construction site and were designed to minimize sediment transport and spreading, in full compliance with environmental regulations and local guidelines for the protection of sensitive ecosystems.

Biodiversity management and control

Strategically placed to contain debris generated near the water body, the barriers have played a crucial role in preventing turbidity and maintaining water quality as much as possible, safeguarding reef biodiversity. Their proper implementation, with solid anchorages and adequate spacing, was verified through visual inspections and function testing, confirming an operational approach strongly oriented toward environmental sustainability and conservation of natural resources. Barriers are designed and used to make sure that protection is optimized during simultaneous drilling.

The total costs incurred for the management of the silt curtains amounted to about Euro 100,000, considering the supply and installation of the barriers, anchor blocks, moves made at different stages, supervision and expenses of specialized technicians during operations.

The implementation of specific plans for marine and land installations meets project-specific requirements and is therefore included in the costs defined at the tender stage. In case of additional requirements envisaged by the customer, an outline estimate is provided in the tender phase, itemized in the delivery phase and subject to reimbursement by the customer once the initiative is completed. The mechanism of cost evidence and reimbursement may vary based on the regulation to which the customer is subject (in the case of electric transmission operators). To date, however, no significant OpEx or CapEx are planned for biodiversity actions.

Although no significant impacts associated with biodiversity have been found, each plant maintains and keeps up-to-date inventory of protected areas[39] and restored areas[40].

In some very limited cases, compensating and monitoring interventions have been carried out in line with the requirements of local authorities.

At the Brazilian site of Poços de Caldas, where there is a protected area (Permanent Preservation Area) of 2,630 m^2, a Plan was initiated in 2022 to plant and maintain about 220 native plant species within the Prysmian site. The Plan, to be implemented over the period 2022-2026, is managed with the support of a team of experts and includes periodic reports to the Municipality.

Similarly, at the Sorocaba (Brazil) site, the environmental authority (CETESB, a government environmental body) required compensation for the use of the Permanent Preservation Area, of about 10 hectares, which was started in 2021 and ended with the planting of about 1,200 plant organisms.

Biodiversity compensation is an important element of Prysmian's environmental strategy, aimed at reducing and compensating the impacts of business activities on ecosystems. However, Prysmian adopts environmental compensation practices that generally do not involve significant investments in monetary terms. Where necessary, the company undertakes to perform:

- Compensation projects: including any ecological restoration activities or natural area management, but such initiatives are managed in a way that minimizes direct costs.
- Monitoring activities: the company invests in environmental monitoring in line with regulatory requirements, but the associated costs are generally low and integrated into daily operations.
- Additional initiatives: the company invests in initiatives to create net gain (in some specific projects) in terms of biodiversity benefits. Such initiatives can be repaid by customers.

Despite relatively low costs, biodiversity compensation offers tangible long-term benefits, including:

- Reduction of legal and regulatory risks: compliance with environmental regulations and proactive management of impacts can reduce the risk of penalties and litigation.
- Reputation and access to sustainable financing: promoting responsible environmental practices enhances a company's reputation and facilitates access to sustainability-focused investments.
- Brand value: biodiversity protection initiatives strengthen Prysmian's position as a responsible and environmentally conscious company, with positive effects on relations with customers and business partners.

While not incurring significant costs, biodiversity compensation contributes to the overall sustainability of the company while generating long-term benefits without significant economic burdens.

For production plants, each facility carries out and keeps up-to-date an inventory of protected areas in the vicinity of the operating unit, considering specific situations, any requirements for the presence of areas classified as important for biodiversity, and any mitigation measures in place. For installation activities, specific mitigation measures are part of the project owner's requirements and are always developed in collaboration with local experts. In addition, the necessary permits for on-site activities are always granted by the local authorities responsible for project development.

39. Protected area: area protected from any damage during operations and where the environment remains in its original state with a healthy and functioning ecosystem.
40. Restored area: an area that has been used during or affected by operations and where remediation measures have restored the environment to its original state or to a state where it has a healthy, functioning ecosystem.

Targets

The Group does not currently have a quantitative target with respect to the topic of biodiversity. However, **Prysmian is currently conducting a biodiversity assessment of its operations, marine and land installations through a prioritization strategy, with the aim of assessing impacts and dependencies and defining a biodiversity action strategy in line with the TNFD (Task Force on Nature-Related Disclosure) frameworks.**

This approach focuses on identifying the most critical areas where the company can take action so that clear goals and specific action plans for achieving them can be established. In addition, in line with its ambition on the issue of biodiversity and when necessary, it also undertakes to improve the ecological conditions of the areas affected by its projects.

E5
Resource use and circular economy

E5 - Resource use and circular economy

In a global context increasingly oriented toward sustainability, the circular economy is one of the main levers for the transformation of Prysmian's business model. Embracing the principles of the circular economy is not only a strategic choice of the Company, but a fundamental responsibility to contribute to a more sustainable future.

Adopting practices that promote circularity of materials, reuse of resources and reduction of waste is crucial to reducing the environmental impact of products and production processes. Through continuous innovation, resource optimization and designing more sustainable solutions, Prysmian is committed to fostering a virtuous cycle that not only supports the goal of reducing emissions, but also creates long-term value for all stakeholders. The implementation of circular practices is, therefore, a key step in ensuring business competitiveness, meeting growing market demands and actively contributing to promoting sustainability worldwide.

Assessment of relevant Impacts, Risks and Opportunities

Identification of IROs related to the circular economy

Below, the table contains the impacts, risks and opportunities (IROs) related to the topic discussed in this chapter.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
E5 Circular economy	Non-renewable resource consumption for production with environmental damage and reduced availability for other uses	Own Operations	Negative	Actual	Long term
E5 Circular economy	Reduction of emissions through the development of low-emission products and sustainable design practices (higher recycled content / recyclable products and virtuous practices such as Design for Sustainability)	Own Operations and Downstream	Positive	Actual	Medium term
E5 Circular economy	Pollution due to improper waste management the products' end of life	Downstream	Negative	Potential	Long term
E5 Circular economy	Pollution due to improper waste management upstream	Upstream	Negative	Potential	Long term
E5 Circular economy	Pollution due to improper waste management in the own operation	Own Operations and Downstream	Negative	Potential	Long term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
E5 Circular economy	Contribution to increasing Circularity in the market through Value Chain	Upstream	Opportunity	Long term	N/A
E5 Circular economy	Decreasing in energy use and waste production	Own Operations	Opportunity	Medium term	N/A
E5 Circular economy	Risk of non-compliance with environmental-laws related to waste	Own Operations	Risk	Medium term	N/A
E5 Circular Economy	Increasing green products with high recycled content	Own Operations, Downstream	Opportunity	Medium term	N/A

In considering its current and potential impacts, risks and opportunities related to the theme of resource consumption and circular economy, Prysmian has delved into both the impacts it generates toward the environment and social communities through an inside-out logic and the risks and opportunities that come from outside through an outside-in logic. In detail, the dual materiality exercise conducted by Prysmian identified what are the negative impacts related to the circular economy and waste, and the risks and opportunities associated with them. Through the analysis, an impact related to the consumption of natural resources for production was identified, which reduces the availability of raw materials and can cause environmental damage. In addition, the analysis found that inadequate waste management, both at the end-of-life of products and along the supply chain and in internal operations, can lead to potential negative impacts on soil, water and air, with the risk of production waste and hazardous substances leaking into natural areas.

Through the dual materiality exercise, Prysmian has also identified the risk of potential non-compliance with environmental waste regulations, with possible litigation, penalties and reputational damage. However, several opportunities also emerged from the analysis. In particular, Prysmian's contribution to strengthening circularity along the value chain reduces operating and procurement costs, as well as improving corporate image. In addition, an opportunity was also identified related to optimizing energy use and waste management, increasing efficiency and promoting the use of recycled materials, with economic and reputational benefits. Finally, an additional opportunity was identified related to the increased demand for cables with recycled content in the market, which represents a strategic advantage for Prysmian in view of future more stringent regulatory requirements.

This approach initially led to an analysis of its "own operations", followed by an analysis of the value chain and its interactions with the Group's activities, with the aim of mapping out in detail relevant issues and managing them within sustainability reporting.

In assessing the Impacts, Risks and Opportunities (IROs) defined by Prysmian as part of the dual materiality analysis, an inclusive approach was adopted involving a broad spectrum of stakeholders. This engagement process aimed to ensure a comprehensive and diverse view of issues related to the circular economy and resource use, in line with the company's sustainability goals.

Through various consultation activities, such as interviews, one-on-one meetings and multi-stakeholder sessions, representatives from different categories of stakeholders were involved, including customers, suppliers, and academic experts, with a focus on circular economy specialists. These experts, with their in-depth knowledge of the sector, were able to offer valuable contributions, enriching the analysis process with relevant views on the evolution of the circular economy and its direct and indirect impacts.

In particular, the stakeholders involved were able to express their views, including considering the specifics of the communities in which they operate and are present. Their perspective was crucial, not only because they brought direct and concrete experiences, but also as key players in Prysmian's value chain. Their involvement has enabled the company to more accurately identify innovation opportunities and potential risks associated with adopting circular solutions, as well as to better understand local needs and expectations.

In this way, Prysmian has been able to integrate into the IRO assessment process a broad and multifaceted view that takes into account not only environmental and operational impacts, but also the social and economic dynamics of the communities in which the company operates. Dual materiality analysis, supported by active stakeholder engagement, has thus contributed to more robust and responsible business strategies, fostering the creation of shared value and strengthening sustainability throughout the value chain.

For any specifics on the methodology used in the dual materiality assessment, please refer to what is written within the Chapter ESRS 2.

Policies

Prysmian is committed to implementing circular economy practices to reduce its environmental impact, using fewer resources to make products and keeping materials within the production cycle as long as possible. The Group's approach to circularity addresses three main aspects:

1. **Procurement of recycled materials:** In recent years, Prysmian has focused effort on research into and the development of a supply chain capable of offering recycled materials, especially metals and plastics for the cable insulation and protection. It is important to note that the use of secondary materials in the cable industry is often limited by the availability of such materials. As an example, this is the case for recycled copper, with limited market supply that is often only suitable for more basic applications. Accordingly, it is essential to launch long-term projects based on dialogue with suppliers, which enable them to make the investments needed to build circular supply chains.

2. **Minimization of scrap materials**: Over the years, Prysmian has worked hard to make better and more conscious use of its resources, thus reducing the scrap generated by every production process. The Group highlights this commitment by applying its Health, Safety, Environment and Energy Policy, as updated and approved by the CEO and the top management of Prysmian in 2024, for the systematic management of all HSE aspects and the optimized use of resources and materials. All these issues are considered mandatory for the achievement of Group objectives and the creation of value for all stakeholders. Prysmian communicates this policy to all internal and external stakeholders by publishing it on the Group's website[41] as well as on the corporate intranet.

3. **Recycling of waste downstream of the factories**: For several years now, Prysmian has set internal targets in order to increase the percentage of recycled waste, thus also reducing the amount of waste sent to the landfill and/or for incineration. The Company shares its views, ideas and results with various Stakeholders in order to facilitate collaboration and create meaningful relations.

Waste management is considered a significant environmental aspect whose operational control is carried out under dedicated instructions and tools for:

1. The assessment of the aspects and impacts associated with waste, based on the processes/projects that generate it, its quantities and its hazardous characteristics, pursuant to applicable regulations and/or centrally defined rules;
2. The safe management of waste, under both normal and emergency operating conditions, in line with applicable requirements and with the goal of minimizing environmental impact throughout the value chain;
3. Compliance with the criteria established at the Group level, for the collection, confirmation, validation, aggregation and reporting of both internal and external waste data.

41. https://www.prysmian.com/sites/www.prysmian.com/files/2024-07/HSEE-POLICY-June-2024.pdf.

To date, Prysmian does not have a specific public policy on resource use and circular economy, considering the dynamic regulatory environment, which has introduced new specific obligations. However, the company has developed internal programs to foster the culture and environment necessary to address issues related to resource use and the circular economy, and to prepare to define appropriate KPIs in order to quantify results, both from a technical (product development) and business perspective.

Design for Sustainability (D4S) and Sustainability for Business (S4B) are two internal programs designed for this purpose. D4S was launched in 2022 and aims to change the way Prysmian's entire R&D community and network operate. The development of new products considers their strategic relevance in terms of sustainability, applying the E-Path criteria, which are the basis of the D4S program.

S4B was founded in the second half of 2023, with a mission to promote the commercialization of sustainable products internally, both by accelerating the spread of the E-Path brand and assisting the Sales function in dealing with key customers.

Internal resources coordinating this program have dual reporting with the Chief Sustainability Officer (CSO) to ensure harmonization between corporate strategies and subsequent execution by the various Regions, Business Units and Corporate Functions.

Starting in 2022, periodic reports are published for the D4S program that include all sustainability initiatives underway in each Region, ranking them according to specific technical workflows and E-Path criteria. For the S4B program, a dedicated report was initiated in 2024 to track the progress of each sustainability work stream based on specific metrics.

The two programs are applied to the entire company's scope, in terms of Business and geographical areas. Generally, corporate responsibility for the product lifecycle extends to the cradle-to-gate perimeter, while corporate engagement is more limited in managing the EoL (End of Life) phase of products. However, evaluations are underway to initiate partnerships with some customers in the Power Distribution and Transmission sectors to develop End of Life phase management initiatives.

Prysmian is actively committed to making the sourcing of renewable resources increasingly sustainable. In particular, streams such as r-PE and r-Cu sourcing are already operational in several regions. In addition, the Group is working to acquire aluminum from suppliers who use renewable energy sources to process the ore and produce the final bars used in Prysmian's plants, resulting in a finished product with a significantly lower carbon footprint than aluminum produced with traditional energy sources (fossil fuels).

Another promising stream involves plastics made from organic raw materials (bio-based or bio-attributed, i.e., certified through a mass balance scheme). Prysmian pioneered the use of bio-based polyethylene in its Afumex Green product range, which has been made in Brazil for more than a decade. Currently, this solution is being extended to other product ranges in Latin America and other regions. As for bio-attributed materials, these are now available for almost the entire range of plastic materials used by Prysmian and supplied by major incumbent manufacturers. Although the price of these materials is still not competitive due to the scarcity of renewable raw material sources, Prysmian has developed some interesting applications, stimulated by market demand. These bioplastics show very promising CFP (Carbon Footprint) values, well below those of traditional plastics from fossil sources, and in some cases show negative values, probably being derived from plant sources.

Actions

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
r-PE and r-copper	Medium term	Systematic experimentation and testing in all relevant plants of the Group to increase the share of recycled PE; Systematic procurement activity and assurance of copper supply with an increasing share of r-CU to expand the supplier base and size of addressable product portfolio.	Ongoing
DTC – Design to Cost	Medium term	By using the best materials, adopting efficient processes and implementing innovative projects, this program achieved cost savings of more than Euro 42 million in 2020, with more than 1,800 projects completed in our production facilities.	Ongoing
Waste Management	Medium term	Prysmian aims to gradually increase the percentage of waste sent for recovery/recycling, thereby also reducing the environmental impact associated with landfilling and/or incineration.	Ongoing
Reuse of reels	Medium term	Prysmian, in order to decrease both the amount of virgin material used for packaging and the amount of waste generated, has increased its focus on the reuse of cable reels. This objective is mainly pursued through two work areas 1) Awareness-raising and collaboration with customers on Reverse Logistic flows of reels; 2) Standardization of the reels used.	Ongoing
Extension of P-Laser technology	Short term	P-Laser cables, manufactured using proprietary technology, offer superior sustainability value to end customers due to potential 100% recyclability properties at end of life. The technology is currently applied to MV cables in the Power Distribution market and to HVDC systems in the Transmission segment.	Ongoing
Revenues from sustainable products	Short term	The Company intends to monitor sales of sustainable products in the coming years. A specific KPI is applied in the sustainability scorecard and a target has been set until 2027.	Ongoing
LCA and EPD management system	Medium-Long term	The company intends to focus on optimizing EPD preparation and validation activities with the aim of both gaining a better understanding of the environmental implications of products and responding to increasing market demands in a timely and effective manner.	Ongoing

Recycled content on polyethylene and copper sheathing

a. Systematic experimentation and testing in all significant plants of the Group to increase the percentage of recycled PE.

In order to achieve recycled material volume targets, each Region R&D develops relationships with suppliers (local or group) to evaluate the yield of recycled materials. Pilot tests are planned and carried out on limited quantities to verify the technological suitability of the process and the material used. The procedures are those typical of Group R&D regarding the introduction and validation of new materials. Once the material is approved, it can be used for small-scale industrial production and finally released as any other raw material, which will then be used by the Engineering function.
Regarding KPIs, the Region's Chief Engineer, in collaboration with the Procurement function, tracks the quantities used and, on a quarterly basis, reports the data to the Corporate R&D function, which consolidates the data globally and provides the information to the internal Reporting functions. This KPI is an integral part of the objectives included in the incentive plans (MBOs) of the R&D function, both globally and locally.

b. Systematic procurement activity and assurance of copper supply with an increasing share of r-CU to expand the supplier base and size of addressable product portfolio.

In terms of copper procurement with an increasing share of recycled content, Prysmian is pursuing targets with a time horizon of about five years from the baseline of 2022, with the ultimate goal of doubling the share of recycled copper relative to the volume of primary copper purchased annually.

This means that during the definition of copper requirements at the plant level, options from suppliers that increase the share of copper with recycled content are evaluated and qualified in advance. In terms of geographic areas, all regions of the Group are involved, each contributing differently based on supplier availability and applicability in cable productions.

The value chain parties mainly involved are:

- **Copper suppliers**: scouting and sourcing suppliers that can offer options with recycled copper, focusing on their involvement to ensure that long-term strategies in line with the shared commitment are maintained and shared;
- **R&D and production**: evaluation and validation of materials with recycled content to optimize their use, taking into account availability and production constraints;
- **Logistics**;
- **Customers**: access to certain competitions is dependent on the percentage of recycled content in the cable;

Since Prysmian is a purchaser of copper wire rod, achieving the targets on recycled copper is only possible through the involvement of manufacturers/suppliers, incorporating this requirement into the specifications of the purchased material, and agreeing on improvement plans that are compatible with the required technical characteristics, as well as availability and technical constraints.

An investment in CapEx of about Euro 3 million, aimed at enabling the use of a greater proportion of recycled PE in the sheathing of low- and medium-voltage power cables, has been approved and has begun implementation. The investment covers 13 facilities within the scope of Europe and Turkey, and includes installation of the necessary mixing equipment, upgrading of extruders and purchase of quality control equipment.

The approved investment plan, the spending of which is divided between the years 2024 and 2025, is consistent with the targets set by the Group for the percentage of recycled PE to be achieved by 2025. Therefore, no further expenditures in CapEx are currently planned for this activity.

DTC – Design to Cost

Prysmian's R&D team has continued to fundamentally support the business, fostering its growth both in terms of profitability through the Design-to-Cost (DTC) program, which achieved a new record of global results in 2024, and through the launch of new products to market (NPI). The Group R&D function is responsible for implementing the global innovation strategy aimed at making Prysmian a key player in the value chain supporting the Energy Transition and Digitalization processes.

The Group's local R&D centers actively contribute to new product development, the Design-to-Cost (DTC) program and the rationalization of product families. The DTC program is a concrete example of this approach. By using the best materials, adopting efficient processes, and implementing innovative projects, the program generated cost savings in excess of Euro 60 million in 2024, with more than 1,500 projects completed in the Group's production facilities. Renewed annually, the Design-to-Cost program focuses on improving productivity and reducing material consumption, resulting in lower environmental impact of products.

In fact, Prysmian's "Design to Cost" program offers numerous benefits in terms of environmental sustainability, particularly with regard to the consumption of non-renewable resources and waste management. In relation to the first point, the program aims to reduce the use of non-renewable resources in production, thus minimizing environmental damage and preserving these resources for other uses. **For waste management, Prysmian undertakes to optimize the use of resources and improve waste management, thus contributing to more sustainable and responsible production.**

Prysmian monitors the progress and effectiveness of the DTC program through a system called DTC Webtool. In addition, a monthly meeting process by region/BU has been activated and is functioning as part of the goal setting of the annual management plan.

Waste Management

Systematic management of HSE aspects and optimized use of resources and materials are mandatory for achieving the Group's goals and creating value for all stakeholders. Prysmian aims to gradually increase the percentage of waste sent for recovery/recycling, thereby also reducing the environmental impact associated with landfilling and/or incineration.

Thus, there are many ongoing actions initiated at the level of individual factories or national and/or regional organizations, such as:

- **Definition of a baseline and specific target** (at site or country/region level) and associated performance indicators (e.g., % of waste sent for recovery/recycling, either as a proportion of total waste or for specific categories; % of waste sent to landfill, which shall progressively reduce until "zero landfill" is achieved);
- **Definition of an action plan with the involvement of internal and external** personnel aimed at better segregation of waste (internal operating personnel) and more accurate selection and rating of suppliers (internal procurement);
- **Periodic monitoring of performance both through defined KPIs** and by conducting contractor-targeted audits;
- **Refinement of reporting**, particularly with regard to information on the final destination of waste.

To this end, each unit has defined an action plan, including organizational and operational actions, with allocation of responsibilities and timelines to achieve the Zero landfill target, aimed at reducing the environmental impact associated with waste disposal, as well as meeting regulatory requirements in some countries.

Similar to all other environmental indicators, data on waste generated by individual production units are collected through the Group's HSEDM database. Each unit reports, on a monthly basis, the quantities of waste generated, for all applicable categories, with a breakdown by final destination (type of disposal). The system allows aggregation of data both at the organizational level (by country, region, business unit, down to the Group level), and also by type of final disposal. Periodic data analysis has been essential over time, both to assess the completeness and reliability of the data collection and validation system and to set improvement goals taking into account the commitment in the HSEE Policy, applicable legislation and the broader context associated with sustainable development.

The HSEDM tool groups the following information:

- The total amount of non-hazardous waste generated [kg], divided into specific categories and final destination;
- The total amount of hazardous waste generated [kg], divided into specific categories and final destination;
- The amount of waste generated per production unit [kg/production unit];
- The amount of waste generated by final destination [recycling, landfill, incineration].

This monitoring is in line with the Group's commitment to implementing practices aimed at increasing the percentage of waste sent for recovery/recycling from year to year. The investments incurred by the Group during 2024 in relation to waste management are included in the ordinary expenses managed by each production site. No extraordinary investments are expected for the next few years.

Reuse of reels

The Group is committed to implementing sustainable business practices. In view of the implementation of new laws on deforestation, particularly in the European Union, the Group is strengthening its wood reel and packaging sourcing processes, preferring reused materials with low environmental impact, tracking their lifecycle. Globally, in 2024 Prysmian reused 53% (in terms of tons of material) of cable shipping reels; specifically 74.7% wood reels and 25.3% made from metal, plastic and other materials.

Prysmian, in order to decrease both the amount of virgin material used for packaging and the amount of waste generated, has increased its focus on the reuse of cable reels.

This goal is pursued through mainly two work areas:

1) **Awareness-raising and collaboration with customers on Reverse Logistic flows**: Prysmian is initiating discussion panels with its customers both to increase the cycle number of reused reels and to create new re-entry streams for reels to date used only once.
2) **Standardization of reel characteristics**: The physical characteristics of reels depend on a number of factors, such as local regulations, characteristics of the cable to be transported and of the production machinery, as well as site and transportation needs. Comprehensive standardization of these characteristics is not possible.

However, within these constraints, on narrower perimeters it is still possible to homogenize many aspects, making the reels reusable in more circumstances and consequently increasing their circularity.

The actions mainly concern the downstream value chain of the entire Prysmian perimeter and are focused particularly on customers with the aim of increasing the circularity of reels after their use.

The time horizon for having tangible results on a large scale is medium to long term. The corporate target is to improve or maintain the reuse rate at least at the current level. Investments related to these issues were not significant during 2024 and no significant costs are expected for the coming years.

Expansion of P-laser technology

P-Laser cables, made with a proprietary technology, offer added value in terms of sustainability for end customers (i.e. utilities) due to their complete recyclability at end of life. This technology is currently applied to medium-voltage cables in the power distribution market and to HVDC systems in the Transmission segment. The main activities carried out in 2024 with respect to own operations are shown below:

1) Increased P-Laser production capacity for MV cable insulation in Scandinavia;
2) Development dedicated to the German medium voltage market, focused on improving cable performance in terms of aging in water;
3) Development of new prototypes for the U.S. medium-voltage market with easy-to-remove external semi-conductive screen;
4) Enhancement of HVDC 525-kV technology;
5) Launch of program to develop low-voltage version of P-Laser insulation for both power distribution and construction markets.

Also shown below are the actions planned for the future[42]:

1) MV P-Laser acceptance in the German national standard (2026);
2) Starting regular production of MV P-Laser for PD markets in Central Eastern Europe (2026) and Scandinavia (2025);

42. Dates are to be considered indicative and subject to revision, depending on market situations and possible external factors, which cannot be foreseen at the moment.

3) Starting pilot production for the US PD market (2027);
4) Development of an insulation version with superior performance for the HVAC and HVDC market (2026);
5) Low Voltage Qualification (2025);
6) Starting regular sales of LV P-Laser in both power distribution and construction markets (Northern Europe 2026; CEE and Southern Europe 2027);
7) Implementation of an investment plan to increase the production capacity of P-Laser transmission systems, both HVAC and HVDC (2028).

The downstream value chain is affected by the higher sustainability value of P-Laser cables compared to standard (XLPE/EPR insulated) cables. Prysmian estimates that the use of P-Laser technology for MV and HV products reduces the carbon footprint by about 34% over the life cycle, mainly due to 100% recyclability in the end phase (EoL), excluding the use phase, which remains unchanged. The main stakeholders involved are end-users, particularly DSOs and TSOs.

The project to implement and commission the new P-Laser line for MV cable insulation in Scandinavia involves an investment of about Euro 1.6 million, spread over a 3-year horizon (2023-2025).
The project to increase MV P-Laser's sales in European markets is also supported through the initiation of an investment in Central Eastern Europe aimed at installing a new MV cable insulation line, with the possibility of producing XLPE or P-Laser insulated cables as needed. The project involves a total expenditure of about Euro 23 million, spread over a 3-year horizon (2024-2026).

The P-Laser production capacity increase project for HVAC and HVDC transmission systems involves the expansion of installed capacity in France through the installation of three new lines. The plan, which began in 2022 and is scheduled to end in 2027, involves a total investment of about Euro 180,000,000.
HQ R&D's OpEx for the above developments amounted to about Euro 3,000,000 in 2024; OpEx of Euro 4,000,000 is expected in 2025.

The polypropylene-based materials used in the production of P-Laser cables thus represent a renewable resource at the end of the product's life, unlike what can be achieved today with solutions based on cross-linked polymeric materials, and allow reducing the environmental impact over the entire life cycle of energy cables up to 30% (excluding the product use phase). End-of-Life recyclability increases, paving the way for the development of a circular flow in the cable industry (to be defined and quantified in the coming years).

Revenues from sustainable products

Prysmian monitors its sales of sustainable products annually. A specific KPI "Revenues from sustainable products" is included within the Sustainability Impact Scorecard, with a target defined to 2027. These revenues are linked to specific product lines, the SPLs (Sustainable Product Lines) described in a specific document owned by the R&D function called "Share of revenues linked to sustainable products".

Within the Sustainable Product Lines, 2 are directly related to the circular economy: the E Path products (formerly called Ecocable) and the Green Overhead Lines. In particular, E Path products make up the majority of reported revenues for sustainable products (about 65% of total KPI in 2024 and about 90% excluding revenues related to the Transmission segment). Among the criteria that make up E Path's overall scoring system, two are related to the circular economy: recycled input rate and recyclability potential. The first criterion indicates the presence of recycled material used in the production of a cable. In particular, it takes into consideration the recycling of two main components: metals, which are universally used for power transmission, in power cables represent a key element of the product; and non-metals, namely plastics, especially used for insulation and protection of the product itself. For both, research and development of recycled-containing alternatives is an important advancement of product sustainability, which engages the entire value chain. The second criterion, on the other hand, indicates the percentage of potentially recyclable material at the end of the product's life. It is already an established practice in industry to reuse scrap metals, a valuable material from an economic and sustainable point of view. For this reason, the criterion is mainly focused on the research and introduction of plastics whose characteristics make them reusable/recyclable at the end of life, to further improve and support the circular product economy.

Key actions within the E Path program focus on promoting the use of r-PE and r-CU in cable manufacturing, as well as extending P-Laser technology for MV and HV power cables. Regarding Green Overhead Lines, one of the two conditions for inclusion in this category is that the recycled steel content used is ≥ 85%.

The E Path program is already active for energy cable products. Its technical implementation has been completed in most countries, with the exception of Russia and some areas of Latin America (Costa Rica, Mexico, Colombia), for which implementation is planned by the end of 2025.

E Path rules for Overhead Lines and Telecom/Multi Media Solutions products were finalized by the end of 2024. Products belonging to the Electrification, Powergrids (excluding Overhead Lines) and Transmission business segments are already covered by the E Path program, while for Overhead Lines and Digital Solutions activation is scheduled for 2025. Green Overhead Lines revenues have already been accounted for in North America and will be extended to other areas producing OHL by 2026.

Note that for the initiatives "*Increasing the percentage of recycled copper and polyethylene, DTC – Design to Cost, Waste Management, Reuse of Reels, Revenues from sustainable products*" mentioned above, it is not possible to provide a total value of investments as they are defined at the same time as the project needs.

LCA and EPD management system

In 2024, the implementation of the Group's strategy for product environmental impact assessment experienced significant acceleration. The project, already planned in the previous year, is currently at an advanced stage.

The most widely used and standardized reports in this area are the **"Environmental Product Declaration" (EPD)**, which covers the entire product life cycle (Life Cycle Assessment – LCA) and is subject to validation according to regulatory standards (including the "Product Category Rules" and the relevant legislation), and the **"Carbon Footprint" (CFP)**, which focuses on the impact related to Global Warming. EPD, in particular, is the most requested and comprehensive reporting.

The project focused on optimizing EPD preparation and validation activities through the selection, acquisition, adaptation and implementation of a specific tool for the management and massive development of EPDs. The goal has been to better understand the environmental impacts of products, in line with the HSEE Policy, and to respond promptly and effectively to growing market demands by proactively anticipating them, without waiting for individual customer requests.

An important aspect of the selected tool is its "certifiability": it allows for automatically validated EPDs upon annual certification by an accredited body in accordance with specific standards.

To further optimize the EPD development process, the tool is being integrated with existing applications at Prysmian, where the raw data needed to generate EPDs are already stored. This integration, although it will lengthen the time it takes to implement and disseminate the tool, will provide the opportunity in the long run to process more EPDs with the same resources.

The implementation of the project began with some "pilot countries" (Nordics, France, Italy, Spain), which had already received considerable demands on EPDs. The projected investment cost is about Euro 450,000 over 3 years, starting in 2024, with more than half of this amount going to CapEx.

In addition, the project has evolved its scope, expanding beyond the development of a tool for EPD management. In fact, it has been integrated within a broader **"ESG Data Platform"**, also under development, which will manage all sustainability-related data. This platform will be responsible for meeting all sustainability-related requirements and responding to stakeholder requests (internal and external), ensuring centralized access, transparency, data quality and traceability during audits and reviews. The ESG Data Platform will make sustainability data from various sources available to all business functions, with the EPD tool being a key part of it.

Targets

The targets related to the topic of resource use and circular economy are as follows:

Targets	Year of target achievement	Performance as at 2024	Base year and relative value
13.4% - 15.7% recycled content on PE jackets and copper	2025	**16.2%**	2022, 10%
40% of revenues from sustainable products	2025	**43.1%**	2022, 30%

Specific discussion of each target is proposed below.

Percentage of recycled content on PE jackets and copper

Prysmian has set a goal to increase the percentage of recycled material for PE Jacket and copper to reach 13.4%-15.7% by 2025, considering the base year 2022, when this percentage was 5-10%. In 2024, 16.2% was achieved, in line with the planned target.
The setting of the 2025 target was influenced by the growth of Prysmian's copper volume in the US after the acquisition of Encore in 2024. The recycled content in copper rod in the North American market is on average lower than that of European suppliers. Growth in North America is therefore triggering a dilution effect.
The 2024 result, on the other hand, was determined by the exceptional availability of scrap in North America, particularly in the second half of the year, a highly unpredictable factor.

The timeline for achieving the r-PE and r-CU adoption KPI is defined in the scorecard and is linked to the Long Term Incentive Plan (LTIP). This goal is aimed at increasing the circular design of products, with particular reference to recyclability.

Progress toward the goal is addressed within a quarterly report that allows for periodic monitoring. Based on the Scorecard, approved by Prysmian's Sustainability Committee, goals are defined by the relevant functions at the corporate level and transmitted, in a cascading model, to representatives of regional functions.
As anticipated in the metrics section, the units of measurement are in MT (metric tons) and the target is calculated as the amounts of recycled material used relative to the total quantities purchased.

To date, there have been no updates to the targets or KPI measurement methodology with respect to the defined time horizon. Performance is analyzed quarterly on the aggregate result. The r-PE is reviewed monthly with each region during the "monthly DTC and r-PE meeting" between headquarters and the local research and development team.

Both annual and three-year target setting was done by taking as a reference the Central Eastern Europe case, which was in effect a best practice in the area of using recycled polyethylene for jackets. Based on the feasibility demonstrated in Central Eastern Europe and the results achieved, a forecast for application in other European regions (South Europe, North Europe, UK) was developed. For non-European regions, targets commensurate with the local situation have been set in terms of the availability of the technologies and material in the local area. Further details regarding the methodology and assumptions adopted are given in the previously mentioned internal operating procedure.
A similar approach was also used for recycled copper but having as reference the specific situation of suppliers already able to supply significant amounts of recycled copper wire rod.

Regarding the target-setting process, stakeholders were involved as part of the goal setting of the Annual Management Plan.

Regarding recycled PE, the targets were discussed individually with the Chief Engineers. R&D HQ then quantified the final annual target and communicated to the Chief Engineers later.

As for r-Cu, targets were discussed and defined by Operations Department, Purchasing Department, head of copper procurement, and Top Management. Then it was communicated internally to Prysmian geographic areas, engaging key suppliers to achieve the above targets.

The goal under analysis does not result in the increase of circular product design. It envisions increasing the circular material utilization rate to 30% of the addressable volume, seeking to nurture the virtuous process as long as technical performance is met, while minimizing the use of raw materials. Prysmian's research and development function is committed to ensuring sustainable sourcing and use of renewable resources by leveraging Bio-Based materials. The target set by the Group is not mandatory under the law but defined on an optional basis.

Share of revenues from sustainable products

The target for the share of revenues from sustainable products was included in the Scorecard, in agreement with Prysmian's top management, and further underscores the strong link between Innovation and Sustainability, inextricably linked levers for generating value for the company and the external environment.

As introduced, the scope of the target includes finished cables that are produced in all geographic areas and business segments, in addition to the "rod and strips" business in North America. The Operating Procedure specifies the calculation of "Share of revenues linked to Sustainable Products – KPI calculation" and the associated target. This goal is aimed at increasing the circular design of products, with particular reference to recyclability.

Pursuit of the goal will lead the Company to decrease the use of raw materials and to intensify and promote the use of recycled and low-carbon footprint materials. In particular:

- Recycled copper-based materials, which positively impact the E Path score;
- Recycled polyethylene-based materials that positively impact the E path score;
- Recycled steel-based materials, which characterizes the advanced overhead lines classification;
- Materials with a low carbon footprint, positively impacting the E Path score;
- Low carbon footprint Al, which characterizes the Rods and Strips product line classification.

The ultimate goal of this objective is to bring the value chain to intensify and standardize the production of sustainable materials, both in terms of carbon footprint reduction and the use of recycled or secondary materials, improving their performance, quality aspects, availability and affordability.

The baseline for the KPI was 2022, the year in which a 30% share of revenues from sustainable products was recorded. During 2023, the value of the KPI reached 37%. The final target was set for 2025, and it is 40%.

The target is calculated on the basis of sales data related to Sustainable Products, identified according to the above criteria. Specifically, the calculation of E Path scores is discounted periodically (every quarter) in order to take into account the evolution of the sustainability value of products (obtained with the combination of the 6 E Path criteria underlying the calculation) during the period under consideration. Sales of items belonging to other lines of Sustainable Products, identified according to specific technical characteristics, are added to the sales of products classified as E Path. Added to these are sales pertaining to the Transmission segment, excluding the SURF BU (umbilical cables for oil wells).

The increase in the result related to the KPI in question demonstrates and quantifies the Company's commitment to implement a circular economy model fully functional to achieve carbon neutrality in a timely manner (refer also to the targets approved by SBTi and the commitment made by the company to achieve them), through the promotion of the use of sustainable materials, increasingly environmentally neutral solutions and optimized production processes. In this sense, the aforementioned value chain (especially raw material suppliers and end customers) is stimulated to participate in the implementation of a global circular economy model, pushing its adoption at the local level with positive spillover effects in emerging market areas as well. The following cases can be cited as concrete examples, where the adoption of certain specific solutions is favored by their availability in specific geographic areas:

- Use of Bio Attributed circular solutions (polyethylene derived from sugarcane) in Latin American countries;
- Use of BCA (Bio Circular Attributed) polymeric materials from regeneration of waste vegetable oils in more developed areas (Europe);
- Implementations of virtuous streams of PCR (Post Consumer Recycling) or PIR (Post Consumer Recycling) utilization of recycled plastics in countries in the European region, where recovery of household and industrial waste have become established processes;

- Push for the identification and implementation of recycled PE sources in Latin American and Asian countries;
- Use of metals (aluminum or steel) with a low carbon footprint in areas in environmentally insensitive areas such as China.

The target is monitored quarterly. In 2024, the measured KPI value was 41% in Q1, 44% in Q2 and 48% in Q3. Note that the evaluation is performed on the same scope as total revenues, and for the first 9 months of the year did not consider the impact of the Encore Wire acquisition. The achieved FY 2024 result of 43.1% and also includes the value related to Encore Wire.

The definition of this KPI included in Prysmian's Impact Scorecard, whose goal is to make the processes of measuring, monitoring and communicating results more effective, started from the analysis of:

- Long-term ambitions of the Group (Social Ambition and Climate Change Ambition);
- UN Sustainable Development Goals (SDGs);
- Group Materiality Analysis (focusing on the external impacts generated by the business).

The targets of the Scorecard, including this one, are regularly monitored by the Sustainability Steering Committee, chaired by the Chief Sustainability Officer, and shared annually with the Sustainability Committee.
The members of the above committees, together with other top managers of the Group who are not members of the internal sustainability steering committee, were involved in the process of defining the goals of Prysmian's Sustainability Impact Scorecard. Their knowledge of the business, the group's ambitions, and the areas of improvement to focus on has been critical in establishing the KPIs on which the company has focused in recent years and for which it is pursuing the defined targets.

Finally, it is specified how the submitted objective is optional and not required by law. To date, there have been no updates to the targets or KPI measurement methodology with respect to the defined time horizon.

Group commitments

As part of its planning, Prysmian implements a series of actions that cannot be directly associated with "targets" as required by ESRS standards, but are fundamental to the design of sustainable activities in line with the Group's strategy.

- **LATAM - Waste management**

In some regions, additional or more urgent commitments have been defined, such as the "Zero Landfill" project launched in Latin America, which aims to eliminate all waste sent to landfills by 2025, thus minimizing the impact on soil.

- **Design to cost**

The Design-to-cost program is incorporated into the goal of reducing costs through design (reducing quantities such as size, weight, etc.) and reflects efforts in terms of research and development, which are strongly focused on the selection and use of BIO materials.

A Group commitment is defined annually in Budgeting (Management Plan), quantified as follows: a Minimum value is quantified based on a bottom-up collection of proposals from each Region. This value represents the MBO entry level of local R&D facilities. During Q1, also based on market and business trends a Maximum value (stretched target) is defined by HQ which is communicated to the Regions (top-down) and is the highest value in the MBO range. This data is distributed internally and not disclosed to the market.

The results of this initiative are measured for a 12-month time frame that is also part of the goal setting of the Annual Management Plan. To date, there have been no updates to the objectives or KPI measurement methodology. In order to accomplish the goal, a process of monthly meetings by region/BU is also in place.

- **Alesea™ system implementation**

Among the digital tools the Group is using to pursue greater circularity is Alesea™, a startup that has created a smart device and cloud platform that provides virtual assistance for the location, use and inventory of cable reels. The implementation of this solution has helped to reduce the Group's carbon footprint by ensuring that reels can be returned more efficiently.
The extension of the Alesea™ system to the reel inventory, underway mainly in France and the United States, continues to produce results: data collected on Reverse Logistic flows support continuous improvement to increase the percentage of materials reused, reduce the purchase of new reels and simplify flow management. This increased efficiency has led, for example, in France to a performance improvement of about +4% in 2024.

To digitally support the flow of information between Prysmian, Customers and Carriers, the Smart Pick Up digital platform was also implemented in 2024 in some of the Group's geographic areas, which can speed up recovery operations by giving full visibility on the potentially recoverable reel inventory.

Metrics

Waste

Resource outflows (t) E5-5c	Total 2024	Total 2023
Diverted from disposal		
37. (b) Total	**171,490,574**	**168,848,986**
37. (b) Hazardous waste	**7,283,844**	**6,027,126**
37. (b) i. Preparation for reuse	-	-
37. (b) ii. Recycling	7,283,844	6,027,126
37. (b) iii. Other recovery operations	-	-
37. (b) Non-hazardous waste	**164,206,730**	**162,821,860**
37. (b) i. Preparation for reuse	-	-
37. (b) ii. Recycling	164,206,703	162,821,860
37. (b) iii. Other recovery operations	27	-
Directed to disposal		
37. (c) Total	**69,863,077**	**66,314,855**
37. (c) Hazardous waste	**6,889,484**	**6,353,919**
37. (c) i. Incineration	3,141,623	2,852,812
37. (c) ii. Landfill	1,433,621	1,740,750
37. (c) iii. Other recovery operations	2,314,240	1,760,357
37. (c) Non-hazardous waste	**62,967,007**	**59,960,936**
37. (c) i. Incineration	13,252,419	13,030,721
37. (c) ii. Landfill	43,969,659	41,793,434
37. (c) iii. Other recovery operations	5,744,929	5,136,781
37. (d) Non-recycled waste	**69,848,417**	**66,314,855**
37. (d) Percentage of non-recycled waste	**28.94%**	**28.20%**
37. (a) Total waste	**241,347,065**	**235,163,841**

Resource outflows (38., 39., RA 28., 40.) - waste	Total 2024	Total 2023
39. Total amount of radioactive waste	**-**	**-**
39. Total amount of hazardous waste	**14,173,328**	**12,381,045**

Prysmian generates waste primarily from the processing of materials such as copper, aluminum, plastic, rubber, and insulating materials. The main waste streams include cable scraps (finished or semi-finished products), waste materials from cable production (waste compounds, used oils and emulsions, copper or aluminum sludges), packaging materials, and civil-type waste (urban waste). Among the relevant waste for the sector are non-ferrous metal residues, plastic waste, and processing waste materials, which are managed according to specific environmental regulations to ensure proper management and effective recovery or disposal.

The waste reporting process uses a common tool (HSEDM) that covers all production sites except for Chiplun (India); accordingly, data for that plant is estimated.
Environmental data (including the quantity of waste) is input monthly, providing a detailed picture of how consumption and the production of waste vary over time.
In order to obtain more certain, precise and reliable data and increase the commitment in this area at various organizational levels, HSE Corporate worked with management in 2022 to implement a new procedure for the multi-level control and approval of environmental data input to HSEDM.

The procedure involves reporting the following information:

- the total weight in tons and the percentage of waste generated, broken down by composition;
- the total weight in tons and the percentage of hazardous and non-hazardous waste intended for disposal at external sites, and its breakdown according to disposal methods (incineration, landfilling, other disposal operations);
- the total weight in tons of waste not intended for disposal but for recycling at external sites, with a breakdown by hazardous waste and non-hazardous waste;
- the methods of calculation and assumptions made, estimation criteria adopted and tools used to report the waste generated.

In order to report using consistent criteria, as required by the relevant European regulations, the Corporate HSE function decided to apply the same waste classification criteria in all operating units.
In this respect, the main types of waste generated by production activities have been split into specific categories, assigning a level of danger (hazardous waste and non-hazardous waste) to each of them.

Virtuous examples are those of some Latin American plants, where thanks to more careful internal waste management and the search for disposal methods with reduced environmental impact, the amount of waste sent for reuse/recycling has increased.

Resource inflows	Total weight	31. (a) Of which technical materials	Of which biological materials			31. (c) Of which secondary reused or recycled components	
		Total weight	31. (a) Total weight	Of which certified sustainably sourced	31. (b) Percentage	Total weight	Percentage
Metals	1,267.10	1,267.10	-	-	64.40%	102.6	8.02%
Compounds	359.40	359.40	-	-	18.26%	-	-
Ingredients	304.70	304.70	-	-	15.48%	-	-
Chemical products	5.20	5.20	-	-	0.26%	-	-
Other (paper, yarns, tapes, oil)	31.50	31.50	-	-	1.60%	-	-
Total Non-renewable materials	1,967.90	1,967.90	-	-	-	-	-
Total 2024	**1,967.90**	**1,967.90**	**-**	**-**	**100.00%**	**102.6**	**8.02%**

The methodology used involves extracting the materials used, broken down by weight, from the digital reporting system of the purchasing department. The "Metals" category shown in the table refers to the metals considered strategic for the Group (Cu, Al, Pb) and other metals used as raw materials. "Compounds" refer to materials used in rubber processing and polymer mixtures, while "Ingredients" (such as talc, kaolin, carbon, etc.) are used for various functions, including strengthening, accelerating, and coloring.

Resource outflows (35., 36., 40.) - products and materials	Description
35. Provide a description of the key products and materials that come out of the undertaking's production process and that are designed along circular principles, including durability, reusability, repairability, disassembly, remanufacturing, refurbishment, recycling, recirculation by the biological cycle, or optimisation of the use of the product or material through other circular business models.	All Prysmian products are designed and manufactured according to the best market standards and are expected to have a life expectancy fully in line with the demands of the most demanding customers. As a rule, the market does not value products based on expected lifetime, which is not a differentiating element. An exception is represented by the fiber optic cables of the Sirocco line, for which an expected life of over 40 years has been declared in 2024, against the market standard of about 20-25 years. The reference in this sense is represented by the product construction standards, so the overall performance of the cable is ensured if the product is made in accordance with the same standards. Any special requests are managed at the level of the contract and guarantees agreed directly with the customer, for example in the case of turnkey projects in the Transmission area. In terms of circularity and end-of-life recyclability, Prysmian is not direct a company is actively engaged in the recovery and management of end-of-life discarded cables, although some customers are beginning to see interest in developing joint recovery or management activities for end-of-life products. It must be said that in principle metal (Cu or Al) represents the most attractive part of end-of-life cables and is certainly already subject to recovery by customers in cases where existing cables are uninstalled and recovered to be replaced with a new system. In this sense, Prysmian's proposal of the new proprietary P-Laser technology is placed, which makes it possible to recover 100% of the materials making up the power cable, i.e. the part made of plastic materials (in addition to the metal part, of course). The use of completely thermoplastic P-Laser materials also allows the recovery of the plastic part of the cable. Today it is not practicable as the materials primarily used are made ofcross-linked plastics that cannot be easily recycled. Also from the point of view of circularity, it is worth mentioning the company's growing commitment to the use of secondary (recycled) materials for both metals and plastics, as well as the continuous effort to reduce production waste and reuse it in plants, where possible. More details on All these activities are indicated in the ESRS-E5 section.
36. For which outflows are material disclose:	
36. (b) the reparability products, using an established rating system, where possible;	There is no system for evaluating the repairability of products
36. (c) the rates of recyclable content in products.	88%
36. (c) the rates of recyclable content in products packaging.	See next point
40. Provide contextual information on the methodologies used to calculate the data and in particular the criteria and assumptions used to determine and classify products designed along circular principles. Specify whether the data is sourced from direct measurement or estimations; and disclose the key assumptions used (resources outflows)	See KPIs indicated in ESRS E5 regarding P-Laser, recycled in PE and Copper. The degree of recyclability of the materials contained in the products is calculated on the basis of the volumes of materials purchased globally in the years 2021, 2022 and 2023). When it comes to the recyclability of packaging materials, there is no central visibility. Spain and the UK currently have a tool connected to SAP that estimates the amount of packaging that comes out, including the percentage of recycled content and its level of recyclability.

The recyclability rate of the materials contained in the products is calculated based on the volumes of materials purchased globally in 2021, 2022, and 2023, as 2024 data is not yet available.

The breakdown of products by durability expected in the market is also shown with respect to the average durability of the sector and see how Prysmian is aligned with the sector average in most cases.

Resource outflows (36. a)	Expected durability of products placed on the market (years)	Average industry durability (years)
Submarine cables	40	40
Energy - Distribution and Transmission	40	40
Energy - Renewable generation	25-30	25
Energy - Construction	30-50	30-50
Energy - Infrastructure	20-40	20-40
Energy - Transport	10-30	10-30
Energy - Industrial	5-30	5-30
Telecom Products - Sirocco Cables	>50	20-25
Telecom Products - FO	>50	20-25
Network components	40	40

The average sector durability is reported based on the 'lifetime' indicated by Europacable in the documents referring to the calculation of scope 3 emissions for the different product categories, classified by application area. For the Telecom products (Scirocco and FO cables) the expected durability of Prysmian products has been extended based on the results obtained during dedicated lifetime tests carried out in recent years.

Other metrics

Consumption of natural resources as raw materials for production can cause potential damage to the environment and reduced availability for other uses. As a manufacturing company active on a global scale, Prysmian is aware of the role it plays in limiting the consumption of virgin raw materials and supporting the adoption of best practices related to the circular economy.
In order to monitor the actions fielded, the Group monitors the following performance metrics related to the potential impacts and opportunities detected.

KPI - ENTITY SPECIFIC	UNIT OF MEASUREMENT	2024	2023
Percentage of recycled content on PE jackets and copper	%	16.2	12.7
Share of revenues from sustainable products	%	43.1	37
LCA and EPD management system	Number	~120	~60

Percentage of recycled content on PE jackets and copper

A KPI was defined in the Group Impact Scorecard to measure the adoption of r-PE and r-CU within Prysmian products.
Regarding recycled PE, an operating procedure (OP-R&D-CD-002) has been written and adopted to set the perimeter of r-PE (e.g., for r-PE, only relevant quantities for low and medium voltage cable outer jackets are included). The procedure also defines the functions responsible for project development and related monitoring (R&D).
An additional operating procedure is being established to specify the workflow in place for r-CU.

To calculate the KPI, the units with which material quantities are analyzed are expressed in MT (metric tons), and the metric is defined as the amounts of recycled material used relative to the total quantities purchased.

- The r-PE is measured at the regional level (regional targets are assigned) and then aggregated to have the overall value, reported in the Scorecard;
- The r-CU is measured globally.

These indicators correspond to the percentage by weight of recycled content of certain purchased materials.

The scope of the indicator includes:

1) polyethylene used for jackets, excluding those applications for which customers do not allow the use of secondary materials;
2) copper bought at the Group level, excluding occasional suppliers and semi-finished products.

The metrics are measured by arbitrary assumptions based on the addressable percentage of recycled material allowed in external jackets for medium- and high-voltage cables. Drivers are technical requirements or customer-specific constraints.
Progress on the metric is monitored from the baseline set in 2022, and is measured over a three-year time frame, consistent with the Long Term Incentive cycle.

In addition, the data are not validated by an external entity other than the party issuing the attestation of compliance with this document.

Share of revenues from sustainable products

Revenues from sustainable products are monitored regularly through the calculation of the KPI, included in the Group's Impact Sustainability Scorecard, which concerns the "Share of revenues linked to sustainable products". The scope of the metric includes finished cables that are produced in all geographic areas and business segments, in addition to the "rod and strips" business in North America. The metric is described in detail in the Operational Procedure related to the calculation of the KPI "Share of revenues linked to sustainable products - KPI Calculation" published on the company's Intranet. Indeed, the document was released internally in July 2024 and is published on the company intranet, R&D section, Operating Procedures. The document is not published externally.
Specifically, the objective is aimed at identifying the percentage value of sales of Sustainable Products to the Group's total sales.

Sustainable products are defined and identified as described below:

- Cables classified as E Path;
- Systems whose use results in a significant positive impact in terms of emissions during production, installation and use, compared with products that represent the market's benchmark "best practice";
- Systems that result in significant positive impact in terms of emission reductions on the power grid.

At present, Sustainable Products include the following product lines:

- Products classified E Path;
- E3X lines;
- Advanced overhead lines;
- Sirocco HD;
- Sirocco XT;
- Transmission business segment (excluding SURF BU);
- Rods and Strips produced with low carbon footprint Al.

The above categories of sustainable products could be expanded to include new product lines that meet the required characteristics. The eligibility of a new product line to be recognized as a sustainable product is always subject to the approval of Prysmian's Sustainability Committee.

In addition, the data are not validated by an external entity other than the party issuing the attestation of compliance with this document.

LCA and EPD management system

Given the lack of a specially designed "EPD tool" for the preparation of Environmental Product Declarations (EPDs), so far – and still during 2024 – to respond to customer requests or for internal projects, EPDs have been developed manually with only the use of software for the study of Product Life Cycle Impact (Life Cycle Assessment – LCA), which is the basis for the development of the EPDs themselves. Said EPDs were then validated through individual audits by accredited bodies. The only countries that already independently possessed a full-fledged "EPD tool" (the same one now being implemented in the other countries of the Group) were Norway, Sweden, Finland and Estonia (where the application will now undergo only an update for homologation to general requirements). These countries were joined by the Netherlands, which had another type of EPD instrument.
It is for this reason that the aforementioned "Nordics" countries have contributed the most in terms of the number of EPDs validated and published in 2024, with about a hundred EPDs (each of which reports the life cycle environmental impact assessment of a single cable). Also in 2024, 3 EPDs related to 7 cables produced by PCSI (Prysmian Cavi e Sistemi Italia) were reviewed and re-validated; 12 EPDs of cables produced in Spain and 2 EPDs of cables produced in China were validated.

S
Information on social aspects

5. S - Information on social aspects

S1 - Own workforce

Strategy

Prysmian has always recognized its people as a fundamental asset to the business. The history and the success of the Group derive directly from the know-how and skills of our employees, as well as from their engagement and constant motivation to support our growth towards the future.

Prysmian steadfastly maintains its focus on cultivating social dialogue on a constructive and continuous improvement basis, firmly believing that the contribution of the social partners is always a decisive stimulus and support in Human Resource and Occupational Health and Safety policies. This translates into a corporate strategy and business model also based on the interests and needs of its workers, who, as described in the section on employee engagement, are consistently called upon to participate in decision-making processes. Workers are called upon to continuously provide their feedback to the company through tools for measuring the level of engagement; Analyzing this feedback is critical to understanding their needs and setting business priorities for your workforce.

For the purposes of ESRS S1, both employees who have an employment relationship with Prysmian and non-employees such as interns, apprentices and temporary workers are included in the own workforce, in line with ESRS requirements.

Identification of own workforce IROs

Below, the table contains the impacts, risks and opportunities (IROs) related to the topic discussed in this chapter, with the indication, for current risks and opportunities, also of their current financial effects.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/ negative)	Impact (actual/ potential)	Time Horizon
S1 Own workforce	Employee physical and mental exhaustion and reduced well-being due to long working hours, bad working conditions and insufficient rest	Own Operations	Negative	Potential	Short term
S1 Own workforce	Inadequate wages affecting employees' standard of living, well-being, and productivity	Own Operations	Negative	Potential	Short term
S1 Own workforce	Lack of social dialogue	Own Operations	Negative	Potential	Short term
S1 Own workforce	Lack of freedom of association	Own Operations	Negative	Potential	Short term
S1 Own workforce	Negative effects on working conditions and job security for employees not covered by collective bargaining agreements	Own Operations	Negative	Potential	Long term
S1 Own workforce	Promotion of work-life balance	Own Operations	Positive	Actual	Medium/ Long term
S1 Own workforce	Health and safety hazards for workers (e.g. occupational injuries, diseases and illnesses) from industrial machinery, dangerous substances, and hazardous work conditions	Own Operations	Negative	Actual	Short term
S1 Own workforce	Gender balance promotion	Own Operations	Negative	Potential	Short term
S1 Own workforce	Personnel upskilling	Own Operations	Positive	Actual	Short term
S1 Own workforce	Creating a safer and more respectful workplace to reduce violence, harassment, and improve employee well-being	Own Operations	Positive	Actual	Short term
S1 Own workforce	Negative impact on workforce diversity, inclusion, and employee morale due to lack of equal treatment and opportunities	Own Operations	Negative	Potential	Short term
S1 Own workforce	Exploitation and abuse of workers due to failure to apply labor laws and internal standards	Own Operations	Negative	Potential	Short term
S1 Own workforce	Privacy protection	Own Operations	Positive	Actual	Short term
S1 Own workforce	Lack of employees' data privacy	Own Operations	Negative	Potential	Short term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
S1 Own workforce	Risk related to personnel, including lack / loss of key people, able to cover key positions to support implementation of business strategies, and talents attraction and management	Own Operations	Risk	Medium term	Please refer to the section ""Explanatory Notes on Personnel"", where share-based payment plans are described, addressed to - managers and employees of Group companies; - executive directors and key management personnel of the Parent Company. As at 31 December 2024, the overall cost recognized in the income statement under Personnel costs relating to the fair value of the shares that will be granted under the Value4All plans amounted to Euro 58 million.
S1 Own workforce	Enhancing Workforce Competencies and Talent Development: Unlocking External Benefits through Increased Efficiency, Retention, and Reduced Recruitment Costs	Own Operations	Opportunity	Long term	N/A
S1 Own workforce	Enhancing Work-Life Balance: A Strategic Opportunity for Prysmian to Boost Employee Retention, Attract Talent, and Reduce Recruitment Costs	Own Operations	Opportunity	Long term	N/A
S1 Own workforce	Health and Safety Risks: Potential Impacts on Operations, Costs, and Reputation Due to Inadequate Safety Culture	Own Operations	Risk	Medium term	Please refer to the section "Property, plant and equipment" in the Explanatory Notes to the Financial Statements regarding capital expenditure on health and safety during the period. In addition, capital expenditure related to health and safety issues was included in the impairment tests. For more details, please refer to the corresponding section and explanation included in the Explanatory Notes to the Financial Statements.
S1 Own workforce	Risks related to changes in the legislative HSE context	Own Operations	Risk	Medium term	N/A
S1 Own workforce	Non-compliance with Data protection regulations	Own Operations	Risk	Medium term	N/A
S1 Own workforce	Cyber Security risk (industrial espionage, extortion, plant business interruption, etc.)	Own Operations	Risk	Long term	N/A
S1 Own workforce	Loss of Sensitive/Confidential Information and Its negative effect on Prysmian's Operations and Reputation	Own Operations	Risk	Long term	N/A

Despite Prysmian's commitment to promoting responsible business practices and ensuring a safe and fair work environment for its employees, given the size of the Group and its industry, some current and potential negative impacts may be generated on the workforce.
The dual materiality exercise conducted by Prysmian, whose methodological approach is described in chapter ESRS 2, identified the main impacts on its employees and the associated risks and opportunities. These results have guided the company's strategy and model, contributing to their adaptation. The identified IROs, therefore, guide the decision-making process of top management regarding the actions and targets to be defined in relation to the workforce.
In particular, the analysis focused on the following areas: working conditions and welfare, including working hours, remuneration and occupational safety; social dialogue and workers' rights, including freedom of association and representation and coverage of collective bargaining agreements; inclusion and equality, specifically with reference to gender equality and the protection of human rights; employee privacy and data; and employee training.

The dual materiality analysis also helped to map a number of risks and opportunities relating to impacts on the own workforce, including risks relating to personnel management, also those relating to the loss of key personnel and difficulties in talent management, and opportunities linked to skills enhancement and the promotion of work-life balance to improve staff retention and satisfaction.
Indeed, the Group is exposed to the following risks:

- **Loss of key resources:**
  - Risk of not having or losing resources in strategic operational functions, especially in an evolving market characterized by the energy transition and digitalization;
  - The skills required in this context are new and specialized;
  - Key people are identified based on their managerial responsibilities or the specific know-how needed to implement business strategies, and replacing them quickly is difficult.

- **Health and safety risks:**
  - Regulatory changes and risks inherent in the industry can cause operational disruptions and reputational harm;
  - Certain groups of workers are more exposed to health and safety risks, especially those working in industrial environments, those involved in maintenance and installation activities, and those working in extreme conditions (high temperatures, confined spaces).

- **Cyber and data protection risks:**
  - Potential non-compliance with data protection regulations;
  - Risk of loss of sensitive information due to cyber attacks.

While considering possible negative impacts on the workforce, Prysmian's commitment to promoting responsible business practices amongst its employees translates into a number of current positive impacts, identified via the dual materiality analysis. Specifically, promoting work-life balance has tangible benefits by improving employees' mental and physical health, increasing job and personal satisfaction and enhancing their sense of belonging to the company. Investing in staff skill development through training programs enables employees to increase their confidence and job satisfaction while opening up opportunities for growth and fostering a more confident, motivated and loyal workforce. In addition, practices aimed at preventing and countering harassment and violence in the workplace create a safer and more respectful environment, thus reducing stress and anxiety, with a positive impact on productivity and overall well-being. Finally, the integration of data protection best practices and the promotion of a cybersecurity-conscious company culture protect employee privacy, preventing data breaches and ensuring a greater sense of safety.

The impacts, risks and opportunities detected in the dual materiality analysis guide the company's strategy and business model, providing the basis for developing actions and activities to continuously improve employee working conditions. Specifically, in terms of its responsibility to ensure the occupational health and safety of all employees, Prysmian adopts the Zero & Beyond philosophy as a commitment to make people's lives safer and to ensure safety in every single moment of daily life, from the workplace to social communities. Therefore, Prysmian strongly encourages all people to be responsible for their own safety and that of everyone around them and to be personally responsible so that any unsafe acts are stopped.

This requires all individuals who have relationships with Prysmian to commit to:

- taking time to fully understand the safety rules and guidelines applicable in each environment they enter;
- setting a good example by putting safety first in everything they do;
- continuously raising safety expectations and rewarding safe behaviors;
- encouraging others to work safely and thanking them for their contribution;
- never overlooking an unsafe condition and never acting without first resolving it;
- promoting efforts to manage known hazards proactively, prioritizing based on severity and likelihood of occurrence;
- learning from every incident, every near miss and every available benchmark.

Starting from 2025, Prysmian has started the implementation of the new Safety Strategy, aimed at assessing and improving the safety culture in the plants, monitoring the actions to be taken at group level. The strategy is based on four pillars: Leadership & Communication, Risk Management, Learning, Processes and Monitoring, each linked to key results to be achieved by 2030. The main areas of focus are: clear definition of roles and responsibilities, promotion of strong leadership in safety, training programs for employees, improvement of internal and external communication, investigation of accidents and risk assessment, to ensure a safer working environment. For more details, please refer to the section on the workforce.

With regard to forced labor and child labor, they have been identified as significant risks within Prysmian's value chain, but not in the company's direct operations, thanks to the measures adopted by the Group that monitor and prevent any human rights violations within its perimeter. Prysmian adopts a robust due diligence process to identify, mitigate and prevent such risks along its supply chain, in line with the company's sustainability and human rights commitments.

Policies

The importance of workers at Prysmian is reflected in a concrete commitment to establishing policies that consider impacts, risks and opportunities relating to the workforce as a whole. This approach is applied across all Group locations and activities, promoting a work environment that respects human rights and values human capital.

All Group policies are implemented through specific procedures and communicated to employees worldwide through various channels, such as: company intranet; newsletters; physical or digital bulletin boards; Workday platform; company website and specific events. Please refer to the information below concerning each Group policy for additional details.

POLICIES	BRIEF DESCRIPTION
Human Rights Policy	The document emphasizes Prysmian's commitment to respecting and protecting human rights. The policy is based on three main pillars: engagement, due diligence and remedies. Prysmian is committed to respecting fundamental human rights, assesses the impact of its activities on human rights, and provides access to remedies for any violations.
HSEE (Health, Safety, Environment & Energy) Policy	The document emphasizes Prysmian's commitment to respecting and protecting the health and safety of its entire workforce and anyone working within the organization. The general goals are to protect the health, safety and welfare of all employees and consider environmental protection, including climate change mitigation, biodiversity conservation and the promotion of energy efficiency.
Code of Ethics	Key element of the corporate constitutional charter. Document that contains moral rights and obligations and defines the ethical and social responsibilities of each person within the organization. The Code covers three essential areas: • Ethics in business activities • Ethics in internal relations • Ethics in environmental and social issues
Global Parental Policy	The Policy has the stated goal of recognizing the high value of parenting for personal and professional development. The policy is based on four pillars: 16 weeks of fully paid leave for mothers/primary caregivers, 2 weeks of fully paid leave for fathers/secondary caregivers, Baby Bonus and Family Support, additional leave support and specific return-to-work procedures. Implementations and specifications based on local factors are possible.
Anti-Harassment Policy	Policy aimed at preventing and combating all forms of harassment or abuse in the work environment. It aims to promote a respectful and safe work environment by protecting the rights of all employees and ensuring that no one is subjected to inappropriate behavior, whether verbal or physical. The policy establishes clear procedures for reporting incidents of harassment and for confidentially and promptly handling complaints, ensuring that corrective action is taken when necessary.
Diversity recruitment Policy	Policy that promotes inclusivity and diversity in personnel selection globally. The goal is to attract, hire and develop talent from diverse backgrounds, ensuring equal opportunities for all people regardless of gender, ethnicity, sexual orientation, disability or other personal characteristics. The policy aims to create a more equitable and representative work environment by fostering an inclusive culture that stimulates innovation, growth and collaboration.
Internal Job Posting Policy	Policy that promotes internal mobility within the company by giving employees the opportunity to apply for vacant positions in the Group. The goal is to leverage existing talent by providing opportunities for professional and career growth. This policy promotes transparency, inclusivity and employee development, encouraging employee growth within the organization.
International Mobility Policy	Prysmian fosters an inclusive and collaborative community that transcends regional, national and international boundaries and places a strong focus on international mobility that allows employees to aspire to positions in any of the Group's offices around the world. In this way, each employee has the opportunity to strengthen their personal and professional growth. With this Policy, Prysmian aims to ensure a competitive approach compared to other major multinationals to attract, retain and motivate expatriate employees and ensure consistent and fair treatment for all expatriate employees.
Helpline Policy	Policy that provides a secure and confidential channel for employees and other stakeholders to report unethical behavior, violations of company policies or other issues. The goal is to ensure a respectful work environment that meets company standards, offering support to people who wish to raise concerns without fear of retaliation. The policy promotes transparency and integrity within the organization.

Human Rights Policy

One of the most impactful and important issues is Prysmian's commitment to respecting human rights, which is expressed through policies, such as the Human Rights Policy, designed to ensure that the Group is not involved in any way in activities that violate workers' human rights. Prysmian takes many concrete steps to ensure respect for and protection of the human rights of the employees. The policy is based on three main pillars: engagement, due diligence and remedies. The Group policy and commitment are developed on the basis of the following core principles:

- Non-discrimination;
- Elimination of child labor;
- Elimination of forced and compulsory labor;
- Freedom of association and recognition of the right to collective bargaining;
- Health and safety;
- Working conditions;
- Adequate wages and fair compensation;
- Grievance mechanism;
- Commitment to local communities.

Prysmian implements this policy through specific procedures to ensure that discrimination is avoided, mitigated and addressed once detected, as well as to support diversity and inclusion in general.

This policy is inspired by several internationally recognized human rights standards:

- The International Bill of Human Rights;
- The Universal Declaration of Human Rights;
- The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the respective conventions;
- The UN Protect, Respect and Remedy Framework, developed by the UN Human Rights Council;
- Children's rights and the business principles of the OECD;
- The SA8000 Guidelines;
- The OECD Guidelines for Multinational Enterprises;
- The United Nations Global Compact;
- The ILO's Tripartite Declaration of Principles on Multinational Enterprises and Social Policy;
- The United Kingdom's Modern Slavery Act;
- UNICEF and The Danish Institute for Human Rights, Children's Rights in Impact Assessments;
- Amnesty International, Universal Declaration of Human Rights;
- CSR Europe, Assessing the effectiveness of company grievance mechanisms;
- European Commission, ICT Sector Guide on Implementing the UN Guiding Principles on Business and Human Rights.

The Group Compliance Function, in collaboration with the Human Resources Function, defines in its annual plan the Prysmian sites where the so-called "Human Rights Audits" will be conducted, for the assessment of any impacts on human rights. In the event that the latter are actually ascertained, the Group Compliance Function shares an audit report with a description of the type of impact detected and the personnel involved. The most appropriate corrective actions are then defined with the management involved (such as, for example, the strengthening of the procedures and controls in place, training activities for the personnel involved, disciplinary measures), in proportion to the severity of the impact detected, where permitted by law and other contractual obligations and in compliance with the applicable Prysmian policies and procedures.

To implement its human rights policy, Prysmian considered stakeholder views through a consultation and dialogue process that took place by means of one-to-one meetings, company events and surveys. This process involved employees, non-governmental organizations (NGOs), labor unions, suppliers and other stakeholders in order to better understand human rights issues and ensure that the policy adequately addressed the expectations and concerns of all stakeholders. Prysmian also considered international regulations and best practices to develop a policy that respects and promotes human rights throughout its value chain. This inclusive approach ensures that the company's actions are aligned with global ethical standards and community expectations.

The Human Rights Policy, signed by the CEO, is to be applied within the physical and legal limits of Prysmian in terms of its business activities and the work performed by its employees and Group companies. It also applies to self-employed professionals working at the Group's offices and plants.

Prysmian also urges all of its suppliers to adopt this Policy, as specified in its Code of Business Conduct.

This policy is available on the Group's website[43] and applies in all Prysmian locations and operations.

HSEE (Health, Safety, Environment & Energy) Policy

Prysmian adopted and updated its HSEE policy in 2024, which was signed by the Group CEO (responsible for implementing the policy through the relevant functions), COO and HSE VP and approved and validated by the Sustainability Committee (board committee). This policy is the concrete expression of the principle of prevention of occupational accidents, including an established procedure for the management of possible accidents, which in any case are the tip of the iceberg in the company's preventive safety system.
In fact, an in-depth event analysis is carried out for each injury, to identify the root cause so it can be eradicated and the recurrence of events can be prevented. In addition, the Group has a robust IT system for information tracking and event analysis, which enables aggregate data analysis and the consolidation of Group statistics.
The policy, published on the Corporate website[44], contains all the principles that the Group Companies are committed to respecting in terms of health and safety.

The general goals of Prysmian's policy are to protect the health, safety and welfare of all employees and consider environmental protection, including climate change mitigation, biodiversity conservation and the promotion of energy efficiency.

These targets are monitored through an analysis of KPIs and quantitative targets, consolidated at group level and established in the HSEE continuous improvement strategy. The findings and reassessment of group strategies are shared and redefined with the Board through the Sustainability Committee, and monitored by the internal audit function.

For more details on the HSEE policy, please refer to the Chapter ESRS E1.

Code of Ethics

The Code of Ethics represents a key tool for the Group, establishing guidelines for daily activities and preventing unlawful or irresponsible behavior that could result in legal sanctions, financial or reputational damage. For the workforce, the issues of close relevance concern health and safety at work, employee well-being, respect for human rights and the fight against corruption. With regard to monitoring activities, the Risk & Compliance and Internal Audit Departments undertake to constantly supervise the observance and concrete application of the Code by the individuals concerned, together with the Human Resources Department to the extent of its responsibility. The document is approved by Prysmian's board of directors.

Prysmian is committed to protecting individual dignity, adopting an inclusive approach and promoting a work environment free from discrimination and harassment. The company rejects all forms of violence against women and promotes equal opportunities throughout the organization, respecting applicable laws and protecting every protected state.

In addition, in its Code of Ethics, Prysmian guarantees voluntary employment for all of its employees and eliminates all forms of forced and compulsory labor, and is committed to the effective elimination of child labor in its supply chain. The minimum working age must take into account the compulsory school age and in any event cannot be less than 15 years old. The Group is committed to providing suitable employment to young workers and ensuring the protection and safety of children in all company operations and establishments, contributing to strengthening community and government efforts to protect and respect children's rights.

Prysmian is committed to the development of an organization that prioritizes talent, skills, diverse experiences, different cultural backgrounds and, in general, all forms of diversity: ethnicity, race, gender, language, age, skin color, sexual orientation, marital status, nationality, religion, political orientation, socioeconomic status, physical and mental ability, education and professional background.

43. https://www.prysmian.com/sites/www.prysmian.com/files/media/documents/prysmian_group_human_rights_policy_eng_firma-vb.pdf.
44. https://www.prysmian.com/sites/www.prysmian.com/files/2024-07/HSEE-POLICY-June-2024.pdf.

All those who conduct business in the name of and/or on behalf of Prysmian must adhere to the Code (including, but not limited to, members of supervisory bodies, directors, officers, employees, interns and consultants), as well as all third parties that work and do business with Prysmian, including suppliers, customers, sales agents and contractors.

The Code of Ethics is aligned with international best practices (for example, the ISO:45001 guidelines for occupational health and safety) and incorporates the principles embodied in the UN Universal Declaration of Human Rights and the Fundamental Conventions of the International Labor Organization.

In addition, the document has been drawn up taking into account the interests of shareholders; respect for the rights of the financial community is guaranteed, ensuring an appropriate return on investors' initial investment, taking into account their needs and providing them with adequate reporting of the Group's activities. Employees are granted the opportunity to purchase Prysmian shares at preferential conditions, in order to share value creation, mitigate inflation and offer additional facilitation and reward tools to both desk-workers and non-desk workers.

The Code of Ethics is published on the company website[45] accessible to all and on the company intranet. In addition, the Code of Ethics is an integral part of the contractual relationships between Prysmian and its employees as well as between Prysmian and any third party with which it does business.

Global Parental Policy

The Global Parental Policy, launched in May 2023 and available on the Group's Corporate website[46], became fully operational for all locations as of January 2024, with the stated goal of recognizing the value of parenting for personal and professional development. The policy is based on four pillars: 16 weeks of fully paid leave for mothers/primary caregivers (increase from the previously guaranteed 14 weeks); 2 weeks of fully paid leave for fathers/secondary caregivers; Baby Bonus (an economic support measure recognized and provided to new parents, both biological and adoptive, in a couple or single, for each new child) and Family Support; additional leave support and specific return-to-work procedures. Implementations and specifications based on local factors are possible.

The Group Parental Policy is a concrete global action to help parents in their first few months with their new baby, promote their well-being and ensure a smooth and successful transition to work for mothers/primary caregivers.

It is based on four basic principles:

- Compliance with local legislation and alignment with local agreements with employees and works councils;
- Protection against discriminatory and inappropriate behavior towards new mothers/primary caregivers;
- A fair and inclusive work environment;
- Fair and caring treatment of parents throughout the Group.

Responsibility for implementing the Global Parental Policy rests with Prysmian's top executives, particularly the Chief Human Resources Officer (CHRO), who coordinates initiatives relating to human resource management and ensures that company policies are aligned with global goals and local regulations. The Global Parental Policy aligns with international human rights and gender equality standards, such as the United Nations Convention on the Rights of the Child and the international Convention on the Elimination of All Forms of Discrimination against Women. In addition, Prysmian is committed to complying with International Labor Organization (ILO) guidelines on workers' rights, including parental leave.

In developing the Global Parental Policy, Prysmian considered the views of key stakeholders, such as employees, labor organizations and legal counsel, to ensure that the policy respects cultural diversity, local regulations and employee expectations. The involvement of these groups has made it possible to create an inclusive policy that takes into account work-life balance requirements, meeting the needs of different groups of employees in various countries and cultures.

45. https://www.prysmian.com/en/company/ethics-integrity.
46. https://www.prysmian.com/sites/www.prysmian.com/files/2024-10/PRYSMIAN_PARENTAL_POLICY_2024_new_brand.pdf.

Anti-Harassment Policy

Alongside the Human Rights Policy, in 2021 the company launched a comprehensive anti-harassment policy, available on the Group's corporate website[47], against all forms of workplace harassment, including sexual harassment, defamation, bullying and intimidation, including from third parties who interact with employees.
The implementation of the anti-harassment policy is the responsibility of the Chief Human Resources Officer (CHRO), who is part of Prysmian's top management. Responsibility for the policy also involves the human resources directors of individual regions and business units, who are responsible for implementing and monitoring measures relating to harassment prevention in all business areas.
Prysmian's anti-harassment policy applies to all business activities and covers the entire value chain, including employees, contractors, suppliers and other stakeholders. The scope of the policy covers the prevention and management of harassment of any kind (verbal, physical, sexual, psychological) in the workplace. There are no specific exclusions, but the policy focuses primarily on behaviors in the workplace and interactions between employees and collaborators. The policy applies globally, therefore to all Prysmian employees and partners in all countries where the company operates.

Through this policy, Prysmian is committed to complying with international human rights standards and guidelines established by bodies such as the United Nations and the International Labor Organization (ILO), which regard worker protection against harassment and discrimination in the workplace. In addition, the policy aligns with local labor laws and the protection of employee rights in every country where the company has a presence.

The document outlines two procedures, one formal and the other informal, for reporting cases of harassment and requesting official action by the Compliance team. In developing the anti-harassment policy, Prysmian considered the opinions and feedback of key stakeholders, including employees, labor unions, legal experts and organizations specialized in fighting against harassment and discrimination. This inclusive approach has enabled Prysmian to develop a policy that meets the needs of a respectful and safe work environment, considering the different corporate cultures and geographical contexts in which it operates.

Diversity Recruitment Policy

The main objective of Prysmian's Diversity Recruitment Policy is to strengthen the recruiting process by adopting a methodology that promotes the highest standards for recruitment activities. This policy also makes it possible to select the best talent in the market, while promoting diversity and inclusion at every level of the organization.

The policy's main objectives are:

1. **Strengthening the recruiting process by providing a standardized methodology;**
2. **Establishing specific recruitment guidelines;**
3. **Ensuring that marketing and advertising materials, job postings, the website and the annual report comply with the principles of the diversity and inclusion policy and relevant labor legislation;**
4. **Improving internal and external branding to attract and retain talent.**

The policy, officially adopted globally as of March 2019, was renewed in November 2023 and translated into six languages in addition to English (Italian, German, Spanish, French, Portuguese and Chinese). The document is available on the Group website[48].

Prysmian's Global Recruitment and Diversity Policy primarily refers to opportunities to promote a diverse and inclusive workforce by reducing instances of discrimination or lack of equity in access to professional opportunities, also extending to career development practices, including promotion and career progression. The risks identified include indirect discrimination and a lack of inclusivity in the hiring process, which could negatively affect the company's reputation. The company regularly monitors progress in terms of gender, ethnic, cultural and professional background diversity based on specific KPIs and reports. In addition, the selection and hiring process is periodically evaluated to ensure that it is aligned with established diversity and inclusivity goals.

47. https://www.prysmian.com/sites/www.prysmian.com/files/2024-03/side-by-side-anti-harassment-policy-final.pdf.
48. https://www.prysmian.com/sites/default/files/atoms/files/en-gobal-diversity-recruitment-policy-2023.pdf.

The scope of the Policy covers all recruitment activities within the company at global level and applies to all geographical areas in which Prysmian operates, including all business segments, with the aim of ensuring that the recruitment process is inclusive and non-discriminatory.

The implementation of the Global Recruitment and Diversity Policy is the responsibility of the Chief Human Resources Officer (CHRO), a member of Prysmian's top management. In addition, the company's Executive Committee plays a key role in ensuring that the policy is adopted and followed globally. Operational responsibility for the local implementation of diversity and recruitment initiatives is delegated to the HR directors of individual regions or business units.

Prysmian is committed to complying with international guidelines on equal opportunity and non-discrimination as set forth in the United Nations Convention on Human Rights, the International Convention on the Elimination of All Forms of Racial Discrimination (CERD), the ILO (International Labor Organization) Convention on Equality of Opportunity and local labor rights regulations. The policy also draws on best practices such as the United Nations Global Compact guidelines, with a specific focus on gender diversity and equal pay.

In developing the Global Recruitment and Diversity Policy, Prysmian consulted with a variety of stakeholders, including employees, labor unions, diversity advocacy groups and external consultants specializing in issues of inclusivity and non-discrimination. In addition to these categories, key stakeholders also include potential candidates, human resource managers, recruiters and external support organizations, such as recruitment agencies and NGOs concerned with inclusivity and equal opportunity.

International Mobility Policy

International mobility is a key element in the personal and professional employee development and talent retention; at the same time, it allows diversity to be valued as a key asset for any work team, promoting cooperation between Prysmian employees of different nationalities.

As a result, Prysmian's International Mobility Policy focuses primarily on supporting employee international mobility, including aspects of international relocation and assignment, with the aim of facilitating the company's professional development and growth at global level. Key objectives include training global talent, better management of international human resources, improving the company's global competitiveness and assessing risks associated with international relocation and the need to ensure compliance with local labor and tax laws. Monitoring takes place through periodic analyses of the performance of seconded employees and feedback from both the transferred employees and their managers.

The scope of the policy covers all employees who are transferred or assigned to work in other international locations, thus covering all geographical areas where Prysmian has a presence. The policy applies to all company divisions, but excludes particular activities in settings that do not require mobility or where company logistics do not permit relocation. The policy is made available to stakeholders through the company's internal communication systems, namely the intranet. Prysmian's HR team also holds regular information sessions for employees who are about to embark on an international transfer, and the policy is also explained through formal onboarding documentation. Employees and managers directly involved in the process are the primary recipients, but the policy is generally available for consultation by anyone involved in the mobility process, in a transparent manner. More information on Prysmian's global mobility processes is also available in the specific section of the corporate website[49].

The effectiveness of Prysmian's international mobility policy is evaluated by taking a multidimensional approach that includes continuous monitoring, employee feedback, an annual benefits review and measurement of the impact on the exchange of know-how, professional growth, leadership strengthening and cultural diversity. This approach ensures that the policy remains relevant and aligned with the company's strategic goals.

Responsibility for implementing and monitoring the International Mobility Policy rests with the Chief Human Resources Officer (CHRO), supported by regional human resource officers and the local teams that manage transfers.

In the development of the policy, stakeholders (such as employees interested in mobility, their superiors and local HR teams) were strongly considered, as the implementation of international mobility requires understanding the specific requirements and cultural, professional and family needs of employees.

49. https://www.prysmian.com/en/people-and-careers/what-we-offer/global-mobility.

Policy Helpline

As part of its own commitment to promoting ethical and legal behavior, Prysmian invites all of the Group's stakeholders to report any real or potential violations of the law, the Code of Ethics, and the Policies and corporate procedures, so that they can be examined and dealt with appropriately. In order to create a culture open to reports and guarantee the necessary conditions in terms of confidentiality and security, Prysmian has adopted a Helpline Policy that, among other things, specifies the possibility for all Group stakeholders to report misconduct and alleged unlawful activities. More information on the Helpline Policy can be found in the Chapter ESRS G1.

For more details on the policy, please refer to the Chapter ESRS G1 - Business conduct.

Engagement of its own workforce

The company's workers are essential to ensuring the Group's growth and achievement of goals. Therefore, fostering dialogue and their direct engagement is crucial, making it a strategic element for the company's success.

Prysmian constantly maintains open and constructive dialogue with its employees and their representatives in accordance with the most advanced standards of labor relations focusing on the development of labor in all of its aspects. In this context, employees and their representatives may engage in collective bargaining in accordance with national laws and applicable contract regulations as a method for establishing the best working conditions and wages. Notwithstanding the fact that workers' representatives and trade unions operate freely, subject to local legislation and practices, the Group guarantees their involvement and consultation in the main collective personnel management processes at all existing trade union levels, from factory level to international level (European Works Council, consisting of 27 union representatives from all European countries in which Prysmian has a presence).

As in previous years, in many of the countries in which the Group operates, 2024 was also a year marked by the signing of agreements with workers' representatives and trade unions: any corporate process or project with an impact on HR for which union consultation was required in most cased ended with the finalization of an agreement or with a record of a complete disclosure procedure.

Union agreements concerned both ordinary renewals of the economic and regulatory parts of expiring collective bargaining agreements and new working time conditions and shifts when necessary due to specific market conditions.

Trade union conflict within the Group was insignificant at global level in 2024, thanks to the constant pursuit of the described industrial relations policy aimed at preventing any source of dispute that could potentially generate conflict at different levels, through constructive dialogue, usually accompanied by proactive union consultation.
During 2024, Prysmian announced that it will cease operations at some of its production facilities. It is worth mentioning, in order based on the number of employees concerned, the closure of the Italian fiber optic plant located in Battipaglia (SA) due to the now unsustainability of the business linked to extremely high production costs (one example being energy costs). Aware of its responsibilities to the local areas, also in this case the company identified and negotiated with the social partners all viable solutions in full cooperation with public authorities and union representatives in order to reduce impacts on people and the local community.

Specifically, negotiations have been initiated with the parties involved to implement social plans containing a number of measures, including: a) work relocations to other Group sites; b) reindustrialization of the site by a new economic operator; and c) early retirement and redundancy incentive plan for self-employment purposes. The goal is to enable each employee to find the most suitable solution for their personal needs.

On the other hand, stakeholders, and therefore also the workforce, are involved in HSE matters: centrally, through the Group HSE function (coordinated by the HSE VP); with a cascade system, outlining operational responsibilities to the HSE Directors of the various geographical Regions into which Prysmian is divided; and autonomously within the various Group Regions. Depending on the issues and the type of involvement required, there are several committees, structures, means and frequencies of consultation and communication. Every employee or stakeholder has means of communicating to company management in a structured and substantiated manner their observations/proposals for improvement about relevant, actual and potential, positive and/or negative risks/opportunities/impacts that affect them or may affect them.

In order to create a culture open to whistleblowing and ensure the necessary conditions in terms of confidentiality and security, Prysmian invites all Group stakeholders, including its employees, to report any actual or potential violations of the law, the Code of Ethics, and Company Policies and Procedures, so they can be properly examined and evaluated.

Any Parties Concerned that may wish to ask a question or report a violation, even potential, of the Code of Ethics, Prysmian's relevant policies or any applicable regulations, may send a report using the various channels indicated in the Helpline Policy, without prejudice to the commitment to dialogue of the management and the Human Resources Department as needed. Prysmian is committed to conducting training and awareness-raising campaigns for all personnel, both online and in person, on the above reporting channels. In 2023, Workday portal training on the Helpline service was provided to all White Collar staff, and to test its effectiveness and knowledge of these reporting channels, a worldwide survey was launched in 2024, targeting all employees in managerial and executive positions, to understand their knowledge and use of various compliance programs, including the Helpline.

Prysmian employees can use the following main channels of communication with the company:

Integrity First Helpline:

As mentioned in the Policies section, Prysmian has implemented a secure and dedicated Group ISO:37002 certified reporting channel known as the Integrity First Helpline, which is managed by an independent external company that has a binding mandate to protect the identity of all those using the Helpline and to preserve report confidentiality. Reports submitted through the Integrity First Helpline will be visible only to the Group Compliance and Internal Audit Functions. The Integrity First Helpline is available 24 hours a day, 7 days a week, in all languages in which Prysmian operates. The Helpline service can be accessed directly from the dedicated Integrity First Helpline webpage, from the Ethics & Integrity Section of Prysmian's website[50] and from the corresponding section of our corporate intranet. For more details on the Integrity First Helpline please refer to Chapter ESRS G1.
In addition, there are posters in all offices to promote the Helpline channel and explain how it works, with special QR codes to access the site. These posters are hung in the most prominent areas of offices, such as common areas, and production facilities, such as next to changing rooms and canteens.

Furthermore:

- through periodic monitoring activities, Group Compliance verifies that these posters are properly maintained in the areas of interest (if not, appropriate corrective actions are urged to ensure that the posters are always clearly visible to employees);
- during compliance training events held on site, Group Compliance highlights the importance of the channel and its use is urged in accordance with the principles outlined in the Helpline Procedure;
- online training dedicated to the use of the Helpline has been created and is part of the onboarding process for all new hires, and employees are also informed of the existence of the channel by means of numerous digital tools, including Prysmian current (messages sent through the Teams tool) and compliance newsletters.

Group Compliance and Internal Audit

Any Company employee may also contact the relevant Regional Compliance Team or the Internal Audit Department, by e-mail or telephone, or by requesting an in-person meeting.

For more references on the mechanism for processing reports to the Helpline service and the effectiveness of this reporting channel, please refer to Chapter ESRS G1.

Speak Up Survey

Another tool used by Prysmian to assess the effectiveness of its engagement methods and improve its understanding of workers' needs and requirements is the periodic "Speak Up" global survey. In this survey, all employees, from managers to workers, are invited to respond and anonymously share their opinions on the work environment, managerial skills, development and relationship with the organization. This initiative is managed in collaboration with an independent third party to ensure data comparability, confidentiality and consistency.

50. https://www.prysmian.com/en/company/ethics-integrity/helpline.

An analysis of the results of this survey makes it possible to identify areas for development and establish effective action plans carried out through specific global and local initiatives for the continuous improvement of the work environment.

These initiatives were developed around three work areas:

- Human capital management practices, with a particular focus on the issues of compensation and recognition, in addition to training and development;
- Organizational and work environment with projects for collaboration, inclusion, the employee experience and employee health and well-being;
- Greater strategic alignment and the strengthening of manager leadership and trust within teams. To this end, new organizational communication and listening tools have been deployed.

In early 2024, the results of the latest Speak Up survey, launched in November 2023, broken down at plant, country, region and division level, were shared and analyzed. Subsequently, each region and division developed an Action Plan based on the feedback received and is currently implementing these plans. A new edition of the survey will be conducted during 2025.

Employee share plans

Participation in the creation of sustainable value over time is open to all employees, via the Value4All program based on share ownership plans allowing them to become stable shareholders: YES, BE IN and GROW.
The objectives pursued by Prysmian via the Value4All program are to increase the participation, engagement, sense of belonging and business understanding of employees, ensuring that the interests of shareholders, customers and employees converge over time, and reinforcing the internal perception of Prysmian as a single and unique enterprise.
The employee discount purchase plan, “YES”, was in its 11th year in 2024; the BE IN Plan, on the other hand, was launched in 2022, with a three-year horizon and involving the allocation of up to 3,000,000 shares. The main goal of the BE IN plan is to share the value creation generated by Prysmian with a broad, predominantly blue-collar employee base. Employees may join the plan on a voluntary basis, unless otherwise established in any agreements with union organizations, by opting to receive payment of a portion of the monetary incentive to which they are entitled or production bonuses in shares.
With the necessary adjustments, the Plan can also be activated even when there are no pre-existing collective monetary incentives, when required.

In 2024, the local management of many Group factories and affiliates negotiated and agreed with the local company committee and the trade unions to implement the Plan.

Actions

In order to ensure the achievement of the objectives set out in its corporate policies, Prysmian constantly seeks to collect feedback from the various stakeholders (including employees, trade union and workers’ representatives, shareholders), through the communication channels and involvement initiatives already described (dialogue with social partners, “speak up” surveys, helpline, employee resource groups, etc.) and to keep metrics trends monitored.

In addition, Prysmian adopts several practices to ensure that its operations do not cause significant negative impacts on its workforce, with a specific focus on personal data use aspects. The following key approaches have been adopted by the Group:

1. **Workforce management**
   Prysmian promotes safe and respectful working conditions, putting the **health and safety** of employees first. The following measures are taken to avoid negative impacts on the workforce:
   - **Occupational safety policies**: The company has strict policies to ensure that every employee works in safe environments and that all preventive measures are taken to avoid accidents.
   - **Continuing education**: Employees are continuously trained on the specific risks of their roles and on company policies relating to safety and well-being.

- **Support for diversity and inclusion**: Prysmian adopts a comprehensive diversity and inclusion policy, committing to respecting the rights of all people and ensuring equal career opportunities without discrimination on the basis of race, gender, religion or other personal characteristics.

2. Responsible data use

Prysmian is aware of the growing importance of data protection and is committed to ensuring that data use complies with **data privacy** and **security** regulations. The following practices are adopted:

- **Compliance with data protection regulations**: The company complies with local and international laws, such as the European Union's **General Data Protection Regulation (GDPR)**, ensuring that employee and customer data are handled safely and securely.
- **Data protection policies**: Prysmian has developed internal policies to prevent unauthorized access to sensitive data, and ensures that appropriate action is taken in the event of data security incidents.

3. Monitoring and reporting

Prysmian implements a system of **continuous monitoring** and **reporting** to ensure that all its business practices, including data management, comply with regulations and ethical standards:

- **Sustainability Reporting**: The company regularly publishes its sustainability performance results, providing details about the results and actions taken to minimize negative impacts, including aspects relating to workers' rights and environmental protection.
- **Internal audits and feedback**: Prysmian uses internal audits and collects feedback from employees and stakeholders to identify any issues and take the necessary corrective measures.

Through these policies and practices, Prysmian is committed to minimizing negative impacts on its workforce, by striving to operate ethically and responsibly.

With regard to occupational health and safety, as reported in the dedicated "Strategy & Business Model" section, the commitment to ensuring the occupational health and safety of all of employees, interns, contractors and anyone working within the organization is embodied in the Zero & Beyond philosophy. "Zero" represents the ultimate goal: zero fatalities, injuries, incidents and occupational diseases. "Beyond" is where Prysmian wants to go with this philosophy, to achieve this goal not only at work, but also at home and everywhere in the company's communities.

Zero & Beyond is a commitment to make people's lives safer and to ensure safety in every single moment of daily life, from the workplace to the community, and it is an approach based on the belief that human life and health are indispensable values that take priority over everything else. This is why the Group firmly believes that every injury or accident can be prevented and that promoting the idea of safety and constantly improving it is everyone's responsibility. This is why a detailed investigation is carried out downstream of each incident to identify the main root causes of the event in order to implement appropriate corrective actions to prevent its recurrence, evaluating the effectiveness and suitability of these corrections by consulting with the different stakeholders involved and through internal committees on safety issues with the participation of the Corporate HSE function, HSE Regional Directors and Region COOs.

One of the goals of the HSE function is to ensure that the company's manufacturing practices do not cause or contribute to significant negative impacts on its workforce. Activities carried out at global, region and plant level to manage negative impacts include: risk assessments, regulatory compliance, management systems, maintenance, training and audits.

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Safety Assessment Plan	Short term	To increase and strengthen the safety culture at Prysmian's factories, in 2023 the Group promoted a multi-year audit program (called Safety Assessment Plan) conducted by a third party, with the aim of measuring the maturity of the safety culture at Prysmian's sites through a customized protocol to assess safety performance across 4 main streams (Governance, Employee Engagement, Risk Assessment and Frequency Index - LTFI).	Ongoing
Focus on traffic management and the upgrade of the company's forklift fleet according to new group guidelines and the relative safety devices	Medium term	In 2021, a group-wide guideline was established defining the minimum devices that must be installed on company forklifts and traffic management. Additional technical and organizational measures for continuous improvement in the management of this issue were evaluated in 2024.	Ongoing
Implementation of a new tool for recording and managing safety data	Medium term	This tool can be used to manage all accidents, accident analysis (root cause analysis) and corrective actions to be implemented after accidents. The tool reports all leading and lagging KPIs for group strategy purposes. The tool also has additional features such as the audit module, which can be used to manage internal and external audits.	Ongoing, planned for development in 2025 and global live use in 2026
Restructuring of the Corporate Security unit	Medium term	Reorganization of the Corporate Security unit, which is tasked with managing risks arising from illegal or violent actions that could impact the Company, with a specific focus on preventing the events that could affect personnel. Main implementations: specific policies and procedures; Security Management System; defined organizational structure; Security Risk Assessment methodology; dedicated tools and instruments for monitoring relevant events and personnel presence globally; procedures and services for incident and crisis management.	Ongoing

Safety Assessment Plan

To increase and strengthen the safety culture at Prysmian's factories, starting in 2023 the Group promoted a multi-year audit program ("Safety Assessment Plan") conducted by a third party, with the aim of measuring the maturity of the safety culture at Prysmian's sites through a customized protocol to assess safety performance across 4 main streams (Governance, Employee Engagement, Risk Assessment and Frequency Index - LTFI), ensuring continuous improvement of the safety level and the monitoring of actions to be implemented at group level. Through the Safety Assessment Plan, developed as a three-year plan ending in 2025, Prysmian aims to raise awareness of key plant risks and issues at every organizational level and, through specific improvement plans, to cultivate a continuous improvement mindset by identifying strengths and weaknesses for each site while also aiming to reduce injuries. Prysmian has therefore redefined new quantitative targets within its Impact Sustainability Scorecard while taking into account the result of the Safety Assessment Plan (plant Maturity Level and reduction of accident frequency indices with days lost monitored at group level).

The main dimensions the program focuses on are:

- Clear roles and responsibilities for staff in safety.
- Strong and visible leadership in safety.
- Mandatory and optional training for all employees.
- Improved internal and external communication, with reporting channels.
- Accident investigation to identify causes and corrective measures.
- Risk assessment according to local regulations and preventive measures.

Under the Safety Assessment Plan, 75 plants were audited in 2023 with third parties support, and 60 plants were included in the program in 2024. In doing so, considering the 2023-2024 two-year period, the organization audited its entire global footprint and had the opportunity to re-audit 30% of plants for a second time, thus also checking on progress and improvements on specific action plans to increase the safety level. The findings of these assessments are tracked as numerical KPIs and are included in company remuneration policies.

As concerns the process of evaluating and monitoring this action, after the audits an Action Plan is issued, which contains the actions to be implemented by the plant in relation to each individual aspect described above. Every action has an assigned priority level (low, medium, high) depending on the type of observation encountered.

Action completion is monitored on several levels:

- At plant level by the Site and HSE Plant Manager;
- At Region level by the HSE Regional Director;
- At Corporate level by the Internal Audit and HSE Corporate functions.

The costs incurred for the implementation of the Safety Assessment Plan amounted to Euro 1,500,000 (OpEx) in 2023 and 2024, including around Euro 600,000 for 2024 audits. Roughly Euro 650,000 (OpEx) to be spent in 2025.

Focusing instead on "reactive" actions taken to remedy workplace accidents, for years now the company has developed a specific Group procedure, separate from the Safety Assessment Plan and adopted and applied locally, which requires that all accidents with or without lost work days be reported and analyzed, according to defined timelines, by using Group-wide tools, with the aim of sharing information about accidents, establishing and implementing corrective and preventive actions, and increasing awareness across the board in all plants.

Focus on traffic management and the upgrade of the company's forklift fleet according to new group guidelines and the relative safety devices

One of the most significant impacts on the Group's workers is the risk relating to the use of forklifts and the consequences that may result from a lack of or ineffective traffic management, and for which there were two fatalities recorded in 2021 and one in 2024.

To mitigate this impact, the following main actions were taken:

- analysis of the main gaps regarding traffic management and forklifts at plants;
- identification of action priorities;
- allocation of economic resources to close gaps based on action priorities.

Already in 2021, a group-wide guideline was established defining the minimum devices that must be installed on company forklifts and traffic management. The implementation of these devices on Prysmian's fleet has been constantly monitored at corporate level, as has the approval of the budget and the monitoring of actions to improve traffic management. In 2024, further technical measures for the implementation of additional devices (e.g.: proximity devices, camera, tags etc.) and organizational solutions for further improvements in traffic management, with global applicability and involving all workers in the own workforce, were placed under assessment. Given the assessment phase planned for 2024, no deadlines have yet been announced for the installation of new possible security solutions.
In terms of total expenditures, roughly Euro 700,000 was recorded in 2024, relating to the completion of the Group's multi-year investment approved in 2022 to upgrade forklift equipment, create demarcated areas for pedestrians and adapt logistics and loading areas.
For the next few years, a project is being evaluated for a 360-degree upgrade of the internal road system at the Velke Mezirici plant, which has several critical areas in terms of traffic management as a result of increased volumes. The total value of the project is in the finalization phase.

Implementation of a new tool for recording and managing safety data

Using this new tool, which was scouted in 2024 and is planned to be activated in 2025, it will be possible to manage all accidents, root cause analyses and the relative corrective actions to be implemented, with global applicability and coverage of 100% of the workers in the own workforce. The tool can also be used to report on all leading and lagging KPIs (e.g., LTFI, TRCF, days lost, severity index, SIF, fatalities, corrective actions generated and closed, occupational illnesses, number of walkthroughs, EHS training hours, positive safety observation cards, etc.) for group strategy purposes. The tool also has additional features such as the audit module, which can be used to manage internal and external audits. The new tool will bring the following main benefits:

- Process optimization and reduced response times.
- Reduced risk of human error.
- Advanced data analysis to identify trends and prevent incidents.
- Increased compliance with local and international regulations.
- Improved traceability of data and documentation to facilitate audits and inspections.
- Improved employee involvement in event management.

The new platform will cover three areas: Safety, Environment and Audits, with an initial release plan in late 2025. In 2024, there were no expenses for project implementation; for 2025, CapEx of around Euro 180,000 and OpEx of Euro 200,000 are expected. The 2026 forecast depends on the state of platform development that will be reached during 2025.

Restructuring of the Corporate Security unit

Starting in the first quarter of 2024, the Company initiated a reorganization of the Corporate Security unit, part of the HR & Organization function. The unit is specifically tasked with managing risks deriving from unlawful or violent actions that could harm the Company, with the exception of risks linked to Information & Cyber Security, which are assigned to another dedicated unit.
Priority risks include those relating to unlawful or violent acts that could involve personnel. To address these issues, the unit has initiated a process with a view to setting up:

- Specific policies and procedures;
- A Security Management System;
- A defined organizational structure;
- A Security Risk Assessment methodology;
- Dedicated tools and instruments for monitoring relevant events and personnel attendance globally;
- Procedures and services for incident and crisis management.

Other initiatives in the advanced development stage include the Travel Security project, which includes:

- Tracking of corporate travelers;
- Training and awareness-raising programs on risks and the related mitigation measures for personnel;
- A dedicated platform (with associated application) for distributing alerts and managing reports or requests for support from personnel.

In addition, starting in 2025, the formalization of the Security Management System will help to obtain quantitative data on the activities carried out by the Corporate Security unit. This will make it possible to objectively and measurably represent activities and goals, many of which are already underway today but are not yet traceable according to predefined quantitative criteria.

These projects were carried out using resources amounting to OpEx of Euro 185,000 in 2024. Planned resources for 2025 come to around Euro 295,000.
Information is provided in the following section on the **group's actions relating to human resources**, their protection and management.

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Well-being and Mental Health Activities.	Long term; programs initiated since 2023	Prysmian has created a Steering Committee, a network of "Well-being Ambassadors" and a "Well-being Manifesto" to define the Group's goals on the subject and promote a culture in this regard by means of a number of activities.	Ongoing
Continuous Performance and Talent Management	Ongoing	The evaluation system (P+) is dedicated to all desk workers globally, is distinguished by its person-centered orientation and allows for an in-depth evaluation of performance and potential. The system provides a comprehensive view of the company's resources and ensures appropriate and customized career paths.	Ongoing
Disability awareness and support actions	Long term; programs initiated since 2023	Prysmian has embarked upon a journey to better understand the accessibility of its offices and plants and has created a global Employee Resource Group (ERG) on the topic of disability in order to raise awareness and engage the corporate population on the issue through various initiatives and communication activities.	Ongoing
Anti-Harassment Actions	Long term; actions initiated since 2021	Periodic training and awareness-raising events on anti-harassment topics to foster the creation of a diversity-friendly work environment	Ongoing
Equity and diversity initiatives	Long term; programs initiated since 2021	Continued and reinforced internal and external communication campaigns on Diversity, Equity and Inclusion (DE&I), globally and locally, to raise employees and stakeholder awareness of these issues.	Ongoing
Human Right Due Diligence and Audits	Long term; due diligence implemented since 2018	Process enabling Prysmian to map the potential Human Rights impact of Group operations i,- The process is broken down into several stages: Assess, Act, Monitor, Resolve, Communicate.	Ongoing
Talent Attraction Activities	Long-term and ongoing	The initiatives put in place by the Group focused on three main areas: -attraction and employer branding programs, to improve the company's visibility in the labor market; -promotion of internal mobility via the Internal Job Posting tool; - digital innovations in the Recruiting process	Ongoing
Training and development programs	Long term; programs initiated since 2012	The Prysmian Group's educational offerings are structured through the following initiatives: the School of Management, the Professional School and the Digital School that cover a global scope, and the Local Schools that meet the specific educational needs of individual regions.	Ongoing
Pay equity evaluation and monitoring	Long-term and ongoing	In order to foster a work environment that ensures equal opportunities, inclusion and non-discrimination, the Company supports the principle of pay equity by periodically monitoring the Gender Pay Gap and the Minimum Wage level.	Ongoing
Information security integrity assessment	Short term	Prysmian has developed its Information Security Strategy, the main objective of which is to establish general guidelines for effectively and efficiently managing, monitoring and protecting the Group's information assets. The Group's Information and IT Security structure consists of a Cyber Security Competence Center that reports directly to the Chief Information Security Officer (CISO), a member of the headquarters HR staff.	Ongoing
Digital inclusion	Long term	Prysmian sponsors ad hoc digital inclusion programs. Road to 2030 program launched for the Transmission BU in order to improve how Prysmian personnel work, by encouraging digitalization.	Ongoing

For the actions and activities described in detail below, carried out by Prysmian HQ on a global scope, total costs of approximately Euro 11.7 million were incurred in 2024; the same level of expenditure is expected to be maintained for 2025.

Well-being activities and Mental Health initiatives

Aware of the importance of a healthy and stimulating work environment, Prysmian actively promotes well-being initiatives to improve the quality of life of its employees and foster their mental and physical well-being.
In 2023, Prysmian launched the Well-being manifesto, which defines a global framework of what well-being means for the company. For Prysmian, well-being means finding a sense of balance, personal fulfillment, inclusion, safety and vitality, which enable employees to pursue their personal aspirations and positively influence their relationships with customers, colleagues and the broader community. The Group has also created a Steering Committee, Well-being managers in the Regions and BUs to coordinate local activities and, through networking, generate the cross-fertilization of ideas/initiatives.

Some of the actions implemented include:

- **Mental Health**: in 2024 (as in the previous year) the month of May was dedicated to raising awareness regarding mental health through global and local activities such as communication campaigns, sports activities, yoga and Pilates, and webinars on the topic. Seminars on mental health and stress management, in addition to other topics, were held with experts in the field.
- **Physical well-being**: sports events have been organized to encourage physical activity, such as Well-Being Week in Asia, Latin America and North America. In Milan, the Company Osteopath project was launched, and courses and special discounts at sports facilities were offered to employees. In addition, health programs and preventive medical examinations were offered to employees.
- **Well-Being Index**: 2024 was the year of the launch of the new Well-being measurement tool using Martin Seligman's positive psychology methodology, the PERMA model, with a view to measuring the level of well-being of individuals and planning improvement actions for individuals as well as work teams.
  The tool, which has been used by several teams at the headquarters and in the regions, is now available to group employees and is expected to be rolled out globally over the next year.

Performance and talent management programs

Performance and talent management programs make it possible to assess and map employee skills and aspirations and offer tailored development paths and opportunities for growth and career advancement. This results in a more satisfied and motivated workforce with improved engagement, higher productivity, and lower turnover and the associated replacement costs. These programs also make it possible to establish succession plans that protect Prysmian from the risk of losing key figures and ensure alignment between individual and company goals.

The performance and potential assessment process, called P+, is designed with the goal of leveraging employee talent, supporting individual aspirations and promoting the growth and development of every resource.

This approach enables employees to set goals in agreement with their manager and share aspirations geared toward professional and personal growth.

P+, dedicated to all desk workers at global level, enables them to set clear goals and align them with business strategies. The process is supported by the Workday online HR platform, which not only monitors individual performance, but also allows individual behaviors to be evaluated based on the company's leadership model. This fosters transparent and direct communication between manager and employee, enabling the ongoing sharing of results and distinguishing performance based on objective criteria.

In addition, the Workday platform offers feedback tools that always accessible: feedback can be quickly and intuitively shared with anyone in the company or requested about oneself or one's employees.

The year-long process includes planned manager-employee interactions:

- Initial phase for goal setting;
- Mid-year review to assess progress and/or areas for improvement;
- Closure of the cycle, sharing performance and potential assessments.

The final process evaluation is broken down into two main dimensions:

1. Performance, which in turn consists of two basic criteria:
   - "Achievements": measurable targets defined based on specific KPIs linked to the role;
   - "Leadership": behavior aligned with the guidelines and six key principles of the corporate leadership model and compliance with the Code of Ethics.
2. Potential, assessed through three measurable indicators:
   - Motivation;
   - Learning agility;
   - Change leadership.

In 2024, this assessment process was launched in January and involved 7,579 desk workers. The cycle will end in spring 2025, including the final stages of calibration and subsequent final feedback. A

Disability awareness and support actions

For Prysmian, fostering an inclusive work environment is not only a goal to be achieved, but an ongoing path of enhancement and stimulation towards innovation.
With regard to the topic of disability, since 2023 Prysmian has undertaken an in-depth study about the accessibility of its offices and plants, and in 2024 a global Employee Resource Group (ERG) dedicated to disability was established. ERG aims to learn more about the Group's demographics, raise awareness, create a sustainable plan and educate and engage the population on this issue.

The following actions were developed with respect to disability awareness and support:

- Comprehensive webinar on the topic of disability with an external expert and top management involvement. The webinar was attended by around 1,300 people, who expressed very high approval feedback.
- Training by the "Made by Dyslexia" association, which leverages the talent of people with dyslexia and suggests adjustments to HR processes.
- Digital employer branding event dedicated to people with disabilities.

Anti-Harassment Actions

Prysmian constantly strives to promote an inclusive, safe and respectful work environment free from violence, harassment and discrimination.

Through dedicated policies and initiatives, the company fosters a positive and stimulating work climate while minimizing potential legal and reputational risks. In 2021, the company launched a Global Policy, available on the Group Corporate website, against all forms of workplace harassment, including sexual harassment, defamation, bullying and intimidation, including from third parties who interact with Prysmian employees. The document outlines two procedures, one formal and the other informal, for reporting cases of harassment and requesting official action by the Compliance team. In 2024, the training that accompanied this policy was translated into 7 more languages than in previous years and made mandatory. Through the DE&I Local Partner Network, this training is also disseminated to Group factories and delivered in person where needed. In addition, awareness-raising actions on the topic were carried out with specific surveys and workshops.

Equity and diversity initiatives

Failure to promote equity and diversity in the workplace could make the work environment less inclusive, leading to a potential negative impact on employees. In this regard, the portfolio of global DE&I activities carried out in the course of 2024 is presented below in detail, with many initiatives also implemented locally.

- During 2024, Prysmian also developed a new **"Mama Mentorship" program**, which was launched as a pilot program in Italy in February 2025 to support mothers-to-be by offering them the necessary support during the pre-maternity, maternity and return-to-work period in order to improve their well-being and foster a productive and rewarding work environment for the benefit of both the individual and the organization.
- During the year, the program based on **Inter-Generational Communication "GenSync"**, launched in 2023 in the R&D department.

- During 2024, **internal and external communication campaigns on Diversity, Equity and Inclusion (DE&I)** continued both globally and locally and were strengthened to raise employee and stakeholder awareness of these issues. Prysmian holds global and regional educational workshops (Women's Day, Cultural Diversity Day, Men's Day) every year on DE&I topics that include statements from Group leaders.
- On-demand trainings are available for all Group staff, which feature topics such as **inclusive leadership and unconscious biases** and in which managers are reminded to check for and remove any biases during the performance assessment process; some regions also require mandatory annual training on the topic.
- The development of **Employee Resource Groups (ERGs)**, global working groups led by employees, continued in 2024. After the ERG dedicated to STEM Women was founded in 2023, several ERGs on issues such as gender equality, work-life balance, LGBTQ, etc. were created in North America. At the HQ, the first VOICE ERG was born to inspire a creative, free and inclusive corporate culture.
- Prysmian is a founding member of the PARI association, a project developed with 14 other companies, of analysis and cultural dissemination on the **issue of gender violence**, with the coordination of Feltrinelli Education and the sponsorship of Valore D.; the project unites an extensive network to develop concrete actions and share an anti-gender violence culture, in companies and in civil society.

Prysmian has obtained the voluntary UNI/PdR 125:2022 gender equality certification: a recognition linked to the company's ability to take concrete measures over the years to foster an inclusive work environment that respects all diversity. The certification, which specifically applies to the Italian scope (Prysmian Spa and EOSS), was awarded by RINA, a multinational certification group active in more than 70 countries, as the result of a successfully passed evaluation process covering areas such as remuneration, recruitment and selection, as well as professional growth.

Human Right Due Diligence and Audits

Failure to enforce existing labor laws and high internal standards for the protection of workers and their rights could lead to worker exploitation and abuse. As an international business operating in many countries and communities, Prysmian is passionately committed to respecting and safeguarding the human rights of all employees and all those affected by its activities. The objective is to ensure that Prysmian is not involved in any way, either directly or indirectly, in activities that violate human rights.
A Human Rights Due Diligence process, available on the corporate website[51], has been in operation at Prysmian since 2018, enabling Prysmian to map the potential Human Rights impact of Group operations.

Human Rights Due Diligence process

01.
Assess

Assessment of the current and potential impact on Human Rights, considering the risk of violations at country and factory level, identified using desk analysis and self-assessment tools

02.
Act

Assessment of the results and performance of audits at high-risk plants; definition of actions necessary to prevent and/or mitigate the potential impact identified

03.
Monitor

Monitoring of performance via checks and audits over a period of years

04.
Resolve

Resolution of violations

05.
Communicate

Communication of performance in the Sustainability Statement

51. https://www.prysmian.com/sites/default/files/atoms/files/20200724_PRY_HumanRightsPPT_final.pdf.

According to the Due Diligence process, the evaluation started in 2023 was completed in 2024 on 100% of the production sites.

Following this assessment, 9 plants found to be at high risk of violating human rights were audited to check if there was any substance to this analysis.

Talent Attraction Activities

Through its Talent Attraction and Employer Branding activities, Prysmian aims to attract qualified, high-caliber candidates aligned with the company's values and culture and increase its competitiveness and ability to innovate over the long term. Prysmian has always paid close attention to its positioning in the labor market, which is constantly evolving and characterized by challenges such as generational change, the integration of diverse backgrounds and gender balance.

The initiatives put in place by the Group focused on three main areas:
- promotion of internal mobility via the Internal Job Posting tool;
- global recruiting programs;
- digital innovations in the recruiting process in order to improve the candidate experience thanks to the personnel management platform, Workday.

With a view to the continuous development of its human capital, Prysmian intends to facilitate internal mobility, and to this end has continued to support initiatives such as Internal Job Posting (IJP), a system for posting and applying for open positions within the Group, fostering the internal development and enhancement of people already working in the company who show growth potential. The group promotes opportunities internally through dedicated digital and physical marketing campaigns in order to facilitate and encourage possible internal rotations/transfers.

In the more than 10 years since its launch, the Group's Recruiting Programs have greatly contributed to attracting valuable resources externally, while also playing a key role in the progressive achievement of gender balance in employee hiring globally.

Prysmian's recruiting team is also supported by external consultants to facilitate the expansion of the candidate-side pool of interest with external scouting and market mapping initiatives.
They also provided new colleagues with important training and development opportunities that over time fostered their growth and engagement within the organization.

BUILD THE FUTURE, GRADUATE PROGRAM

Program numbers - 2024 edition:

- 47 young recent STEM graduates
- 20,000 applications
- 66% female representation
- 132 editions since 2012

The objective of the Graduate Program is to recruit, support and develop new graduates for central roles in areas key to the future of Prysmian, such as Operations, R&D and Sales.

STEM IT

Program numbers - 2024 edition:

- 99 professionals hired
- 66% female recruitment

The objective of the STEM IT program is to introduce new talents who are diverse in terms of culture and background and who can contribute to the process of cultural change and enhancement taking place at Prysmian.

The program has a section dedicated entirely to female leadership, known as “Women in STEM IT”.

SELL IT
Program numbers - 2024 edition:

- 30 salespersons hired
- 60% female recruitment

The objective of the SELL IT program is sales force growth and development.

SUM IT
Program numbers - 2024 edition:

- 8 professionals
- 50% female recruitment

SUM IT, launched in 2020, is entirely dedicated to professionals working within the industrial control function.

Overall and consistent with the gender balance objectives, the Group’s Global Recruiting Programs have seen growing recruitment of women over the last three years, supporting the Company’s Social Ambition.

Training and development programs

Staff training and development are key elements of Prysmian’s commitment to its employees. A workforce with up-to-date skills not only improves the Group’s efficiency and attractiveness, but also helps reduce recruitment costs while strengthening employee confidence, job satisfaction and growth opportunities.

Educational offerings are structured through the following initiatives: the School of Management, the Professional School and the Digital School that cover a global scope, and the Local Schools that meet the specific educational needs of individual regions.

The Management School provides a guaranteed, ongoing educational investment in leadership, strategy and employee management skills for Executives and Managers, encouraging the sharing of the Group’s strategic goals and strengthening the one-company culture.
The Management School’s educational offerings consist of the following programs: Journey to Advanced Leadership (JAL), Journey to International Leadership (JIL), Regional Leadership Program.

Consistent with the one-company approach, the Group’s commitment in terms of management training extends across its entire scope (Region and Business Division), also through Regional Leadership Programmes (RLPs), which enable a broader population of managers to be quickly involved in the flow of change and contribute to the achievement of the Region’s and thus the Group’s strategic goals, creating a link between the local and the global.

The Global Professional School, on the other hand, is devoted to the development of strategic skills at technical-functional level, with a view to international networking and career development for employees with positive assessments and people hired through global recruiting programs.

Lastly, in 2024 Prysmian consolidated the activities of the Global Sustainability Academy, part of the Global Professional School, for all Group employees. The initiative – launched in 2022 – aims to spread the culture of sustainability within the entire company population and further strengthen the Group’s commitment to implementing its Climate & Social Ambitions.
Digital School, the third and final Corporate Academy School, offers about 30 courses and supports the global sharing of technical and functional content for Desk Workers and Non-Desk Workers.

Local Schools, present across all regions since in 2021, respond to contingent needs linked to workforce characteristics, the local business and the relevant market.
The organization of each School is autonomous, placed under the responsibility of the regional HR team, but aligned and in synergy with the Corporate team.

Pay equity evaluation and monitoring

Prysmian guarantees its employees fair remuneration in accordance with local regulations and is committed to offering remuneration aligned with the market and industry standards. Adequate employee compensation is a key element in ensuring decent living standards and protecting the workforce.

Throughout the Group, the monetary package is supplemented by additional benefits, such as supplementary pension and healthcare policies, personal injury insurance, a company car for those entitled and company canteen or restaurant vouchers. These benefits are adapted to local conditions, having regard for market characteristics and relevant regulations.

In order to foster a work environment that ensures equal opportunities, inclusion and non-discrimination, the Company supports the principle of pay equity by periodically monitoring the Gender Pay Gap. As part of its Social Ambition goals, Prysmian has committed to reducing the gap within a range of 0-2 percentage points by 2030 via a program consisting of annual action plans.

In addition, starting in 2024, systems were enhanced for monitoring Adequate Wage compliance. Prysmian entered into a partnership with the Fair Wage Network that provides global information to assess compliance with the Adequate Wage level calculated according to the specific methodology.

Information security integrity assessment

Prysmian understands that in today's rapidly changing and increasingly interconnected world, companies are exposed to increasing risks caused by the spread and evolution of cyber threats. These risks can have serious consequences, including financial losses, reputational damage, compliance problems, data loss and business disruption. In this scenario, creating a safe environment that minimizes negative impacts on business activities and ensures regulatory compliance is a complex challenge. The adoption of new technologies to improve efficiency and customer centricity makes data and IT asset protection even more important.

To address these challenges, Prysmian has developed an Information Security Strategy that defines guidelines for the effective management, control and protection of the company's IT assets. The Group has set up a comprehensive system of policies, procedures and operating instructions to effectively manage and govern information security processes and topics. This system is an integral part of the Information Security Strategy and the associated Framework. Its component documents (policies, procedures, operating instructions and recommendations) are subject to periodic review and are shared with employees through several channels: posting on the company intranet and specific online training.

Prysmian's information security risk management process is based on the ISO/IEC 27005 international standard and is integrated into the corporate risk management system. This approach makes it possible to assess risks linked to the confidentiality, integrity and availability of information, with possible financial, reputational, operational and legal consequences, linking them directly to existing threats based on an in-depth analysis defined in the Threat Model.

Risks identified as unacceptable are mitigated by means of specific actions that are defined and implemented with varying priority according to risk level. Dependence on outside vendors for critical IT operations increases the exposure to cyber risks. Aware of this vulnerability, Prysmian adopts measures to constantly supervise and monitor the security of third-party vendors. To assess the information security level, Prysmian uses performance indicators covering all areas of the security framework, which provide a clear and up-to-date view of security status so that any shortcomings can be promptly identified and resolved. As a strategic company, Prysmian works with national and international associations, consortia and institutions in information sharing on relevant cyber events.

Employee awareness of cyber risks is a crucial factor in an organization's cybersecurity. Prysmian invests in personnel training through online courses and simulated cyber-attacks. This training, which is mandatory for all employees, covers emerging risks ranging from those relating to remote working to the use of Artificial Intelligence. To further reinforce learning, Prysmian also uses multichannel communication campaigns (e-mail and corporate social media) to increase training engagement and effectiveness.

Cybersecurity and privacy regulations, which are increasingly important in a fragmented and unpredictable world, pose a compliance challenge. However, Prysmian sees them as a critical tool for ensuring the security and resilience of its systems, and has obtained and maintained important certifications, including ISO/IEC 27001:2022, Cyber Essentials, Assurance, CMMC and Maritime Cyber Baseline for its fleet of cable-laying vessels.
Prysmian incurred total cybersecurity investments of Euro 1,700,000 in 2024.

Digital inclusion

Road to 2030 is a digital transformation program initiated with a view to optimizing the tools and processes of the Transmission BU operating model by introducing new tools and innovative technologies (e.g., AI).
The scope covers all BU processes from project bidding through execution, supply chain, physical asset planning and system engineering and R&D activities. In particular, the BIM (Building Information Modelling) methodology was introduced in the company in line with international and European industry standards and to meet the demands of Transmission customers who have long adopted this methodology.

The effectiveness of this action is being monitored. Some of the numbers are provided below:

- +200 people involved in project design and development activities;
- 15 work streams and more than 50 initiatives mapped, covering end-to-end the entire BU operating model and to be implemented in the 2024-2030 period;
- + 150 tools analyzed with over 50% streamlining of existing ones;
- + 100 business processes analyzed.

The program aims to improve the way Prysmian personnel work, by reducing inefficiencies and manual labor in daily activities, and increasing the Business Unit's digitalization rate. It also aims to foster an integrated project-based model, which is essential to ensure existing backlog management and delivery.
The total investments made by Prysmian in 2024 for the "Road to 2030" program came to about Euro 15 million. For subsequent years, total investments are around Euro 5 million.

Metrics

Characteristics of the undertaking's employees (No.)

	Women	Men	Other	Not disclosed	Total 2024
50. (a) Total employees	6,751	25,785	7	3	32,546
50. (b) Permanent employees	6,637	25,210	7	3	31,857
50. (b) Temporary employees	114	575	-	-	689
50. (b) Non-guaranteed hours employees	-	-	-	-	-

	Women	Men	Other	Not disclosed	Total 2023
50. (a) Total employees	6,055	23,529	15	-	29,599
50. (b) Permanent employees	5,924	22,972	15	-	28,911
50. (b) Temporary employees	131	557	-	-	688
50. (b) Non-guaranteed hours employees	-	-	-	-	-

The methodology used for total employees is the headcount at the end of the period (December 2024). The change compared to the previous year is affected by the two acquisitions that took place in 2024 (Encore Wire in the North American perimeter and Warren&Brown in the APAC area). This increase is reflected in personnel costs, which increased in 2024, please refer to the note Personnel costs in the Explanatory Notes.

See the table below by country to 2024:

Country	Total Headcount 2024	Total Headcount 2023
Angola	60	60
Argentina	305	303
Australia	658	476
Brazil	2,003	1,731
Canada	742	711
Chile	317	277
China	1,558	1,555
Colombia	306	296
Costa Rica	295	272
Ivory Coast	95	95
Estonia	177	153
Philippines	195	140
Finland	700	645
France	2,455	2,450
Germany	2,014	2,078
Great Britain	997	1,053
India	80	81
Indonesia	206	189
Italy	2,631	2,552
Malaysia	225	220
Mexico	2,054	1,717
Norway	134	128
Netherlands	794	776
Oman	820	770
Portugal	193	193
Czech Republic	374	409
Romania	1,337	1,354
Russia	255	250
Singapore	94	89
Slovakia	342	342
Spain	1,247	1,210
Sweden	207	202
Thailand	149	149
Tunisia	196	234
Turkey	579	586
Hungary	498	484
U.S.A.	7,094	5,245
Other countries with <50 employees	160	124
	32,546	**29,599**

The table below shows the number of employees who have ceased to work:

Characteristics of the undertaking's employees (50. c)	Total 2024	Total 2023
Number of employees	**32,546**	**29,599**
50. (c) Number of employees terminated	5,209	5,581
50. (c) Rate of employee turnover %	**16%**	**19%**

Characteristics of non-employees in the undertaking's own workforce	Total 2024	Total 2023
55. (a) Total number of non-employee workers	**2,185**	**1,855**
55. (a) of which self-employed workers	-	-
55. (a) of which workers provided by undertakings primarily engaged in employment activities	2,185	1,855

Non-employee workers include internships and apprenticeships and persons provided by enterprises mainly engaged in "personnel search, selection and supply activities" (NACE code N78). The calculation always uses the headcount methodology as at 31 December 2024.

Coverage of collective bargaining and social dialogue	Total 2024	Total 2023
Employees covered by collective bargaining agreements	20,034	18,964
Number of employees	32,546	29,599
60. (a) Percentage of its total employees covered by collective bargaining agreements;	**62%**	**64%**
Number of employees covered by workers' representatives	13,134	-
Number of employees	13,134	-
63. (a) Percentage of employees covered by workers' representatives	100%	100%
63. (b) In relation to social dialogue, the undertaking shall disclose information about the existence of any agreement with its employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.	Prysmian periodically renews the agreement establishing the European Works Council (EWC) with the trade union representatives of the majority of European factories, which aims to encourage the improvement of the Group's activities through the involvement of workers in decision-making processes. The latest agreement provides that the Committee will be composed of 27 trade union representatives from all the European countries where Prysmian is present. The presence of an executive body (called the Select Committee) of the European Works Council has also been confirmed, which counts on the availability of seven members, elected by the 27 members of the General Committee.	

	Collective Bargaining Coverage		Social dialogue
Coverage Rate	60) b. Employees – EEA (for countries with >50 empl. representing >10% total empl.)	60) c. Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	63. a) Workplace representation (EEA only) (for countries with >50 empl.)
0-19%			
20-39%		Noram	
40-59%			
60-79%			
80-100%	N/A see comments below	Latam	N/A see comments below
Comments	60 b) None of Prysmian's EEA countries complies with the criterion of > 50 employees which represents > 10% of total employees, therefore the breakdown by country does not apply. 60 c) Only the NORAM and LATAM geographical areas comply with the criterion of > 50 employees representing > 10% of total employees, therefore the breakdown by geographical area is reported only for these two regions + the rest of Prysmian 63 a) None of Prysmian's EEA countries complies with the criterion of > 50 employees which represents > 10% of total employees, therefore the breakdown by country does not apply.		

There are no significant variations related to collective bargaining coverage compared to the previous year, which is in line with what was reported for 2024.

Diversity metrics (66. a, AR. 71) - gender distribution at top management levels

	Total 2024	%	Total 2023	%
Women	7	16%	5	**12.5%**
Men	38	84%	35	**87.5%**
Other	-	-	-	**-**
Not disclosed	-	-	-	-
Total Top Management	**45**	**100%**	**40**	**100%**
AR 71. Disclose the definition of top management used	Grade 24 and above (Korn-Ferry Hay methodology)			

Diversity metrics (66.b) - employees by age

	≤30 years old	30-50 years old	≥50 years old	Total 2024
Number				
Executives	-	211	238	449
Managers	169	1,941	1,076	3,186
Employees	1,029	2,661	1,408	5,098
Workers	4,399	12,405	7,009	23,813
Total	**5,597**	**17,218**	**9,731**	**32,546**
Percentage				
Executives	0.0%	0.6%	0.7%	1.4%
Managers	0.5%	6,0%	3,3%	10%
Employees	3.16%	8.18%	4.33%	16%
Workers	13.5%	38.12%	21.54%	73%
Total	**17%**	**53%**	**30%**	**100%**

	≤30 years old	30-50 years old	≥50 years old	Total 2023
Number				
Executives	-	201	231	432
Managers	181	1,817	1,000	2,998
Employees	921	2,521	1,354	4,796
Workers	3,526	11,414	6,433	21,373
Total	**4,628**	**15,953**	**9,018**	**29,599**
Percentage				
Executives	0.0%	0.7%	0.8%	1.5%
Managers	0.6%	6.1%	3.4%	10.1%
Employees	3.1%	8.5%	4.6%	16.2%
Workers	11.9%	38.6%	21.7%	72.2%
Total	**16%**	**54%**	**30%**	**100%**

Adequate salaries

All Prysmian employees receive an appropriate salary, in line with the applicable benchmarks.

Within the European Economic Area (EEA), the benchmark corresponds to the minimum wage established in accordance with Directive (EU) 2022/2041 of the European Parliament and of the Council on adequate minimum wages in the European Union.

Outside the EEA, the benchmark corresponds to the different wage levels established by current international, national or subnational legislation, official rules or collective agreements, as resulting from the Fair Wage Network database, confirming the primacy of collective bargaining for the purposes of defining terms and conditions of employment.

	Total 2024
Social protection	**Employees**
74. The undertaking shall disclose whether all its employees are covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events:	
74. (a) sickness;	all employees
74. (c) employment injury and acquired disability;	all employees
74. (d) parental leave;	all employees
75., 76. If not all of its employees are covered by social protection, the undertaking shall disclose the types of employees who do not have social protection with regard to each applicable major life event:	
75. unemployment starting from when the own worker is working for the undertaking;	Hong Kong,Costa Rica,Indi,Oman,Malaysia,Singapore, Costa d'Avorio, Angola e Singapore
75. retirement.	Malaysia

There are no significant variations related to social protection compared to the previous year, which is in line with what was reported for 2024.

	Total 2024		Total 2023	
Persons with disabilities	**Number**	**Percentage**	**Number**	**Percentage**
79. Persons with disabilities amongst its employees, subject to legal restrictions on the collection of data.	697	2.14%	615	2.08%

Training and skills development metrics (83.a)

Total 2024	Number of employees that participated in regular reviews	Number of regular reviews	Number of employees	Percentage of employees that participated in regular reviews	Number of regular reviews conducted per employee
Woman	2,629	2,629	6,751	38.9%	1
Man	4,947	4,947	25,785	19.2%	1
Other	2	2	7	28.6%	1
Not disclosed	1	1	3	33.3%	1
Total	**7,579**	**7,579**	**32,546**	**23.3%**	**1**

Training and skills development metrics (84)

Total 2024	Number of employees that participated in regular reviews	Number of regular reviews	Number of employees	Percentage of employees that participated in regular reviews	Number of regular reviews conducted per employee
Executives	418	418	449	93%	1
Managers	2,926	2,926	3,186	92%	1
Employees	4,188	4,188	5,098	82%	1
Workers	47	47	23,813	0%	1
Total	**7,579**	**7,579**	**32,546**	**23%**	**1**
Comments	Prysmian People Performance program is applicable to all desk workers worldwide. Blue Collars eligibility based on local management request. Pilot performance programs on Blue Collars population launched during 2024 in some countries (LATAM). Performance program eligibility linked to a minimum tenure of 6 months. Employees of Encore Wire Corp. and Warren & Brown Technologies, acquired respectively in July and December 2024, were not included in Prysmian 2024 Performance Program.				

There are no significant variations related to metrics for training and skill development compared to the previous year, which is in line with what was reported for 2024.

Training and Skills Development indicators

Total 2024	Number of training hours	Aveage hours of training
Woman	273,423	43
Man	934,429	38
Other	241	25
Not disclosed	91	46
Total	1,208,184	39

Total 2023	Number of training hours	Aveage hours of training
Woman	252,556	42
Man	807,366	34
Other	801	58
Not disclosed	-	-
Total	1,060,723	36

Health and safety metrics

	Employees	Non-employee workers	Total 2024
88. (a) Percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	82%	91%	173%
88. (b) Number of fatalities as a result of work-related injuries	-	-	-
88. (b) Number of fatalities as a result of work-related injuries work-related ill health	23	-	-
88. (c) Number of recordable work-related accidents (LTI; RWC; MT)[1]	556	55	611
Hours worked	58,874,497	3,946,656	62,821,153
88. (c) Rate of recordable work-related accidents	9	14	10
	Employees	Non-employee workers	Total 2024
88. (d) Disclose the number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data	-	-	-
88. (e) Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	17,441	950	18,391

	Employees	Non-employee workers	Total 2023*
88. (a) Percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	-	-	-
88. (b) Number of fatalities as a result of work-related injuries and work-related ill health	-	-	-
88. (b) Number of fatalities as a result of work-related ill health	35	-	35
88. (c) Number of recordable work-related accidents (LTI;RWC; MT)	568	60	628
Hours worked	55,898,960	4,288,875	60,187,835
88. (c) Rate of recordable work-related accidents	10.16	13.99	10
	Employees	Non-employee workers	Total 2023*
88. (d) Disclose the number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data	-	-	-
88. (e) Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	16,541	1,088	17,629

*With reference to the year 2023, please note that the frequency index has been recalculated taking into account the methodologies required by the ESRSs.

1. LTI:Lost Time Injury - RWC: Restricted Workday Cases - MT: Medical Treatment.

Work-life balance metrics

	Women	Men	Other	Not disclosed	Total 2024
94. If all of the undertaking's employees are entitled to family-related leave through social policy and/or collective bargaining agreements, it is sufficient to disclose this in order to meet the requirement of paragraph 93a.					
Number of employees who can take family leave:					
maternity, paternity, parental leave	6,751	25,785	7	3	**32,546**
caregiver leave	4,964	21,365	7	3	**26,339**
Number of employees who have taken family leave:					
maternity, paternity, parental leave	393	841	-	-	**1,234**
caregiver leave	119	430	-	-	**549**
93. (a) Percentage of employees entitled to take family-related leave					
maternity, paternity, parental leave	100%	100%	100%	100%	**100%**
caregiver leave	73.5%	82.9%	100.0%	100.0%	**80.9%**
93. (b) Percentage of entitled employees that took family-related leave					
maternity, paternity, parental leave	5.8%	3.3%	-	-	**3.8%**
caregiver leave	2.4%	2.0%	-	-	**2.1%**
Comments	All Prysmian employees are entitled to a minimum number of maternity, paternity, and parental leave days according to the Global Parental Policy. Regarding leave for caregivers, Prysmian applies local legislation.				

There are no significant variations related to work-life balance metrics compared to the previous year, which is in line with what was reported for 2024, mainly thanks to the global parental policy that has been in effect since 2023.

Remuneration metrics

	Average gross hourly pay level	
Total 2024	**Women**	**Men**
	18.85 EUR	20.72 EUR
97. (a) Gender pay gap		**-9.03%**

	Optional - Complementary or variable components	
	Women	**Men**
Annual total compensation for the organization's highest paid-individual		2,681,461 EUR
Median annual total remuneration for all employees excluding the highest-paid individual		34,911 EUR
97. (b) Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual)		**76.81**

Gender Pay Gap: In compliance with the sustainability reporting principles defined in Delegated Regulation (EU) 2023/2772 of the European Commission of 31 July 2023 and pursuant to the S1-16 disclosure requirements contained therein, we inform you that the unadjusted gender pay gap is 9%. Workers of Prysmian S.p.A. and its subsidiaries directly or indirectly with employment contracts have been included in the calculation of the average full-time equivalent remuneration.

For the determination of the gross hourly wage, the gross annual wage as at 31 December 2024 plus the variable components (production bonuses, MBO and LTI plans) relating to the year of competence were adopted according to the best estimates where the data were not available, excluding non-recurring items and social security contributions. Total compensation includes the IFRS 2 value of the equity plans.

In 2024, the Group's efforts and policies in all geographies, aimed at recognizing equal pay for the same job for women and men, made it possible to maintain the adjusted Gender Pay Gap of Desk Workers within the overall average value of 4% (excluding Encore Wire), an improvement of 1 percentage point compared to 2023. As part of its Social Ambition objectives, Prysmian has committed to reducing the gap by 0-2 percentage points by 2030, through a program that is divided into annual action plans.

Ratio between the total annual remuneration of the highest-paid individual and the median total annual remuneration of all employees (excluding the highest-paid individual): Employees of Prysmian S.p.A. and its subsidiaries directly or indirectly with an employment contract have been included in the calculation of the average full-time equivalent remuneration.

For the determination of the average/median remuneration, the gross annual remuneration as at 31 December 2024 plus the variable components (production bonuses, MBO and LTI plans) relating to the year of competence was adopted according to the best estimates where data were not available, excluding non-recurring items and social security contributions. Total compensation includes the IFRS2 value of equity plans.
The data, expressed in Euros, reflect a wide salary variability linked to the different geographies and economies in which the company operates and to the volatility of exchange rates.

For 2024, the ratio between the total annual remuneration (fixed compensation plus annual variable and long-term variable) of the Chief Executive Officer and the median total annual remuneration of the Group's employees, at the overall level worldwide, is equal to 77.

With reference to the total annual remuneration of the Chief Executive Officer, it should be noted that:

- for 2024, the figures refer to the full-year remuneration of Massimo Battaini, appointed CEO on 18 April 2024 and former COO and Executive Director of Prysmian;
- for 2023, the figures refer to the full-year remuneration of Valerio Battista, who held the position of CEO until 18 April.

The difference in the total annual remuneration of the Chief Executive Officer in 2024 compared to 2023 is 17%. The ratio between the percentage difference in total annual remuneration for the Chief Executive Officer and the median percentage increase in total annual remuneration for all employees is 2.5 (the ratio between the percentage decrease in total annual remuneration for the Chief Executive Officer and the median percentage increase in total annual remuneration for all employees was -7.7 in 2023).

Furthermore, Prysmian did not record any human rights incidents in its workforce in the year under review.

Incidents, complaints and severe human rights impacts

	Total 2024	Total 2023
103. (a) Number of work-relatd incidents of discrimination reported in the reporting period		
Gender	2	3
Racial or ethnic origin	3	1
Nationality	-	1
Religion or belief	1	-
Disability	2	1
Age	1	-
Sexual orientation	-	1
Harassment	4	-
Other relevant forms of discrimination	11	14
Total	**24**	**21**
103. (b) Number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms)	174	182
103. (b) where applicable, to the National Contact Points for OECD Multinational Enterprises related to the matters defined in paragraph 2 of this Standard, excluding those already reported in (a) above;	n.a.	n.a.
103. (c) Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints	-	-
103. (c) Provide a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements; and	n.a.	n.a.
103. (d) Where applicable, contextual information necessary to understand the data and how such data has been compiled.	n.a.	n.a.
104. (a) Number of severe human rights incidents connected to the undertaking's workforce in the reporting period:		
Cases of non-respect of the UN Guiding Principles on Business and Human Rights	-	-
Cases of non-respect of ILO Declaration on Fundamental Principles and Rights at Work	-	-
Cases of non-respect of OECD Guidelines for Multinational Enterprises	-	-
Total		
104. (a) If no severe human rights incidents connected to the undertaking's workforce have occurred, the undertaking shall state this.	No severe cases of H.R. incidents in the FY 24	No severe cases of H.R. incidents in the FY 23
104. (b) Total amount of fines, penalties and compensation for damages for the incidents described.	-	-
104. (b) Provide a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements.	n.a.	n.a.
Comments		

Other metrics

KPI - ENTITY SPECIFIC	UNIT OF MEASUREMENT	2024	2023
Percentage of employee shareholders	%	46%	37%
Number of Audits and findings relating to the Safety Assessment Plan	Number of audits Scale 1-5	60 4.01	36 3.4
Percentage in LTFI (number of injuries with lost days/hours worked*200,000) compared to previous year (as a whole group figure)	%	-19%	-4%
Cybersecurity trainings	Number	27	18
Average resolution time for high-risk vulnerabilities	Weeks	13	15
Percentage of log sources integrated with the SIEM (Security Information and Event Management) solution	%	89%	89%
Number of safety incidents	Number of incident	1,286	707
Rate of cyber-attacks on total security incidents	%	2%	3%
Average time to complete post-accident forensic activities	Hours	4	4

Percentage of employee shareholders
Shortage of key personnel and careless management of talent attraction can lead to operational or quality problems or delays in business strategy implementation. Given the importance of the issue, Prysmian aims to increase employee engagement through dedicated Group share purchase programs.

The KPI measures the number of employees with Prysmian shares deposited in company administrative accounts through GROW, YES and BE IN plans as at 31 December, divided by the total number of employees eligible to participate in at least one of the plans, as asked in the relative regulations.

The metric is not validated by an external body, but has been optionally identified by the Group to measure the value of employee engagement in value creation.

Number of Audits and findings relating to the Safety Assessment Plan
The indicator comprises four categories, each with a different weighting: governance, employee involvement, risk analysis and accident frequency index. For the injury frequency index (LTIF), the score is awarded based on the percentage change from a pre-determined baseline. For the first three categories, the index measures the level of maturity in safety management in the Group's plants, calculated through an Audit conducted by a specialized third party company. At the end of each Program cycle, each Region obtains a score from 1 (minimum) to 5 (maximum), determined as a weighted average of the score obtained in each single dimension of the Audit Protocol: Roles and Responsibilities, Leadership, Training, Communication, Incident investigation, Risk assessment. This score determines the individual Region's level of safety culture based on the principle of the Bradley Curve, which shows a correlation between the company's level of culture and its safety performance:

1. Pathological: Safety is a problem caused by workers. The main factors are the company and the desire not to be discovered by the regulator.
2. Reactive: People do not take responsibility. They believe that safety is more a matter of luck than management, and that "accidents can happen".
3. Calculative: People see safety as a matter of following rules set by others. Management believes that safety could be managed "if only people followed the rules".
4. Proactive: Individuals take responsibility for themselves. People believe that safety is personal and that they can make a difference through their own actions.
5. Generative: Teams of employees feel they have responsibility for safety and take responsibility for themselves and others. People do not accept low standards and risky behavior. They believe that real improvement can only be achieved as a team and that zero injuries is an achievable goal.

LTFI (Lost Time Frequency Index)

With a view to reducing the number of work-related injuries and, thus, increasing employee safety, the Group has monitored the LTFI (Lost Time Frequency Index) since 2024. This index is calculated as (number of injuries/hours worked) x 200,000 relating to employees and temporary workers worldwide.

In adapting to the new CSRD, Prysmian will calculate the LTFI for the following categories of workers:

- Employee: Prysmian employees with continuous or non-continuous relationships (fixed-term or permanent contract)
- Non-employee:
  - Temporary agency workers: workers with agency contracts (both fixed-term and permanent)
  - Contractors: consultants and/or contractor companies, self-employed workers
  - Apprentices and trainees/interns

The metric is not validated by an external body, but has been optionally identified by the Group to measure the value of employee engagement in value creation.

Cybersecurity

Awareness of IT best practices is a powerful tool for preventing privacy breaches and protecting employee data. Therefore, the Group is committed to promoting such practices amongst its employees and integrating them within the corporate culture. Moreover, this makes it possible to thwart possible cyber attacks, which can disrupt Prysmian's operations and cause additional costs for cable production. In this regard, the Group monitors the following information relating to potential negative impacts on the workforce connected to the loss of sensitive data.

Description	Total 2024	Total 2023
Cyber security training courses[1]	27	18
Average time for high-risk vulnerability resolution (in weeks)[2]	13	15
% Log sources integrated with SIEM solution[3]*	89%	89%
Security incidents[4]	1,286	707
Rate of cyber attacks out of total security incidents[5]	2%	3%
Average time for forensic investigations following an incident (hours)[6]	4	4

* Security software thanks to which it is possible to recognise potential security threats and vulnerability before they have the possibility to interrupt business operations.

1. Cybersecurity training courses: courses provided to blue collar and white collar employees as well as new hires relating to information security issues such as phishing, cyber hygiene and the non-disclosure of information.
2. Average time for the resolution of high-risk vulnerabilities (in weeks): average time between acceptance and resolution of the vulnerability/case reported by hardware and software suppliers. A high-risk vulnerability is defined as an event that can significantly impact a factory/production line, a core business system or sensitive data.
3. Percentage of log sources integrated with SIEM solution: percentage of evidence of activities and audits (logs) performed by business assets that are collected and analyzed by SIEM solutions.
4. Security incidents: number of security incidents managed during the year and relating to attacks, threats or anomalies.
5. Rate of cyber attacks out of total security incidents: ratio of cyber attacks to total security incidents.
6. Average time for forensic investigations after an incident (hours): average time between case acceptance and closure of the forensic investigation phase (one of the critical phases of security incident management).

The methodologies used for metric measurements and monitoring are described, documented and published in the CyberSecurity section of the Corporate Intranet. A presentation of 40 annual KPIs and KRIs is shared with the internal Information Security Committee, other business functions and published (also in the CyberSecurity section).

While the methodologies are comprehensive and detailed, they have some limitations, such as the possibility that some minor security events may go undetected. However, these limits are constantly monitored, and methodologies are updated to mitigate them. Methodologies and indicators are reviewed periodically to ensure that they are always up-to-date and reflect industry best practices.

The metrics (KPIs and KRIs) used by Prysmian to measure Security function performance are validated externally by RINA, an accredited certification body, through the process of maintaining the ISO 27001:2022 certification. This ensures compliance with international standards and a rigorous approach to performance evaluation, as set forth in point 9 of the standard.

Targets

Corporate target setting is an organized and collaborative process designed to identify clear and concrete goals in line with the Group's strategic priorities. This process is based on an analysis of the main critical issues and areas for improvement, with a specific focus on the data collected through the various assessment and monitoring tools. Indeed, Group goal setting and monitoring does not take place in isolation, but involves the active involvement of all relevant stakeholders, especially the workforce or legitimate employee representatives, depending on the various issues. Dialogue with trade unions and workers' representatives is ensured at all levels, from the local context to international consultations, facilitating sharing of the decisions adopted at company level while also ensuring respect for collective needs. As already seen in the chapter on employee engagement, the company values direct employee input through dedicated listening tools, such as the annual global survey, for the anonymous collection of key feedback on issues of organizational well-being, integration and professional development. The responses are carefully analyzed to develop action plans and the relative goals to be achieved, improving the business microclimate, human capital management practices and the overall quality of the work environment.

Specifically regarding the Health and Safety area, the goal-setting process, understood as the key results of the 2025-2030 group strategy, was based on an analysis of the group's main critical issues, KPIs and critical areas emerging from the Safety Assessment Plan. The strategy and goals were shared with all corporate stakeholders (HSE Regional directors, regional COO, Group COO, Internal Audit function) during in-person meetings in October 2024. The monitoring process involves the timely control of each key result of the strategy, with monthly reporting to the relevant Group functions.

All business functions and stakeholders are involved in HSE matters, both in coordination with the central group HSE function (coordinated by the HSE VP) and independently within the various Group Regions. Depending on the issues and the type of involvement required, there are several committees, structures, means and frequencies of consultation and communication.

Not only employee representatives are involved (as per current and applicable regulations in the various countries) but also the workforce itself, depending on the issues: every employee or stakeholder has means of communicating to company management in a structured and substantiated manner their observations/proposals for improvement about relevant, actual and potential, positive and/or negative risks/opportunities/impacts that affect them or may affect them;

KPI	Year of target achievement	Performance as at 2024	Base year and relative baseline value
Results of Safety Assessment Plan audits	2025 – min 3, max 5	4.01	2023; 3.4
Reduction in the number of injuries (obtaining an LTFI of 0.50 in 2030)	2030 – 0.50	1.09	2023; 1.34
% of women desk workers hired, out of total employees hired	2025 – 47% - 50%	47.5%	2022; 44.9%
% of women executives	2025 – 20% - 23%	19.2%	2022; 15.7%
% of employees who are stable shareholders through shareholding plans	2025 – 44% - 45%	46%	2022; 37%

Prysmian's targets are in line with the Group's social policies that are applied with respect to its own workforce.

Health and safety targets

Findings of audits relating to the Safety Assessment Plan

As described in the chapter on actions, in 2023 a total of 99 Prysmian plants were included in the Safety Assessment Plan. During 2023, 75 of these plants were audited.

In 2024, 60 plants were included in the "Safety Assessment Plan" program, broken down as follows: 24 plants to conclude the plan started in the previous year and 36 plants audited a second time (thus already audited in 2023). In doing so, considering the 2023-2024 two-year period, the organization audited its entire global footprint and had the opportunity to re-audit 30% of plants for a second time, thus also checking on progress and improvements on specific action plans to increase the safety level.

The target presented is in continuity with the HSEE policy and is based on the three-year "Safety Assessment" program that will end in 2025, the year in which other Group plants will be re-audited in order to conclude the assessment cycle.

The results are collected on an annual basis, and a total of three different scores will be obtained, one for each year the Safety Assessment Plan was conducted.

The objectives identified are not based on firm scientific data but on internally observed data, and that no specific methodologies or significant assumptions were used in their formulation.

Reduction in the number of injuries

In order to reduce the overall number of injuries at group level, the company has set the goal of achieving an LTFI (Lost Time Frequency Index) of 0.5 in 2030. This target is calculated as the number of injuries/hours worked x 200,000 relating to employees and temporary workers worldwide, starting from a base value of 1.09 in 2024. Starting from the base value, annual intermediate targets are defined to achieve the target of 0.5 by 2030. The calculation methodology adopted by the company, based on reliable sources, is that provided by the OSHA international standards, which define LTFI as the number of injuries/hours worked x 200,000.

As mentioned, the LTFI index is calculated for both Prysmian employees with continuous or non-continuous relationships (fixed-term or permanent contract) and non-employees: The target of 0.5 refers to the employee and temporary agency workers categories.

On the other hand, the monitoring and review of this index is continuous, thanks to the use of an HSE reporting tool that ensures that the LTFI index is updated at the same time.

This target was set with the active involvement of the Group's top management, under the guidance of the HSE Director and COO. During this process, several key factors were taken into consideration, including the central importance of the issue of safety to the Group, the number of accidents recorded over the years and the trend over time, and the key role that safety plays for the Sustainability Committee, Prysmian's board committee, which is periodically updated on all data relating to this topic. This approach has aligned corporate objectives with strategic health and safety priorities, placing an emphasis on continuous performance improvement and the safety culture.

These objectives are closely related to Prysmian's HSE policy, as it aims to:

- identify the hazards inherent in activities, assess potential injuries and health risks and eliminate and/or minimize them through the appropriate preventive measures, the adoption of collective and personal protective equipment and the management of organizational and human factors that strongly promote a Culture of Safety;
- set quantitative targets to continuously improve health and safety (H&S) performance metrics by establishing specific action plans and setting priorities.

Human resources targets:

Percentage of women desk workers hired

The KPI relating to "Percentage of women desk workers hired" reflects Prysmian's commitment to Equity, Diversity, Inclusion and respect for human rights, with a specific focus on gender equality. The goal is to reach a specific percentage of women hired as permanent desk workers out of the total number of desk workers hired on permanent contracts. This indicator includes both externally hired desk workers and transitions from temporary contracts or through agencies to permanent contracts. The target for 2025 is between 47% and 50%. The KPI refers to Prysmian Group employees and, as of the end of 2022, has been integrated into a three-year scorecard (2023-2025), with 2022 baseline, which includes 12 additional KPIs. The goal of this scorecard is to improve processes for measuring, monitoring and reporting results concerning the company's sustainability performance. The KPIs on this scorecard were defined based on several factors, including an analysis of the Group's long-term ambitions (Social Ambition and Climate Change Ambition), the United Nations Sustainable Development Goals (SDGs) and the Materiality Analysis conducted by Prysmian each year.

This specific KPI has a baseline in 2022 of 44.9%, with a goal of reaching between 47% and 50% by 2025. The current value of the KPI for 2024 is 47.5%, also including the assumptions made by Encore Wire, from the acquisition date (with a value of 47.7% on a like-for-like basis in 2023, i.e., without the inclusion of Encore Wire). These goals are monitored and achieved with the active engagement of all stakeholders, particularly all employees and the top management, and are supported by dedicated listening tools and surveys.

Percentage of women executives

Prysmian's KPI on "Percentage of women executives" reflects the company's commitment to Equity, Diversity, Inclusion and respect for human rights, with a specific focus on gender equality. The target to be achieved relates to the proportion of women in managerial positions (job grade 20 and above) out of the total number of executive employees. This indicator measures not only the Group's ability to develop internal figures to fill leadership roles, but also its ability to recruit external talent and retain its own. The scope of the target includes the number of employees in the entire Group as at 31 December 2024.

This specific goal is included in Prysmian's Sustainability scorecard, defined in 2022 with a three-year duration (2023-2025, with 2022 baseline) and containing a total of 12 KPIs, the objective of which is to boost the effectiveness of the Group's sustainability performance measurement, monitoring and communication processes. These KPIs were defined based on an in-depth analysis of Prysmian's long-term ambitions (Social Ambition and Climate Change Ambition), the United Nations Sustainable Development Goals (SDGs) and the Materiality Analysis conducted by the company each year.

In relation to this specific target "percentage of women executives", the 2022 baseline value was 15.7%, while the final target is to reach between 20% and 23% by 2025. The current value of the KPI for 2024 is 19.2%, which also includes the executive positions of Encore Wire (20.1% on a like-for-like basis in 2023, i.e., without the inclusion of Encore Wire). The target is based on data from the Group's personnel management systems. Goal setting and monitoring actively engage all relevant stakeholders, particularly the workforce and legitimate employee representatives, with the support of dedicated listening tools and surveys.

Percentage of employees who are stable shareholders through shareholding plans

Prysmian's KPI on "Percentage of employees who are stable shareholders through shareholding plans" reflects the company's commitment to fostering the well-being, engagement and skill enhancement of human capital, aligning the interests of shareholders, customers and employees over the long term. This KPI measures the number of employees with Prysmian shares through GROW, YES and BE IN plans as at 31 December, divided by the total number of employees eligible to participate in at least one of the plans.

The goal for 2025 is to reach between 44% and 45%. This milestone was exceeded in 2024, with 46% of employees becoming shareholders. During the Capital Markets Day to be held by Prysmian on 26 March 2025, the new 2028 target for this KPI will be announced, in keeping with the Group's new four-year strategic plan.

The scope of the target includes Prysmian employees. This KPI is included in the Sustainability Scorecard defined by the Group in 2022, with a three-year duration (2023-2025, with 2022 baseline) and containing a total of 12 KPIs, the objective of which is to boost the effectiveness of the company's ESG performance measurement, monitoring and communication processes. The 12 KPIs were defined based on an in-depth analysis of the Group's long-term ambitions (Social Ambition and Climate Change Ambition), the United Nations Sustainable Development Goals (SDGs) and the Materiality Analysis conducted by Prysmian each year.

In relation to this specific goal "Percentage of employees who are stable shareholders through shareholding plans", the 2022 baseline is 37%, with a target to be reached in 2025 of between 44% and 45%. The target is based on data from the Group's personnel management systems and the company's administrative accounts. Goal monitoring and achievement actively engage all relevant stakeholders, particularly the workforce and legitimate employee representatives. In addition, the company promotes direct employee input with dedicated listening tools and surveys.

The current value of the KPI for 2024 is 46%, excluding employees of companies acquired during the year who were not eligible to participate in shareholding plans in 2024.

In addition to these targets, **Prysmian has several commitments, to be achieved by 2030**, regarding issues such as gender equality, upskilling, and racial and ethnic inclusion:

- **Gender equality**
  - 25% women in the total workforce
  - More than 500 women hired in a dedicated STEM program
  - Zero pay gap among Desk Workers
- **Upskilling and Engagement**
  - 40 hours per person per year of experiential learning for all employees
  - More than 25% of employees involved in mobility/growth experiences each year
  - Engagement Survey response rate above 80%
  - Leadership Impact Index improved to 70-80%
- **Racial and ethnic inclusion**
  - More than 30% of managers from underrepresented nationalities/ethnicities/origins
  - Local mentoring programs for 500 students from minority and poor backgrounds

S2
Workers in the value chain

S2 - Workers in the value chain

Prysmian operates in a highly competitive and dynamic environment. To maintain and strengthen its market position, it is critical for the company to consider the entire ecosystem of its value chain.

This approach not only promotes more efficient resource management, but also ensures better alignment between the different stages of the production and distribution process, contributing to greater sustainability and innovation, and creating shared value for all parties involved.

Strategy

Within the scope of disclosure under ESRS 2 are all workers in the value chain who could be affected by Prysmian's activities.

Prysmian's Business Model and its corporate strategy directly affect workers in a number of ways, from the need for retraining of professional skills in response to technological evolution, transformations in production processes, and the increasing focus on sustainability. Although automation and internationalization may pose some risks related to job losses in some areas, corporate policies geared toward well-being, continuing education, and sustainability have the potential to improve working conditions in many areas of the value chain, helping to create a more equitable, safe, and innovative work environment.

While helping to generate employment opportunities along the entire value chain, however, the sector can also be associated with potential negative impacts involving key stakeholders such as contractors, supplier workforce and business partners.

The types of workers in the value chain that could be subject to major impacts are:

- workers who are involved in metal extraction or mineral and raw material collection, or those involved in logistics or distribution, as they are found to be more exposed to hazardous environments and unsafe situations;
- workers engaged in the installation phase, such as those involved in cable laying, who may be exposed to hazards related to the work environment (working at height, handling of heavy equipment, electrical hazards);
- workers who are more vulnerable to negative impacts given their characteristics and who can be included in the previous categories (e.g., union representatives, migrant workers, women, youth, home-based workers, etc.).

In particular, mining of raw materials and base metals in some regions, such as Asia, could result in unsustainable working conditions and the exploitation of child labor or forced labor, due to the lack of protection from the countries of origin of the mines. These conditions are unsustainable socially, due to the absence of basic rights and violation of labor standards, and economically, with wages that do not guarantee adequate livelihoods for workers and their families.

Workers in the value chain could be exposed to impacts on occupational health, safety and well-being, for example:

- Workers employed in mining and cable installation activities may work in hazardous environments and unsafe situations;
- Companies in the value chain may fail to raise awareness of health and safety issues, resulting in an untrained workforce and possibly more accidents.

In both cases, these are impacts related to individual incidents or specific business relationships.

- Companies along the value chain may implement practices that do not promote equality, fair treatment and opportunities for all, causing a negative impact on workers;
- Companies along the value chain may violate international labor standards through forced labor practices, particularly against minorities, contributing to discrimination and fostering inequality.

While these impacts highlight critical issues related to working conditions in the value chain, they also pave the way for initiatives and strategies to improve workers' well-being, safety, and skills.

In fact, the promotion of initiatives related to work-life balance is able to increase the well-being and productivity of human capital, with a positive impact on the organization. Examples of types of positive impacts generated by the company on workers in the value chain include:

- Investment in specialized training and courses aimed at developing skills and competencies, improving technical skills, e.g., introducing contractors to cutting-edge technologies in their field (e.g., smart technologies, advanced materials, etc.), helping contractors remain competitive and improve the quality of their work and its workers.
- Value chain sustainability, through courses on the latest industry standards, environmental regulations and compliance requirements – provided by the organization – that contractors must follow, improving management of sustainability issues.

This focus on workers translates into an approach that links risk and opportunity management to value creation for the business, integrating sustainability as a key element of the business model. This approach enables clear communication of the relationship between impacts on workers, supply chain dependencies and business strategies, highlighting how sustainability enhances competitiveness and business resilience.

In this regard, we point out that, in relation to the risks deriving from potential impacts and specific dependency related to the presence of Group suppliers in geographical areas more exposed to human rights violations, the failure to comply with the latter and sustainable practices throughout the value chain can result in significant costs, such as litigation, legal penalties, fines or reputational damage. These negative impacts result in a decrease in orders for Prysmian and, consequently, a reduction in sales, while at the opportunity level, effective management of the above risk offers the possibility of developing a sustainable value chain that is highly sensitive to ESG issues. This leads to a reduction in operating costs, a reputational advantage and a decrease in litigation-related costs.

The company's strategy, detailed in the following sections, demonstrates how Prysmian is pursuing these opportunities, through the continuous improvement of Desk & Risk Analysis, related audits, and the revamped Vendor Management Portal, key tools for addressing ESG issues and ensuring business competitiveness.

Identification of IROs related to workers in the value chain

The following table shows the impacts, risks and opportunities related to the topic covered in this chapter.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
S2 Workers in the value chain	Poor worker protections and rights violations in the value chain due to reliance on subcontractors and complex supply networks	Upstream	Negative	Potential	Short term
S2 Workers in the value chain	Lack of guaranteed working hours for value chain workers	Upstream and Downstream	Negative	Potential	Short term
S2 Workers in the value chain	Lack of adequate remuneration in the value chain	Upstream and Downstream	Negative	Potential	Short term
S2 Workers in the value chain	Management of working conditions in the value chain	Upstream and Downstream	Negative	Potential	Long term
S2 Workers in the value chain	Lack of workers' rights protection in the value chain	Upstream and Downstream	Negative	Potential	Short term
S2 Workers in the value chain	Potential exposure to occupational health and safety impacts	Upstream and Downstream	Negative	Potential	Short term
S2 Workers in the value chain	Inequality for workers in the value chain	Upstream and Downstream	Negative	Potential	Medium term
S2 Workers in the value chain	Developing competencies for strengthening the value chain	Upstream	Positive	Actual	Medium/Long term
S2 Workers in the value chain	Equal treatments failures	Upstream	Negative	Potential	Short term
S2 Workers in the value chain	Child labor in the value chain	Upstream and Downstream	Negative	Potential	Short term
S2 Workers in the value chain	Forced labor in the value chain	Upstream and Downstream	Negative	Potential	Short term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
S2 Workers in the value chain	Non-compliance with human rights and sustainable practices throughout the supply chain, leading to potential litigation costs, payment of fines/penalties and/or reputational damage.	Upstream	Risk	Medium term	N/A
S2 Workers in the value chain	Developing of a sustainable value chain extremely sensitive to ESG issues	Upstream, Downstream	Opportunity	Medium term	N/A
S2 Workers in the value chain	Legal and reputational risk in case of damage to the health and safety of employees along the value chain	Upstream, Downstream	Risk	Short term	N/A

Management of impacts, risks and opportunities

Policies

Prysmian's commitment with respect to social and environmental sustainability in its value chain is expressed through various supply chain management policies, which underline the presence of ESG (environmental, social, and governance) factors as a key part of the sourcing strategy.
The main objective is to maximize the effectiveness of sustainability-related activities and processes by ensuring that suppliers comply with the Code of Ethics, Code of Business Conduct, Human Rights Policy and Conflict Minerals Policy.

POLICIES	BRIEF DESCRIPTION
Code of Ethics	Key element of the corporate constitutional charter. Document that contains moral rights and obligations and defines the ethical and social responsibilities of each person within the organization. The Code covers three essential areas: • Ethics in business activities • Ethics in internal relations • Ethics in environmental and social issues For more details, refer to Chapter ESRS S1 – Owned Workforce.
Code of Business Conduct	Document aimed at actively promoting business practices under the banner of supply chain responsibility and sustainability and compliance with ethical, economic, environmental and social standards throughout the company. The Code extends to all employees and business partners. The principles defined in the Code apply to the business transactions and daily activities of all employees, Group companies and their suppliers, business partners, representatives, subcontractors and distributors. The Group's application of the relevant guidelines is communicated to suppliers in the preliminary stages of collaboration.
Human Rights Policy	The document emphasizes the Prysmian Group's commitment to respecting and protecting human rights. The policy is based on three main pillars: engagement, due diligence and remedies. Prysmian is committed to respecting fundamental human rights, assesses the impact of its activities on human rights, and provides access to remedies for any violations. For more details, refer to Chapter ESRS S1 – Owned Workforce.
Policy on Conflict Minerals	Document that suppliers must acknowledge (specification especially for Base Metals suppliers) and requires that all regular Base Metals suppliers, even if they do not directly supply any of the four 3TG minerals to Prysmian, comply with the Conflict Minerals Policy.
Document of Supply Chain Strategy and Vendor Management	This document summarizes the main characteristics of Prysmian's supply chain strategy and the actions taken to integrate ESG factors within it. It sets out in an operational manner all the provisions indicated in the policies described above.

Code of Business Conduct

For the protection of rights in the value chain, the company has a Code of Business Conduct, written in compliance with the guiding principles of the United Nations (quality education, gender equality and reduction of inequality), and with particular reference to the International Bill of Human Rights and the International Labor Organization Declaration, providing for the protection of workers and their rights, safeguarding the prohibition of child labor and human trafficking, occupational health and safety, non-discrimination, compliance with local minimum wage laws, and freedom of association.
The policy (the Code of Business Conduct) focuses on risk management along multiple dimensions, including ESG performance, and aims to motivate suppliers to mitigate identified risks and adopt sustainable practices. In fact, this policy is shared with suppliers and stakeholders at the time of initial engagement and during subsequent business interactions, also making it available on the company's public website.
The Code applies to suppliers, business partners, business agents, subcontractors and distributors of the Group and employees for the management of relations with the aforementioned parties, and should be implemented in their business operations and day-to-day activities, particularly with regard to deal-making and purchasing processes. The Group encourages its business partners to share its commitments.
The document is made available to the public on the company website[52] and shared with business partners. The document was approved by the Group CEO, who together with the CPO and the COO is responsible for its implementation.

52. https://pl.prysmian.com/sites/masterd9.prysmiangroup.com/files/2022-11/Prysmian_Code%20of%20Business%20Conduct_Final_070519.pdf.

Policy on "Conflict Minerals"

Prysmian implements a "Conflict Minerals Policy" aimed at ensuring a conflict-free supply chain that does not contribute to armed clashes in conflict zones and high-risk areas.

This goal is pursued through the implementation of the following principles:

1) identification of purchased materials and/or semi-finished products containing 3TG (tin, tungsten, tantalum and gold);
2) request to all new and regular suppliers of products containing the above materials to complete the latest version of the Conflict Minerals Reporting Template (CMRT), developed by the Responsible Minerals Initiative (RMI) (using international formats and standards);
3) analysis of information received to identify warning signs and inconsistencies and implementation of appropriate corrective actions.

Suppliers covered by this policy are Tier 1 metal suppliers who use tin in products. Tier 1 is understood as suppliers with whom Prysmian has a direct relationship.
The policy in question was drawn up through the involvement of the Group's Top Management in collaboration with the Purchasing and Compliance departments.

The policy was drafted in 2017 and approved by the Group CEO, who, together with the CPO and the COO, is responsible for its implementation, and is available to the public on the Group's website[53].

Supply Chain Strategy and Vendor Management document

As a result of the increasing development of sustainability-related activities along the value chain, in 2016 Prysmian began a process of more thoroughly integration of ESG factors into its supplier relationship management in order to emphasize their importance. The Vendor Management Supply Chain Strategy document, publicly available on the Group's website[54], serves as an operational summary for stakeholders regarding the approach taken by the Group with respect to supply chain management. It is addressed to all Prysmian's suppliers: companies or entities that collaborate with the Group in the supply of materials, components or services. This document helps suppliers to understand corporate expectations regarding quality, timelines, sustainability and risk management. In addition, the document is shared with Strategic Partners, i.e., external stakeholders who collaborate with Prysmian in strategic or technological areas, to ensure that supply chain management meets certain standards of efficiency and sustainability.

The document, the implementation of which falls under the responsibility of the purchasing function, represented at the top level by the Chief Purchasing Office, applies to all recurring suppliers of metals, raw materials and services, and covers several geographic areas, with a focus on suppliers from LATAM, ASEAN, China, Turkey and the Middle East.

In this regard, special attention is given to the sourcing of mica. The mining process of this mineral (not used directly in the Group's products and production processes but only contained in small amounts in the glass-based tape that covers some cables) takes place in geographic areas where a variety of factors potentially contribute to human rights violations, such as poor working conditions and child labor (for Prysmian, mica mines are indicatively level 4/5). By level 4/5, we mean the separation distance in the supply chain between the mica mine and Prysmian (i.e., the number of parties interposed between Prysmian and the mine). Prysmian has been addressing this issue since 2016 by requiring all suppliers to provide sufficient information on the sources of mica ore and related "Child-Labor Free" certificates.

53. https://www.prysmian.com/sites/default/files/atoms/files/Conflict-Minerals-Policy_Eng.pdf.
54. https://www.prysmian.com/sites/default/files/atoms/files/I-2023-prysmiangroup-purchasing-supplychainstrategy-public-final.pdf.

Currently, the supply of glass tape with mica is based on the following minimum conditions:

1) All providers must submit the EMRT report;
2) All suppliers must declare compliance with the human rights policy, particularly by confirming the absence of child labor throughout their supply chain.

The monitoring of these policies is developed through a structured process that aims to ensure the effectiveness of the measures taken, assessing their impact and identifying any areas for improvement through supplier Desk Analysis, Risk Analysis and sustainability audits, all of which are carried out by third parties and ensure a high level of impartiality. Specifically, the supplier Desk Analysis evaluates sustainability aspects based on environmental, social and governance criteria, while the Risk Analysis identifies critical suppliers based on risk parameters. These two analyses together make up the Desk & Risk Analysis.

In fact, Desk Analysis appears to be an integral part of the processes designed to verify compliance with the United Nations Guiding Principles on Business and Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

In particular, social analysis focuses on the macro area of human and labor rights, observing the following recognized standards:

- ISO 14000 Certification;
- OHSAS 1800;
- ISO 45001 Certification;
- KPIs of the ESRS;
- The Corruption Perception Index (published by Transparency International);
- Human Rights Risk Index (published by Maplecroft).

In addition, Prysmian, through the implementation of its policies, is also committed to comply with high-profile third-party initiatives, such as the Responsible Mica Initiative (RMI) and the Copper Mark initiative. For more details on this, refer to the section below and the chapter on actions.

Commitment of workers in the value chain

Dialogue and direct commitment of these workers are an important tool and assume strategic value for the business. In June 2024, Prysmian held its first Supplier Conference, an event aimed at strengthening relationships with its most strategic and relevant suppliers. Among other highlights of the day, the event included a panel discussion with the direct participation of customers and suppliers, discussing sustainability and innovation. During the conference, Prysmian shared information about its ESG goals with its supplier base for achieving sustainability goals, and provided space for suppliers to share knowledge and best practices, which directly affect workers in the value chain. Similarly, as part of the annual Worldwide Purchasing Meeting (WWPLM), Prysmian held a panel discussion on "Path to Sustainability – Different Perspectives from Customer and Supplier", with the participation of a major utility customer of the Group, one of Prysmian's major metal suppliers, and the entire purchasing organization. The main objective of this event was to foster discussion and sharing of ideas on sustainable collaborations between the parties.

In addition, with regard to the copper supply chain specifically, Prysmian's participation in the Copper Mark initiative, which ended in 2024, allows the company to improve understanding of the practices implemented by various workers in the value chain, with exchange of knowledge and know-how among different organizations of miners, producers and consumers.

To conclude, Prysmian is a member of the Responsible Mica Initiative (RMI), an association that enables the Group to participate in a responsible mica supply platform. RMI's knowledge sharing platform and various working groups reflect Prysmian's sustainability priorities, and help the company address some sensitive strategic and technical issues including: responsible labor standards, community empowerment, living wage and legal frameworks, and communication initiatives.

In addition to the indirect engagement of their representation, workers in the value chain are directly involved by Prysmian whenever they identify issues. In case of concern or criticality, each value chain worker, who can send a report through the dedicated and secure Helpline channel. The channel is managed by an independent external company, NAVEX Global, which has a binding mandate to protect the identity of all those using it. Alongside these channels, the process also includes the involvement of the Helpline Committee, which is responsible for thoroughly evaluating reports and conducting specific investigations of cases where it appears that consistent and appropriate measures need to be taken. In addition, the company has equipped itself with a Whistleblowing platform that all stakeholders can use. It is published on the company's website[55] and also indicated within the Code of Ethics, and whose operation is ensured by the internal Compliance team and the Chief Risk & Compliance Officer. For more details on the Whistleblowing policy and Helpline channel and how to protect the people who make use of it, please refer to Chapter ESRS G1.

Within Prysmian, the functions mainly responsible for the engagement of value chain workers are: the Purchasing function for the upstream part and the Commercial function for the downstream part.

If issues specific to the supply chain, the Purchasing function and the Chief Purchasing Officer arise, they are also brought in for additional reviews, especially if there is an event that would result in the termination of contract with a supplier. In this regard, in a preventive manner, the inclusion of media analysis in the Desk Analysis and Risk Analysis (Desk & Risk Analysis) makes it possible to become aware of any negative events in a timely manner. A negative event involving workers in the value chain can lower a supplier's score on the "Social" vertical of Desk & Risk Analysis and may result as leverage for possible commercial action by Prysmian.

To assess the actual effectiveness of these engagement tools and methods, the company annually reviews the results of the Desk & Risk Analysis. The output of this analysis, expressed in specific scores for the 3 metrics analyzed (social, environmental, business governance) and in an overall score that can provide an outcome to rank the supplier's risk, is compared with the performance recorded in previous years of the same supplier, ensuring performance monitoring.

55. https://www.prysmian.com/en/company/ethics-integrity/helpline.

Actions

In the area of value chain management, in order to achieve the objectives set by the policies and to address the relevant impacts, risks and opportunities, Prysmian takes action through targeted initiatives through the direct support of the Purchasing function, which also internally monitors the effectiveness of the actions implemented. These actions are defined on the basis of the Group's needs and the instances of the value chain monitored, for example, through Desk & Risk Analysis; they are aimed at preventing and mitigating any negative impacts on value chain workers.

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Human Rights Due Diligence	Short to medium term	Prysmian conducts an annual Desk & Risk Analysis of its suppliers to identify ESG risks in the supply chain. Suppliers with unsatisfactory scores undergo sustainability audits, which assess aspects related to human rights and worker well-being, and are followed by improvement plans and corrective actions.	Recurring
Participation in Copper Mark Initiative	Short to medium term	The Copper Mark Initiative is the main assurance framework that promotes responsible practices throughout the entire copper value chain. This partnership highlights Prysmian's commitment to sustainable development and responsible material sourcing. The collaboration is aligned with Prysmian's broader sustainability goals and its efforts to minimize its environmental impact.	Recurring
Participation in the Responsible Mica Initiative	Short term	A non-profit organization dedicated to the elimination of child labor and the improvement of working conditions in the mica supply chain. This participation is in line with Prysmian's social ambition goals and its commitment to improving the well-being of people, communities, and regions where it operates.	Ongoing
Supplier engagement program	Short to medium term	Process of portal renewal aimed at improving supplier evaluation processes, increasing focus on knowledge of the supplier to anticipate potential risks, but also to identify potential opportunities/ areas of particular excellence within the value chain. Specifically, the Supplier Engagement process will enable the company to identify particularly virtuous suppliers based on policies related to the environment, people, and governance.	Recurring
Stakeholder engagement actions with specific focus on suppliers	Short to medium term	Activities and programs developed by Prysmian for its suppliers with the aim of consolidating their relationships and strengthening their expertise through the sharing of best practices and world-class testimonials on key ESG issues. Through specific and targeted stakeholder engagement initiatives, such as the Supplier Conference, Direct Workshops and training courses, Prysmian previews its developments and signals to the value chain the product innovations it is pursuing, for which suppliers receive important inputs, in order to be able to quickly adapt to new technical requirements.	Recurring

Human Rights Due Diligence

The double materiality analysis carried out by Prysmian has made it possible to identify potential risks related to non-compliance with human rights and sustainable practices along the entire supply chain, as well as issues related to the health and safety of workers throughout the value chain.

The main actions taken by Prysmian to reduce these potential risks include:

- compromise of the contract award or the introduction of specific clauses to ensure protection against the risk elements identified by Prysmian;
- signing of the code of conduct by the supplier;
- acquisition and maintenance of supplier status by the supplier itself;
- strengthening of the verification activities carried out by the company (increase in the number of audits);
- attention and continuous improvement of the risk identification and mitigation process, with a responsible and transparent approach.

Prysmian conducts an annual Desk & Risk Analysis of its suppliers, including suppliers of metals, raw materials, and for the geographic areas of LATAM, ASEAN, Turkey, China and the Middle East also suppliers of energy, logistics, packaging, and MRO (Maintenance, Repair, Operations), in order to identify key ESG risk exposures in the supply chain. The findings of this assessment guide the Group's strategy with respect to deepening the upstream chain and prioritize subsequent mitigation actions, by conducting sustainability audits targeting suppliers with a score deemed unsatisfactory on the social side, which include aspects related to human rights and labor rights. The on-site audit also evaluates through a scoring scheme aspects related to worker well-being, analyzing production and office areas, canteens and kitchens, infirmaries, etc. The results of the audit are also shared with the supplier, supporting them in pursuing initiatives aimed at concrete improvements.

In fact, these audits are followed by tailored plans for improvement and corrective actions for the supplier.
Through its annual Desk & Risk Analysis (1) and sustainability audits (2), Prysmian constantly monitors the impacts, risks and opportunities related to its value chain.

Regarding the first point, the most significant suppliers at the level of overall spending for the Group are involved in this analysis through the assignment of both specific scores for the 3 metrics analyzed (social, environmental, business governance) and an overall score that can provide a result to rank supplier risk. Metrics are analyzed annually and compared with previous years' results to monitor trends.

Based on the scores obtained and the intersection with the Group's overall spending level, the most high-risk suppliers are defined and selected for sustainability audits. Another metric used is the number of audits conducted annually (1 audit per individual supplier) and the number of follow-up audits between the parties.

In addition, after two audits found to be unsatisfactory, a supplier is considered to be at risk of being excluded with contract termination if it fails to achieve the minimum ESG requirements by the set deadline. Monitoring of these actions is carried out continuously by periodically updating the analysis underlying the action itself.

The implementation of these actions entails an annual monetary outlay of Euro 74,000 for the Group, which will remain constant in the coming years.

Participation in Copper Mark Initiative

Prysmian in 2024 joined the Copper Mark Initiative, a common framework aimed at promoting best practices across the copper value chain, linking different organizations of miners, producers and consumers. In addition to the environmental dimension, the Copper Mark Initiative particularly promotes the exchange of knowledge and know-how in the social sphere and in particular the protection of workers' well-being and safety, critical aspects of the mining industry[56].

56. https://coppermark.org/.

The principles behind the Copper Mark Initiative are fully aligned with the Group's approach to sustainability. Prysmian is a major player in a number of raw material procurements around the world. For copper, this supply is about 2 to 3%. For this reason, the company is committed to constantly improving how it can have a positive impact, and Copper Mark is part of the journey. Joining this initiative also represents support for reducing the carbon footprint, another goal that Prysmian constantly and transparently monitors. Copper Mark also supports Prysmian in achieving goals related to increasing revenues from sustainable products and increasing recycled content used in manufacturing.

Prysmian is committed to working with its suppliers and all stakeholders in its value chain to ensure a responsible and sustainable value chain; stakeholders guide Prysmian's business decisions and help create a better future for the company, the societies in which it operates, and the environment.

Joining the working groups of the Copper Mark Initiative is therefore a valuable means of reinforcing Prysmian's commitment to reducing its negative impact on the environment and emphasizing its role as a leader in the process of energy transition and decarbonization of the world's economies.

Joining the Copper Mark Initiative did not entail any cost for Prysmian, as the company committed to contribute to the achievement of the goals set by the organization.

Participation in the Responsible Mica Initiative

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 the quantities of mica in its products as much as possible such that the volumes of purchased mica are now in the range of 0.05% of the 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). Participation in the RMI enables Prysmian to exercise even more effective control over its supply chain.
RMI membership has an annual cost of Euro 55,000.

Supplier Engagement Program

In 2024, Prysmian initiated a revamp of the Vendor Management portal with the aim of improving vendor evaluation processes to increase the focus on risk management in multiple dimensions, including but not limited to ESG performance. Suppliers included in the program have a direct relationship with Prysmian (tier 1), represent all purchasing commodities (metals, raw materials, services, etc.), and are selected based on specific criteria of strategic importance, such as level of spending and innovation, and criticality of supply. This improvement will positively influence supplier development programs by motivating and guiding Prysmian's third parties to mitigate any identified risks and encourage them to increasingly adopt sustainable practices in their operations. Through this initiative, Prysmian will be able to improve its supplier ESG program through more structured monitoring of the process. Based on the risk rating score (including, but not limited to, the ESG component), a series of pre-defined actions will be implemented to foster continuous improvement, aligned with Prysmian's medium- and long-term ESG goals.

Improved Vendor Management will allow Prysmian to create moments of interaction with its vendors focused on the performance trend achieved in ESG (and beyond) by encouraging that these issues are increasingly addressed and dealt with directly.

The program will start massively in 2025 and cover all group geographic areas. The Group's investment to realize this project was Euro 350,000.
In addition, about Euro 50,000 per year is expected as an ongoing expense for portal maintenance.

Stakeholder engagement activities and training for suppliers

In addition to the actions previously described, Prysmian is committed to producing positive impacts in its value chain by developing and strengthening the skills of both its own employees and those of its suppliers, with a focus on those deemed strategic and highly complex. As described above, through targeted and specific engagement initiatives for certain stakeholder categories, such as the Supplier Conference, Prysmian previews its developments and signals to the value chain the product innovations it is pursuing, for which suppliers receive important inputs, in order to be able to adapt quickly to new technical requirements.

Major suppliers are regularly involved in activities aimed at generating medium- to long-term positive impacts on the industry, such as workshops and collaborations to develop more sustainable products. Specifically with regard to base metals, many of Prysmian's suppliers are members of the most relevant industry initiatives, such as the Copper Mark and the Aluminum Stewardship Initiative. Preference in selecting its suppliers is given to those who are members of such initiatives and meet their ESG requirements.

Finally, there are no reported actions carried out to anticipate and cooperate or support the provision of remedies for those who have been harmed by actual material impacts because no actual negative impacts were found.

Metrics

In order to monitor the actions put in place and the achievement of policy objectives, the Group monitors the following performance metrics related to potential impacts and risks detected throughout the value chain.

KPI	UNIT OF MEASUREMENT	2024	2023
Total number of suppliers included in Desk & Risk Analysis	Number	500	500
Number of sustainability audits in the supply chain	Total number since start of initiative	44	36

Total number of suppliers included in Desk & Risk Analysis

The metrics presented refer to the number of suppliers included in the Desk & Risk Analysis conducted during the year.

The scope of Desk & Risk Analysis covers suppliers who have business relationships with Prysmian classified as "significant expenditure", namely:

- Metals (all suppliers with recurring expenditure);
- Raw materials (all suppliers with an annual turnover with Prysmian exceeding Euro 100,000);
- Non-Commodities (Country-specific criteria: selected suppliers from the following geographic areas – LATAM, ASEAN, China, Turkey, Middle East – and on the following specific categories, with workers more directly exposed to activities of an industrial nature – transportation, gas and electricity supply, maintenance, packaging, reels).

The analysis has seen an increase in the number of suppliers included, particularly since 2021, when the suppliers of non-commodity goods, mentioned above, were introduced. In 2017, the number of suppliers analyzed accounted for 50% of the Group's total expenditure; in 2023, this percentage has increased to 67%, corresponding to 500 suppliers examined.

As of 2023, a separation of the overall score given to each supplier in the Desk & Risk Analysis into three macro-categories (environmental, social and governance) was introduced to improve understanding of risk exposure and provide more focused and targeted direction to address any unsatisfactory scores with suppliers. Specifically, the scope of analysis involves the investigation of ESG practices and policies in place at selected suppliers. In-depth analysis is conducted by a third party through verification of public information and specific assessments on the three components E, S and G.

The Group conducts annual Desk & Risk Analysis activities in order to be able to monitor its supplier base through a tool provided by a third party.

In 2024, the number of suppliers included in the analysis remained the same as the previous year.

The methodology does not involve the use of significant estimates or assumptions, and the metrics to which it leads are not reviewed by an external entity other than the party issuing the attestation of compliance with reference to this document.

Number of sustainability audits in the supply chain

Failure to comply with human rights and sustainability practices throughout the supply chain can lead to negative impacts on the workforce, especially upstream, and potential litigation costs, payment of fines/sanctions, and/or reputational damage. To prevent and/or identify such deficiencies, Prysmian conducts a series of sustainability audits throughout the year.

Suppliers eligible for an audit process are those included in the Desk & Risk Analysis and are identified through the score assigned according to the result of the above analyses. In particular, priority is given to sustainability audits of suppliers at high risk (considered such based on the scores obtained in the Desk & Risk Analysis and the intersection with the Group's overall expenditure level). However, strategic suppliers are also subject to audits because of the high impact on business. Sustainability always plays a primary role in the evaluation of suppliers, and the results of the above audits are shared with the audited suppliers, with the goal of generating positive change in those whose results are considered unsatisfactory, including by conducting follow-up audits, if necessary, and providing support in implementing identified corrective actions. It should be noted that on-site audits are conducted globally, with no limitations regarding application geographies.

Through December 2023, a total of 38 sustainability audits were conducted under the initiative, and in 2024, additional audits were added to different suppliers, bringing the total to more than 40 suppliers audited since the initiative's inception in 2017.

The metrics presented, therefore, refer to the total number of suppliers audited by third-party auditors since 2017, and the methodology by which they are obtained does not involve the use of significant estimates or assumptions. The audits conducted are carried out by an independent body accredited as a third party. The audit checklist was based on the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to responsible business conduct in global supply chains. This numerical analysis, therefore, while not reviewed by a third-party assurance provider to that of this document, is developed and counted based on the intervention of an external entity dedicated to conducting audits.

Targets

ESG commitments set by the Group which represent a fundamental part of the company's sustainability strategy, include the following objectives set with respect to the supply chain:

Target	Year of target achievement	Performance as at 2024	Base year
Annual number of suppliers included in Desk & Risk Analysis is 500	2025	500	2024
Annual number of supply chain sustainability audits is 6	2025	6	2024

These objectives were identified through a dialogue between Prysmian's Sustainability and Purchasing functions, as it is the latter that directly manages relations with suppliers. In fact, the Purchasing function constantly shares with suppliers the objectives defined at Group level and the related results achieved from time to time, in order to maintain a strong commitment in this direction and strengthen relationships. By defining these objectives, Prysmian aims to continuously deepen its knowledge of its suppliers and sustainable practices throughout the value chain, with the aim of collaborating exclusively with those who respect human rights and adopt business practices aimed at reducing environmental impacts.

It is also reported that to date there have been no updates to the objectives or KPI measurement methodology.

Total number of suppliers included in Desk & Risk Analysis

The result of the Desk & Risk Analysis is used to monitor the policies of the supplier base and also to select entities for sustainability audit. For this reason it is considered a key tool for planning sustainability actions in the value chain, and in view of this the Group has set a target in terms of suppliers covered by this assessment. Specifically, it is intended to maintain the number of providers screened above (500), for 2025 by evaluating possible broadening of the analysis base.

Number of sustainability audits in the supply chain

As previously mentioned in the metrics section for "Number of sustainability audits in the supply chain", a sustainability audit program has been developed since 2017, which is an addition to the audits and checks in supplier qualification and product/process of incumbent suppliers.

Each year, the Group, with the support of its supplier network, strives to maintain or increase the number of suppliers audited on-site compared to the previous year. The goal set for 2025 is to conduct 6 audits during the year. The reference perimeter is represented by the entire panel of Prysmian suppliers.

It is specified that these goals have also been defined through the active involvement of workers in its value chain during annual conferences organized by Prysmian, which allow it to share best-practices, gather different points of view and better understand the needs of all stakeholders. The targets defined by Prysmian are closely aligned with the Group's social and compliance policies and are applied along the entire value chain. They represent an additional lever to help ensure respect for human rights, the adoption of sustainable practices and the continuous improvement of working conditions. The integration of these policies with corporate targets allows Prysmian to effectively monitor and promote suppliers' compliance with ethical and environmental standards, thus strengthening its commitment to a responsible and sustainable supply chain. It is also specified that these objectives are not based on firm scientific data but on internally observed data, and that no specific methodologies or significant assumptions were used in their formulation.

S3
Affected communities

S3 - Affected communities

One of the cornerstones of Prysmian's sustainability strategy, which has been a hallmark of the company for years, is the strong involvement of local communities. These communities, in fact, are among the main stakeholders who benefit from the value created by the Group, which is committed to contributing significantly and proactively to the socioeconomic development of the territories in which it is present, with the aim of promoting a positive and lasting impact for people and the surrounding environment.

Strategy

As a leading manufacturer of cable systems and solutions for energy and telecommunications, Prysmian constantly impacts different types of communities, from local to global. The effects of this impact affect not only economic and industrial aspects, but also environmental and social ones. The main communities affected by the Group's activities are:

1. Land-based local communities: i.e. people living in the vicinity of factories and production facilities, who are directly impacted by the group's activities. Installation activities require highly qualified personnel, who generally benefit from training and professional development opportunities made available directly by Prysmian technicians, particularly in more isolated areas and countries far from large population centers. Training and development of specific skills are among the Group's main objectives to generate value within the communities in which it operates. In addition, expanding and modernizing energy and telecommunications networks improves access to essential services, such as electricity and Internet connection, making communities more connected and developed. The solutions offered by Prysmian, such as cables for power generation and distribution from renewable sources and those for FTTh, directly impact people through the services they access daily, such as electricity supply and Internet connection. Innovations in these areas improve the quality of life and connectivity of communities.
At the same time, the presence of production facilities and the land cable laying activities may result in landscape modifications, such as the transformation of natural habitats, or the alteration of local wildlife, generating a generalized negative impact on communities that depend on natural resources or are sensitive to environmental changes. In addition, the cable laying phase can result in inconvenience to local people, such as noise, traffic and dustiness, especially in densely populated or sensitive areas. Through development of innovative products and solutions, Prysmian seeks to minimize and completely annihilate these negative impacts. Solutions used for this purpose include:

1. "No-dig" or "trenchless" technologies: Prysmian is adopting innovative solutions such as the "horizontal directional drilling" (HDD) system, which allows cables to be laid without having to open holes or trenches. This approach significantly reduces traffic and disturbance in urban areas, as there is no need to remove or rehabilitate the road surface. It also drastically reduces the impact due to excavation and subsequent restoration activities or road restrictions/limitations even in rural and suburban areas.
2. Pre-connectorized cables: innovative solutions in which cables are already equipped with ready-to-use connectors and terminals, significantly reducing installation time and complexity.
3. Cables with additional protection for simplified laying in rural areas or in the proximity of a city. Due to the superior strength of these cables, it is possible to carry out the installation operations in a single step, using specifically designed and manufactured machines that open the trench, lay down the cable, and backfill the trench (recovering the debris) in a single operation.
4. The installation of optical fiber cables using the blowing technique results in limited disturbances to communities, mainly in densely populated urban areas. Installation is done in 2 stages. At first, groups of empty pipes are installed by digging mini trenches (about 10 to 20 cm wide and deep) or by using excavations already in place for other installations. Then, when necessary for the absorption of data traffic, the fiber cables can be blown inside the pipes without any impact, in terms of disturbance, on the community. It should be noted that using micro trenches in urban settings allows cables to be laid in small spaces with minimal impacts on roads and infrastructure. Micro-trenching is particularly useful for rapid laying jobs, limiting the excavation area and greatly reducing the inconvenience caused by road construction sites.

For the technologies mentioned in points 1 and 3, it is particularly convenient to use cables that are equipped with additional protections to external damage, such as Airbag or All-Ground protection.

These solutions enable Prysmian to optimize the installation process while reducing the impact on local communities and improving the sustainability of operations.

2. Marine communities: Prysmian is involved in submarine cable installation projects for the transportation of energy from renewable sources, such as offshore wind farms. This type of infrastructure contributes to the transition to renewable energy, reducing long-term environmental impact and benefitting coastal communities through clean energy production. Submarine cable installation drives technological innovation, creating opportunities for highly skilled professionals and technicians and contributing to economic growth in regions near ports or installation areas. Cable-laying work under the sea may temporarily obstruct navigation or create hazards to vessels, particularly in areas of intensive passage. The fishing and commercial shipping communities could thus experience inconvenience or restrictions.

In general, while Prysmian's land and marine installation activities bring significant benefits in terms of infrastructure development, renewable energy and innovation, there are also significant challenges for the company related to environmental impacts, management of local disruptions, and concerns of communities that depend on natural resources or are vulnerable to the effects of climate change. Prysmian constantly monitors and manages these impacts in a timely manner in order to balance and respect the interests of all parties involved. In some countries (e.g., UK), relationships have been established with trade associations to develop partnerships with specific groups (e.g., fishermen's associations) to work jointly to develop initiatives to repopulate and safeguard sites targeted for installation activities.

3. Industrial communities and suppliers: Prysmian operates in a highly industrialized business that makes a strong impact on communities related to this sector, such as suppliers, contractors and other companies involved in the supply chain. The impact on these communities is positive and closely linked to the development of the area, which benefits from the Group's growth and innovations. The expansion of Prysmian's business stimulates infrastructural development, with the construction of new production facilities and research centers that generate new job opportunities and foster technological innovation.
All this contributes to an overall improvement in economic conditions in the areas where Prysmian is active, stimulating the growth of local small and medium-sized businesses, creating new jobs and enhancing the competitiveness of the entire area.

4. Professional and scientific communities: Prysmian is strongly committed to technological innovation and the development of new solutions for energy transport and telecommunications. The communities of engineers, researchers and technology professionals are influenced by the group's research and development, thanks in part to the partnerships and collaborations it establishes with the world's most important professional and scientific communities. In addition, Prysmian's installation activities stimulate collaboration of engineers, scientists and industry professionals, contributing to the development of advanced technologies for laying land and marine cables as safer and more efficient solutions.

Impacts, risks and opportunities related to the affected communities

Below, the table contains the impacts, risks and opportunities (IROs) related to the topic discussed in this chapter, with the indication, for current risks and opportunities, also of their current financial effects.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
S3 Affected communities	Community Impact and Social Engagement on Water, Sanitation, and Hygiene	Own Operations, Downstream	Positive	Actual	Short term
S3 Affected communities	Land use of local communities	Own Operation, Downstream	Negative	Potential	Long term
S3 Affected communities	Community Empowerment through Skills Development	Downstream	Positive	Actual	Short term
S3 Affected communities	Impact on society of electrification and digitalization	Downstream	Positive	Actual	Short term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
S3 Affected communities	Reputational risk related to installation activities	Own operation	Risk	Medium term	N/A
S3 Affected communities	Strengthening of Group's reputation from community volunteering initiatives	Own operation	Opportunity	Medium term	N/A
S3 Affected communities	Opportunity for Revenue Growth: Increasing Sales of Innovative Cable Solutions with Non-Invasive Installation Methods	Own Operations, Downstream	Opportunity	Short term	Please refer to the section "Performance of the Power Grids operating segment", the sector's organic growth is actually supported by innovative technologies with low impacts on communities.

Through the dual materiality analysis conducted by the Group, the positive impacts important to Prysmian on the above-mentioned communities concerned were identified. Specifically, the positive impact mapped as "*Community empowerment through skills development*" is embodied in several initiatives that Prysmian practices during its activities such as, for example, job creation and skills development in the areas in which it operates and the engagement of university students through lectures centered on explaining the steps involved in Prysmian's projects. This impact affects mainly local land communities and the professional and scientific communities.

In addition, Prysmian is committed to ensuring that households have access to green electricity and fast digital through the production of cables and the installation of its products and innovative solutions. This includes the deployment of installed capacity through photovoltaic panels, both onshore and offshore wind turbines, and interconnections designed for renewable energy generation. Thanks to the Group's fiber optic cables and highly innovative solutions, Prysmian facilitates fast digital access, thus contributing to a more sustainable and connected future.

Another positive impact identified concerns social engagement on water, sanitation and hygiene. In particular, Prysmian invests in the water and sanitation infrastructure of local communities beyond the workplace, and involvement in local projects and partnerships help improve WASH (water, sanitation and hygiene) conditions and enhance community development. Contributing to the improvement of WASH conditions in local communities also strengthens relationships with local governments, NGOs and stakeholders. This impact affects local land communities the most.

In relation to the negative impact identified in the double materiality analysis, it should be noted that Prysmian's installation activities could affect the use of the land by local communities in several ways:

- Need for land reclamation and land use changes: Prysmian's operations, such as the construction of factories and installation sites, may require land reclamation and alter land use;
- Unclear and inaccurate communication that could cause discomfort and discontent in the communities concerned.

In addition, the dual materiality analysis identified relevant risks and opportunities for Prysmian related to the issues of the communities concerned. In particular, the reputational risk related to installation activities in the regions where the company operates was mapped, both during the installation phase and throughout the product life cycle, which could potentially cause discomfort and discontent in communities in the event that land reclamation or a change in use for the purposes of the Group's activities is required. In addition, unclear and inaccurate communication with respect to project plans and the relative impacts they would have could fuel discontent among the communities concerned. An opportunity related to strengthening the Group's reputation through volunteer initiatives in the community was also mapped. It is characterized by the implementation of such activities in a structured manner that contribute to the socioeconomic development of the areas in which the company operates. These initiatives may include donations of essential goods to needy communities (e.g., food, cleaning and hygiene products), educational resources, and initiatives for universities and research centers to train young technical specialists in the field. In addition, they can enhance the Group's reputation, increase the attraction of talent and develop specialized personnel in the areas in which it operates, potentially facilitating the search for potential and future professionals in the sector. An additional opportunity was also identified. It is related to increased sales of innovative products and solutions with respect to cables that do not require soil excavation, but use different installation methodologies (e.g., Airbag method, remote-controlled method, and pre-connected cables). These products represent a strategic business opportunity for the Group.

As a global company operating in different regions of the world, Prysmian recognizes the importance of respecting the human rights and interests of the communities in which it operates. The company's strategy and model are geared toward ensuring that its activities respect the rights of people, including the specific rights of indigenous peoples when applicable. This approach is reflected in various aspects of its policy and operations.

Prysmian takes a structured and responsible approach to engaging stakeholders in the local communities where it conducts installation activities, always seeking to ensure that operations have a positive and lasting impact on the local area. The approach varies significantly by location, with countries such as the United Kingdom, Germany and Australia showing greater responsiveness and a strong inclination to collaborate on projects that foster local community development.

In the United Kingdom, for example, Prysmian has built strong partnerships with key local stakeholders, including municipalities and non-profit organizations, in order to identify and develop initiatives that benefit surrounding areas. These projects, which include training programs for the local workforce, educational pathways for young students and environmental sustainability projects, are managed with a clear planning approach. In these countries, the establishment of joint projects between Prysmian and local communities is facilitated by the creation of detailed plans and the provision of a "Social Value Lead", a dedicated figure responsible for coordinating all activities related to the creation of social value. The strategy of the customer, shared by Prysmian, is to develop platform models for carrying out initiatives.

The local stakeholder engagement process is based on rigorous planning. Each project is followed by a precise timeline, which includes awareness raising and consultation activities with the community before, during and after installation. In addition, a monitoring plan continues to verify and measure the effectiveness of interventions, ensuring that positive impacts are real and sustainable over time. The Social Value Lead plays a crucial role, serving as the point of contact between Prysmian, customers, suppliers and local communities to ensure that all initiatives are aligned with the project's social and environmental goals.

In conclusion, Prysmian not only undertakes to build its installations with minimal negative impact, but also to actively generate positive value for the communities themselves by adapting its strategies to the specifics of each country in which it operates. The approach includes definition of community needs, mapping of stakeholders, definition of initiatives and development of related monitoring and subsequent communication plan.

In addition, the views, interests and rights of communities, including human rights and those of indigenous peoples, guide Prysmian's strategy and model:

1. Respect for Human Rights and Local Communities

- **Corporate Social Responsibility (CSR) policies**: Prysmian is committed to respecting the fundamental principles of human rights, such as those set forth in the **Universal Declaration of Human Rights** and the **UN Guidelines on Business and Human Rights**. This includes ensuring that none of the business activities violate people's rights, such as the right to health, safety and education, or involve practices of discrimination, exploitation or abuse.
- **Consultation with the communities**: The company is committed to actively consulting local communities when planning new projects or operations, especially in sensitive areas, to gather their opinions, concerns and suggestions. This consultation process is a key element in respecting the rights of communities, particularly with regard to indigenous peoples who may have a spiritual or cultural connection to the area.

2. Rights of Indigenous Peoples

- **Respect for culture and the area**: When operating in areas inhabited by indigenous peoples, Prysmian recognizes the importance of respecting the rights of these communities to their traditional lands and cultural and natural uses. The company is committed to ensuring that its activities do not infringe on the territorial rights of indigenous peoples and that the practices implemented do not threaten their social and cultural sustainability.
- **Involvement and collaboration with indigenous communities**: Prysmian promotes cooperation with indigenous communities, listening to their concerns and finding solutions that are respectful of their rights and interests. For example, if a project involves infrastructure construction or the use of natural resources, the company works to ensure that communities' access to vital resources such as water, land or other natural resources is not affected.
- **Application of international standards**: Prysmian adheres to international regulations that protect the rights of indigenous peoples, such as the **International Labor Organization (ILO) Convention No. 169** on the Rights of Indigenous and Tribal Peoples, which emphasizes the right of indigenous communities to prior and informed consultation regarding activities that could affect their rights.

3. Human Rights Due Diligence Policies

- **Risk mapping and monitoring**: Prysmian adopts due diligence practices to identify and monitor human rights risks in its operations. The company constantly assesses the impacts of its activities on local communities, taking corrective measures when necessary. For example, if risks of violations of the rights of indigenous peoples or vulnerable communities by suppliers are identified, measures are taken to mitigate them.
- **Grievance and conflict resolution system**: Prysmian also provides accessible grievance mechanisms for communities to report any human rights issues. This system allows the company to respond quickly to any disputes or concerns, including conflicts related to indigenous peoples or other local groups.

For these reasons, it can be said that the actual and potential impacts on the affected communities – defined by Prysmian during the IROs mapping process – help guide the company's strategy and business model. The company is therefore committed to ensuring that its activities are sustainable and respectful, in this way creating value for both its employees and the communities in which it operates.

It is also emphasized that the underlying relationship between the mapped risks and opportunities and the impacts that characterize the Group's activities is carefully evaluated in order to align the management of IROs with the corporate development strategy. In this regard, the opportunity to strengthen the Group's reputation through volunteer initiatives in the community is closely related to the impact related to community empowerment through skills development.

Management of impacts, risks and opportunities

Policies

Prysmian has not yet adopted a policy focused on "Communities Concerned", which is the subject of this chapter. The company has always paid special attention to this sustainability issue within the scope of its activities, and continues to work in order to constantly improve its processes and meet new regulatory requirements.

Despite the absence of dedicated policies, also in relation to the local communities, the activities are pursued consistently with the Group's Code of Ethics. The Code sets out guidelines for any daily activities and strategies on a variety of environmental, social and governance issues, including respect for human rights and relations with local communities.

In particular, the Group, through this document, is committed to respecting the rights of local communities and supporting their social and economic development by promoting collaborations with research centers, universities and schools; it also contributes to the growth of the communities in which it operates and believes in the need to build lasting relationships by offering efficient services and technologically innovative products, as well as encouraging the employment of the local workforce.

Further details on the Code of Ethics can be found in Chapter S1 – Own Workforce.

Prysmian adopts a human rights policy that includes a specific section for local communities. Prysmian's responsibility to local communities refers both to its own employees and to the people living near the Group's production facilities. Prysmian recognizes the rights of indigenous peoples as detailed in ILO Convention No. 169, including the right of local communities to exercise control over their own institutions, lifestyles and economic development and to maintain and develop their own identities, languages and religions within the framework of the countries in which they live. Prysmian respects the identities of local communities and indigenous peoples, their right to live in good conditions and the quality of their environment. In planning or implementing environmental and resource use strategies, Prysmian ensures that its business activities do not contribute to any violation of human rights, harm to the environment, or reduction in access to natural resources. In addition, Prysmian contributes to the economic development of the community by ensuring fair and respectful treatment and exerting a positive influence on the local area. Prysmian supports dialogue with community representatives and is committed to promoting local stakeholder engagement, contributing to existing programs or planning and implementing social investment programs in collaboration with governments and civil society parties. It should also be noted that, as a company operating internationally in various countries and communities, Prysmian is passionately committed to respecting and protecting the human rights of all employees and all those affected by the company's own activities. The goal is to ensure that Prysmian is not involved in any way, directly or indirectly, in actions and projects that violate human rights. In the mitigations actions there are: rigorous policies, Due Diligence processes, corrective and preventive measures, and the involvement of suppliers – through dedicated workshops, one-to-one meetings and audit activities – in all areas in which it operates.

Prysmian acts with the intention of contributing to the development of the communities in which it is present, as it recognizes its interdependence with them. In addition, it is essential to support the economic, social and cultural development of the communities in which the Group operates by pursuing a socially responsible business model.
Prysmian's approach to providing remediation in the event of adverse impacts on affected communities is based on a set of principles that reflect its social and environmental responsibility. These principles are geared towards minimizing disruption, promoting sustainability, and ensuring transparent and responsible communication with local communities. In general, the group follows the following steps:

1. **Identification and impact assessment**: Prysmian carefully monitors and assesses the potential consequences of its activities on the surrounding areas, in particular with regard to the environment, health and safety of people. This includes a thorough assessment of the risks and benefits of new projects or changes to existing projects.
2. **Consultation with local communities**: The group actively dialogues with communities, interest groups and local authorities to understand their concerns. A public consultation process is often launched that allows interested parties to express their views.

3. **Emergency management plans and corrective measures**: In the event of negative impacts, Prysmian develops response plans to resolve the problems promptly. These plans include corrective actions to mitigate the damage, ensuring the restoration of pre-existing conditions and the well-being of those involved.
4. **Sustainability and social responsibility**: Prysmian promotes initiatives that go beyond immediate compensation and focus on long-term projects that benefit communities. For example, education, economic development, and environmental protection programs can be implemented.
5. **Transparency and communication**: The group ensures transparency in its activities, regularly updating the communities concerned on the developments of the project, the remedies adopted and the long-term impacts.
6. **Continuous monitoring**: After taking corrective measures, Prysmian continues to monitor the impact of its activities over time to ensure that the solutions implemented are effective and that no further disruption occurs.

All this shows that Prysmian’s approach is geared towards ensuring that its projects are carried out with respect for communities and the surrounding environment, taking preventive, corrective measures and promoting long-term sustainability.

Prysmian’s whistleblowing program (“Helpline Program”) is a key tool that helps facilitate dialogue and interaction between the company and the local communities in which it operates. The Program has been developed to enable all local people, organizations and stakeholders to securely and anonymously report any concerns, issues or issues relating to Prysmian’s activities in their areas Alerts can cover a wide range of topics, from environmental issues related to the installation and maintenance of infrastructure, to social or safety issues. The Helpline Program is designed to ensure that every report is treated with the utmost seriousness and timeliness, helping to maintain a relationship of transparency and trust with the communities themselves. The accessibility of the Helpline channel, which is active 7 days a week and 24 hours a day, is one of its main strengths. It is available through several channels, including telephone number, email address and online platform, which allow citizens to submit their reports in a simple and direct way, in all the official languages of the Group. Each report is reviewed by Prysmian’s Compliance team.

In addition, the Helpline channel is also a key element in the community engagement strategy. It promotes a participatory approach, where people can express their opinions, concerns or suggestions regarding Prysmian’s activities, thus contributing to the creation of a shared and responsible working environment.

Prysmian takes several steps to ensure that local communities are aware of the processes available to express their concerns. This is an integral part of its policy of transparency, communication and social responsibility. The main modes include:

1. **Direct communication channels**: Prysmian ensures that communities have access to clear and easily usable communication channels to express their concerns. These channels can include local emails and information desks. In addition, during the planning and implementation phases of projects, public meetings, consultations and listening sessions are organized, where community members can ask questions and receive direct answers.
2. **Informational materials**: Informational materials are distributed in the affected areas, outlining the reporting channels available, details on how to make any complaints or concerns, and how to access support resources. This material is written in a clear and understandable way, to ensure that all people can benefit from it, even in the event of language or cultural barriers.
3. **Workshops**: Prysmian organizes workshops, both before and during project development, to inform the community about developments and collect feedback.
4. **Collaboration with local authorities and NGOs**: The group collaborates with local authorities, NGOs and other civil society organizations to strengthen the link with the community and improve the visibility of communication channels. These partners can act as intermediaries, helping to raise awareness of reporting and protection processes in the community.

Prysmian has specific policies in place to protect those who express concerns or report issues through official channels. Key measures include:

1. **Anonymity and confidentiality**: Reporting channels are designed to ensure the anonymity of those who express their concerns, when requested. This way, people can report problems without the risk of exposure or personal consequences. Prysmian respects the confidentiality of all reports and takes steps to protect the identity of those involved. The Helpline policy expressly prohibits any form of retaliation or discrimination against those who use the channels to report concerns.
2. **Independent monitoring and investigation**: When instances of potential violations are reported, Prysmian Compliance Team initiates independent investigations to establish the facts and take appropriate corrective action. Reports can be made online through a dedicated platform, by telephone or in person to the Compliance team. Once a report is received, an immediate response is provided to the reporting party and closure of the investigation is guaranteed within three months of receipt. Investigations are handled in such a way as to ensure the utmost confidentiality, transparency, impartiality and effectiveness with dedicated channels to those involved. Communication with the reporter is maintained through the channel chosen by the latter.
3. **Training and awareness-raising**: Prysmian staff and local authorities are trained on retaliatory protection policies. This includes raising awareness about respecting privacy and handling reports in a fair and secure manner.

Actions

In today's landscape, the social component is no longer an ancillary aspect, but a fundamental part in the definition and allocation of large-scale installation projects. Prysmian has responded to this evolution with a concrete commitment to creating shared value, strengthening its position as an industry leader not only because of its technical capabilities but also of its responsible and sustainable approach.

During the tender stages for large installation projects, the social component is becoming an increasingly crucial requirement for Prysmian's customers. Indeed, in recent years, companies and institutions have paid increasing attention to the social and environmental impacts of their operations, requiring suppliers to demonstrate a concrete commitment to local communities and collective welfare.

Prysmian, for its part, has adapted to this evolution, integrating social responsibility into its proposals from the earliest design stages. It is not just a matter of meeting regulatory requirements, but of responding to a growing awareness of social value creation, which can include initiatives for skills development, social inclusion and support for local economies.

In the context of tenders, some customers now require that suppliers submit detailed plans demonstrating how their projects will positively contribute to the growth of the communities in which they will take place. The establishment of social value leads for project management is also requested. This can translate into professional training programs, local job creation initiatives, or support actions for social sustainability. The aim is subsequently to monitor the benefits of these initiatives. Prysmian's ability to include these aspects in its projects makes it not only a provider of advanced technical solutions, but also a responsible partner, capable of contributing to the development of the areas in which it operates.
Demands from customers also concern the management of relations with local stakeholders, which must be done with transparency and through clear communication systems.

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Empowerment of the communities in which Prysmian operates	Since 2024	Within its projects, Prysmian is committed to hiring local professionals and consultants to provide not only expertise on local content and laws, but also to support local economies and contribute to sustainable development.	Appointment of the Social Value Lead in some Transmission projects with the aim of building social initiatives to benefit the target community.
Partnerships for the education of young students	Since 2021	Prysmian cooperates with local universities and technical colleges, incorporating certain topics within their educational programs. Seminars for students and schools or factory visits are the main points for developing alignment between the local labor market and the company.	Ongoing activities; collaborations with universities and technical seminars are held annually to share know-how and acquire new skills.
WASH pledge implementation	Since 2023	In line with the commitments of the HSEE Policy, in 2023 Prysmian endorsed the WASH PLEDGE, which is the first corporate-sponsored initiative on access to safe water, sanitation and hygiene in the workplace. Launched in 2013, it was re-proposed in 2021 by the World Business Council for Sustainable Development (WBCSD).	Implementation is under way; the WASH pledge endorsement is annual and has been renewed for 2025. The purpose is to measure the impact generated in each region of the Group.
Providing households with fast digital access	Since 2022	Improvement and facilitation of digital access methods for households through the Group's telecommunications products.	Prysmian monitors this figure annually with the aim of ensuring digital access to an increasing number of households. The company is in line with its ambition
Providing households with access to sustainable electricity	Since 2022	To contribute significantly to the global energy transition, making energy more accessible, efficient and with a low environmental impact.	Prysmian monitors this figure annually with the aim of providing access to sustainable electricity to an increasing number of households. The company is in line with its ambition
Donations	Since 2019	In 2019, the Group adopted a policy on Donations to identify all meritorious activities. It was revised and updated in November 2023. The donations made are aimed at supporting the needs of underdeveloped communities, in line with the Vision, Mission, Values, Code of Ethics and Policies of the Group.	Prysmian continued to support socio-economically underdeveloped countries and communities during 2024. Aid was also provided for the regions most affected by natural disasters.

Empowerment of the communities in which Prysmian operates

Prysmian promotes and contributes to social and economic development in the communities where it is present, making people management and empowerment a central element in its project development strategy. Within its projects, it is committed to hiring local professionals and consultants to provide not only expertise on local content and laws, but also to support local economies and contribute to sustainable development, aligning its strategy with UN SDGs such as:

- SDG 5: Gender equality;
- SDG 8: Decent work and economic growth;
- SDG 10: Reduced inequalities.

When hiring local staff, it is verified that the subcontractor is aligned with the vision for sustainable development of the Group.

Project activities are carried out in line with Prysmian's principles aimed at strengthening the communities in which Prysmian is active. For more information on how to track the effectiveness of these actions, please refer to the examples of projects described below. Ongoing commitment to supporting community development is a fundamental element of the Group's strategy for managing the impacts and risks associated with local communities; the ways in which the effectiveness of Prysmian's actions on the local communities in which it operates are tracked include:

- **Engagement with local stakeholders**: Prysmian carries out engagement activities with local communities to gather feedback, understand needs and monitor perceptions of the impacts of its activities;
- **Due diligence**: Systematic assessments are carried out to identify and manage risks and impacts of business activities in local communities;
- **Specific evaluation methodologies**: Prysmian adopts structured tools and methods to analyze the effects of actions undertaken and ensure their effectiveness in relation to community development objectives.

These tools make it possible to monitor the effectiveness of initiatives on an ongoing basis and to prevent potential discomfort or discontent in local communities, ensuring ongoing communication with them about the progress of individual projects.

Here are some examples of how this is implemented in projects.

1. Eastern Green Link 2 (EGL2)

As part of the Eastern Green Link 2 project acquired by Prysmian in 2024, the company plans to implement various initiatives to support local communities. The Eastern Green Link (EGL2) is a high-voltage direct current (HVDC) submarine and land cable connection project that uses approximately 1,000 km of cables over a 500 km route and will connect the converter stations of Peterhead, in north-east Scotland, to Drax, in the north of England.

In order to plan the activities, for the medium to long term, to support and strengthen social capacities within the communities impacted by the project, a **Local Needs Assessment (LNA)** was conducted in 2024, which made it possible to build a complete bottom-up picture of the social, economic and environmental needs of the different communities and geographies along the cable route. This has made it possible to provide a general demographic overview and to understand the social and economic nature of the specific areas in which the works are taking place.

A project of this magnitude requires competent and passionate individuals, which is why Prysmian is committed to creating valuable job opportunities for members of the local community. During the project, workers will be employed in a wide range of roles, from engineers and construction workers to administrative and support staff. By hiring local talent, we seek to provide secure and rewarding jobs that will benefit families and individuals residing in the area.

Among the main information, here are some noteworthy data:

- Through a targeted recruitment campaign, at least 15 local employees will be hired; among these there will be ex-prisoners in rehabilitation and the disabled;
- Approximately 282 hours will be dedicated to supporting young people under 24 through career mentoring, including mock interviews, CV advice and career guidance;
- Around 200 hours will be allocated to support a 'just transition' for workers, helping those in high-carbon industries to reskill in the sector in which Prysmian operates.

2. NeuConnect Project

NeuConnect is a 725-kilometer submarine interconnection project that, for the first time, will directly link German and British power grids together. Prysmian will be responsible for the design, fabrication, installation, testing and commissioning of this project awarded in 2022.
The company worked with schools in the Kent region of England to explain the project, its role, and how the NeuConnect submarine link between the UK and Germany will help improve energy security in Great Britain and across Europe. Prysmian is directly engaging the community by bringing students to learn firsthand about the development of the project, both in the classroom and in the field. This, in fact, gives them the opportunity to gain new knowledge about the work, key equipment, safety procedures, and technical skills needed for one of the major energy transformation projects in the UK. Education is managed by Prysmian's project team of engineers, land and marine installers, planners and HSE managers. After the success in the UK, the training activity will expand to Germany as well. Local schools involved in Kent, where the pilot project was initiated, include Robert Napier School and St John Fisher School. To attract students, the team organized an activity that saw them build a cable using rolls of paper, aluminum and other materials. The main goal is to make students aware of career opportunities in the energy industry, in this way inspiring them toward new career prospects. This project reflects Prysmian's social commitment, which promotes the empowerment of its employees so that they can have a positive impact on local communities in global markets.

The main data relating to the project are:

- +30 students involved in 2 schools (The Robert Napier School and The St John Fisher School in Catham, Kent) aged 14 to 18 years old;
- The possibility of extending the initiative to other schools in the area is being assessed with the customer.

Partnerships for the education of young students

Prysmian cooperates with local universities and technical colleges to train young students living in the places affected by the group's activities. Seminars for students and schools or factory visits are the main points for developing alignment between the local labor market and the company.

Listed below are some examples of collaborations between Prysmian and universities aimed at training and strengthening technical skills of students and external stakeholders:

- University of Caserta – training dedicated to students in the Department of Engineering;
- "Tecnicamente" ("Technically") event in Caserta – awarding students presenting the best technical project;
- University of Bari – training dedicated to students in the Department of Engineering;
- Technical sessions with students from the Department of Chemistry at the University of Bari;
- University students visit factories in Pignataro and Giovinazzo to explain them the cable manufacturing process. Safety is always an important part of the content of the visit. The visit begins with a comprehensive explanation of the main rules of conduct and the importance of using the necessary Personal Protective Equipment (PPE);
- Women in STEM program, dedicated to young women who are employed or interested in pursuing jobs in fields such as science, technology, engineering and mathematics.

WASH pledge implementation

In line with the commitments of the HSEE Policy, in 2023 Prysmian endorsed the **WASH pledge**, which is the first corporate-sponsored initiative on access to safe water, sanitation and hygiene in the workplace. Launched in 2013, it was re-proposed in 2021 by the World Business Council for Sustainable Development (WBCSD). With this commitment, signed by Prysmian's Chief Sustainability Officer in July 2023, Prysmian aims to ensure access to clean water, sanitation and hygiene in the workplace for all workers at the Group's production units, supporting partners along the supply chain and the communities where sites are located.

To this end, an initial screening was conducted on the status of each of the 6 WASH categories (Water Access, Sanitation, Hygiene, Health & Nutrition, Sustainability, Advocacy) using the Self-Assessment questionnaire made available by the WBCSD. All Prysmian's regional organizations received the questionnaire at the end of 2023 and filled it out with reference to the operating units within their scope.

The results were aggregated and analyzed by the HSE and Sustainability Corporate functions, both with reference to individual WASH categories and to individual regions. The average score shows areas for improvement, which relate to the systematic monitoring of indicators under WASH, as well as Value chain commitment and support for local Communities.

Positive effects generated by the WASH pledge include:

- **Improvement in Public Health**
  - Prevention of waterborne diseases;
  - Improvement in hygiene.

- **Increased Quality of Life**
  - Access to key resources;
  - Flexibility and free time for the community.

- **Empowerment of Women and Children**
  - Facilitated access to resources.

- **Environmental sustainability**
  - Sustainable management of water resources;
  - Encouragement to use resources responsibly.

- **Economic Benefits**
  - Increased economic productivity;
  - Growth of the local economy.

- **Social Responsibility and Corporate Image**
  - Positive impact on local communities;
  - Creation of links between the company and the community.

- **Education and Awareness**
  - Promotion of hygiene culture;
  - Continuing education.

Based on the above, Prysmian is in fact implementing the following practices:

- prepare specific instructions, aimed at systematizing the management of WASH issues in units and countries where this pledge is shared and expressly requested by customers;
- include commitment to the WASH pledge as a requirement (not mandatory) for Prysmian's key suppliers;
- identify possible initiatives to be proposed at the various sites where Prysmian operates to ensure access to clean water and sanitation in local communities.

Central functions, in collaboration with local organizations, are defining individual plans to be implemented in different regions over the next two years to ensure compliance with WASH criteria, providing for supply chain and community involvement where necessary.

It should be noted that it is not possible to provide an overall investment value for all the above initiatives as they are defined at the same time as the project needs arise.

Providing households with fast digital access

In an increasingly interconnected world, access to an efficient digital network is essential for the growth of small and medium-sized enterprises, education and the improvement of the quality of life, especially in rural and remote areas. For this reason, Prysmian pursues the improvement and facilitation of digital access methods for families, considered by the Group to be a crucial aspect for the social inclusion and economic development of global communities.

This commitment not only supports access to technology but also complements the company's strategy to strengthen the company's innovation and sustainability in the long term. Providing households with rapid digital access is, in fact, a goal fully aligned with Prysmian's business strategy, aimed at consolidating its leadership in the telecommunications sector and responding to the growing global needs for digital infrastructure. To this end, the company, which enjoys a privileged position thanks to its expertise in advanced cabling solutions, which are essential for the deployment of high-speed connections, pursues different strategies. These include:

- **Development and production of advanced fiber optic solutions**: Prysmian constantly invests in research and development for the production of high-performance fiber optic cables. Such cables are crucial for the creation of ultra-fast broadband networks, which allow an increasing number of households to be connected, including those located in the most remote areas.
- **Collaborations with telecommunications operators**: The company establishes strategic partnerships with leading telecommunications operators and internet service providers globally. These alliances allow Prysmian to participate in significant infrastructure projects aimed at enhancing communication networks, improving the speed and reliability of Internet access.
- **5G network expansion**: As 5G advances, Prysmian is working together to support the infrastructure needed to ensure a faster connection and extended coverage. The 5G network is a further step towards achieving fast and universal digital access.
- **Data Centers**: The exponential increase in data consumption globally has made it necessary to build large infrastructures for the storage and distribution of information. At these sites, there is an increasing need for large amounts of electrical cables to power the equipment, in addition to the optical cables required for data transport. Prysmian has set up dedicated market research and analysis facilities specifically for this sector.
- **Sustainability in production**: The company takes an environmentally friendly approach in its production activities. The manufacture of fiber optic cables and other technological solutions complies with the principles of sustainability, reducing the environmental impact and improving the energy efficiency of products.
- **Digital inclusion projects**: Prysmian is engaged in several corporate social responsibility projects that aim to reduce the digital divide, especially in rural areas or those with limited access to digital infrastructure, as outlined in the Group's Social Ambition.

Providing households with access to sustainable electricity

Prysmian aims to make a significant contribution to the global energy transition by making energy more accessible, efficient and environmentally friendly. Consequently, during 2024, the Group monitored the improvement and facilitation of access to sustainable electricity (e.g. solar, wind and hydropower) by communities.

This dimension is part not only of Prysmian's business strategy, but also of the broader commitment to social and environmental sustainability. Indeed, with the awareness that sustainable energy is one of the keys to the future of modern societies, access to cleaner energy is closely linked to the industrial strategy that aims to strengthen Prysmian's position as a global leader in the energy sector. To this end, the Group has implemented a series of initiatives that integrate technological innovation, infrastructure expansion and collaboration with strategic partners. These include:

1. **Renewable energy solution development**: The company is strongly committed to the development of advanced technologies for transporting energy from renewable sources, such as submarine cables for the transmission of power from offshore wind farms and solar energy solutions. These solutions are crucial to extending access to clean energy to more households.
2. **Smart grid infrastructure**: Prysmian is developing and implementing smart grid solutions, which improve energy efficiency and management, reducing losses and optimizing distribution. Smart grids are essential to integrate renewable energy into the grid and to improve the resilience of infrastructure, ensuring continuous access to energy even in complex contexts.
3. **Expansion of the transmission network**: Prysmian is enhancing its power transmission solutions, in particular through high-voltage cable (HVDC) technology for long-distance transmission. These cables are particularly suitable for connecting remote and geographically distant areas, bringing renewable energy to households that might not otherwise benefit from it.
4. **Collaborations with governments and international organizations**: To accelerate access to sustainable energy, Prysmian is collaborating with public and private entities, including governments and international organizations, on projects that aim to bring energy to the most disadvantaged areas of the world. These partnerships are key to ensuring energy inclusion, especially in developing countries.

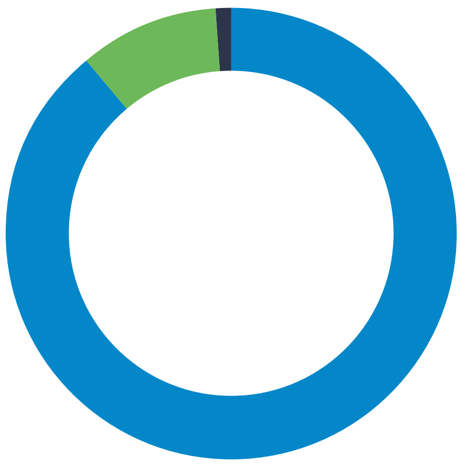
5. **Innovation in material sustainability**: The company is working to reduce the environmental impact of its products and improve energy efficiency in the solutions it provides. This includes using more sustainable materials and improving cable life to reduce the need for maintenance and resource consumption.
6. **Microgrid projects and decentralized solutions**: In many regions of the world, especially in developing countries, traditional power grids do not reach all households. Prysmian is developing innovative solutions for microgrids, which allow autonomous energy to be supplied to isolated communities. These projects primarily use solar and wind energy, reducing reliance on fossil fuels and contributing to sustainable growth.

Donations

In 2019, the Group adopted a policy on Donations, which was revised and updated in November 2023, to identify all meritorious activities carried out during the year. These donations are aimed at meeting the needs of communities or the general public, in line with the Vision, Mission, Values, Code of Ethics and Policies put in place by the Group. The Donations Policy defines the main types of contributions that can be made, the guiding principles and operating methods, and the monitoring and reporting of these activities. **In 2024, approximately Euro 1.3 million was donated to support local communities** through contributions in cash, products and employee hours according to the details provided below.

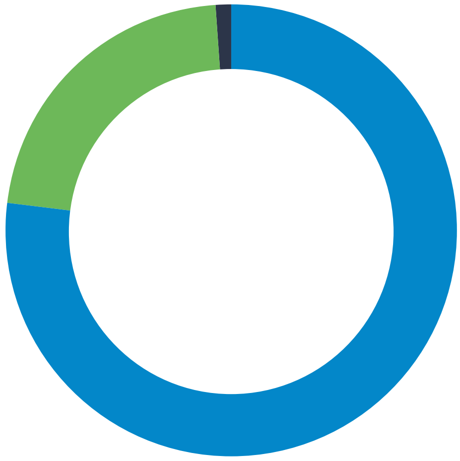
Types of Donations Activity

89% Donations in Cash
10% Donations in Kind
1% Corporate Volunteering



Types of Initiatives

77% Charitable Gifts
22% Community Investment
1% Commercial initiatives in the community



In line with the Group's donation strategy to promote the continuing education of girls and young women, in 2024 the Group made a commitment to support these projects in both Kenya and Mexico. Through such initiatives, Prysmian is funding 10 scholarships for young women, enabling them to complete their schooling up to high school.

In Kenya, Prysmian supports the "Waste No Talent Kenya" organization by sponsoring and pledging to fund 10 scholarships worth 6,000 US dollars every year for deserving students.

The Group supports a similar number and amount of scholarships through the Casa de las Mercedes organization operating in Mexico.

In addition to these, in 2024 the Group pledged to support its local community in Milan, Italy, by offering financial help to families in need to cover electricity and heating expenses ("Banco dell'Energia", worth Euro 50,000) and supporting a shelter for women and young families ("Casa di Elena", worth Euro 40,000).

These measures are part of a three-year effort by the Group to ensure that girls have the opportunity to continue and complete their education.

In 2024, Prysmian's Donations Committee envisioned a broader role for the company to have a significant impact on the communities in which it operates, in line with its international presence. With this in mind, it decided to expand its outreach to support an organization of global significance, namely the United Nations Refugee Agency (UNHCR).

The Group has allocated, starting in 2025, USD 100,000 to support the UNHCR-led Primary Impact initiative focused on providing continuous education to children who currently have refugee status and live in refugee camps.

Finally, it should be noted that no cases of human rights violations were reported in 2024 in relation to the communities concerned.

Metrics

In order to monitor the actions put in place, the Group monitors the following performance metrics related to the current impacts detected along the value chain:

KPI	UNIT OF MEASUREMENT	2024	2023
Provide households with rapid digital access	Millions of households	17.1	9
Provide households with access to sustainable electricity	Millions of households	78.4	56

Provide households with rapid digital access

In terms of defining metrics, as of the end of 2022, Prysmian has implemented a new three-year scorecard (2023-2025, with baseline 2022) containing 12 impact KPIs, including "Rapid Digital Access", with the intention of making the processes of measuring, monitoring and reporting results more effective. The definition of these KPIs started from the analysis of:

- Long-term ambitions of the Group (Social Ambition and Climate Change Ambition);
- UN Sustainable Development Goals (SDGs);
- Group Materiality Analysis (focusing on the external impacts generated by the business).

Specifically, the KPI is calculated as the estimate of households connected with rapid digital access (defined as FTTH, FTTB, DOCSIS 3.0) thanks to Prysmian products.

This metric refers to estimated data related to the downstream value chain. The KPI is calculated using the following methodology:

- The number of "Home passed" with different connection technologies (FTTH, FTTB, CATV/DOCSIS) is considered. This figure is estimated by the commercial function of the Digital Solutions Business Unit;
- The estimated number of "Home passed" is then divided by an estimated coefficient of 1.5 to obtain the number of connected households;
- The number of connected households is divided by the market share of the Digital Solutions BU in each of the Group's 4 macro-regions;
- The sum of the values calculated for each of the 4 macro-regions represents the overall KPI.

The result presented for 2024 takes into account the inclusion of Encore Wire in the full reporting scope in July 2024. The data are not validated by an external entity.

Providing households with access to sustainable electricity

By monitoring and measuring this metric, Prysmian contributes to the United Nations Sustainable Development Goals, in particular Goal 7 which concerns universal access to energy. The metric by which the Group takes into account its actions is calculated as the estimate of households connected to green energy through Prysmian products. It includes installed capacity through photovoltaic panels, onshore and offshore wind turbines and interconnections for renewable energy production. This metric refers to estimated data related to the downstream value chain. The methodology used to calculate the KPI is as follows:

- The green energy that passes through the following types of Prysmian cables is calculated: photovoltaic, onshore wind, offshore wind (export and inter-array) and interconnection cables.
- Energy, expressed in MWh, is divided by the average annual consumption of each household (expressed in MWh/household), calculated with reference to international indicators, such as those provided by IEA and EUROSTAT.
- The result obtained represents the total number of households (expressed in millions) globally that have access to green energy through Prysmian cables.

The data is not validated by an external body.

Targets

Targets	Year of target achievement	Result 2024	Base year and relative baseline value
Provide households with rapid digital access	2025	17.1m	2022, 3 m
Provide households with access to sustainable electricity	2025	78.4 m	2022, 21 m

Provide households with rapid digital access

Prysmian has made improving and facilitating digital access modes for households one of its sustainability goals. This is crucial for social inclusion and economic development of global communities.
Specifically, the company has set a goal of providing rapid access to digital connectivity for 15 million households by 2025. As anticipated in the metrics section, such efforts not only support access to technology but also fit into a corporate strategy to strengthen innovation and sustainability over the long term.

Prysmian's commitment is in line with the United Nations Sustainability Goals, particularly the one related to promoting industry, innovation and infrastructure.

Through innovation in cabling solutions and collaboration with key industry players, the company aims to contribute significantly to a more connected, inclusive and sustainable world. In this context, achieving the goal sets for 2025 is a significant milestone not only for the company, but also for society as a whole, improving access to technology and promoting economic and social growth on a global scale.

In fact, in order to set a credible path of sustainability and give further concreteness to the long-term commitments made by the Group, Prysmian has endowed itself with specific short-term goals whose progress it monitors year after year. Any lessons or improvements that are identified in the goal-setting process are also communicated to affected communities when defined as relevant information.

Scorecard targets, including " Provide households with rapid Digital Access" are regularly monitored by the Sustainability Steering Committee, chaired by the Chief Sustainability Officer, and shared with the Sustainability Committee.

Prysmian's internal stakeholders were actively involved in defining this metric, through a participatory process that included several phases of consultation and dialogue. Involvement began with meetings between top management and the heads of the various corporate functions, in order to understand internal priorities in terms of sustainability and to align the objectives with the group's overall strategy.

In addition, workshops and brainstorming sessions were organized with employees from different levels and areas of the company, in order to collect feedback on the most significant metrics to be monitored and the targets that should have been set. The input of internal stakeholders was essential to ensure that the metrics not only met Prysmian's strategic objectives but were also realistic and consistent with the company's operational and organizational capabilities.

The collaboration between the different departments, such as sales, production, sustainability and HSE, their knowledge of the business, the Group's ambitions and the areas for improvement on which to focus, has led to the definition of clear and measurable performance indicators that reflect the specific needs of the different business areas.

Prysmian ensures that the target setting and monitoring process is transparent and engaging, ensuring that internal stakeholders are regularly updated on progress through follow-up meetings and periodic reports. This approach has, in fact, made it possible to create a sustainability scorecard that not only meets the expectations of internal stakeholders, but is also able to guide the company towards increasingly responsible and sustainable management.

Prysmian's role as an enabler of the energy transition process is confirmed by the performance of the latter KPI – providing households with rapid digital access – which is in turn related to quantifying the positive impacts of the Group's activities on communities.
As mentioned above, the 2024 result includes performance related to Encore Wire.

As with the corresponding metric, achievement of the target is monitored by estimating the number of households connected with rapid digital access (defined as FTTH, FTTB, DOCSIS 3.0) thanks to Prysmian products. The targets, unrelated by national or international policies, do not come from scientific and certain data but from the market knowledge of the Sales division of Prysmian's Digital Solutions Business Unit. Finally, it is specified that the progress of the target is in line with what was planned.

Provide households with access to sustainable electricity

Prysmian has included improving and facilitating access to sustainable electricity by communities among its sustainability goals, which are included in the Impact Sustainability Scorecard. With ambitious target of reaching 110 million households by 2025 (starting from 2022 baseline), the company aims to contribute significantly to the global energy transition by making energy more affordable, efficient and environmentally friendly.

Prysmian's goal of reaching 110 million households with sustainable electricity by 2025 is part of a well-defined strategy that combines innovation, sustainability and social inclusion. The company aims not only to expand its technology leadership position, but also to support the global energy transition by making sustainable energy accessible to more and more people. This KPI is monitored on an ongoing basis by the Group's Sustainability Steering Committee, chaired by the Chief Sustainability Officer, and its performance is shared regularly with the Sustainability Committee. The aforementioned stakeholders were involved in the process of defining all the goals of Prysmian's Sustainability Impact Scorecard.

Prysmian's role as an enabler of the energy transition process is confirmed by the performance of the latter KPI – providing households with access to sustainable electricity – which is in turn related to quantifying the positive impacts of the Group's activities on communities. This KPI has, in fact, more than doubled its 2022 baseline. The result 2024 also takes into account the inclusion of Encore Wire in the full reporting scope, achieved in July 2024.

S4
Consumers and end-users

S4 - Consumers and end-users

For Prysmian, customer centricity is one of the key elements for the company's success and sustainable growth. Adopting a "customer-centric" mindset means putting customers' needs and expectations at the heart of every business strategy and decision. This approach enables Prysmian to better understand market challenges and opportunities, developing innovative and customized solutions that effectively address the specific needs of its customers.

Being customer-oriented not only improves the quality of products and services offered, but also enhances trust and loyalty, creating lasting and valuable relationships. In the highly competitive environment of energy, digitalization and technology solutions, the ability to listen and anticipate customer needs is a key strategic lever for maintaining a competitive advantage and contributing to mutual success.

Strategy

Prysmian operates in an industry that provides advanced power and data transmission solutions, directly impacting consumers and end users through its products and services. Prysmian's main consumer and end-user groups include:

- **Energy sector**: utility companies and energy distributors are direct consumers of power cables and distribution systems. The reliability and quality of Prysmian's products have direct impacts on end consumers who depend on energy supply and distribution.
- **Telecommunications sector**: telecom operators using fiber optic cables for data transmission directly affect access and quality of connection services for end consumers, including individuals and businesses.
- **Industrial and transport sector**: Manufacturers of industrial vehicles and machinery using specialized cables and solutions for power and data transmission. The characteristics of these products can affect the safety, efficiency and reliability of critical operations.
- **Large customers and interconnection projects**: Prysmian provides advanced solutions for major land and submarine interconnection projects for large customers, including power grid operators and companies that manage critical infrastructure globally. These projects, which include interconnection between power grids in different countries and continents, are essential to the stability and resilience of international energy networks. The impacts of these projects affect both operators and end consumers who benefit from the increased capacity and reliability of transmission networks.

Within Prysmian's business strategy, end users are central, as their growing awareness of issues such as energy efficiency and sustainability play a key role in the development of new products and solutions. Prysmian aims to meet the end consumer needs by offering advanced solutions, such as cables and smart systems, which improve energy management, safety and sustainability.

The Group's strategy is also geared toward creating value through innovation, which includes improving product quality and reliability, with a focus on reducing environmental impact.

End users are, therefore, a key element of Prysmian's strategy, directing innovation toward increasingly sustainable and smart solutions capable of reducing environmental impact and ensuring high standards of quality and safety for people.

Identification of IROs related to end-user management

The following table contains the risks and opportunities related to the topic discussed in this chapter, with the indication, for current risks and opportunities, also of their current financial effects.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
S4 Consumers and end-users	Incidents related to consumers' health and safety	Downstream	Negative	Potential	Short term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
S4 Consumers and end-users	Third parties Intellectual Property rights (IPRs) violation	Downstream	Risk	Long term	N/A
S4 Consumers and end-users	Failure in transparent and Responsible Marketing practices	Downstream	Risk	Medium term	N/A
S4 Consumers and end-users	Increasing the awareness of users in terms of energy consumption and advising on the preventive maintenance	Downstream	Opportunity	Short term	Regarding the EOSS monitoring systems, please refer to the "Segment information" section of the Explanatory Notes to the Financial Statements, with particular reference to the sales of the Transmission and Electrification business units.
S4 Consumers and end-users	Hardening the grids to make them more resilient	Own Operations, Downstream	Opportunity	Short term	In connection with this opportunity, there is a twofold effect on Group sales: - increased demand for standard/NWC cables/services, either to renew the existing network or to build new ones; - increased sales of specific products/ services, including: - Monitoring systems (EOSS) - Elaspeed-S couplings - E3X robot conductor - HTLS (High Temperature Low Sag) conductors Please refer to the 'Segment information' section of the Explanatory Notes, with particular reference to sales of the Transmission and Electrification (EOSS), and Power Grids (couplings, E3X robot, High Temperature Low Sag conductors) business units.

The dual materiality exercise conducted by the Group identified relevant risks for Prysmian related to consumer and end-user issues. In relation to impact, a cable used in energy installations, if not properly manufactured or installed, can pose serious risks to the health and safety of end consumers. Among the most significant hazards are electrical fires, electric shocks or, in severe cases, electrocutions. These accidents can cause property damage, physical injury, or even loss of life. This underlines the crucial importance of ensuring high quality and safety standards at all stages of cable production and installation, to protect the health and well-being of end users.

It should be noted, in this regard, that all end-users of cables are duly informed about the products to avoid their potentially harmful use. Finally, no significant impacts on the health or privacy of children or vulnerable people are considered.

In addition, the risk of third-party intellectual property rights (IPR) infringement has been identified, related to inaccurate patent verifications during the innovation process or in patent monitoring activities related to third-party intellectual property embedded in the Group's solutions. The rapid expansion of new product offerings and entry into new markets, also fostered by decarbonization policies, increase the likelihood that Prysmian's products will include solutions patented by third parties, with the risk of incurring legal disputes and reputational damage.

The risk associated with marketing practices, if they were not implemented in a transparent and responsible manner, was also mapped. Acting without maintaining a high level of transparency to the Group's consumers and external stakeholders could become critical in terms of market exposure, especially in an environment where consumers and investors are increasingly aware of "companies" social and environmental impacts. This risk would lead to reputational damage as well as possible penalties for unfair marketing practices.

Prysmian adopts several strategies to understand and mitigate risks to consumers and end users:

- **Continuous analysis of customer feedback and quality monitoring**: Prysmian constantly monitors the quality of its products and collects feedback from consumers and end users to detect any critical issues.
- **Integration of sustainability**: The company promotes a strong focus on sustainability throughout the value chain, working to reduce negative environmental and social impacts, and ensuring that products meet the highest standards of safety and reliability.
- **Risk management in the supply chain**: Prysmian is committed to ensuring that the supply chain is robust and resilient, reducing risks associated with disruptions or fluctuations in costs, and promoting responsible sourcing practices.

The dual materiality analysis also identified a significant opportunity related to the sale of systems related to energy efficiency and preventive maintenance. This opportunity takes the form of a number of key projects for the Group: the PRY-CAM monitoring systems and specifically Omhero, in fact, are designed to provide guidance on the proper functioning of the electrical system in dwellings and thus, as a result, help raise awareness of the importance of reducing excessive energy consumption and constantly carrying out preventive maintenance to systems.

In addition, the Prysmian Group recognizes a significant opportunity in strengthening telecommunications networks to counter cyber-attacks. Indeed, the global policy environment is leading to an increasing tightening of controls and regulations related to the protection of critical infrastructure from cyber threats. This scenario calls for the development of more secure and resilient networks, requiring the adoption of technologically advanced cables that can cope with and protect against cyber-attacks.

To meet this growing demand, Prysmian is investing in the development of advanced data and communications solutions, with a focus on the security and resilience of its infrastructure. The company offers cables and cabling systems designed to provide optimal protection against cyber threats by integrating advanced shielding and protection technologies that make networks more resistant to external attacks.

The company also confirms that during 2024 no serious human rights problems or incidents related to consumers and/or end-users were reported.

Management of impacts, risks and opportunities

Policies

The Group has not adopted a specific policy on the management of relationships with end customers. However, the Group's commitment to customers is set out in the Code of Ethics, which is drafted in line with the Sustainable Development Goals (SDGs). Within the Code, the Group's strategy related to Customer Service Excellence (Customer Excellence) is outlined.
The Group Code defines Prysmian's strategy for Customer Service Excellence, focusing on actively listening to customer needs and constantly monitoring customer satisfaction. The company develops tailor-made solutions for the various markets, guaranteeing timely and qualified responses. In addition, it undertakes to transparently manage reports of product non-conformities, dealing with any non-compliance adequately. Prysmian adapts to the needs of customers in various sectors, constantly monitoring their satisfaction to develop solutions that meet the specific needs of different markets. In particular, the Group adopts a business strategy based on active listening and respect for customers' needs, ensuring timely and qualified responses. Prysmian is also committed to not overlooking any reports of product non-conformity, ensuring that any non-compliance is addressed with transparency.

For more information on the Group Code of Ethics, please refer to what is included within Chapter ESRS S1.

Prysmian has always regarded human rights as a key element of its business strategy, committing to respecting and promoting them in all its global operations.

The Group strives to ensure that its products and services are safe, of high quality and meet the needs of consumers while respecting their fundamental rights. The Group's business strategy is based on active listening to customer needs, an approach that aims to ensure transparency, accountability and quality, while avoiding any form of discrimination or abuse against end users.

Prysmian also adopts corporate social responsibility policies that are integrated with respect for human rights throughout its value chain.

Prysmian is committed to complying with key international regulations and principles regarding human rights, particularly the "United Nations Guiding Principles on Business and Human Rights". These principles, which promote business respect for human rights, are integrated into the Group's operating methods and also guide the development, marketing and management of products and services offered to consumers. The goal is to ensure that consumer rights are respected, in accordance with local and international laws and regulations, such as those established by the OECD in its "Guidelines for Multinational Enterprises". Prysmian has implemented mechanisms to continuously monitor and improve its practices to ensure that consumer rights are respected at all stages of the product life cycle.

However, as is the case in many complex, global organizations, it is possible that, in some isolated cases, challenges emerge in the value chain where partners may not fully comply with these principles.

For example, there could be violations related to product safety, transparency in business practices or protection of consumer rights. In such cases, Prysmian takes a rigorous approach to identifying issues, working with partners to resolve them, and ensuring that necessary corrective actions are taken.

Prysmian conducts regular audits and assessments to monitor its "stakeholders" compliance with human rights regulations and commitments. When violations are found, appropriate measures are taken to correct them and prevent their recurrence in the future, in line with international standards, such as those defined by the UN Global Compact and the OECD Guidelines.

Involvement of consumers and end users

Consumers and end users are a key element in creating sustainable value and shaping business strategies. Actively engaging them through open and ongoing dialogue not only provides a better understanding of their needs and expectations, but also helps to build strong, long-term relationships, strengthening trust and ensuring a positive impact throughout the value chain.

In this context, the "Sustainability and Innovation Days" – organized annually by Prysmian – are a concrete example of how the company works to engage its customers and stakeholders. During 2024, the week's main event, held on 27 June, brought together suppliers and customers from around the world, along with other key stakeholders, to discuss, share progress and explore initiatives geared toward generating a positive impact on the environment and society.

This event, focused on the close link between innovation and sustainability, provided a unique opportunity to connect and strengthen customer relationships both globally and locally, consolidating Prysmian's approach to ESG issues.

In addition, through company newsletters and the Insight magazine on the company website, the Group effectively communicates its goals and achievements to customers, making them part of the company's own role and commitment to facilitating the energy transition and providing sustainable solutions.

Customer experience - Survey

In order to understand and monitor customer experience levels, Prysmian uses innovative tools each year and carries out specific initiatives depending on market characteristics and trends.
Prysmian conducts annual online surveys aimed at assessing the level of customer satisfaction in order to respond to their needs with maximum efficiency.
Constant monitoring of satisfaction survey results is a key element for Prysmian for several reasons:

1. **Continuous improvement:** Survey results provide a detailed picture of "customers" experiences, identifying areas of strength and possible critical issues, enabling Prysmian to make targeted updates to products, services and operational processes.
2. **Alignment with expectations:** Monitoring customer satisfaction helps to adapt readily to any changes in customer preferences and the business environment, while maintaining competitive positioning.
3. **Building lasting relationships:** Constant monitoring enables Prysmian to understand the dynamics of customer relationships, identifying opportunities to strengthen trust and loyalty through personalized service tailored to specific needs.
4. **Customer-oriented innovation:** Understanding "customers" needs and expectations enables the Group to develop cutting-edge solutions.
5. **Impact on reputation:** Monitoring survey results enables Prysmian to proactively manage its image, responding promptly to any critical issues and taking advantage of positive elements to strengthen its position in the industry.
6. **Global market-oriented approach:** Understanding the different needs and preferences of customers in different regions enables the targeted adaptation of operations, consolidating presence and competitiveness on a global scale.
7. **Timely response:** A prompt response demonstrates the company's commitment to ensuring maximum satisfaction and building a long-term trusting relationship.

The online survey is conducted annually; in 2024, it was structured as follows:

TARGET	SCOPE	CUSTOMERS SCOPE	RESPONSE RATE
28 countries	Europe - North America - Latin America - OSEA - United Kingdom - Turkey	Main customers - mainly in the distribution channel	41% of scope

Customers interviewed through this survey were offered 6 main macro-categories of drivers during 2024: Business strategy, Innovative products and solutions, Supply chain activities, Customer support, Marketing, Digitalization. Respondents were asked to rate, with a score from 1 (lowest) to 5 (highest), the importance of each driver and their level of satisfaction with Prysmian's performance.

The NPS (Net Promoter Score) – a tool for measuring customer satisfaction – showed positive performance for all geographic areas in 2024.

In light of these results, the Customer Excellence and Commercial Innovation Team, which has operational responsibility for ensuring that customers participate and respond to the survey on time and in the expected manner, has scheduled a series of meetings in the different areas to share the results obtained. Countries and regions will prepare and implement specific actions in support of their customers. The team indicated above also shares the results within the company with the top figures, to ensure that they are integrated and orient the company's approach and strategy towards its customers, adopting a sensitive and attentive approach to their needs.

In fact, at Prysmian, the operational responsibility for ensuring ongoing customer engagement and directing the company's approach based on the results achieved is generally assigned to senior management roles, particularly the Directors of the four Business Units globally and their sales teams. These are responsible for customer engagement strategies, customer relationship management and setting product policies, which are shared and approved by the Group CEO.

In the various regions where the Group is present, and at the individual country level, the Chief Commercial Officer (CCO) is in charge of local business strategy and customer relationship management, ensuring that the company develops and maintains strong ties and that customer needs are always at the center of business decisions. The business strategy at the country and regional level must be aligned with the Group's global strategy.

The Sales teams of the 4 Business Units also focus on aligning business practices with customer expectations and feedback, directing innovation and offerings based on the results of customer interactions.

Of course, depending on Prysmian's organizational structure in each country, responsibilities may vary, but business functions are always geared toward ensuring that customer involvement is integrated at all levels of decision-making.

Channels for raising concerns

The Group's approach to reporting concerns from customers and end users is set out below.

Quality processes and solutions at Prysmian

At Prysmian, quality is an integral part of promoting a culture of excellence and competitiveness. By aligning customer and stakeholder expectations with strategic tools, the company improves business processes and value delivery.

To complement this culture of excellence, Prysmian has implemented extensive training on quality principles, tools and problem-solving methodologies in all functions. This initiative has led to a significant annual reduction in customer complaints, defined as any written notification of potential product non-compliance recognized by Prysmian.

Aiming for excellence also involves leveraging data to make informed decisions. To support this, Prysmian continues to invest in innovative digital solutions to improve data analysis capabilities. The Industrial IoT project to improve production line connectivity and process data usability continues, while the continued expansion of the FastTrack MES system strengthens product quality management in all Group plants.

Timeliness and efficiency of service

Prysmian adopts several solutions to ensure that its customers are always informed about the facilities and processes available to express concerns, needs or request assistance. The company transparently communicates the existence of dedicated channels, such as customer service present in different countries, service centers and online platforms, through its websites and technical product documentation. These tools are designed to facilitate direct contact with consumers, responding promptly to any questions or reports. In addition, the trade shows and events that Prysmian participates in, or that the company itself organizes throughout the year are important opportunities to make direct contact with customers. During these events, the company collects feedbacks, concerns and other reports from participants, further strengthening communication and interaction with the market.

Prysmian also promotes awareness of these channels through ongoing training of its sales and support teams to ensure that they are always able to properly inform customers.

In addition, Prysmian has implemented a dedicated Helpline channel to ensure that, among others, its consumers and customers can express any doubts, concerns or problems regarding the products or services offered by the Group. This channel, easily accessible from the Group's corporate website[57], is a key tool for maintaining transparent and timely communication with customers, ensuring that their needs are promptly met.

Prysmian's Helpline channel is designed to collect feedbacks, answer questions, handle complaints and receive reports about possible violations of laws and internal regulations, which are treated with the utmost confidentiality and privacy. The channel is active 24/7 and is accessible to consumers through several means, including telephone, e-mail and a dedicated website. As highlighted in chapter G1 on Prysmian's Business Conduct, the Group Compliance Function is responsible for ensuring the effectiveness of the channel through careful handling of reports. Each report is preliminarily analyzed, and, if deemed necessary, internal investigations are coordinated by regional Compliance Managers, 'n collaboration with the Internal Audit and Human Resources teams, to ensure timely and appropriate handling.

In addition, the Group is committed to monitoring and analyzing communications received through the Helpline channel, also to continuously improving its processes, products and services. Each report is handled by a qualified team to provide timely responses and appropriate solutions. When necessary, Prysmian works with consumers to solve problems and, if necessary, to offer alternative solutions or compensation.

The use of the Helpline channel not only allows Prysmian to address and resolve issues in real time, but also reflects its commitment to ensuring a positive consumer experience, building trust and promoting accountability to its customers. For more details on Prysmian's Helpline system, please refer to the chapter on ESRS G1-1 in this document.

57. https://www.prysmian.com/en/company/ethics-integrity/helpline.

Actions

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Designing safe cables capable of making grids more resilient	Short term	Prysmian cables are designed and manufactured to ensure high performance, safety and reliability in numerous applications, from electrical distribution networks to telecommunication networks. The company has constantly innovated and improved its solutions, meeting the needs of safety and security of people and resilience of infrastructure.	Ongoing
Transparent communication	Short term	In each edition of Prysmian's financial results, the company clearly communicates to the market the "companies" decarbonization path as well as its social and environmental goals.	Ongoing
Development of innovative solutions for monitoring	Short term	Developing innovative solutions to support customers in monitoring and managing energy consumption, with the aim of ensuring preventive maintenance and improving the operational efficiency of systems.	Ongoing
Intellectual property protection	Short term	Strategically filing patents in new countries in order to go along with the expansion of Prysmian's presence in the world continues.	Ongoing

Safe cable design

Prysmian cables are designed and manufactured to ensure high performance, safety and reliability in numerous applications, from electrical distribution networks to telecommunication networks. The company has constantly innovated and improved its solutions, meeting the needs of safety and security of people and infrastructure. Key features of Prysmian cables that make them safe products, even under critical conditions such as fire, include:

1. Use of high-performance materials: Prysmian cables are made using high-performance materials, such as copper and aluminum for the conductors, but most importantly with PVC jackets, elastomers and advanced thermoplastic materials that ensure strength and durability. In particular, the use of low-smoke zero-halogen (LSZH) materials has become an established practice, thanks in part to new legal regulations designed to ensure safety in case of fire, especially in indoor applications. In fact, one of the distinguishing features of Prysmian cables is that they are designed to provide high fire resistance. Depending on the type of cable, specific materials are used that prevent the spread of fire and limit the production of toxic and corrosive fumes. Low-smoke zero-halogen (LSZH) cables from the Afumex range are designed to minimize the impact of a fire on people and infrastructure.

In addition, Prysmian's fire-resistant cables prevent the spread of flames along the cable itself. This is especially important in applications where cables are laid in confined spaces such as tunnels, commercial buildings or homes, where fire safety is a top priority.

2. Insulation and protection: Prysmian cables have an insulation layer that varies according to the type of application. Insulation made of PVC, XLPE (cross-linked polyethylene) and other synthetic resins provide excellent resistance to weathering, UV rays and mechanical stress, reducing the risk of damage that could compromise the safety of the network.

Safety standards for cables, both European and international (e.g., IEC 60331 for fire resistance and EN 50575 for cables used in construction, which came into force in 2017) have been progressively updated, imposing higher and higher standards in terms of fire resistance and electrical safety, which before that year were less stringent and rigorous. Prysmian has constantly adapted its production to meet or exceed these regulations, obtaining certifications that ensure cable safety in case of fire and other critical events.

The main cause of casualties in fires inside buildings is smoke and hazardous gases, which significantly reduce the chances of escape and cause damage to facilities and properties, even if located far from the actual source of the fire. The contribution of cables is essential for both active and passive protection. CPR (Construction Products Regulation) applies to all construction products that are permanently incorporated into buildings or civil engineering works (e.g., houses, shopping malls, nightclubs, bridges or tunnels), and thus also to cables: not only power cables, but also control cables, communication cables and fiber optic cables are covered by CPR when permanently installed in a construction work. The Construction Products Regulation (CPR) is aimed at ensuring reliable information on construction products with regard to their performance.

Through sales value, the Group monitors and evaluates the penetration of this type of cable in different countries. In addition, constant research and development activities have led to the creation of cables that are more robust and resistant to external factors, such as temperature changes, mechanical stresses and weathering. These improvements have reduced the risk of cable failures, preventing potential damage to people and infrastructure. Prysmian offers dedicated technical support to quickly resolve any issues related to cable faults. Technical support is provided by the sales teams and R&D function in each country. In addition, the company constantly monitors the effectiveness of its measures through feedback and collaboration with customers, ensuring that any intervention is timely and efficient in order to protect consumer health and ensure optimal safety and performance results.

Another important step in cable safety taken by Prysmian is the adoption of monitoring and diagnostic technologies, which enable early detection of cable faults or damages. For example, monitoring systems (such as the PRY-CAM range and, specifically, the Omhero solution) to detect cable temperature or the presence of electrical leaks enable predictive maintenance, minimizing the risk of damage to people or equipment.

Prysmian cables have evolved over time to ensure not only high performance, but also the safety of people and the infrastructure where they are installed. Innovations in materials, fire resistance, protection against external agents and adoption of monitoring technologies have made these cables especially safe and reliable. Through these developments, Prysmian cables continue to play a key role in the protection and efficiency of modern networks, even under critical conditions such as those caused by fire or other emergencies.

Investments made by the Group to further improve the characteristics and production process of residential cables with LSZH technology amounted to Euro 70,000. Similar investments are planned for 2025 and 2026, amounting to Euro 75,000 for 2025 and Euro 80,000 for 2026, respectively.

Transparent communication

With reference to the risk identified in the dual materiality analysis related to "Non-compliance with transparent and responsible marketing practices", with a focus on the communication of ESG and financial issues managed at the Corporate level, the actions taken by the company to address these issues are described below.

In each publication of its financial results, Prysmian transparently communicates its decarbonization path to the market, along with the company's social and environmental goals.

Through its company website, Prysmian presents a range of content focused on its commitment to achieving sustainability goals, covering its entire product offering and describing the business in which it operates. Newsletters produced and sent to customers, such as Volta (for the Transmission business unit) and Next (for Digital Solutions business unit customers), devote each edition to how Prysmian is contributing to the achievement of sustainability goals through a specific content plan. In addition, the Insight section of Prysmian's website[58] highlights ongoing initiatives, with regular coverage on social media as well.

Prysmian has gained significant visibility in the mainstream press due to its commitment to sustainability. Dedicated articles have appeared in prestigious newspapers such as Milano Finanza, ESG News, Cable Technology News and many others, accompanied by prominent interviews with the CEO, highlighting the company's central role in global sustainability. In particular, Prysmian has highlighted its initiatives to develop strategic infrastructure, such as in the UK.

Development of innovative solutions for monitoring

Monitoring systems made by Prysmian – belonging to the PRY-CAM range and specifically the Omhero solution – are advanced tools designed to support customers in monitoring and managing energy consumption in real time. With their ability to collect and analyze data from electrical systems, these tools provide comprehensive visibility into infrastructure operation and efficiency. Omhero is a particularly useful technology solution for preventing high energy consumption in the event of a fault, as it offers advanced features that allow anomalies and problems to be detected before they can escalate into significant failures. Here are some features that make these systems effective in this regard:

1. **Real-time monitoring**: Omhero can constantly monitor the behavior and operation of power grids and connected devices, detecting changes in energy consumption, thus preventing energy overload and inefficiency of systems.
2. **Predictive analysis**: Using advanced algorithms, the system can predict potential failures or problems based on historical patterns and real-time data, reducing the risk that a failure will result in excessive or unnecessarily high energy consumption.
3. **Fault detection at the component level**: This prevents the entire system from being compromised, minimizing the impact on energy consumption.
4. **Timely notifications and alerts**: This reduces the risk of energy inefficiencies, as rapid intervention can limit excessive consumption caused by an ongoing fault.
5. **Load optimization**: In the event of malfunctions, monitoring systems can suggest solutions to reduce loads on circuits or distribute power more evenly, avoiding consumption spikes that could be detrimental to infrastructure and energy costs.
6. **Data history and detailed reports**: Continuous data collection makes it possible to analyze and compare consumption before and after a fault, identifying areas where energy consumption can be further optimized.

Intellectual property protection

The protection of the patent and trademark portfolio is a key element of the Group's activities, also in relation to the growth strategy in high-tech market segments. In this context, Prysmian annually carries out research and development activities and consequently is engaged in the registration of patents to protect the intellectual property of the innovations developed. Infringement of the intellectual property rights of third parties, such as

58. https://www.prysmian.com/en/insight.

competing companies, can result in additional litigation costs and reputational damages. Within Prysmian, such violations may result from inaccurate patent verification during the innovation process and/or patent monitoring of third-party intellectual property embedded in Group solutions. For this reason, the protection of the patent and trademark portfolio is a key element of the Group's activities, also in relation to the growth strategy in high-tech market segments.
The strategy of filing patents in new countries to go along with the expansion of Prysmian's presence around the world continues. The effectiveness of this action is monitored by measuring the number of patents registered in the year, as reported in the Metrics section.

Metrics

Patents, trademarks and registrations

In order to monitor the risk associated with the infringement of its intellectual property, the Group monitors a series of special indicators presented below.

KPI – ENTITY SPECIFIC	UNIT OF MEASUREMENT	2024	2023
Number of patents and patent applications	Number	**5,611**	**5,460**
Number of patents	Number	**758**	**738**
Energy	Number	343	312
Telecommunications	Number	415	426
New first-time filings	Number	**20**	**19**
Energy	Number	9	8
Telecommunications	Number	11	11
Number of ROI (records of invention)	Number	**51**	**40**
Energy	Number	27	21
Telecommunications	Number	24	19

At the end of 2024, the number of Prysmian's patents and patent applications and the number of patent families remained basically unchanged from the previous year. Over the past few years, the number of new filings per year has hovered around a value of 20 new filings per year. However, the strategy of filing patents in new countries to go along with the expansion of Prysmian's presence around the world continues.

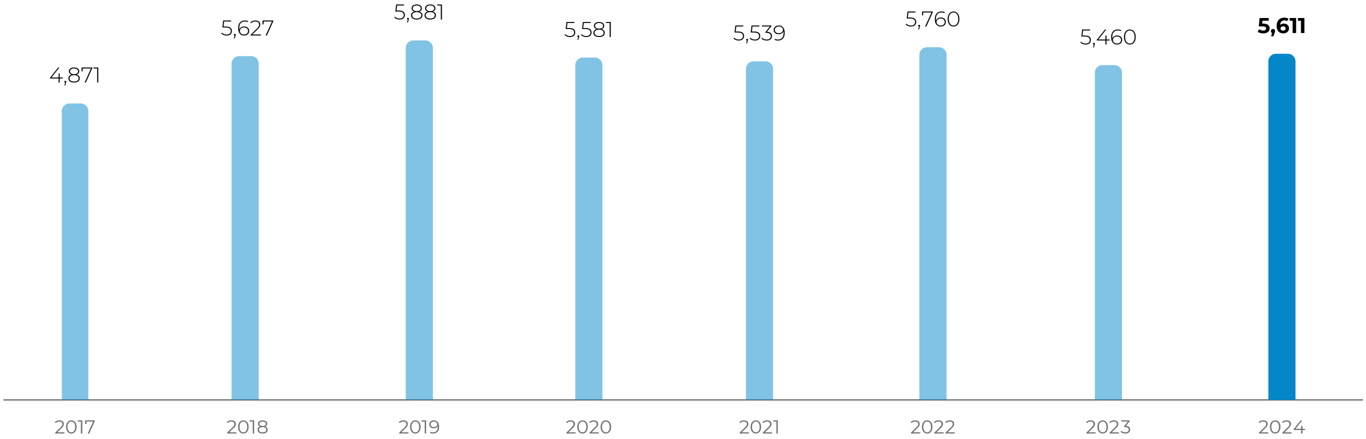
Also in 2024, the Group's patents were used in infringement cases in Italy and France. At the end of 2024, however, there are no open cases as all those still active at the beginning of 2024 have been settled with the other party. These legal initiatives are part of a broader strategy undertaken by the Group in order to protect investments made in R&D.

Regarding trademarks, Prysmian filed 7 new trademark families and abandoned 117 trademarks no longer used locally and aligned registrations with the Group's strategies. As at 31 December 2024, Prysmian owned 4,610 trademark registrations related to 862 trademark families.

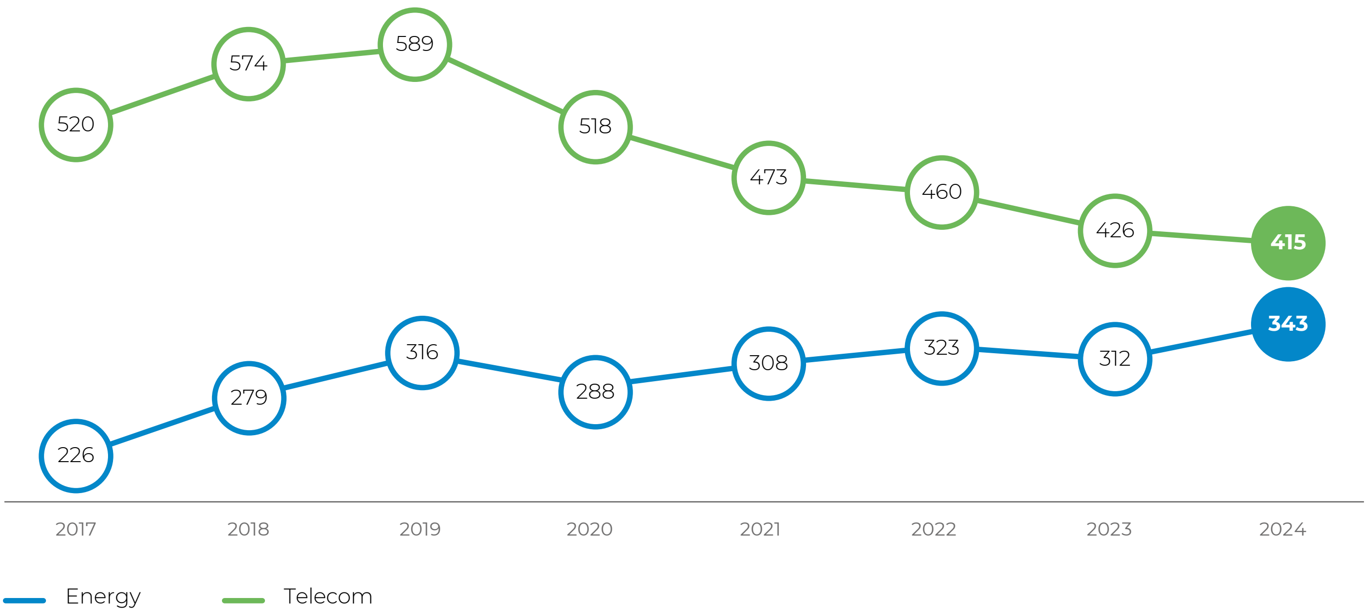
The trend of the indicators in recent years is shown below.

In the last several years, the number of ROI received has been declining, but in 2024 an upswing was noted. ROI refers to the number of inventions sent to the Intellectual Property Department. Therefore, the number of patentable inventions compared to the number of ROI received appears to be better than in the past.

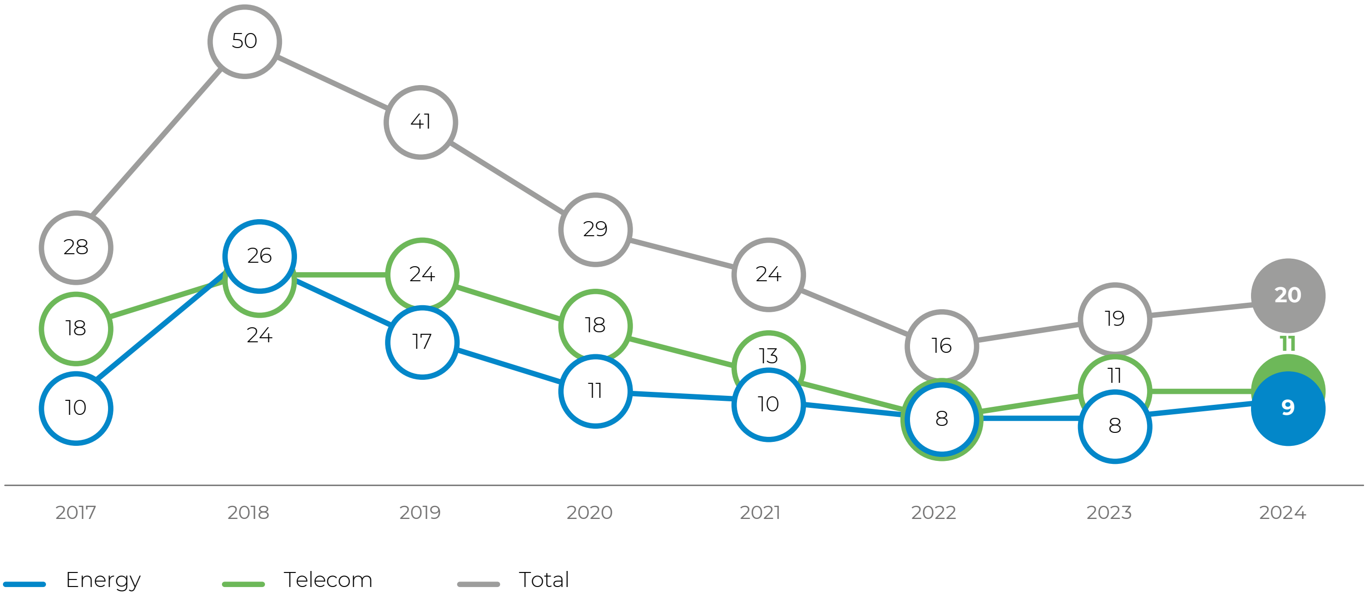
Number of patents and applications



Number of patents for the Energy and Telecom sectors

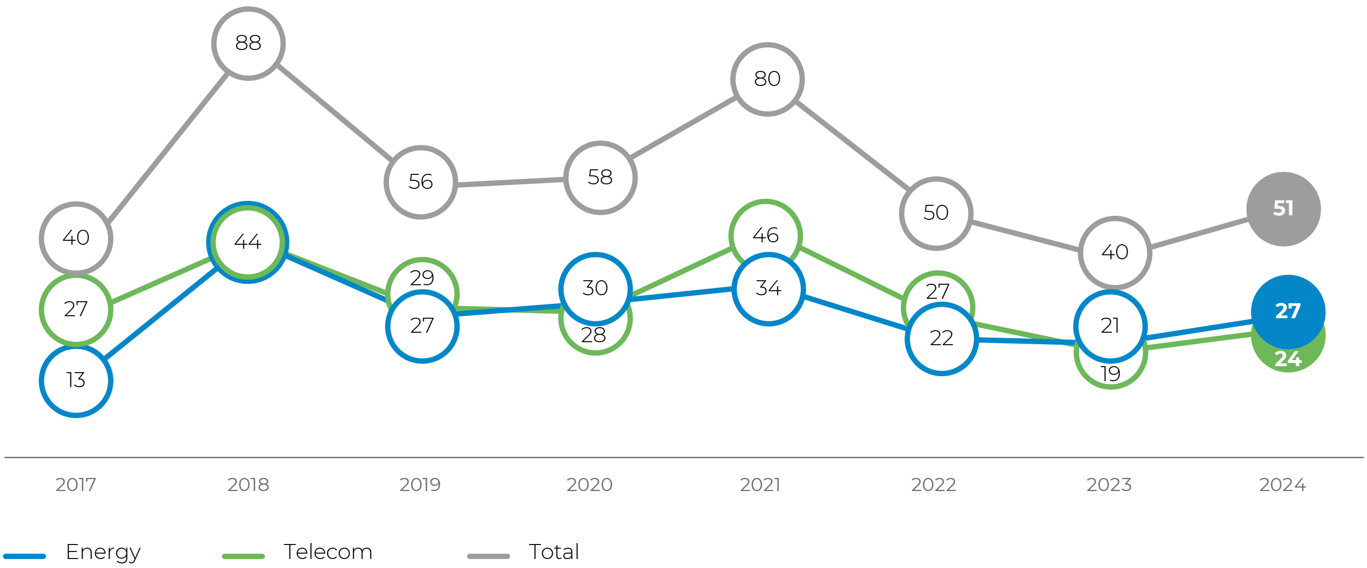


New first filings



In the last several years, the number of ROI received has been declining, but in 2024 an upswing was noted. ROI refers to the number of inventions sent to the Intellectual Property Department. Therefore, the number of patentable inventions compared to the number of ROI received appears to be better than in the past.

Number of ROI



The data are from Prysmian's internal database and include data on Encore Wire and Warren & Brown from their dates of acquisition. The internal database is constantly updated by the Intellectual Property Department in line with the main patent databases available. Also among the tools used by the Intellectual Property Department is website for collecting new trademark applications and ROI. The internal database regularly cross-references data with the databases of patent and trademark offices. The data are also cross-referenced with databases of external legal advisers who manage certain stages of the patent and trademark granting process.

The metrics reported are developed based on internally processed data and do not include significant assumptions. In addition, the data are not validated by an external entity other than the party issuing the certificate of compliance with this document.

Targets

Prysmian has not yet defined specific quantitative targets related to the issues discussed in this chapter. However, **for each of the activities mentioned above, quantitative and qualitative performance is monitored internally by the internal functions responsible for the processes.**

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G
Information on Governance aspects

6. G - Information on Governance aspects

G1 - Business conduct

For Prysmian, ethics is a categorical imperative. The company has always believed that a successful company cannot be built without a solid foundation of ethical and moral principles. That is why we are committed every day to ensure responsible conduct throughout the entire value chain.

Its daily decisions and actions are constantly guided by the Code of Ethics, Anti-Corruption Policy and Whistleblowing Policy. Being the bearer of innovative ideas for sustainable development and adopting fair business practices while respecting human rights is, for Prysmian, synonymous with business ethics and integrity. This is made possible through structured and rigorous governance, which conducts checks on every aspect of business practices, ensuring that ethical standards are met in all operations.

Governance

The Supervisory Board, with the support of the Compliance Function, carries out monitoring activities of the periodic information flows received from the relevant corporate structures, noting any risk indicators and conducting sample investigations. The Supervisory Board informs the Board of Directors on the application and effectiveness of the 231 Organizational Model, through the results of the audits carried out, twice a year. In foreign countries, not covered by Model 231, similar mechanisms are in place provided for by local legislation.

In addition to the above, please note that the Chief Risk & Compliance Officer – for areas under his/her responsibility – reports periodically to the Control and Risk Committee. The Board of Directors, with the favorable opinion of the Control and Risk Committee, in turn evaluates the adequacy, effectiveness, and actual functioning of the internal control and risk management system at the meeting at which the draft annual financial statements are reviewed. In addition, the Control and Risk Committee may request insights into the KPIs reported by the Compliance Function under the Helpline Policy.

Regarding the responsibilities of Prysmian's administrative, management and supervisory bodies, please refer to the detailed information regarding the skill matrix in Chapter ESRS 2. Regarding specific expertise and updates on issues related to business conduct, it should be noted that members of the bodies have been invited to actively participate in events organized by Prysmian during 2024, such as Digital Week and Sustainability & Innovation Days, with the aim of going into and updating their knowledge on issues relevant to responsible and sustainable business management. Taking part in such events, together with members of the Group's top management and internationally relevant guests from across the value chain (customers, suppliers, academic experts, investors) was a significant opportunity to enrich knowledge about various aspects of the company and the business in which it operates. This type of interaction provided a better understanding of global challenges and best practices in sustainability and innovation, contributing to a more comprehensive and up-to-date view of the dynamics affecting the industry.

Management of impacts, risks and opportunities

The following is the information required by the ESRS Reporting Standards based on the results of the dual materiality analysis with respect to the topic of corporate culture. For more details on how the analysis was conducted and the main results, refer to Chapter ESRS 2.

Below, the table contains the impacts, risks and opportunities (IROs) related to the topic discussed in this chapter, with the indication, for current risks and opportunities, also of their current financial effects.

Impact Materiality

ESRS Topic	Impact name	Value chain location	Impact (positive/negative)	Impact (actual/ potential)	Time Horizon
G1 Business conduct	Whistleblowers protection	Own Operations	Negative	Potential	Short term
G1 Business conduct	Impact of political engagement and lobbying on industry growth, regulations, and sustainability driving policy-driven value creation	Own Operations, Downstream	Positive	Actual	Short term
G1 Business conduct	Negative impacts on supplier relationships and financial stability due to unsustainable practices and delayed payments	Upstream	Negative	Potential	Medium term
G1 Business conduct	Negative impact of uncontrolled active and passive corruption on employee morale and organizational integrity due to the lack of training courses on these topics	Own Operations	Negative	Potential	Short term

Financial Materiality

ESRS Topic	Risk/Opportunity name	Value chain location	Risk/ Opportunity	Time Horizon	Current Financial Effect
G1 Business conduct	Non-compliance with International sanctions and export control laws	Own Operations, Downstream	Risk	Medium term	N/A
G1 Business conduct	Non-compliance with Antitrust legislation	Upstream, Own Operations, Downstream	Risk	Medium term	Reference should be made to the section "Provisions for risks and charges" in the Explanatory Notes, regarding the Antitrust procedures affecting Prysmian, which, while not having a material current financial impact, represent a probable liability that can be reasonably estimated by management and is therefore reflected in the financial statements. The amount of the provision for antitrust-related risks as at 31 December 2024 is Euro 189 million.
G1 Business conduct	Breach of Group's policies and procedures by internal / external parties	Upstream, Own Operations, Downstream	Risk	Medium term	N/A
G1 Business conduct	Risks arising from an increased complexity of tax framework	Own Operations	Risk	Medium term	Reference should be made to the section "Provisions for risks and charges" in the Explanatory Notes to the Financial Statements regarding tax disputes involving Prysmian, which, while not having a material current financial impact, represent a probable liability that can be reasonably estimated by management and is therefore reflected in the financial statements. The amount of the provision for tax-related risks as at 31 December 2024 is Euro 105 million.
G1 Business conduct	Non-compliance with Anti Money Laundering (AML) regulation	Own Operations, Downstream	Risk	Medium term	N/A
G1 Business conduct	Non-compliance with Corporate Criminal law	Own Operations	Risk	Medium term	N/A
G1 Business conduct	Cultural and organizational Group model adequacy to sustain a fast technological innovation process (incl. emerging disruptive technologies) and a larger perimeter with different strategies	Across	Risk	Long term	N/A
G1 Business conduct	Risk of loss of leadership in the Transmission business, in a rapidly changing competitive scenario, due to the opportunities offered by the new energy transition policies, with the strengthening or entry of new players	Own Operations	Risk	Long term	N/A
G1 Business conduct	Risk of Ineffective Role Definition and Authorization Leading to Control Vulnerabilities and Fraud	Own Operations	Risk	Medium term	N/A
G1 Business conduct	Risk of ineffective whistleblowing system leading to delays and reputational damage	Upstream, Own Operations, Downstream	Risk	Medium-Long term	N/A
G1 Business conduct	Reputational damage due to lobbying activities	Own Operations	Risk	Medium term	N/A
G1 Business conduct	Undisclosed Conflict of Interest	Own Operations	Risk	Long term	N/A
G1 Business conduct	Non-compliance with Anti-corruption / Anti-Bribery legislation	Upstream, Own Operations, Downstream	Risk	Medium term	N/A

Policies

Prysmian constantly strives to promote integrity and transparency in its business throughout the value chain. The complexity of activities and the international scale of the Group mean that the Group 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 Company's reputation, adversely affect the socio-economic development of the communities in which it operates and restrict market competition. Partly to mitigate these risks, Prysmian has defined governance rules and implemented a system of internal controls that promote integrity and transparency among all business partners and stakeholders, as well as strict processes that must be followed. The actions and procedures comprising the system of internal controls are designed to provide credible, truthful information to the market about the Group's activities, thus increasing the confidence of current and potential investors in the business and encouraging them to adopt a long-term approach to their investments.

Below are the Group's main policies on the topic of corporate culture management.

POLICIES	BRIEF DESCRIPTION
Code of Ethics	Prysmian's Code of Ethics guides all company activities while preventing non-compliant behavior and promoting principles such as transparency, sustainability and respect for human rights. Mandatory for employees, partners and suppliers, the Code is inspired by international standards and reflects the Group's commitment to environmental protection, health and safety, business ethics, anti-corruption and anti-bribery. Please refer to the previous chapters for more information on the Group Code of Ethics.
Anti-Corruption Policy	The objective of the Policy is to provide guidance and rules of conduct to ensure that all Prysmian employees and third parties representing the Company: a) understand their obligation to act ethically and conduct themselves with the highest level of personal and professional integrity; b) comply with anti-corruption and anti-bribery laws at all times; c) do not engage in practices or behaviors with a corrupt purpose; and d) identify and report any corruption issues.
Helpline Policy	The purpose of the Policy is to ensure that Company employees feel comfortable asking questions or making reports of possible violations of any applicable law or regulation, the Prysmian Code of Ethics, or any other Company policy or procedure. The Procedure contains operating rules on how to make reports, the circumstances that may be the subject of reports, roles and responsibilities in handling reports, and the prohibition of retaliation against whistleblowers.
Antitrust Policy	Antitrust Laws ensure that companies compete fairly, based on the principle that vigorous competition encourages companies to excel in the quality, variety and affordability of their respective products and services.
Export control policy	In order to prevent and mitigate risks arising from violations of export control laws and regulations and international economic sanctions – i.e., fines against the company and criminal liability of the chargeable persons under the applicable legislation – the Group has a Policy and Procedure on the subject.

Anti-corruption Policy

Prysmian's Anti-Corruption Policy provides guidance and rules of conduct to ensure that all employees and third parties representing the Company act with the highest level of personal and professional integrity. It establishes the obligation to comply with anti-corruption and anti-bribery laws; avoid corrupt practices or behavior; and identify and report any problems related to the matter. This Policy covers key aspects such as so-called facilitation payments, accounting records, donations, sponsorships, gifts, entertainment expenses, interactions with the government and conflicts of interest.
In fact, the risk of corruption is particularly relevant to the Group, both because of the regulatory complexity (e.g., Italian Legislative Decree 231/2001 and the U.S. Foreign Corrupt Practices Act), as well as for the operational context, such as the management of large international projects in countries characterized by high levels of corruption. This requires careful management of business relations, often conducted through local agents or public officials.

The Anti-Corruption Policy, developed in accordance with best practices and major international standards, including the United Nations Convention Against Corruption, applies to employees, officers, directors and third parties, including business intermediaries, who must adhere to the same standards of integrity and ethical conduct required of Company employees. Approved in its latest version by the parent company's Board of Directors on 31 July 2024, it is managed by the Group Compliance Function, which oversees the anti-corruption management system, providing advice and constantly evaluating the effectiveness of the system, including reporting periodically on the matter to the governing and internal control bodies. In addition, the Group Compliance Function manages all reports of alleged corruption and bribery sent through Prysmian's Helpline channel. All whistleblowing reports, including those concerning potential corrupt behavior, are in fact investigated by the Group Compliance Function in compliance with best practices and applicable regulations, pursuant to the Helpline Policy.

Through the Policy, Prysmian has committed to adopting an ISO 37001:2016 certified anti-corruption management system, which is currently applied by both Prysmian S.p.A. and PowerLink S.r.l. In addition, the Policy was developed following a risk assessment activity, which mapped and analyzed all Group stakeholders in line with the requirements of ISO 37001 certification.

To make it available to stakeholders, the Anti-Corruption Policy is published on the company website and the intranet, ensuring easy access to all stakeholders. The policy can be consulted on the company website[59].

Helpline Policy

Prysmian's Helpline Policy, approved by the Board of Directors on 8 February 2024 and published on the corporate website and on the corporate intranet, is applied to ensure that all employees and third parties working with the Group feel free to ask questions or report possible violations of laws, regulations, the Code of Ethics or any other company policy, and reflects a robust and effective system for handling reports. The procedure sets out how to make reports, the types of circumstances that can be reported, the roles and responsibilities in handling reports, and enshrines the absolute prohibition of retaliation against whistleblowers.

Prysmian has implemented a secure and dedicated Group reporting channel, known as Integrity First Helpline, managed by an independent external company. This system protects the identity of whistleblowers and guarantees the confidentiality of reports, which are visible only to Group Compliance and Internal Functions. The Integrity First Helpline is accessible 24/7 in all official Prysmian languages. It offers various modes of access, including e-mail, dedicated web portal and phone lines, easily accessible through the Ethics & Integrity section of the corporate website and intranet. Prysmian organizes annual online training sessions on whistleblowing issues and the use of the Helpline channel for all employees, managed by the Compliance function.

Reports can be submitted by all Group stakeholders, including shareholders, suppliers, customers, former employees and candidates. In addition, the company has put in place strict measures to prevent any form of retaliation against those who report through the channel. If a whistleblower believes that he or she has been subjected to retaliation, he or she must report it pursuant to the Procedure. Any employee who engages in retaliatory acts against a whistleblower is subject to disciplinary action, including possible dismissal.

In relation to Whistleblowing, it should be noted that Prysmian obtained ISO 37002:2021 "Whistleblowing Management Systems" certification in 2022, becoming one of the first companies in its sector in Italy to receive this recognition. This certification was renewed in 2023 and 2024, further confirming the soundness of the Group's system.

To ensure the effectiveness of the dedicated channel, the Group Compliance Function, which is responsible for implementing, reviewing and periodically updating the Policy, preliminarily evaluates reports and, if necessary, initiates internal investigations through regional Compliance Managers, also involving the Internal Audit and Human Resources teams where necessary.

It should also be noted that each quarter the Group Compliance Function provides updates on reports received during the reporting quarter and any investigations, completed or still in progress, related to previous quarters to a special committee, called the Helpline Committee.

59. https://www.prysmian.com/sites/www.prysmian.com/files/2024-07/02-Anticorruption-Policy-June-2024-Final.pdf.

The Helpline Committee is an internal cross-functional committee composed of the following key figures: Chief Risk & Compliance Officer, Chief Internal Audit Officer, Chief Corporate Affairs Officer, Chief Human Resources Officer, VP Group Compliance and Industrial Relations & Employment Governance & Security VP. Although most of the reports made are investigated internally by the Functions in charge, in exceptional cases, external legal and investigative support is sought and critical issues are reported to the Top Management in a timely manner. In addition to the Helpline Committee, the Compliance Function reports the Key Performance Indicators ("KPIs") of the reports received during the relevant quarter (e.g. new, closed, confirmed – all or in part – and unjustified matters, disciplinary or corrective actions taken, analyzed by categories, region and country) to the Control and Risk Committee, which may – in turn – request in-depth investigations. Corrective measures or disciplinary actions are adopted if the legitimacy of these reports is confirmed by the investigative work carried out. These measures are tailored specifically to each report and do not necessarily require or involve changes to corporate policies or processes. The Policy is available to the public on the company website[60].

During 2024, out of a total of 174 reports received through the Helpline channel, 155 were closed by 31 December. With reference to the reports whose investigation phase was concluded, it is noted that 45 were found to be "confirmed" or "partially confirmed", and a total of 75 corrective actions were taken, partly due to the fact that more than one corrective action was taken for some reports. These corrective actions comprise: 25 policy or process reviews and specific corrective actions, 26 coaching and training activities, 7 dismissals and suspensions, 17 verbal or written reprimands.

Again with reference to 2024, no violation of anti-corruption regulations by the Group has been established.

Antitrust policy

Prysmian's Antitrust Policy, signed by the Board of Directors on 31 July 2024, is an integral part of its Antitrust Compliance Program and a key element in ensuring compliance with Antitrust Laws, non-compliance with which can have serious consequences for Prysmian, including fines of up to 10 percent of Group sales, legal proceedings and reputational damage that can undermine market confidence.

The Policy was developed following a risk assessment activity, during which all of Prysmian's stakeholders were mapped and duly examined, and is aligned with the relevant rules of the Treaty on the Functioning of the European Union, as well as applicable legislation in most EU member states and other relevant jurisdictions.

To reduce these risks, the Antitrust Policy defines:

- Guiding principles for ensuring compliance with Antitrust Laws;
- The rules of conduct to be observed, with particular reference to agreements restricting competition, abuses of dominant position and transactions subject to prior authorization by the relevant antitrust authorities.

The Policy, which applies Group-wide, affects directors, officers, employees, interns and all third parties acting on behalf of Prysmian, including consultants, sales agents, suppliers and business partners, providing them with the general rules of conduct necessary to comply with Antitrust Laws. Responsibility for implementing the Policy lies with the Group Compliance Function, which is responsible for managing, reviewing and updating it to reflect legislative developments and corporate best practices.

In particular, the Group Compliance Function:

- provides advice and support to employees, jointly with the Corporate Affairs Function;
- develops internal controls and procedures to prevent non-compliances with Antitrust Laws;
- monitors risks of antitrust non-compliance;
- supports training activities and awareness-raising initiatives, promoting a culture of antitrust compliance throughout the organization;
- reports to top management relevant information regarding antitrust compliance, which may also be submitted to internal control bodies, such as the Control and Risk Committee of Prysmian S.p.A.

Published both on the corporate website and on the company intranet, the Antitrust Policy is an essential pillar of compliance with market rules, reinforcing Prysmian's commitment to promoting transparency and fairness in every aspect of its activities. The policy can be consulted on the company website[61].

60. https://www.prysmian.com/sites/www.prysmian.com/files/2024-07/01-Helpline-Policy-June-2024-Final.pdf.
61. https://www.prysmian.com/sites/www.prysmian.com/files/2024-07/03-Antitrust-Policy-June-2024-Final.pdf.

Export control policy and procedure

Prysmian's Export Control Policy and Procedure are essential tools for the Group to ensure compliance with international laws and regulations – particularly, United Nations (UN), European Union (EU), United Kingdom (UK) and United States of America (US) regulations – which govern the export of certain products and technologies. These regulations provide for restrictions or prohibitions, based either on the technical characteristics of the goods (as in the case of "dual use" goods, which can be used for both civilian and military purposes) or on economic sanctions or embargoes applied to recipient countries, companies or individuals.

This Policy, developed following a thorough risk assessment involving all Prysmian's stakeholders, who were mapped and duly examined, was adopted to prevent and mitigate risks arising from violations of export control and international economic sanctions regulations, which could result in significant fines for the company, criminal liability for the individuals charged, and significant reputational damage.

The Policy and the Procedure govern several key aspects:

- monitoring of the countries and parties subject to restrictions, as well as the level of the restrictions in force;
- due diligence on the parties subject to restrictions, in order to avoid transactions with prohibited parties;
- classification of products to determine the applicable export compliance requirements and understand where and to whom they can be exported, as well as whether or not a license or other authorizations are required;
- basic training for all employees on the topic and targeted training for persons in functions responsible for international commercial transactions and the control of exports;
- requests for end-user declaration of goods/technology aimed at certifying that it or the purchaser complies with applicable export regulations.

The Policy and Procedure apply to all employees, interns, external consultants, officers, managers and directors of Group companies. Management of the Policy and Procedure is entrusted to the Group Compliance Function, which operates through specialized resources located in Europe and the United States. This function is responsible for applying, updating and amending the Policy and Procedure periodically to ensure that it adequately reflects regulatory changes, corporate best practices and organizational developments.
As evidence of Prysmian's commitment to full compliance with export control and international economic sanctions regulations, the Policy has been published on the corporate website[62], while the Procedure is easily accessible on the corporate intranet.

With respect to all of the above policies, Prysmian performs online and in-person training and awareness-raising initiatives for employees, ensuring the highest level of in-depth study of compliance-relevant issues, aimed at the dissemination and implementation of the above policies and the dissemination of corporate culture. Online training sessions take place on average every two years, while – during the year, based on the specific needs established by the relevant Compliance plan – Group Compliance Team resources conduct on-site visits (lasting at least two days) specifically dedicated to staff training. In fact, within the Group Compliance Team, there is a resource specifically dedicated to the overall implementation of compliance training.

In addition to the policies described above, the Conflicts of Interest and Third Party procedures are two fundamental pillars for the management of Prysmian's business conduct policies.
The **Conflicts of Interest Procedure** establishes clear rules for identifying and managing any conflicts, ensuring transparency and professionalism in business operations. All employees, including managers and directors, are required to follow this procedure, with the annual obligation to report conflicts through a specific questionnaire. The Group Compliance function constantly monitors and evaluates the correct application of the procedure.
The **Third Party Procedure**, on the other hand, provides guidelines for engaging and managing third parties, ensuring that all business relationships are conducted with integrity and ethics. Each collaboration with third parties is preceded by a due diligence process, with risk classification and internal approval. This procedure is communicated internally via official documentation, training and online platforms, and is also applied to external partners. Both procedures are periodically monitored and updated to maintain high standards of compliance and transparency.

62. https://www.prysmian.com/sites/www.prysmian.com/files/2025-01/04%20Export%20Control%20Policy_2024_en.pdf.

Supplier relationship management

Prysmian adopts a structured and responsible approach to managing its relationships with its suppliers, promoting practices that ensure regularity in payments, compliance with regulations and integration of sustainability criteria and principles throughout its value chain.

In detail, Prysmian is committed to ensuring timely payments, particularly recognizing the importance of regular cash flow to **Small and Medium Enterprises (SMEs).** Although payment policy specifics may vary by contract or regional context, Prysmian's approach reflects best practices in **payment management and supplier relations.** Below are the principles behind these good practices:

1. **Clear and defined payment terms**: Prysmian establishes specific payment terms in contracts with suppliers (including SMEs), which are made known and transparent from the beginning of the business relationship. Payment terms, which may vary by negotiation, are agreed upon and adhered to so as to avoid any uncertainty or delay. Prysmian recognizes the strategic importance of supporting SMEs, which often operate with tighter margins than large companies. For this reason, the company tends to strictly observe the stipulated payment terms.
2. **Invoice management system and timely payments:** The company adopts an **automated invoice and payment management system** that allows it to monitor payment flows in real time. This system is designed to ensure that invoices are processed quickly and payments are made on time.
3. **Proactive communication and issue resolution**: In the event of any payment-related issues (such as disputes over invoices or unexpected delays), Prysmian maintains **open and proactive communication** with suppliers. If necessary, the finance team or department in charge will promptly resolve any errors and ensure that payment is made without delay.
4. **Performance control and monitoring**: The company constantly monitors its performance related to payments to suppliers, including SMEs, through **financial reporting** tools. This allows any inefficiencies in the payment process to be identified and corrected, avoiding delays that could damage the relationship with suppliers.
5. **Compliance with regulations**: Prysmian also complies with **local and international regulations** on payments, which impose precise payment timelines, particularly in the European context, where there are regulations that set maximum payment terms (e.g., Directive 2011/7/EU against late payment in commercial transactions).

In addition, especially within Prysmian's strategy and approach toward the supply chain, ESG factors are playing an increasingly prominent role in sourcing decisions and contract awards. This is especially evident in the base metals sector because of the environmental sensitivity of these materials. In fact, currently, all base metal suppliers with long-term contracts (two or more years) must meet sustainability thresholds set by the company. Regular monitoring by the Group ensures that a high sustainability score remains a prerequisite for achieving *preferred supplier* status. As a result, suppliers who demonstrate good ESG performance are more likely to be favored in contracting and project selection processes. In this regard, a price adjustment mechanism has also been implemented that aims to achieve two main objectives:

1. correctly reflect differences in the value of materials based on production and delivery standards;
2. reward providers for efforts and additional costs associated with adopting advanced and sustainable practices.

Depending on their ESG score, base metal suppliers are classified into four groups:

1. **Risk-free providers:** receive a premium during the offering alignment process, along with a reduction in the transformation premium;
2. **Low-risk providers:** receive a premium, but with a smaller reduction in the transformation premium;
3. **Medium-risk suppliers:** no price adjustments are expected;
4. **High-risk suppliers:** face penalties, with a higher transformation premium than competitors.

Classification into these four groups is determined through desk and risk analysis, product characteristics, environmental aspects (such as carbon footprint and recycled content) and available product certifications, such as environmental product declarations (EPDs).

For more details on Prysmian's impacts, risks and opportunities related to its suppliers, please refer to the materiality tables in the section "Management of Impacts, Risks and Opportunities" (particularly for risks located in the upstream part of the value chain).

In addition, as part of its broader strategy to improve the sustainability of its products and supply chain, Prysmian regularly requires environmental product declarations (EPDs), life cycle assessments (LCAs) and recycled content declarations from its suppliers of copper and aluminum rods. Collecting EPDs and LCAs allows a company to assess and understand the environmental impact of the materials it uses, focusing on factors such as greenhouse gas emissions, energy consumption and resource use. These statements give suppliers a competitive advantage, as their ability to provide comprehensive environmental data makes their products more attractive to environmentally conscious buyers, positioning them as industry leaders in an increasingly sustainability-driven market.

As part of the evaluation of recurring suppliers of copper and aluminum rods, Prysmian has adopted a structured system to analyze their performances, providing detailed feedback based on their results. This system is based on the analysis of the environmental, social, and governance performance of the suppliers themselves. The social criteria used to evaluate the performance of the supplier base include the presence of certifications such as OHSAS 18001 and ISO 45001, as well as those published by internationally recognized bodies, such as the Corruption Perceptions Index (published by Transparency International) and the Human Rights Risk Index (published by Maplecroft). Additionally, starting from 2022, a further Media Analysis was introduced, aimed at also evaluating the social component of the suppliers involved in the Desk & Risk analysis. The company has also defined a minimum score as a preferred criterion to guide sourcing decisions and the awarding of annual company bonuses. Out of a maximum score of 100, the minimum threshold was set at 60, representing the basic requirement that suppliers must meet in terms of sustainable practices in order to qualify for long-term agreements.

Below are examples of responsible sourcing practices, within commodity categories, that highlight the importance of sustainability-related criteria for selecting supply-side contract partners:

1. **Reels**: more than 60% of Prysmian's spending on wood and plywood reels goes to suppliers who have stated that their wood sourcing is from companies certified by recognized forest certification bodies, such as PFEC, FSC, SFI, the Canadian Wood Pallet Certification Program or the Timber Trade Federation. In addition, the Group tries to standardize reel design as much as possible, facilitating the usability of wooden packaging.
2. **Utilities**: ESG criteria play a key role in the selection process carried out by Prysmian for utility providers. For example, during contract renewals with electricity suppliers, the energy mix declared by potential suppliers is a key factor in the offering evaluation matrix. In fact, suppliers who offer the best energy mix, promoting greener energy use within the Group's operations, receive higher scores.
3. **Transportation and logistics**: Prysmian's sourcing process requires carriers to declare their CO_2 emissions during the bidding phase for full load transportation (FTL) services. This enables Prysmian to make more informed and sustainable decisions and encourages the logistics industry to adopt greener practices. In addition, the Group creates incentives for the use of cleaner energy sources by requiring surcharges for the use of hydrotreated vegetable oil (HVO) or electric vehicles. Selected suppliers are also required to provide quarterly reports on CO_2 emissions during shipment, ensuring accountability and enabling the company to monitor its carbon footprint over time.

Prevention and detection of bribery and corruption

With regard to the prevention and identification of bribery and corruption events, the Group has a series of detailed procedures in implementation of the policies, reported in the previous sections (Policy Helpline, Third Party Procedure, Conflict of Interest Procedure, Export Control Policy). Specifically, Prysmian has the following procedures set up to prevent, detect and manage allegations or cases of bribery and corruption:

- **The Gifts and Entertainment Fees Procedure** states that Prysmian employees must obtain supervisor approval and complete an online form to offer or accept gifts or expenses beyond a certain value. For public bodies and public officials, the threshold is zero euros. Failure to comply with this procedure is subject to disciplinary and legal action.
- **The Procedure for managing relations with the public administration** defines the rules for interacting with public bodies, in compliance with laws, regulations and Prysmian's Code of Ethics. It includes regulations on inspection visits, requests for information, public funding, tenders and private relationships. Employees who do not follow these procedures are also subject to disciplinary and legal sanctions.

To complement the preventive measures described above, the Group has implemented specific management procedures for reporting possible incidents of bribery and corruption, with particular reference to the Integrity First Helpline channel (see section G1-1 Helpline for more details). The Group Compliance Department, as an independent function, is in charge of conducting the investigation of such reports. In the event that a report involves a member of the Compliance Function, it is automatically redirected to the additional Competent Functions, in accordance with the Helpline Policy.

At the time a report is made, the Chief Risk & Compliance Officer and the Chief Audit Officer must:

a) with reference to significant investigations, set up the working group to be assigned to the investigation and supervise the investigation, promptly informing the relevant supervisory bodies;
b) if necessary, coordinate and maintain contact with any other internal functions and/or external consultants assigned to conduct the investigation;
c) provide periodic updates on reports to the Control and Risk Committee and the Board of Statutory Auditors at their regular meetings. Information pertaining to reporting is consolidated within the Quarterly Report on Whistleblowing;
d) for Italian legal entities, promptly inform the relevant Supervisory Board of any report relevant to Italian Legislative Decree 231/2001.

As introduced, therefore, both the Control and Risk Committee and the Board of Auditors are updated periodically on the reports that have been made.

In particular, the Control and Risk Committee:

a) receives the quarterly report on whistleblowing;
b) evaluates the results of significant investigations;
c) assigns and verifies the budget of significant investigations.

Instead, the Board of Statutory Auditors for competent Italian legal entities receives the quarterly report on whistleblowing as regards the "incident reports" received and is responsible for evaluating the results of the investigations. The parent company's Board of Statutory Auditors also has access to Prysmian's reporting channel. It is understood that the Board of Statutory Auditors of the parent company is promptly informed by the Chief Risk & Compliance Officer and/or the Chief Audit Officer about significant investigations.

Finally, for Italian legal entities, the competent Supervisory Board under Italian Decree 231, once it receives a report from the Chief Risk & Compliance Officer and/or the Chief Audit Officer (or designated individuals on incident reports relevant under Italian Decree 231) also has a duty to evaluate the results of investigations.

For the proper functioning of a prevention and identification system such as the one described above, it is critical that the policies and procedures in place are properly communicated to all stakeholders. Specifically, the policies and procedures presented in G1-1 are all published on the intranet and part of them are also published on the Company's website. In addition, counterparties are required to sign the Code of Ethics.
Equally important for the effective operation of the anti-corruption system are training initiatives. In this regard, basic online anti-corruption training is conducted for the benefit of all desk workers at risk of corrupt behavior, regardless of their role in the organization. Individual anti-corruption sensitive areas (including, but not limited to, gifts and entertainment expenses and conflicts of interest) are then the subject of additional training initiatives, online or in-person, according to the priorities defined, from year to year, in the Compliance Plan. Specifically, these events involved 7,431 employees and 5,818 business partners, who were notified of the organization's policies and procedures.

In addition, at Prysmian, in favor of the business areas most exposed to risks of corrupt behavior, which are identified according to a risk-based logic such as the Purchasing Function and the Sales Function, additional training activities are provided regarding anti-corruption compliance, both online and through classroom and videoconference sessions.
The degree of depth is always high and covers all chapters governed by Policies and Procedures.

At the same time, 100% of the members of the Board of Directors who hold a top management role within Prysmian (i.e., the Group CEO and the Group CFO) are also subject to anti-corruption training initiatives (during 2024, these initiatives included an online course on anti-corruption and an in-person course focusing on compliance with Italian Legislative Decree 231/2001).

Actions

MAIN ACTIONS	TIME HORIZON	BRIEF DESCRIPTION	PROGRESS
Compliance Program for 2024/2025	Short term	Program that includes a series of actions aimed at achieving the policies reported in the following paragraphs under business conduct.	Ongoing
Establishment of a transparent financial approach	Short term	Prysmian addresses growing international tax complexity with an approach based on six core principles: Compliance, Legality, Sustainability, Equity, Trust and Transparency. This includes a transparent dialogue with tax authorities and the implementation of a tax risk management system.	Ongoing

Compliance Program for 2024/2025

As part of its commitment to responsible and compliant corporate risk management, Prysmian has developed a Compliance Program for the year 2024, based on key activities, which can contribute to the achievement of corporate policy objectives.

The main actions contained in the Compliance 2024 program have included:

- Update and modernization of Prysmian's Code of Ethics;
- Revision of Compliance Regulatory Framework, dividing regulations into Policy, Procedures and Operating Instructions;
- Update of the Antitrust Compliance Program and continuing risk assessment in Regions such as UK, Northern Europe and North America;
- Continuous monitoring of compliance programs, including activities at sites, and with agents and projects;
- Creation of a compliance program for Prysmian Riassurazioni S.p.A., pursuant to Italian Legislative Decree 231/01;
- Dissemination of compliance culture through training and awareness sessions;
- Maintenance of ISO 37001 (Anti-bribery) and ISO 37002 (Whistleblowing) certifications;
- Management of commercial compliance and third-party programs at the local level.

The global Compliance Program 2024 consists of activities managed by regional teams in major geographical areas (Europe, Middle East, Africa, Russia, Turkey, North America, Latin America, Asia Pacific). Actions, as seen above, include among others:

- Online training sessions for all desk employees regarding the Code of Ethics and Anti-Corruption/Bribery, including under ISO 37001;
- On-site training sessions on specific topics such as antitrust, compliance awareness, export control and use of the Helpline channel;
- Monitoring, which covered offices, production sites and third parties, with special reference to sales agents and projects.

In addition, for 2025, the program, which is still being defined, will focus on additional compliance-relevant activities, including integrating acquired companies into the internal control system, improving targeted trainings and strengthening the open reporting culture through the Helpline channel.

During 2024, the Compliance Program was supported with adequate financial resources, allocated according to reasons of need and opportunity.

Establishment of a transparent financial approach

As revealed by the Double Materiality exercise conducted by the Group, Prysmian operates in an increasingly complex international tax environment. Reputational and legal risks related to non-compliance with current regulations are a potential issue for the Group's business.

To address these challenges, Prysmian has developed a fiscal approach based on six core principles: **Compliance, Legality, Sustainability, Equity, Trust and Transparency**. This approach translates into a concrete commitment to:

- Applying the most appropriate tax treatment, balancing legitimate tax-saving opportunities with industry best practices and expert advice;
- Maintaining a transparent dialogue with tax authorities. In case of divergent regulatory interpretations, the Group engages in proactive discussion, also through the tool of ruling, to find shared solutions before tax returns are filed. In the event of disagreements, while retaining the right to challenge disagreement decisions, the Group takes a prudent approach, minimizing fiscal risk;
- Implement a Tax Control Framework (TCF), a tax risk management and monitoring system already in place for Italian companies (except for Prysmian Riassicurazioni S.p.A., incorporated in the year 2024), with an international extension under evaluation.

In addition, Prysmian has adopted an advanced fiscal reporting model in line with the World Economic Forum's (WEF) ESG metrics. This model integrates Country-by-Country Reporting (CbCR) with Total Tax Contribution (TTC), providing a clear and transparent view of the Group's tax contribution. This approach makes it possible to:

- Provide stakeholders with a complete picture of the key economic, fiscal and asset figures in the countries where Prysmian operates.
- Represent the total tax contribution, including not only income taxes, but also taxes on labor, value added, products and services. Taxes borne directly by the Group and taxes collected on behalf of government are considered.

With these initiatives, Prysmian confirms its commitment to responsible fiscal risk management, actively contributing to the economic and social developments of the countries in which it operates.

Regarding the timing of implementation, the Tax Control Framework (TCF) for Italian companies has been introduced from the 2020 tax year, with admission to the tax scheme in December 2021. The participation application for the newly established company Prysmian Riassicurazioni S.p.A. is planned for 2025.

In relation to the geographical scope of the TCF, the fiscal strategy has already been adopted at the Group level with the approval of the Board of Directors in 2020. Further expansion of TCF to other countries will depend on the maturity of local jurisdictions.
TCF expenditure for the year 2024 amounted to Euro 108,000 for consultancy, in addition to the costs of partially or fully dedicated internal staff. For 2025, the projected TCF expenditure, which will include both Italy and abroad, is about Euro 304,000.

Targets

Under the governance management, with particular reference to combating bribery and corruption, the Group has set the following goal in its sustainability impact scorecard.

KPI	Targets	Performance as at 2024	Base year and relative baseline value
Completion rate for online anti-corruption training	90% as at 2025	90%	2022; 75%

The process of defining this goal involved various stakeholders, including the Sustainability and Human Resources Functions, as well as the compliance team, based on a collaborative approach that enabled the identification of critical areas and the definition of a goal that meets the needs of all levels of the organization.

This target includes e-learning conducted through the Group's business management system and is for all desk workers (excluding business partners, consultants, contractors, employees on leave of 30 days or more and temporary trainees). The target is subject to annual approval of the compliance plan by the Board of Directors. Training topics may include one or more of the following: code of ethics, anti-corruption, gifts, conflicts of interest, Helpline or business policy. The target is measured starting from a baseline of 2022, when the completion rate settled at 75%.
The overall goal of achieving a 90% completion rate by 2025 is set to ensure broad staff involvement in training, and is also aligned with national, EU and international anti-corruption policies, taking into account global best practices and local awareness and compliance needs.

The results of the target, which are always monitored through the company's management system, are reviewed regularly to ensure that performance is in line with the set target. Any deviations from targets are analyzed to identify the causes and take timely corrective measures if necessary. Data are updated annually to provide an accurate analysis of trends and changes in performance, supporting informed decision-making to achieve goals.

Metrics

In order to monitor the actions put in place and the achievement of policy objectives, the Group monitors the following performance metrics related to potential impacts and risks detected throughout the value chain.

KPI	UNIT OF MEASUREMENT	2024	2023
Taxation – Country-by-Country report	€ million	Values shown in the relevant Country-by-Country report table	
Completion rate for online anti-corruption training of 90% in 2025	%	90	89.3

Taxation – Country-by-Country report

For Prysmian, taxation issue appears to be crucial, as the increasing complexity of taxation frameworks, and the consequent inaccurate payment of taxes, could lead to legal proceedings, financial losses, including fines/sanctions and reputational damage.

Consequently, the Group carefully monitors the amount of taxes paid in each country in which it operates. Regarding information about the scope of reporting, the name of the entities and the tax jurisdiction in which the entities are resident as well as the related activity carried out, please refer to the appropriate appendix "*Group Companies considered for taxes 2024*".

The figures, expressed in millions of euros, consistent with the information presented in the financial statements, are presented based on the reporting standard set forth by the OECD in Action 13 *Country-by-Country reporting*. The data are not validated by an external entity other than the party issuing the certificate of compliance with this document.

Finally, the figures are not validated by an external entity other than the party issuing the certificate of compliance with this document.

	Revenue Related Parties	Revenue unrelated parties	Total Revenues	Profit and Loss before tax	Corporate income tax paid on cash basis	Corporate income tax accrued	Number of employees (FTE)	Tangible Assets	Employee Remuneration
North America	**1,245**	**6,175**	**7,420**	**496**	**122**	**98**	**7,752**	**2,854**	**651**
Canada	434	551	985	58	20	19	728	121	56
United States	785	5,483	6,268	446	102	82	7,025	2,714	581
Automotive	26	141	167	(8)	0	(3)	-	19	14
LATAM	**412**	**1,602**	**2,014**	**164**	**30**	**46**	**5,214**	**488**	**108**
Brazil	135	693	828	63	4	16	1,950	211	54
Other	277	909	1,186	101	26	29	3,265	277	54
EMEA	**6,695**	**9,438**	**16,132**	**227**	**94**	**113**	**17,083**	**3,991**	**1,040**
France	694	792	1,486	6	5	1	2,544	590	196
Germany	504	1,194	1,699	35	2	4	1,956	403	168
Italy	3,326	3,037	6,363	(165)	24	19	2,901	1,286	245
Netherlands	244	549	794	93	1	32	946	190	80
Spain	385	886	1,270	52	13	8	1,212	269	77
United Kingdom	156	519	675	20	4	3	1,046	233	69
Other	1,386	2,461	3,846	186	45	45	6,478	1,020	206
Apac	**485**	**1,070**	**1,555**	**49**	**15**	**20**	**3,112**	**325**	**102**
China	340	339	679	28	8	10	1,545	124	41
Other	145	731	876	21	7	10	1,567	201	61
Total 2024	**8,837**	**18,284**	**27,121**	**937**	**261**	**277**	**33,161**	**7,658**	**1,902**

	Revenue Related Parties	Revenue unrelated parties	Total Revenues	Profit and Loss before tax	Corporate income tax paid on cash basis	Corporate income tax accrued	Number of employees (FTE)	Tangible Assets	Employee Remuneration
North America	**1,056**	**4,905**	**5,961**	**612**	**227**	**164**	**7,147**	**1,556**	**548**
Canada	425	502	927	62	26	19	682	127	53
United States	590	4,246	4,836	545	200	143	5,446	1,407	477
Automotive	41	157	198	5	1	1	1,018	22	18
LATAM	**409**	**1,852**	**2,262**	**125**	**24**	**55**	**3,275**	**509**	**125**
Brazil	140	618	758	22	2	13	1,673	242	55
Other	269	1.235	1.504	103	22	42	1,602	267	70
EMEA	**5,988**	**9,090**	**15,078**	**186**	**66**	**65**	**16,762**	**3,392**	**996**
France	620	878	1,499	(11)	1	2	2,570	542	176
Germany	219	868	1,087	(21)	1	0	1,446	228	129
Italy	3,051	388	3,439	12	1	4	766	149	43
Netherlands	103	499	602	40	1	1	706	169	57
Spain	374	781	1,155	26	4	2	1,198	244	74
United Kingdom	62	556	617	30	5	5	1,046	160	67
Other	1,559	5,120	6,679	111	54	51	9,029	1,900	449
Apac	**365**	**1,097**	**1,462**	**21**	**11**	**15**	**2,902**	**312**	**98**
China	239	411	650	30	5	8	1,608	138	40
Other	126	686	813	(9)	6	7	1,295	174	58
Total 2023	**7,819**	**16,944**	**24,763**	**944**	**328**	**299**	**30,086**	**5,769**	**1,767**

The differences that may arise compared to the consolidated financial statements are mainly attributable to: i) the reporting criteria of OECD Action 13 on Country-by-Country Reporting, which require that information be presented in an aggregate and non-consolidated manner; and ii) the consolidation adjustments made in application of the accounting principles adopted for the preparation of the consolidated financial statements and not attributed to the Prysmian entities. In assessing the data, it is also considered that:

- Revenues from related parties and Revenues from unrelated parties include, in addition to revenues relating to ordinary operations, extraordinary income and financial income. Dividends received from other Group entities are not included. Related Party Revenues also include revenues deriving from transactions carried out between Group entities resident in the same tax jurisdiction;
- The result before taxes does not include dividends received from other Group entities;
- Income taxes paid include income taxes paid in the reporting period, regardless of the year in which such taxes were issued. Taxes on dividends received from other group entities are not included;
- Accrued income taxes include current income taxes. They do not include miscellaneous taxes, provisions for uncertain tax positions and taxes on dividends received from other group entities;
- The reasons for the difference between accrued income taxes and the theoretical tax due are explained in the 2024 Consolidated Financial Statements;
- The Number of employees (FTE) is calculated based on the Full Time Equivalent (FTE) methodology for a good period;
- Tangible fixed assets include the net value of property, plant, equipment and inventories.

Please note that in the absence of timely availability of data and given the irrelevance of the same in terms of amount, for representative purposes the data relating to permanent establishments are reported in the jurisdiction of residence for tax purposes of the entity to which they belong (so-called "Principal Entity").
The overall tax contribution is mainly concentrated in Brazil, Canada, the United States, France, Germany, Italy, the Netherlands, Spain, the United Kingdom and China, in line with the distribution of revenues and the number of employees.
These ten countries, in which a tax contribution of approximately Euro 1,220 million is concentrated, corresponding to approximately 70% of the Group's contribution, in fact represent approximately 70% of the Group's revenues and 65% of total employees.

2024	North America	Canada	United States	LATAM	Brazil	Other	EMEA
Tax Borne	**188**	**24**	**164**	**64**	**16**	**48**	**316**
Profit	123	20	102	30	4	26	94
People	43	3	39	12	7	6	185
Product	8	0	8	21	5	16	21
Property	15	1	14	1	0	1	12
Planet	-	-	-	-	-	-	3
Tax Collected	**248**	**41**	**207**	**61**	**30**	**31**	**771**
Profit	10	1	9	10	3	7	3
People	187	15	172	16	10	7	228
Product	52	26	26	34	17	17	540
Property	-	-	-	0	-	0	0
Planet	-	-	-	-	-	-	0
Total Tax contribution	**436**	**66**	**371**	**125**	**46**	**79**	**1,087**

2023	North America	Canada	United States	LATAM	Brazil	Other	EMEA
Tax Borne	**280**	**30**	**250**	**67**	**18**	**49**	**323**
Profit	227	26	201	24	2	22	72
People	34	3	31	21	11	10	201
Product	9	0	9	20	4	16	33
Property	9	1	8	1	0	1	14
Planet	-	-	-	0	-	0	3
Tax Collected	**162**	**40**	**122**	**107**	**34**	**73**	**869**
Profit	0	0	0	3	1	2	5
People	111	15	96	46	11	35	259
Product	50	25	25	58	22	36	606
Property	-	-	-	-	-	-	0
Planet	-	-	-	-	-	-	0
Total Tax contribution	**442**	**70**	**372**	**174**	**52**	**122**	**1,190**

France	Germany	Italy	Netherlands	Spain	United Kingdom	Other	APAC	China	Other	Total
67	**22**	**73**	**10**	**34**	**15**	**95**	**45**	**20**	**25**	**614**
5	2	24	1	13	4	45	15	8	7	261
55	20	46	7	18	7	32	16	8	8	256
3	-	1	-	1	1	15	12	3	9	62
4	-	2	-	2	3	1	2	1	1	30
-	-	-	2	-	-	1	-	-	-	3
74	**102**	**71**	**86**	**122**	**75**	**241**	**60**	**9**	**51**	**1,140**
-	-	-	-	-	-	3	2	1	1	25
32	38	61	15	17	14	51	17	6	11	448
42	64	10	71	105	61	187	41	2	39	666
-	-	-	-	-	-	0	-	-	-	0
-	-	-	-	-	-	0	-	-	-	0
141	**124**	**144**	**96**	**156**	**90**	**336**	**105**	**29**	**76**	**1,754**

France	Germany	Italy	Netherlands	Spain	United Kingdom	Other	APAC	China	Other	Total
72	**21**	**83**	**8**	**24**	**16**	**99**	**39**	**17**	**22**	**709**
2	1	31	1	4	5	28	11	5	6	334
62	17	49	6	17	7	43	15	8	7	271
4	3	1	-	1	1	23	14	4	10	76
5	0	2	0	2	2	3	1	1	0	25
0	-	-	1	0	0	2	0	0	-	3
86	**92**	**178**	**96**	**111**	**86**	**220**	**56**	**10**	**45**	**1,192**
-	0	3	-	0	-	2	0	-	0	8
31	27	106	14	21	19	41	18	7	11	434
55	65	69	82	90	67	178	37	3	34	751
-	-	-	-	-	-	0	-	-	-	0
-	-	-	-	-	-	0	-	-	-	0
158	**113**	**261**	**105**	**135**	**103**	**315**	**95**	**27**	**68**	**1,901**

Completion rate for online anti-corruption training

Corruption and bribery phenomena can have critical repercussions for organizations, such as legal penalties and reputational damage. In addition, they can lead to a decrease in employee morale and an increase in employee dissatisfaction related to uncertainty about the behaviors they should exhibit in risky situations. Consequently, training programs to prevent and detect such unethical behavior are critical to avoid potential negative impacts.

Given the Group's global presence, the large number of stakeholders with whom it has relationships and the public tenders in which it participates, Prysmian considers anti-corruption training a cornerstone of its business conduct. Therefore, the completion rate of e-learning conducted through the enterprise management system is monitored. These can be on different topics: code of ethics, anti-corruption, gifts, conflicts of interest, Helpline or business policy. This training, aimed at all desk workers (excluding external workers, consultants, contractors, employees on leave of 30 days or more, and temporary trainees), is subject to annual approval of the compliance plan by the Board of Directors.

The KPI, included in the scorecard and measured annually by the Group to assess progress, is closely linked to corporate policies that promote integrity, transparency and accountability in the management of business processes. Indeed, the course completion rate is a significant indicator of the success of the anti-corruption policies adopted by the Group, in line with its commitment to compliance with national and international regulations. The target in question is based on a methodology that uses historical data coming from the company's management system to assess the company's own training capabilities and needs, monitoring the progress of training in real time.

As for monitoring the completion rate of training courses, it is done through the business management system, which allows for continuous verification of progress.

There were no incidents related to corruption and bribery during the year.
The table relating to the training with reference to the issues of corruption and bribery is attached.

		Total 2024
Prevention and detection of corruption and bribery (21. b) - training detail	At-risk functions	Other own workers
Training coverage		
Total	all the functions	9,511
Total receiving training	all the functions	19,087
Frequency		
How often training is required		
Topics covered		
Topic A. Antibribery & anti-corruption	all the functions	6,742
Topic B. Code of Ethics	all the functions	6,851
Topic C. DS-231	all the functions	71
Topic D. Essentials New Hires	all the functions	626
Topic E. Compliance Awareness F2F	all the functions	3,903
Topic F. Export Control F2F	all the functions	672
Topic G. Anti Trust F2F	all the functions	186
Topic H. Compliance Ambassadors F2F	all the functions	36

Also in 2024, in line with the provisions of its Code of Ethics, the Prysmian Group did not make contributions to parties or politicians in any form.

In order to ensure that all stakeholders are aware of important aspects of the corporate lobbying process and activities, Prysmian publishes in its financial statements (see below) and on the company website[63] information relating to the main initiatives concluded or in place with institutional interlocutors and the general interests of the Group pursued through the activities carried out. The initiatives carried out by the Group are approved and supervised by the Group's Sustainability, Investor Relations and Communication function.

The main topics of the Group's lobbying activities in 2024 include:

1. **Sustainable finance**: significant increase in sustainable investments, with a growing focus on financial practices that integrate environmental, social and governance (ESG) criteria.
2. **Sustainable mobility**: consolidation of the use of environmentally friendly public transport, with an orientation towards even more sustainable modes of transport.
3. **Reducing plastic pollution**: adopted regulations to limit the use of single-use plastics, promoting the circular economy and environmentally friendly product design.
4. **Green technologies**: integration of advanced technologies to monitor and reduce emissions, environmental impact and contributions to climate change, making sustainability a global imperative.
5. **European environmental policies**: The European Union has adopted measures such as the Energy Performance of Buildings Directive, the Euro 7 Regulation on emission limits for road vehicles and the Net Zero Emission Industry Regulation, reinforcing the commitment to sustainability.

63. https://www.prysmian.com/it/sostenibilita/adesione-ad-associazioni

Also in 2024, in accordance with its Code of Ethics, Prysmian made no contributions in any form to political parties or politicians. The main trade associations of which Prysmian is a member, active in combating climate change, supporting energy transition and digitalization processes and promoting sustainable practices in favor of local communities, are listed below.

Finally, it is confirmed that Prysmian is listed in the EU Transparency Register[64] and that no member of the Group's administration, management and control bodies held a comparable position in the public administration in the two years prior to this year.

Political influence and lobbying activities (29. b ii) - details of lobbying activities	Total 2024	Total 2023
Lobbying, interest representation or similar activities	-	1,223
Local, regional or national political comrades/organisations/candidates	-	-
Trade associations or tax-exempt groups (e.g. think tanks)	1,677	1,621
Other	15	1,576
Total	**1,692**	**4,421**

The following table shows the evidence regarding the description/average time Prysmian takes for payments.

Payment practices	Total 2024
33. (a) Disclose the average time the undertaking takes to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated, in number of days;	69
33. (b) Provide a description of the undertaking's standard payment terms in number of days by main category of suppliers;	The standard payment terms for a Prysmian supplier vary according to the specific business relationship, contract negotiation or conditions applied according to the country or region. However, the most common payment terms in business transactions include: 1. Payment in 30, 60, or 90 days: The standard practice is for payment to be made 30, 60, or 90 days from the date of receipt of the invoice or the date of delivery of the goods. In some cases, there may be the option to agree on an upfront payment. 2. Discount payment terms: A discount may be offered for advance payments, such as a 2% discount if payment is made within 10 days of the invoice date (2/10, net 30). This type of agreement is negotiated between the parties. 3. Specific terms for particular contracts: In some cases, there may be special payment terms for large value orders or long-term contracts, such as progressive payments based on the progress of work.
33. (b) Percentage of its payments aligned with these standard terms;	80%
33. (c) Provide the number of legal proceedings currently outstanding for late payments;	0
33. (d) Provide complementary information necessary to provide sufficient context. If the undertaking has used representative sampling to calculate the information required under point (a), it shall state that fact and briefly describe the methodology used.	Prysmian used a sample of all suppliers of goods and services, registered internally in the SAP system, it does not take into account countries that do not have SAP.

64. Prysmian's registration number: 822842996065-47.


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Appendices

7. Appendices

Consolidated Sustainability Report Methodological Note

Basis of preparation

The Consolidated Sustainability Report has been drafted in compliance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) and is part of the Integrated Annual Report, approved by the Board of Directors of Prysmian S.p.A. on 26 February 2025, consisting of the Directors' Report (integrated with both financial information and the Sustainability Report, including also the EU Taxonomy disclosures required by Regulation (EU) 852/2020), the Consolidated Financial Statements and the Annual Report of Prysmian S.p.A. For this reason, the consolidation scope used is the same for the entire Integrated Annual Report. Please refer to chapter "3. ESRS 2: GENERAL INFORMATION", "Basis of Preparation" section for further details.

The Integrated Annual Report, approved by the Board of Directors on 26 February 2025, in fact consists of the Directors' Report (integrated with both financial information and the Sustainability Report, including also the EU Taxonomy disclosures required by Regulation (EU) 852/2020), the Consolidated Financial Statements and the Annual Report of Prysmian S.p.A. For this reason, the consolidation scope used is the same for the entire Integrated Annual Report. The 2024 Consolidated Sustainability Report is subject to limited review in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italy), by the auditing firm EY S.p.A. In addition, for the year 2024, a selection of performance indicators listed in the "Indicators subject to Reasonable Assurance" paragraph has been subjected to a full review in accordance with the International Standards on Assurance Engagements - ISAE 3000 Revised, in the form of "Reasonable Assurance.

Indicators subject to Reasonable Assurance

A table is provided below of the indicators subject to Reasonable Assurance and the relative paragraphs which should be referred to for further details.

Indicators	Value	Sustainability Reporting section	Criteria for determining the metrics
Greenhouse gas emissions Scope 1	227,251 tCO_2e	Emissions, page 103, 107	Methodological note - Calculation section of GHG emissions
Greenhouse gas emissions Scope 2 - location based	474,155 tCO_2e	Emissions, page 103, 107	Methodological note - Calculation section of GHG emissions
Greenhouse gas emissions Scope 2 - market based	393,573 tCO_2e	Emissions, page 103, 107	Methodological note - Calculation section of GHG emissions
Greenhouse gas emissions Scope 3	239,303,832 tCO_2e	Emissions, page 103, 107	Methodological note - Calculation section of GHG emissions
Percentage of female desk workers hired	47.50%	Percentage of female desk workers hired, page 204, 206	"Percentage of female desk workers hired" section of Sustainability Consolidated Statement
Percentage of women in executive positions	19.20%	Percentage of women in executive positions, page 204, 206	"Percentage of women in executive positions" section of Sustainability Consolidated Statement

Notes on the data and information

In general, for all data analyzed by geographical segment, the following regions were considered: North America, Latin America, EMEA (Europe, Middle East and Africa) and APAC regions. For details of the countries included in the geographical regions, please refer to the map of the Group's factories shown in the "Global leadership" section.

Workforce data

For 2024, the workforce data of the companies forming part of the Prysmian Group as at 31 December 2024 and consolidated on a line-by-line basis were considered. Included in these data are employees of Encore Wire Corp. and Warren & Brown Technologies, which were acquired in July and December 2024, respectively.

With reference to payment information, the workforce of "Nantong Haixun Draka Elevator Products Co. LTD" and "Nantong Zhongayo Draka Elevator Products Co. LTD" is excluded.

Environmental data

The environmental data presented in the document are derived from a reporting system that, with respect to the stated reporting scope, does not include offices and distribution centers as they have a reduced environmental impact compared with the Group's production activities. The following points have to be noted:

- **Chiplun (India) production site:** data, included in the reporting scope, are estimated based on the actual production in the years 2023 and 2024.
- Environmental data are not reported for **land cable installation activities** (which are characterized by very different environmental aspects and management methods from those of operating units), except for installation-related CO_2eq emissions conducted by third parties, which are estimated through a spend-based methodology and included in the purchased goods and services category of the Group's Scope 3 emissions model.

Note also that environmental performance indicators may contain estimates, if final data is not yet available at the time of preparing the Sustainability Statement.

Encore Wire's environmental data were integrated into the 2024 reporting scope, calculating only the last 6 months of the year (thus starting from the date of acquisition).

Warren&Brown's environmental data were estimated based on actual 2024 production and integrated into the reporting scope for 1 month of the year (thus starting from the date of acquisition).

Calculation of GHG emissions

Greenhouse gases analyzed

The GHG emissions included in this document comprise CO_2, HFC, PFC and SF6. Other gases such as CH_4 and N_2O whose emissions were found to be insignificant were also analyzed.

GHG emissions are expressed in CO_2eq, the standard unit of measurement for the global warming potential (GWP) of greenhouse gases, calculated as the warming power of a unit of gas with respect to that of carbon dioxide.

The GWP values used to calculate the CO_2eq are taken from the Fifth Assessment Report (AR5) of the Inter-governmental Panel on Climate Change (IPCC) and cover a period of 100 years. With regard to refrigerant gases, the GWP values associated with them were considered. In all cases, an oxidation factor of 1 is presumed.

Sources of Scope 1, Scope 2 and Scope 3 emissions

Scope 1 GHG emissions derive from sources owned or controlled by the Group, including:

- natural gas;
- LPG;
- petrol;
- diesel;
- fuel oil;
- marine diesel;
- refrigerant gas leaks;
- SF_6 gas leaks;
- biogas/biofuel/biomass.

Scope 2 GHG emissions derive from purchased energy that was produced outside of the Group, but consumed by it, including:

- electricity generated from renewable sources and obtained as a result of purchasing Guarantee of Origin (GO) certificates and EECS (European Energy Certificates System) certificates;
- district heating;
- district heating produced from renewable sources and obtained through the purchase of Guarantee of Origin (GO) certificates.

Scope 3 GHG emissions considered in this document relate to the following sources, identified with reference to the GHG Protocol guidelines:

- purchased goods and services;
- capital goods;
- fuels and energy-related activities;
- upstream transportation and distribution;
- waste generated in operations;
- business travel;
- employee commuting;
- upstream leased assets;
- downstream transportation and distribution;
- use of sold products;
- end-of-life treatment of sold products;
- investments.

Note that Scope 3 categories excluded from the above list have been omitted because they are not material.

Emission factors

Sources of emission factors for the Scope 1 calculation:

- **2023:**
  - Fuels: Defra 2023;
  - F-GAS: GHG Protocol.

- **2024:**
  - Fuels: Defra 2024;
  - F-GAS: GHG Protocol.

Sources of emission factors for the Scope 2 calculation are:

- Terna 2019.

- **2023:**
  - Location-based: IEA 2023;
  - Market-based: AIB 2022 (for European countries) and Center for Resource Solutions (for U.S. and Canada) as per the source EPA (2023 Green-e Energy Residual Mix Emissions Rates sheet), where available, otherwise IEA 2023.

- **2024:**
  - Location-based: IEA 2024;
  - Market-based: AIB 2023 (for European countries) and Center for Resource Solutions (for U.S. and Canada) as per the source EPA (2024 Green-e Energy Residual Mix Emissions Rates sheet), where available, otherwise IEA 2024;
  - Defra 2024 for thermal energy purchased in the form of steam and district heating.

Scope 2 emissions related to electricity generated from renewable or nuclear energy and covered by the purchase of European Energy Certificates System (EECS) certificates and Guarantee of Origin (GO) certificates were considered zero according to EECS Rules.

The Scope 1 emission factors used for calculating Encore Wire's emissions are provided by the EPA (Center for Corporate Climate Leadership, Emission Factors for Greenhouse Gas Inventories, June 2024) and are based on the fuels used.

The Scope 2 emission factors related to electricity consumption follow different metrics:

- **Location-Based Method**: The values are provided by the EPA (Emissions & Generation Resource Integrated Database (eGRID), 2022, released 1/30/2024);
- **Market-Based Method**: The values are provided by:
  - 2023 Green-e® Residual Mix Emission Rates (2021 Data) for CO_2;
  - EPA (Emissions & Generation Resource Integrated Database (eGRID), 2022, released 1/30/2024) for CH_4 and N_2O.

Calculation of Scope 3 GHG emissions

Category 1: Purchased goods and services

Purchase-related emissions are split into two categories:

- **category 1.a** – product-related, including all goods and services purchased that are directly linked to production of the product;
- **category 1.b** – non-product related, including all other goods and services purchased that do not directly supply the production process, but which are necessary for the functioning of the organization.

The methodology used to calculate these emissions is described below:

- **category 1.a** – the calculation considers the data for purchased metals and the bills of materials for components. It uses specific emission factors for each of the metals, depending on the form of the metal purchased, the location of the supplier of each metal, the recycled content of each metal. For other raw materials, emission factors are taken from the Ecoinvent database, applying the EU guidelines on product environmental footprint ("EU-PEF");
- **category 1.b** – for each expenditure category, a specific emission factor is taken from the EEIO database[65], either as raw data or calculated as an average of other emission factors. In this case, the emission factors do not make any assumptions about recycling, as this is not an established market practice.

The exclusions for each of the above categories are presented below:

- for **category 1.a** – metals: data for the following countries is excluded: Ivory Coast, Tunisia, India and data related to the OAPIL plant in Oman and the former reporting scope of EHC;
- for **category 1.a** – compounds and other materials and category 1.b – non-product-related emissions: only the data for Chiplun (India), OAPIL (Oman), EHC (Canada and China) are excluded.

Category 2: Capital goods

The calculation methodology is based on Prysmian's capital expenditure, estimating the portion relating to each of the following 8 categories: buildings, utilities, purchased machinery, customized machinery, refurbished machinery, control systems, production engineering and vessels. Emission factors are calculated for each of these 8 expenditure categories by averaging the relevant EEIO emission factors. Assumptions are then made about the portion of investment in each expenditure category associated with the procurement of a material or service. Lastly, the emissions are calculated by multiplying the expenditure on each category by a combined average of the material emission factor and the service emission factor.

Category 3: Fuels and energy-related activities (not included in Scope 1 or 2)

Emissions are calculated by multiplying the quantities of fuel, electricity and thermal energy by the relevant upstream emission factors. Conversion factors for 2024 from the International Energy Agency (IEA[66])and DEFRA[67] (UK Department for Environment, Food and Rural Affairs) are used to calculate upstream emissions of purchased fuel, electricity and thermal energy, including transport and distribution (T&D) losses.

Category 4: Upstream transportation and distribution

Two methods of calculation are used for this category, one for inbound logistics and one for outbound logistics:

- The calculation of inbound logistics emissions is based on an estimation using quantitative information per product related to purchased goods and services (category 1a) and EEIO emission factors.

65. Source of emission factors: Open Input Output (2011), Sustainability Consortium, University of Arkansas. Please consider that EEIO factors are yearly adjusted for global inflation, average global improvements in CO_2eq/GDP, and switch to service sector of global economy.
66. Source of emission factors: IEA (2024), "Emission Factors"
67. Source of emission factors: DEFRA (2024), "UK Government GHG Conversion Factors for Company Reporting".

- The outbound logistics calculation is based on the distance travelled, the weight carried and the method of transport. Given that the Prysmian data includes thousands of individual journeys, making it difficult to extract the distances for each route, the distance is estimated by grouping the journeys for each country and assuming that all journeys go from one capital city to another. In the case of journeys within the same country, it is assumed that they go from the capital to the second-largest city. In addition, since no data was provided on the method of transport, it was estimated that all journeys of less than 3,000 km were made on the road, while all those of more than 3,000 km were made 10% on the road and 90% by sea (journeys by air for logistical purposes are minimal). The emissions for each journey are then calculated by firstly determining the "tons-km" (multiplying the total distance travelled by the weight transported) and then multiplying it by the applicable DEFRA emission factor. The emissions from outbound logistics not performed by the Group or outsourced are included in category 9.

The emission factors used for the category 4 calculation include Well-To-Tank (WTT) emissions.

Data for the following Units is excluded from this emissions category: Chiplun (India), OAPIL (Oman), Automotive B.U. (only Tunisia, North America and Mexico), Ivory Coast, Russia, EHC (North America Elevator), Projects (Powerlink, NSW and the Arco Felice factory) and other minor streams among China logistic centers and European semi-finished products.

Category 5: Waste generated in operations
Waste data for the calculation of emissions are provided by each production site, while the waste data of offices are estimated with reference to sector averages. Waste data include a subdivision by the location of final processing. The data are expressed in kg and subsequently combined with the DEFRA emission factors for waste processing.

Given that office waste data were not available, a sector average was used for the calculation. The kg of waste per m^2 was determined using the average kg of waste per employee and the average density of employees per m^2, given the surface area occupied by Prysmian. The result was weighted considering the average of the waste sent to landfills vs that recycled by an office.

Category 6: Business travel
The methodology used to calculate these emissions is described below:

- business travel expenditure was recorded by reporting year, breaking down air and rail travel and car rental;
- instead, emissions are calculated by multiplying the expenditure by the relevant EEIO emission factors for each category of travel.

Category 7: Employee commuting
Emissions were calculated as the product of the number of employees times an emission factor of = 1700kg CO_2eq/year for each employee's commute to work. The mean factor is derived by using the "Quantis Scope 3 Evaluator" tool.

Category 8: Upstream leased assets
The calculation for this emissions category considers the electricity consumption values available and the surface area occupied by Prysmian. Subsequently, the IEA emission factors for each country are applied to the related kWh. An average of kWh/m^2 is calculated if the kWh data are missing or not provided.

Category 9: Downstream transportation and distribution
This category includes the emissions generated by product transportation and distribution activities that are not controlled or paid for by the reporting entity. Specifically, the scope of category 9 includes ex-works (EXW) deliveries and other Incoterm types.

The emissions calculation is based on the distance travelled, the weight carried and the method of transport. Since no data was provided on the mode of transport, it was estimated that all journeys of less than 3,000 km were made on the road, while all those of more than 3,000 km were made 10% on the road and 90% by sea (journeys by air for logistical purposes are minimal).

The emissions for each journey are then calculated by firstly determining the "tons-km" (multiplying the total distance travelled by the weight transported) and then multiplying it by the applicable DEFRA emission factor. The emission factors used for the category 9 calculation include Well-To-Tank (WTT) emissions.

Data for the following Units is excluded from this emissions category: Chiplun (India), OAPIL (Oman), Automotive B.U. (only Tunisia, North America and Mexico), Ivory Coast, Russia, EHC (North America Elevator), Projects (Powerlink, NSW and the Arco Felice factory) and other minor streams among China logistic centers and European semi-finished products.

Category 11: Use of sold products

A model has been developed for the calculation of emissions that determines the annual cable losses, by type of cable and by country, from 2024 until end of life (between 2048 and 2073, depending on the cable).

These annual losses are then multiplied by the emission factor for electricity in the country concerned, being the emission factor for national grid generation and for Well To Tank (WTT) generation provided by the IEA. The emission factor for a country is different for each year from now until 2063, in order to take account of the expected changes in the CO_2 intensity of the grids.

Grid decarbonization forecasts are calculated for each country in which Prysmian cable losses exceed 5% of the total losses and for those in which the forecast data is easily obtained.

Regional proxies are used for countries in which the losses are less than or equal to 5% and whose forecasts are difficult to obtain: for example, EU data is used for Belgium and data for the Asia Pacific area is used for New Zealand.

Category 12: End-of-life treatment of sold products

The calculation methodology for determining these emissions is given below; the following assumptions are taken into account:

- the quantity of cables produced is the same as the quantity of cables sold to customers;
- "power cables" and "wire rods" are produced by the "Energy" and "Projects" divisions and account for 92% of sales while "telecom cables" and "fiber optics" fall under the "Telecom" division and account for the remaining 8%;
- 90% of the cables are recycled at their end of life, while the remaining 10% are transferred to landfills;
- "power cables" consist of 65% metal and 35% plastic, while "wire rods" are 100% metal. Emissions from "power cables" and "wire rods" are calculated because they are the only categories for which metric data are available expressed in tons of product and not in km, as DEFRA emission factors are expressed in $kgCO_2eq/ton$. The calculation involves multiplying the weight of the metals and plastic by the related BEIS emission factors, for both the quantity recycled and that transferred to landfills. The value obtained is then uplifted by 8% to account for "telecom cables" and "fiber optic".

Category 15: Investments

Emissions are calculated using the following equation:

- CO_2eq= SUM (Euro invested per sector x sector emission factor (expressed in $kgCO_2eq$/EUR million)). Source: EEIO database.

Different emission factors are used depending on the sector in which subsidiaries operate and, therefore, each investment is compared with the sector concerned. Most investments are assigned to the "industrials" category, others to "materials" and still others – where subsidiary information is not available – to an average "global" emission factor.

Note that **some categories are excluded** – treated as zero emissions – as they are not relevant to Prysmian. These categories are listed below.

- **Category 10**: this category is excluded because Prysmian sells finished products to end users, without intermediate products, which might be further processed or transformed into other products.
- **Category 13**: Prysmian does not lease **assets** to third parties and, accordingly, this category is excluded.
- **Category 14**: Prysmian does not have franchises and, accordingly, this category is excluded from the Scope 3 inventory.

Health and safety data

The company Associated Cables Pvt. Ltd. (Chiplun site) is not included in the Health and Safety data reporting scope from 2021 to 2024.

H&S data (with the exception of occupational diseases) from Encore Wire were integrated into the 2024 reporting scope, calculating only the last 6 months of the year (thus starting from the date of acquisition).
The methodologies for calculating Health and Safety metrics are described in detail in the ESRS Standards.

In detail:

- **Number of recordable work accidents**: total number of recordable accidents with loss of at least 1 day of work + Medical Treatments + Limited Work Cases
- **Number of deaths as a result of occupational injuries and professional deseases**: number of fatal accidents resulting from work injuries and occupational diseases
- **Recordable work accidents rate**: (total number of recordable accidents with loss of at least 1 day of work + Medical Treatments + Limited Work Cases) / (hours worked) * 1,000,000
- **Number of recordable cases of occupational disease**: number of recognized occupational diseases with positive results, meaning their causes are linked to work activities or the work environment
- **Hours worked**: hours worked and counted, necessary for the calculation of accident indices
- **Percentage of people in the workforce covered by the company's health and safety management system**: percentage of people in the company's workforce covered by the health and safety management system on the total workforce.

ESRS Content Index

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ESRS 2		MDR-T		Tracking effectiveness of policies and actions through targets	100-105; 116; 126, 140; 154-156; 204-207; 222-223; 241-242; 259

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ESRS E1		E1-1	Strategy (SBM)	Transition plan for climate change mitigation	100-101
ESRS E1		SBM-3		Material impacts, risks and opportunities and their interaction with strategy and business model	85-87
ESRS E1		IRO-1	Impact, risk and opportunity (IRO) management	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	88-91
ESRS E1		E1-2		Policies related to climate change mitigation and adaptation	92
ESRS E1		E1-3		Actions and resources related to climate change policies	93-100
ESRS E1		E1-4	Metrics and Targets (MT)	Targets related to climate change mitigation and adaptation	100-105
ESRS E1		E1-5		Energy consumption and mix	106
ESRS E1		E1-6		Gross Scopes 1, 2, 3 and Total GHG emissions	107-109
ESRS E1		E1-7		GHG removals and GHG mitigation projects financed through carbon credits	107
ESRS E1		E1-8		Internal carbon pricing - not applicable as the Group does not have an internal carbon pricing system	
ESRS E2	**Pollution**	IRO-1	Impact, risk and opportunity (IRO) management	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	112-113
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ESRS E2		E2-2		Actions and resources related to pollution	115-116
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ESRS E3		E3-2		Actions and resources related to water and marine resources	125-126
ESRS E3		E3-3	Metrics and Targets (MT)	Targets related to water and marine resources	126
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Standard	Transversal / Topic	Disclosure requirement			Page number
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ESRS E4		SBM-3		Material impacts, risks and opportunities and their interaction with strategy and business model	130-134
ESRS E4		IRO-1	Impact, risk and opportunity (IRO) management	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	133
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Standard	Transversal / Topic	Disclosure requirement			Page number
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ESRS S1		S1-3		Processes to remediate negative impacts and channels for own workers to raise concerns	179-191
ESRS S1		S1-4		Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	179-191
ESRS S1		S1-5	Metrics and Targets (MT)	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	204-207
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Standard	Transversal / Topic	Disclosure requirement			Page number
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ESRS S2		S2-1	Impact, risk and opportunity (IRO) management	Policies related to value chain workers	214-216
ESRS S2		S2-2		Processes for engaging with value chain workers about impacts	216-217
ESRS S2		S2-3		Processes to remediate negative impacts and channels for value chain workers to raise concerns	218-219
ESRS S2		S2-4		Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	218-219
ESRS S2		S2-5	Metrics and Targets (MT)	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	222-223
ESRS S3	**Affected communities**	SBM-2	Strategy (SBM)	Interests and views of stakeholders	230-231
ESRS S3		SBM-3		Material impacts, risks and opportunities and their interaction with strategy and business model	226-230
ESRS S3		S3-1	Impact, risk and opportunity (IRO) management	Policies related to affected communities	231-233
ESRS S3		S3-2		Processes for engaging affected communities about impacts	233-240
ESRS S3		S3-3		Processes to remediate negative impacts and channels for affected communities to raise concerns	233-240
ESRS S3		S3-4		Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	233-240
ESRS S3		S3-5	Metrics and Targets (MT)	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	241-242

Standard	Transversal / Topic	Disclosure requirement			Page number
ESRS S4	**Consumers and end-users**	SBM-2	Strategy (SBM)	Interests and views of stakeholders	248
ESRS S4		SBM-3		Material impacts, risks and opportunities and their interaction with strategy and business model	246-248
ESRS S4		S4-1	Impact, risk and opportunity (IRO) management	Policies related to consumers and end-users	249
ESRS S4		S4-2		Processes for engaging with consumers and end-users about impacts	250-251
ESRS S4		S4-3		Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	251-252
ESRS S4		S4-4		Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	253-256
ESRS S4		S4-5	Metrics and Targets (MT)	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	256-259
ESRS G1	**Business conduct**	GOV-1	Governance (GOV)	The role of the administrative, management and supervisory bodies	262
ESRS G1		IRO-1	Impact, risk and opportunity (IRO) management	Description of the processes to identify and assess material impacts, risks and opportunities	263-264
ESRS G1		G1-1		Corporate culture and business conduct policies and corporate culture	265-269
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ESRS G1		G1-4	Metrics and Targets (MT)	Confirmed incidents of corruption or bribery	271
ESRS G1		G1-5		Political influence and lobbying activities	282
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List of data points in general and thematic standards deriving from other EU regulations

Disclosure Requirement	Data Point	SFDR reference	Third pillar reference	Benchmark regulation reference	EU climate law reference	Page	Not material
ESRS 2 GOV-1 Board gender diversity	21 d	X		X		53	
ESRS 2 GOV-1 Percentage of independent board members	21 e			X		53	
ESRS 2 GOV-4 Statement on due diligence	30	X				64-65	
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities	40 d i	X	X	X		37	
ESRS 2 SBM-1 Involvement in activities related to chemical production	40d ii	X		X		37	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons	40 d iii	X		X		37	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco	40 d iv			X		37	
ESRS E1-1 Transition plan to reach climate neutrality by 2050	14				X	100-101	
ESRS E1-1 Whether the undertakings excluded form Paris aligned Benchmarks paragraph	16 g		X	X		85	
ESRS E1-4 GHG emission reduction targets	34	X	X	X		85	

Disclosure Requirement	Data Point	SFDR reference	Third pillar reference	Benchmark regulation reference	EU climate law reference	Page	Not material
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	38	X				106	
ESRS E1-5 Energy consumption and mix	37	X				106	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors	From 40 to 43	X				108	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions	44	X	X	X		107	
ESRS E1-6 Gross GHG emissions intensity	From 53 to 55	X	X	X		107	
ESRS E1-7 GHG removals and carbon credits	56				X	107	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks	66			X			X
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) **ESRS E1-9** Location of significant assets at material physical risk	66 c		X				X
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes	67 c		X				X
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities	69			X			X

Disclosure Requirement	Data Point	SFDR reference	Third pillar reference	Benchmark regulation reference	EU climate law reference	Page	Not material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	28	X				118	
ESRS E3-1 Water and marine resources	9	X				122-126	
ESRS E3-1 Dedicated policy	13	X				123-124	
ESRS E3-1 Sustainable oceans and seas	14	X				123-124	
ESRS E3-4 Total water recycled and reused	28 c	X				126	
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations	29	X				126	
ESRS 2 IRO-1 – E4	16 ai	X				130-134	
ESRS 2 IRO-1 – E4	16 b	X				130-134	
ESRS 2 IRO-1 – E4	16 c	X				130-134	
ESRS E4-2 Sustainable land/agriculture practices or policies	24 b	X					X
ESRS E4-2 Sustainable oceans/seas practices or policies	24 c	X					X
ESRS E4-2 Policies to address deforestation	24 d	X					X
ESRS E5-5 Non-recycled waste	37 d	X				158	
ESRS E5-5 Hazardous waste and radioactive waste	39	X				158	
ESRS 2 – SBM3 – S1 Risk of incidents of forced labor	14 f	X					X

Disclosure Requirement	Data Point	SFDR reference	Third pillar reference	Benchmark regulation reference	EU climate law reference	Page	Not material
ESRS 2 – SBM3 – S1 Risk of incidents of child labor	14 g	X					X
ESRS S1-1 Human rights policy commitments	20	X				171	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	21			X		172	
ESRS S1-1 Processes and measures for preventing trafficking in human beings	22	X				172	
ESRS S1-1 Workplace accident prevention policy or management system	23	X				173	
ESRS S1-3 Grievance/complaints handling mechanisms	32 c	X				177	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents	88 b and 88 c	X		X		198	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness	88e	X				198	
ESRS S1-16 Unadjusted gender pay gap	97 a	X		X		200	
ESRS S1-16 Excessive CEO pay ratio	97 b	X				200	
ESRS S1-17 Incidents of discrimination	103 a	X				201	
ESR S1-17 Non-respect of UNGPs on Business and Human Rights and OECD	104 a	X		X		201	
ESRS 2 SBM-3 – S2 Significant risk of child labor or forced labor in the value chain	11 b	X				213	
ESRS S2-1 Human rights policy commitments	17	X				214-217	

Disclosure Requirement	Data Point	SFDR reference	Third pillar reference	Benchmark regulation reference	EU climate law reference	Page	Not material
ESRS S2-1 Policies related to value chain workers	18	X				214-217	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	19	X		X		214	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	19			X		218	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain	36	X					X
ESRS S3-1 Human rights policy commitments	16	X				231	
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	17	X		X			X
ESRS S3-4 Human rights issues and incidents	36	X					X
ESRS S4-1 Politiche connesse ai consumatori e agli utilizzatori finali	16	X				249	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	17	X		X			X
ESRS S4-4 Human rights issues and incidents	35	X					X
ESRS G1-1 United Nations Convention Against Corruption	10 b	X				265-266	
ESRS G1-1 Protection of whistleblowers	10 d	X				266-267	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws	24 a	X		X		271	
ESRS G1-4 Standards of anti-corruption and anti-bribery	24 b	X				265-266; 271-272	

EU Taxonomy tables

Table A – Turnover

Financial Year N		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code[1] (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Cicurlar Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Cicurlar Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	Y; N; N/EL[2]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	334	2,0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3,2%	E	
Manufacture of automotive and mobility components	CCM 3.18	16	0,1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	E	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	1,146	6,7%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	14,7%	E	
Transmission and distribution of electricity	CCM 4.9	2.078	12,2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	10,7%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**3.574**	**21,0%**	21,0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	28,8%		
Of which enabling		3.574	21,0%	21,0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	28,8%	E	
Of which transitional		0	0,0%	0,0%						Y	Y	Y	Y	Y	Y	Y	0,0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	411	2,4%	EL	EL	N/EL	N/EL	N/EL	N/EL								1,2%		
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	3.904	22,9%	EL	EL	N/EL	N/EL	N/EL	N/EL								22,2%		
Manufacture of automotive and mobility components	CCM 3.18	587	3,4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4,4%		

1 Climate Change Mitigation: CCM; Climate Change Adaptation: CCA; Water and Marine Resources: WTR; Circular Economy: CE; Pollution Prevention and Control: PPC; Biodiversity and Ecosystems: BIO.

2 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective; EL – Eligible, Taxonomy-eligible activity for the relevant objective.

Table A – Turnover

Financial Year N		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code[50] (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Cicurlar Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Cicurlar Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	Y; N; N/EL[51]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	2,446	14,4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								8,4%		
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	0	0,0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**7.348**	**43,1%**	43,1%	0%	0%	0%	0%	0%								36,1%		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		**10.922**	**64,1%**	64,1%	0%	0%	0%	0%	0%								64,9%		
B. TAXONOMY-NON-ELIGIBLE ACTIVTIES																			
Turnover of Taxonomy-non-eligible activities	**6.104**	**35,9%**																	
TOTAL	**17.026**	**100%**																	

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	21,0%	64,1%
CCA	0,0%	39,5%
WTR	0,0%	0,0%
CE	0,0%	0,0%
PPC	0,0%	0,0%
BIO	0,0%	0,0%

Tabella B - CapEx

Financial Year N	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code [1] (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Cicurlar Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Cicurlar Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	Y; N; N/EL [2]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	3	0,4%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,8%	E	
Manufacture of automotive and mobility components	CCM 3.18	0,04	0,0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,0%	E	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	20	2,5%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	5,6%	E	
Transmission and distribution of electricity	CCM 4.9	495	62,3%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	57,6%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**518**	**65,2%**	65,2%	0,0%	0,0%	0,0%	0,0%	0,0%	Y	Y	Y	Y	Y	Y	Y	64,1%		
Of which enabling		518	65,2%	65,2%	0,0%	0,0%	0,0%	0,0%	0,0%	Y	Y	Y	Y	Y	Y	Y	64,1%	E	
Of which transitional		0	0,0%	0,0%						Y	Y	Y	Y	Y	Y	Y	0,0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	3	0,4%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,1%		
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	64	8,1%	EL	EL	N/EL	N/EL	N/EL	N/EL								11,6%		
Manufacture of automotive and mobility components	CCM 3.18	1	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,5%		

1 Climate Change Mitigation: CCM; Climate Change Adaptation: CCA; Water and Marine Resources: WTR; Circular Economy: CE; Pollution Prevention and Control: PPC; Biodiversity and Ecosystems: BIO.

2 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective; EL – Eligible, Taxonomy-eligible activity for the relevant objective.

Table B – CapEx

Financial Year N		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code [52] (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Cicurlar Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Cicurlar Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	Y; N; N/EL [53]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	32	4,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1,7%		
Transmission and distribution of electricity	CCM 4.9 CCA 4.9	21	2,6%	EL	EL	N/EL	N/EL	N/EL	N/EL								5,6%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1	0,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,2%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,1%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	4	0,5%	AM	N/AM	N/AM	N/AM	N/AM	N/AM							0,2%	0,2%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**127**	**16,0%**	16,0%	0,0%	0,0%	0,0%	0,0%	0,0%								20,0%		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		**645**	**81,2%**	81,4%	0,0%	0,0%	0,0%	0,0%	0,0%								84,1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVTIES																			
CapEx of Taxonomy-non-eligible activities		**149**	**18,8%**																
TOTAL		**794**	**100%**																

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	65,2%	81,2%
CCA	0,0%	73,9%
WTR	0,0%	0,0%
CE	0,0%	0,0%
PPC	0,0%	0,0%
BIO	0,0%	0,0%

Tabella C – OpEx

Financial Year N		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code[1] (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Cicurlar Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Cicurlar Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	Y; N; N/EL[2]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	9	1,9%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3,2%	E	
Manufacture of other low carbon technologies	CCM 3.6	0	0,0%	N	N	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	0,0%	E	
Manufacture of automotive and mobility components	CCM 3.18	0	0,1%	Y	No	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	E	
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	31	6,3%	Y	No	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	13,6%	E	
Transmission and distribution of electricity	CCM 4.9	71	14,5%	Y	No	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	12,6%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**111**	**22,8%**	22,8%	0,0%	0,0%	0,0%	0,0%	0,0%	Sì	Y	Y	Y	Y	Y	Y	29,5%		
Of which enabling		111	22,8%	22,8%	0,0%	0,0%	0,0%	0,0%	0,0%	Sì	Y	Y	Y	Y	Y	Y	29,5%	E	
Of which transitional		0	0,0%	0,0%						Sì	Y	Y	Y	Y	Y	Y	0,0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	12	2,4%	EL	EL	N/EL	N/EL	N/EL	N/EL								1,1%		
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	112	22,9%	EL	EL	N/EL	N/EL	N/EL	N/EL								22,5%		
Manufacture of automotive and mobility components	CCM 3.18	16	3,3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3,3%		

1 Climate Change Mitigation: CCM; Climate Change Adaptation: CCA; Water and Marine Resources: WTR; Circular Economy: CE; Pollution Prevention and Control: PPC; Biodiversity and Ecosystems: BIO.
2 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective; EL – Eligible, Taxonomy-eligible activity for the relevant objective.

Tabella C – OpEx

Financial Year N		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code[54] (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Cicurlar Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Cicurlar Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	Y; N; N/EL[55]	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	73	14,9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9,0%		
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	0	0,0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**213**	**43,5%**	43,5%	0,0%	0,0%	0,0%	0,0%	0,0%								36,0%		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		**324**	**66,4%**	66,3%	0,0%	0,0%	0,0%	0,0%	0,0%								65,5%		
B. TAXONOMY-NON-ELIGIBLE ACTIVTIES																			
OpEx of Taxonomy-non-eligible activities	164	33,6%																	
TOTAL	488	100%																	

	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	22,8%	66,4%
CCA	0,0%	41,7%
WTR	0,0%	0,0%
CE	0,0%	0,0%
PPC	0,0%	0,0%
BIO	0,0%	0,0%

Table D – Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Group companies considered for taxes 2024[68]

In 2024 Prysmian was active in over 50 countries with more than 170 companies and 40 branches. Please refer to the following table containing the list of entities considered in the reporting scope.

Country	Region	Company	Activity
Australia	APAC	Prysmian Australia Pty Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
China	APAC	Prysmian Wuxi Cables Co. Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
China	APAC	Prysmian Tianjin Cables Co. Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
China	APAC	Prysmian Cable (Shanghai) Co. Ltd.	Sales, Marketing or Distribution; Administrative, Management or Support Services
China	APAC	Prysmian (China) Investment Company Ltd.	Administrative, Management or Support Services; Holding shares or other equity instruments
China	APAC	Nantong Haixun Draka Elevator Products Co. LTD	Manufacturing or Production; Sales, Marketing or Distribution
China	APAC	Nantong Zhongyao Draka Elevator Products Co. LTD	Manufacturing or Production; Sales, Marketing or Distribution
China	APAC	Suzhou Draka Cable Co. Ltd.	Manufacturing or Production; Sales, Marketing or Distribution; Administrative, Management or Support Services
China	APAC	Prysmian Technology Jiangsu Co. Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
China	APAC	EHC Escalator Handrail (Shangai) Co. Ltd.	Manufacturing or Production; Sales, Marketing or Distribution;
China	APAC	EHC Lift Components (Shangai) Co. Ltd.	Research and Development; Manufacturing or Production; Sales, Marketing or Distribution;
China	APAC	EHC Engineered Polymer (Shangai) Co. Ltd.	Research and Development; Manufacturing or Production; Sales, Marketing or Distribution;
China	APAC	EHC Lift Components (Shanghai) Co., Ltd FoShan Branch	Sales, Marketing or Distribution
China	APAC	Prysmian Cable (Shanghai) Trading Co Ltd - Suzhou Branch	Manufacturing or Production; Sales, Marketing or Distribution
French Polynesia	APAC	Prysmian Cables et Systèmes France SAS - Branch Tahiti	Provider of Services to Unrelated Parties
Hong Kong	APAC	Prysmian Hong Kong Holding Ltd. HK	Sales, Marketing or Distribution; Provider of services to unrelated parties; Holding shares or other equity instruments
India	APAC	Jaguar Communication Consultancy Services Private Ltd.	Provider of Services
India	APAC	Associated Cables Pvt. Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
India	APAC	Prysmian Cavi e Sistemi S.r.l. - Branch India	Dormant
Indonesia	APAC	PT. Prysmian Cables Indonesia	Manufacturing or Production; Sales, Marketing or Distribution
Malaysia	APAC	Sindutch Cable Manufacturer Sdn Bhd	Manufacturing or Production; Sales, Marketing or Distribution
New Zealand	APAC	Prysmian New Zealand Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
Philippines	APAC	Prysmian PowerLink - Branch Filippine	Provider of services to unrelated parties
Philippines	APAC	Draka Philippines Inc.	Manufacturing or Production; Sales, Marketing or Distribution
Singapore	APAC	Draka Cableteq Asia Pacific Holding Pte Ltd.	Holding shares or other equity instruments

Country	Region	Company	Activity
Singapore	APAC	Singapore Cables Manufacturers Pte Ltd.	Sales, Marketing or Distribution; Administrative, Management or Support Services
Singapore	APAC	Cable Supply and Consulting Company Private Limited	Holding shares or other equity instruments
Singapore	APAC	Prysmian PowerLink - Branch Singapore	Provider of services to unrelated parties
Thailand	APAC	MCI-Draka Cable Co. Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
Angola	EMEA	General Cable Condel, Cabos de Energia e Telecomunicaçoes SA	Manufacturing or Production; Sales, Marketing or Distribution
Austria	EMEA	Prysmian OEKW GmbH	Sales, Marketing or Distribution
Bahrain	EMEA	Prysmian PowerLink - Branch Baharain	Provider of services to unrelated parties
Belgium	EMEA	Draka Belgium N.V.	Sales, Marketing or Distribution
Belgium	EMEA	Silec Cable SAS – Branch Belgium	Provider of services to unrelated parties
Cote d'Ivoire	EMEA	SICABLE - Sociète Ivoirienne de Cables S.A.	Manufacturing or Production; Sales, Marketing or Distribution
Czech Republic	EMEA	Prysmian Kabely, s.r.o.	Manufacturing or Production; Sales, Marketing or Distribution
Czech Republic	EMEA	Prysmian Kablo SRO - Branch Czech Republic	Sales, Marketing or Distribution
Denmark	EMEA	Prysmian Group Denmark A/S	Sales, Marketing or Distribution
Denmark	EMEA	Prysmian PowerLink - Branch Denmark	Provider of services to unrelated parties
Egypt	EMEA	Prysmian PowerLink - Branch Cairo	Provider of services to unrelated parties
Estonia	EMEA	Prysmian Group Baltics AS	Manufacturing or Production; Sales, Marketing or Distribution
Finland	EMEA	Prysmian Group Finland OY	Manufacturing or Production; Sales, Marketing or Distribution
France	EMEA	Prysmian Cables et Systèmes France SAS	Manufacturing or Production; Sales, Marketing or Distribution
France	EMEA	Prysmian (French) Holdings S.A.S.	Dormant
France	EMEA	Draka Comteq France S.A.S.	Research and Development; Holding / managing intellectual property; Manufacturing or Production; Sales, Marketing or Distribution
France	EMEA	Draka Paricable S.A.S.	Sales, Marketing or Distribution
France	EMEA	Draka Fileca S.A.S.	Manufacturing or Production; Sales, Marketing or Distribution
France	EMEA	Draka France S.A.S.	Holding shares or other equity instruments
France	EMEA	P.O.R. S.A.S.	Other activities (entity for special purpose)
France	EMEA	Silec Cable, S.A.S.	Manufacturing or Production; Sales, Marketing or Distribution
France	EMEA	EHC France SARL	Sales, Marketing or Distribution;
France	EMEA	Prysmian PowerLink - Branch Francia	Provider of services to unrelated parties
Germany	EMEA	Prysmian Kabel und Systeme GmbH	Manufacturing or Production; Sales, Marketing or Distribution
Germany	EMEA	Prysmian Unterstuetzungseinrichtung Lynen GmbH	Other (pension fund)

Country	Region	Company	Activity
Germany	EMEA	Draka Comteq Germany GmbH & Co. KG	Manufacturing or Production Sales; Marketing or Distribution
Germany	EMEA	Draka Comteq Berlin GmbH & Co. KG	Manufacturing or Production; Sales, Marketing or Distribution
Germany	EMEA	Draka Comteq Germany Verwaltungs GmbH	Dormant
Germany	EMEA	Draka Deutschland Erste Beteiligungs GmbH	Holding shares or other equity instruments
Germany	EMEA	Draka Deutschland GmbH	Holding shares or other equity instruments
Germany	EMEA	Draka Deutschland Verwaltungs GmbH	Dormant
Germany	EMEA	Draka Deutschland Zweite Beteiligungs GmbH	Holding shares or other equity instruments
Germany	EMEA	Prysmian Projects Germany GmbH	Other - Provider of services
Germany	EMEA	Höhn GmbH	Other activities (Real Estate)
Germany	EMEA	Kaiser Kabel GmbH	Other activities (Real Estate)
Germany	EMEA	NKF Holding (Deutschland) GmbH i.L	Dormant
Germany	EMEA	Prysmian Cable Industrial GmbH.	Manufacturing or Production
Germany	EMEA	Norddeutshce Seekabelwerke GmbH	Manufacturing or Production; Sales, Marketing or Distribution;
Germany	EMEA	EHC Germany Gmbh	Manufacturing or Production; Sales, Marketing or Distribution;
Germany	EMEA	Prysmian PowerLink - Branch Germania	Provider of services to unrelated parties
Greece	EMEA	Prysmian PowerLink - Branch Grecia	Provider of services to unrelated parties
Hungary	EMEA	Prysmian MKM Magyar Kabel Muvek Kft.	Manufacturing or Production; Sales, Marketing or Distribution
Ireland	EMEA	Prysmian Re Company Designated Activity Company (Merged during 2024)	Insurance
Italy	EMEA	Fibre Ottiche Sud - F.O.S. S.r.l.	Manufacturing or Production
Italy	EMEA	Prysmian Treasury S.r.l.	Internal Group Finance
Italy	EMEA	Prysmian Cavi e Sistemi Italia S.r.l.	Manufacturing or Production; Sales, Marketing or Distribution
Italy	EMEA	Prysmian Cavi e Sistemi S.r.l.	Administrative, Management or Support Services; Holding shares or other equity instruments
Italy	EMEA	Prysmian Spa	Research and Development; Holding / Managing Intellectual Property; Purchasing or Procurement; Administrative, Management or Support Services; Holding Shares or Other Equity Instruments
Italy	EMEA	Prysmian PowerLink	Manufacturing or Production; Sales, Marketing or Distribution; Provider of Services to Unrelated Parties;
Italy	EMEA	Electronic and Optical Sensing Solutions S.r.l	Research and Development; Manufacturing or Production;
Italy	EMEA	Prysmian Riassicurazioni S.p.A	Insurance
Lebanon	EMEA	Prysmian Cables et Systèmes France SAS - Branch Libano	Provider of services to unrelated parties
Malta	EMEA	Prysmian Cavi e Sistemi Italia S.r.l. - Branch Malta	Dormant

Country	Region	Company	Activity
Montenegro	EMEA	Prysmian PowerLink - Branch Montenegro	Provider of services to unrelated parties
Netherlands	EMEA	Prysmian PowerLink - Branch Netherlands	Provider of services to unrelated parties
Netherlands	EMEA	Prysmian Netherlands B.V.	Manufacturing or Production; Sales, Marketing or Distribution
Netherlands	EMEA	Draka Holding B.V.	Administrative, Management or Support Services; Holding shares or other equity instruments
Netherlands	EMEA	Draka Comteq Fibre B.V.	Research and Development; Manufacturing or Production Sales, Marketing or Distribution
Netherlands	EMEA	Draka Kabel B.V.	Research and Development; Manufacturing or Production Sales, Marketing or Distribution
Netherlands	EMEA	Donne Draad B.V.	Dormant
Netherlands	EMEA	Draka Comteq B.V.	Holding shares or other equity instruments; Managing intellectual property
Netherlands	EMEA	NKF Vastgoed I B.V.	Holding (Real Estate)
Netherlands	EMEA	NKF Vastgoed III B.V.	Holding (Real Estate)
Netherlands	EMEA	Prysmian Netherlands Holding B.V.	Dormant
Norway	EMEA	Prysmian Group Norge AS	Manufacturing or Production; Sales, Marketing or Distribution
Oman	EMEA	Oman Cables Industry (SAOG)	Manufacturing or Production Sales, Marketing or Distribution
Oman	EMEA	Oman Aluminum Processing Industries LLC	Manufacturing or Production
Poland	EMEA	Prysmian Poland sp.z.o.o	Sales, Marketing or Distribution
Portugal	EMEA	General Cable Investments, SGPS, Sociedade Unipessoal, S.A.	Holding shares or other equity instruments
Portugal	EMEA	General Cable Celcat, Energia e Telecomunicaçoes SA	Manufacturing or Production; Sales, Marketing or Distribution
Qatar	EMEA	Prysmian Cavi e Sistemi S.r.l. – Branch Qatar	Dormant
Qatar	EMEA	Prysmian PowerLink - Branch Qatar	Provider of services to unrelated parties
Romania	EMEA	Prysmian Cabluri Si Sisteme S.A.	Manufacturing or Production; Sales, Marketing or Distribution
Russia	EMEA	Limited Liability Company Prysmian RUS	Sales, Marketing or Distribution; Administrative, Management or Support Services
Russia	EMEA	Limited Liability Company Rybinskelektrokabel	Manufacturing or Production; Sales, Marketing or Distribution
Saudi Arabia	EMEA	Prysmian PowerLink - Branch Arabia Saudita	Provider of services to unrelated parties
Slovakia	EMEA	Prysmian Kablo s.r.o.	Manufacturing or Production; Sales, Marketing or Distribution
South Africa	EMEA	Prysmian Spain SA EPC - Branch South Africa	Sales, Marketing or Distribution; Provider of services to unrelated parties
Spain	EMEA	Prysmian Cables Spain, S.A. (Sociedad Unipersonal)	Manufacturing or Production; Sales, Marketing or Distribution
Spain	EMEA	Draka Holding, S.L. (Sociedad Unipersonal) (Merged during 2024)	Holding shares or other equity instruments
Spain	EMEA	GC Latin America Holdings, S.L.	Holding shares or other equity instruments
Spain	EMEA	General Cable Holdings (Spain), S.L.	Holding shares or other equity instruments

Country	Region	Company	Activity
Spain	EMEA	Grupo General Cable Sistemas, S.L.	Manufacturing or Production Sales, Marketing or Distribution Holding shares or other equity instruments
Spain	EMEA	EHC Spain & Portugal, SL	Sales, Marketing or Distribution
Spain	EMEA	Prysmian PowerLink - Branch Spagna	Provider of services to unrelated parties
Sweden	EMEA	Prysmian Group Sverige AB	Manufacturing or Production; Sales, Marketing or Distribution
Switzerland	EMEA	Omnisens SA	Manufacturing or Production; Sales, Marketing or Distribution;
Tunisia	EMEA	Silec Cable SAS – Branch Tunisia	Provider of services to unrelated parties
Tunisia	EMEA	Auto Cables Tunisie S.A.	Manufacturing or Production; Sales, Marketing or Distribution
Tunisia	EMEA	Prysmian Cables and Systems Tunisia S.A.	Manufacturing or Production
Tunisia	EMEA	Prysmian Cables et Systèmes France SAS - Branch Tunisia	Provider of services to unrelated parties
Turkey	EMEA	Prysmian PowerLink - Branch Turchia	Dormant
Turkey	EMEA	Turk Prysmian Kablo Ve Sistemleri A.S.	Research and Development; Manufacturing or Production; Sales, Marketing or Distribution
Turkey	EMEA	Turk Prysmian-Prysmian Po'	Manufacturing or Production; Sales, Marketing or Distribution;
United Arab Emirates	EMEA	Prysmian Cables et Systèmes France SAS - Branch Abu Dhabi	Provider of services
United Arab Emirates	EMEA	Silec Cable SAS – Branch Abu Dhabi	Provider of services to unrelated parties
United Arab Emirates	EMEA	Prysmian Cavi e Sistemi S.r.l. - Branch AbuDhabi	Provider of services to unrelated parties
United Arab Emirates	EMEA	Prysmian PowerLink - Branch Emirati Arabi (Abu Dhabi)	Provider of services to unrelated parties
United Arab Emirates	EMEA	Prysmian Cavi e Sistemi S.r.l. - Branch Dubai	Provider of services to unrelated parties
United Kingdom	EMEA	Cable Makers Properties & Services Ltd.	Other (professional organization)
United Kingdom	EMEA	Prysmian Cables & Systems Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
United Kingdom	EMEA	Prysmian Pension Scheme Trustee Ltd.	Other
United Kingdom	EMEA	Draka Comteq UK Ltd.	Manufacturing or Production Sales; Marketing or Distribution
United Kingdom	EMEA	Prysmian UK Group Ltd.	Holding shares or other equity instruments
United Kingdom	EMEA	Prysmian PowerLink Services Ltd.	Provider of Services
United Kingdom	EMEA	EHC Escalator Handrail (UK) Limited	Administrative, Management or Support Services
United Kingdom	EMEA	Prysmian PowerLink - Branch Uk	Provider of services to unrelated parties
Argentina	LATAM	Prysmian Energia Cables y Sistemas de Argentina S.A.	Manufacturing or Production; Sales, Marketing or Distribution
Brazil	LATAM	Prysmian Cabos e Sistemas do Brasil S.A.	Manufacturing or Production; Sales, Marketing or Distribution
Brazil	LATAM	Draka Comteq Cabos Brasil S.A.	Manufacturing or Production; Sales, Marketing or Distribution
Chile	LATAM	Cobre Cerrillos S.A.	Manufacturing or Production; Sales, Marketing or Distribution

Country	Region	Company	Activity
Colombia	LATAM	Productora de Cables Procables S.A.S.	Manufacturing or Production; Sales, Marketing or Distribution
Costa Rica	LATAM	Conducen, S.R.L.	Manufacturing or Production; Sales, Marketing or Distribution
Dominican Republic	LATAM	General Cable Caribbean, S.R.L	Dormant
Ecuador	LATAM	Cables Electricos Ecuatorianos C.A. CABLEC	Sales, Marketing or Distribution
Honduras	LATAM	Electroconductores de Honduras, S.A. de C.V.	Dormant
Mexico	LATAM	Draka Durango S. de R.L. de C.V.	Manufacturing or Production
Mexico	LATAM	Draka Mexico Holdings S.A. de C.V.	Holding shares or other equity instruments
Mexico	LATAM	Prysmian Cables y Sistemas de Mexico S. de R. L. de C. V.	Manufacturing or Production; Sales, Marketing or Distribution
Mexico	LATAM	General Cable de Mexico, S.A de C.V.	Manufacturing or Production; Sales, Marketing or Distribution
Mexico	LATAM	General de Cable de Mexico del Norte, S.A. de C.V.	Manufacturing or Production
Mexico	LATAM	Prestolite de Mexico, S.A. de C.V.	Manufacturing or Production
Peru	LATAM	General Cable Peru S.A.C.	Sales, Marketing or Distribution
Canada	NORAM	Prysmian Cables and Systems Canada Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
Canada	NORAM	Draka Elevator Products Incorporated	Sales, Marketing or Distribution
Canada	NORAM	General Cable Company Ltd.	Manufacturing or Production; Sales, Marketing or Distribution
Canada	NORAM	EHC Global Inc. (Parent Company)	Holding Shares or Other Equity Instruments
Canada	NORAM	EHC Canada Inc.	Research and Development; Holding / managing intellectual property; Manufacturing or Production; Sales, Marketing or Distribution; Administrative, Management or Support Services
United States	NORAM	Norddeutshce Seekabelwerke GmbH – Branch US	Provider of services to unrelated parties
United States	NORAM	Prysmian Construction Services Inc.	Other services (Payroll)
United States	NORAM	Prysmian Cables and Systems USA, LLC	Manufacturing or Production; Sales, Marketing or Distribution; Administrative, Management or Support Services
United States	NORAM	Prysmian Cables and Systems (US) Inc.	Holding shares or other equity instruments
United States	NORAM	Draka Elevator Products, Inc.	Manufacturing or Production; Sales, Marketing or Distribution
United States	NORAM	Draka Transport USA, LLC	Manufacturing or Production; Sales, Marketing or Distribution
United States	NORAM	General Cable Corporation (Merged during 2024)	Administrative, Management or Support Services; Holding shares or other equity instruments
United States	NORAM	General Cable Technologies Corporation	Holding / managing intellectual property
United States	NORAM	Phelps Dodge Enfield Corporation	Holding shares or other equity instruments
United States	NORAM	Phelps Dodge National Cables Corporation	Holding shares or other equity instruments
United States	NORAM	Prysmian group Speciality cables LLC	Manufacturing or Production; Sales, Marketing or Distribution

Country	Region	Company	Activity
United States	NORAM	Encore Wire Corporation	Research and Development; Manufacturing or Production; Sales, Marketing or Distribution
United States	NORAM	EHC USA Inc.	Sales, Marketing or Distribution

68. These may differ from those of the consolidation scope of the 2024 consolidated financial statements, as the latter does not include entities no longer in existence as of December 31, 2024.

8. Certification of the Sustainability Statement pursuant to art. 81-ter, paragraph 1, of Consob Regulation no. 11971 of 14 May 1999 as amended and supplemented

1. The undersigned Massimo Battaini, in his capacity as Chief Executive Officer, Stefano Invernici and Alessandro Brunetti, in their capacity as Managers responsible for the preparation of the financial statements of Prysmian S.p.A. certify, pursuant to art. 154-bis, paragraph 5-ter, of Legislative Decree no. 58 of 24 February 1998, that the sustainability report included in the directors' report has been prepared:

a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and Legislative Decree no. of 6 September 2024 125;
b) with the specifications adopted in accordance with article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Milan, 26 February 2025

Massimo Battaini
Chief Executive Officer

Stefano Invernici, Alessandro Brunetti
Managers responsible for preparing company financial reports

9. Audit report on Sustainability Consolidated Statement

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EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

Independent auditor's report on the limited assurance of the Consolidated Sustainability Report in accordance with Article 14-bis of Legislative Decree n. 39, dated 27 January 2010
(Translation from the original Italian text)

To the shareholders of
Prysmian S.p.A.

Conclusions

We have been appointed to perform a limited assurance engagement pursuant to Articles 8 and 18, paragraph 1, of Legislative Decree n. 125 dated 6 September 2024 (hereinafter also referred to as the "Decree") on the Consolidated Sustainability Report of Prysmian S.p.A. and its subsidiaries (hereinafter "Group" or "Prysmian Group") for the year ended on 31 December 2024, prepared in accordance with Article 4 of the Decree, included in the specific section of the Management Report.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the Prysmian Group's Consolidated Sustainability Report for the year ended on 31 December 2024, has not been prepared, in all material aspects, in accordance with the reporting principles adopted by the European Commission pursuant to European Directive 2013/34/EU (European Sustainability Reporting Standards, hereinafter also referred to as "ESRS");
- the information included in the paragraph "EU Taxonomy" of the Consolidated Sustainability Report has not been prepared, in all material aspects, in accordance with Article 8 of European Regulation n. 852 dated 18 June 2020 (hereinafter also referred to as "Taxonomy Regulation").

Elements Underlying the Conclusions

We have performed a limited assurance engagement in accordance with the Sustainability Reporting Assurance Standard ("Principio di Attestazione della Rendicontazione di sostenibilità") – SSAE (Italy). The procedures performed in this type of engagement vary in nature and timing compared to those necessary for conducting an engagement aimed at obtaining a reasonable level of assurance and are also less extensive. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained if the engagement aimed to acquire a reasonable level of assurance. Our responsibilities under this Standard are further described in the section "Auditor's responsibility for the Assurance on the Consolidated Sustainability Report" of this report.

We are independent in accordance with the standards and principles regarding ethics and independence applicable to the assurance engagement of the Consolidated Sustainability Report according to Italian law.

Our audit firm applies the International Standard on Quality Control (ISQM Italy) 1, under which it is required to establish, implement, and operate a quality management system that includes instructions and procedures on compliance with ethical principles, professional principles, and applicable legal and regulatory provisions.

We believe we have obtained sufficient and appropriate evidence on which to base our conclusions.

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Other Matters

The comparative information included in the Consolidated Sustainability Report for the year ended on 31 December 2023, has not been subjected to verification.

Responsibility of the Directors and Those Charged with Governance for the Consolidated Sustainability Report

The Directors are responsible for the development and implementation of procedures used to identify the information included in the Consolidated Sustainability Report in accordance with the requirements of the ESRS (hereinafter referred to as the "Relevance assessment process") and for the description of such procedures in the paragraph "Management of impacts, risks and opportunities (IROs): dual materiality" of the Consolidated Sustainability Report.

The Directors are also responsible for the preparation of the Consolidated Sustainability Report, which contains the information identified through the Relevance assessment process, in accordance with the requirements of Article 4 of the Decree, including:

- compliance with the ESRS;
- compliance with Article 8 of the EU Taxonomy Regulation regarding the information contained in the paragraph "EU Taxonomy".

This responsibility entails the establishment, implementation, and maintenance, as required by law, for that part of internal control that they consider necessary in order to allow the preparation of the Consolidated Sustainability Report in accordance with the requirements of Article 4 of the Decree, free from material misstatements caused by fraud or not intentional behaviors or events. This responsibility also includes the selection and application of appropriate methods for processing the information as well as the development of assumptions and estimates regarding specific sustainability information that are reasonable under the circumstances.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Intrinsic Limitations in the Preparation of the Consolidated Sustainability Report

As indicated in Chapter "3. ESRS 2: General Disclosures" paragraph "Basis of Preparation," for the purpose of reporting prospective information in accordance with the ESRS, the Directors are required to prepare such information based on assumptions, described in the Consolidated Sustainability Report, regarding events that may occur in the future and possible future actions by the Group. Due to the uncertainty associated with the realization of any future events, both concerning the occurrence itself and regarding the extent and timing of its occurrence, the variations between actual values and prospective information could be significant.

As indicated in the paragraph "Basis of preparation" of chapter "3. ESRS 2: General disclosures" and in the paragraph "Consolidated Sustainability Report Methodological Note" included in Chapter "7. Appendices" of the Consolidated Sustainability Report, the information related to Scope 3 greenhouse gas emissions is subject to greater intrinsic limitations compared to Scope 1 and 2, due to the limited availability and accuracy of the information used to define such information, both quantitative and qualitative, as well as due to reliance on data, information, and evidence provided by third parties.

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Auditor's responsibility for the Assurance of the Consolidated Sustainability Report

Our objectives are to plan and perform procedures to obtain a limited level of assurance that the Consolidated Sustainability Report is free from material misstatements, due to fraud or not intentional behaviors or events, and to issue a report containing our conclusions. Errors may arise from fraud or not intentional behaviors or events and are considered significant if it can be reasonably expected that they, individually or in the aggregate, could influence the decisions made by users based on the Consolidated Sustainability Report.

In the context of the engagement aimed at obtaining a limited level of assurance in accordance with the Sustainability Reporting Assurance Standard ("Principio di Attestazione della Rendicontazione di Sostenibilità") - SSAE (Italy), we exercised professional judgment and maintained professional skepticism throughout the duration of the engagement.

Our responsibilities include:

- considering the risks to identify the information in which a significant error is likely to occur, whether due to fraud or not intentional behaviors or events;
- defining and performing procedures to verify the information in which a significant error is likely to occur. The risk of not detecting a significant error due to fraud is higher than the risk of not detecting a significant error arising from not intentional behaviors or events, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or manipulation of internal controls;
- directing, supervising, and conducting the limited assurance of the Consolidated Sustainability Report and assuming full responsibility for the conclusions regarding the Consolidated Sustainability Report.

Summary of the Work Performed

An engagement aimed at obtaining a limited level of assurance involves performing procedures to obtain evidence as a basis for formulating our conclusions.

The procedures performed on the Consolidated Sustainability Report were based on our professional judgment and included interviews, primarily with the company personnel responsible for preparing the information included in the Consolidated Sustainability Report, as well as documents analysis, recalculations and other procedures aimed to obtain evidence considered appropriate.

In particular, we performed the following procedures, partly in a preliminary phase before the end of the year and subsequently in a final phase up to the date of issuance of this report:

- understanding the business model, the Group's strategies, and the context in which it operates concerning sustainability issues;
- understanding the processes underlying the generation, detection, and management of the qualitative and quantitative information included in the Consolidated Sustainability Report, including the analysis of the reporting perimeter;
- understanding the process implemented by the Group for identifying and assessing relevant impacts, risks, and opportunities based on the principle of Double Materiality concerning sustainability issues and verifying the related information included in the Consolidated Sustainability Report;
- identifying the information for which there is a likelihood of a significant error risk;

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- defining and performing analytical and substantive procedures, based on our professional judgment, to address the identified significant error risks, including:
  - for the information collected at the Group level:
    - carrying out inquiries and document analysis regarding qualitative information, particularly policies, actions, and targets on sustainability issues, to verify consistency with the evidence collected;
    - performing analytical procedures and limited assurance procedures on a sample basis regarding quantitative information;
  - for the information collected at site level, conducting on-site visits for Prysmian Cabos e Sistemas do Brasil S.A. (Poços de Caldas plant), Prysmian Cables and Systems USA, LLC (Claremont plant), Prysmian Kabel und Systeme GmbH (Schwerin plant), Prysmian Cables Spain, S.A. (Vilanova plant), Draka Comteq France S.A.S. (Douvrin plant) and Prysmian PowerLink S.r.l. (Arco Felice plant). These sites were selected based on their activities and their relevance to the metrics of the Consolidated Sustainability Report. During these visits, we conducted interviews with Group personnel and obtained documentary evidence regarding the determination of the metrics;
- regarding the requirements of Article 8 of the EU Taxonomy Regulation, understanding the process implemented by the Group to identify eligible economic activities and determine their aligned nature based on the provisions of the EU Taxonomy Regulation, and verifying the related information included in the Consolidated Sustainability Report;
- cross-checking the information reported in the Consolidated Sustainability Report with the information contained in the consolidated financial statements in accordance with the applicable financial reporting framework or with the accounting data used for the preparation of the consolidated financial statements or with the management data of an accounting nature;
- verifying the structure and presentation of the information included in the consolidated sustainability reporting in accordance with the ESRS;
- obtaining the representation letter.

Milan, 10 March 2025

EY S.p.A.
Signed by: Massimo Meloni, Auditor

This report has been translated into the English language solely for the convenience of international readers.

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EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

Independent auditor's report on a selection of indicators presented in the Consolidated Sustainability Report
(Translation from the original Italian text)

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

We have been appointed to perform a reasonable assurance engagement on a selection of indicators (hereinafter "Selected indicators") for the year ended 31 December 2024, presented in the Consolidated Sustainability Report, included in the specific section of the Management Report of the 2024 Annual Integrated Report of Prysmian S.p.A. and its subsidiaries (hereinafter the "Group" or "Prysmian Group"), identified in chapter "7. Appendices" in the paragraph "Consolidated Sustainability Report Methodological Note" (hereinafter the "Methodological Note") and reported in the section "Auditor's responsibility" of this report.

Responsibility of the Directors for the Selected indicators

The Directors are responsible for the preparation of the Selected indicators in accordance with the "European Sustainability Reporting Standards" issued by the European Commission (hereinafter also referred to as "ESRS"), identified by the Directors themselves as reporting criteria in the Methodological Note of the Consolidated Sustainability Report.

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

Intrinsic Limitations in the calculation of the Selected indicators

As indicated in the paragraph "Basis of preparation" of chapter "3. ESRS 2: General disclosures" of the Consolidated Sustainability Report and in the paragraph "Calculation of Scope 3 GHG emissions" of the Methodological Note, the information related to Scope 3 greenhouse gas emissions is subject to greater intrinsic limitations compared to Scope 1 and 2, due to the limited availability and accuracy of the information used to define such information, both quantitative and qualitative, as well as due to the reliance on data, information, and evidence provided by third parties.

Auditor's 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 the *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* (*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.

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Auditor's responsibility

It is our responsibility to express, on the basis of the procedures performed, an opinion about the compliance of the Selected indicators with the reporting criteria set forth by the ESRS. Our work has been performed in accordance with the criteria of the principle International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) for reasonable assurance engagements. This principle requires the planning and execution of work in order to obtain a reasonable assurance that the Selected indicators are free from material misstatements.

As part of our engagement, we have performed procedures aimed at obtaining evidence on the data and information related to the Selected indicators. The procedures defined are based on the auditor's professional judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In performing these risk assessment procedures, the auditor considers the internal control related to the Selected indicators in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Below are reported the Selected indicators on which the engagement has been performed:

- Greenhouse gas emissions Scope 1 – datapoint E1-6 48 (a);
- Greenhouse gas emissions Scope 2 – datapoint E1-6 49 (a-b);
- Greenhouse gas emissions Scope 3 – datapoint E1-6 51;
- Percentage of female desk workers hired – entity specific metric;
- Percentage of women in executive positions – entity specific metric.

The Selected indicators are summarized within the Methodological Note in the section "Indicators subject to Reasonable Assurance."

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Selected indicators for the year ended 31 December 2024, presented in the Group's Consolidated Sustainability Report, identified in the Methodological Note in the paragraph "Indicators subject to Reasonable Assurance" and reported in the section "Auditor's Responsibility" of this report, have been prepared, in all material aspects, in accordance with the reporting principles established by the ESRS and identified in the Methodological Note of the Consolidated Sustainability Report.

Milan, 10 March 2025

EY S.p.A.
Signed by: Massimo Meloni, Auditor

This report has been translated into the English language solely for the convenience of international readers.

2


B2
B1
B1

10. Significant events during the year

Acquisitions

Acquisition of Encore Wire Corporation

On 15 April 2024, Prysmian announced that it had entered into a merger agreement to acquire Encore Wire for USD 290.00 per share in cash. The price of USD 290.00 per share represents a premium of approximately 20% over the 30-day volume weighted average share price (VWAP) on Friday, 12 April 2024 and approximately 29% over the 90-day VWAP on the same date.

On 28 May 2024, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act for the acquisition of Encore Wire Corporation expired, meaning that this acquisition was cleared for US antitrust purposes. On 26 June 2024, shareholders representing a majority of Encore Wire's outstanding common shares voted at a special meeting to approve the merger agreement under which Prysmian would acquire Encore Wire for USD 290.00 per share. On 2 July 2024, Prysmian announced that it had completed the acquisition of Encore Wire Corporation by purchasing all of the outstanding common shares of Encore Wire for USD 290.00 per share in cash, for total net consideration of approximately Euro 4,089 million, as better described in the "Business Combinations" section of the Explanatory Notes. Upon completion of the transaction, Encore Wire has become a private company, and so its shares are no longer listed on NASDAQ or any other public market.

Encore Wire is a leading manufacturer of a wide range of copper and aluminium electrical wire and cables, supplying power generation and distribution solutions. With its diversified product portfolio and low production costs, Encore Wire plays a key role in the transition to a more sustainable and reliable energy infrastructure model. In 2023, Encore Wire generated revenue of approximately USD 2.6 billion and EBITDA of USD 517 million[69].

Based on pro-forma aggregated results for the twelve months ended 31 December 2023, the combined group would have had sales of over Euro 17.7 billion and Adjusted EBITDA of approximately Euro 2.1 billion.

In terms of operating segments, Encore Wire is active in the Electrification segment. The acquisition of Encore Wire is expected to generate approximately Euro 140 million in run-rate adjusted EBITDA synergies over the 4 years from completing the transaction.

The acquisition has consolidated Prysmian's leadership position in North America. Prysmian can therefore benefit from increased cross-selling opportunities, as well as from the efficiency and innovation of Encore Wire's unique manufacturing, distribution and service model. The transaction has also increased the importance of the North American business within Prysmian's geographic footprint.

With the progressive integration of Encore Wire, Prysmian will be even better positioned to help drive electrification and digital transformation processes in North America, including data centre expansion and power grid modernisation.

Financing of Encore Wire acquisition

On 2 July 2024, in conjunction with the acquisition of Encore Wire, Prysmian activated a loan, split into several short and medium/long-term credit facilities:

- Term Loan: USD 1,070 million, maturing on 2 July 2029.
- Bridge Loan A: USD 481 million, fully repaid on 10 July 2024.
- Bridge Loan B: EUR 925 million, fully repaid on 28 November 2024.
- Bridge Loan C1: EUR 513 million, maturing on 3 July 2026. Partially repaid on 28 November 2024, leaving EUR 230 million outstanding as at 31 December 2024.
- Bridge Loan C2: USD 548 million, maturing on 3 July 2026. Partially repaid on 28 November 2024, leaving USD 234 million outstanding as at 31 December 2024.

69. Encore Wire financials in accordance with US GAAP.

As at 18 February 2025 all Bridge Loans have been repaid in advance.

Interest rate swaps with a notional value of USD 1,070 million have been arranged against the Term Loan in order to hedge the variable interest rate risk of the related cash flows.

Acquisition of Warren & Brown

On 10 April 2024, Prysmian announced that it had signed an agreement to acquire Warren & Brown Technologies, the Australian leader in telecom network connectivity products. The acquisition represents a strategic milestone for both companies, combining Prysmian's know-how in Digital Solutions technologies with Warren & Brown's resources, capabilities and strength in enterprise solutions for the Telecom market. The transaction is part of Prysmian's "Connect, to Lead" strategy to become a global solutions provider and a leader in energy transition and digital transformation. Warren & Brown is the Australian market leader in telecom network connectivity products, providing solutions to telecom operators for various applications mainly in the FTTA and FTTH & Data Centre sectors. Founded in 1921, Warren & Brown is headquartered in Melbourne and operates 3 main production sites, 2 in Australia (Melbourne) and 1 in the Philippines (Manila), generating annual turnover of about AUD 90 million (approximately Euro 55 million).

The transaction was subject to approval by the relevant authorities and customary conditions precedent.
Prysmian completed the acquisition of Warren & Brown on 29 November 2024 with the payment of Euro 37 million.

Other finance activities

Prysmian's Board of Directors approves the exercise of the soft call on the Euro 750 million convertible bond and a share buy-back programmeme

On 7 June 2024, the Board of Directors of Prysmian S.p.A. (the "Company") approved the exercise of the early redemption option (the "Soft Call") on the entire outstanding amount of the convertible bond known as "€750,000,000 Equity Linked Bonds due 2026" (ISIN XS2294704007) issued in February 2021 (the "Bond"). The Board of Directors also approved the start of a share buy-back programmeme (the "Programmeme"), in implementation of the shareholder resolution adopted at the meeting held on 18 April 2024. The Programmeme, which runs from 10 June 2024 and until 10 March 2025, covers up to 8 million of the Company's shares (equal to approximately 3% of share capital) for a maximum value of Euro 375 million.

With reference to the Soft Call, a total of 18,632,759 new shares have been issued in execution of conversion requests. As at 31 December 2024, the convertible bond had been extinguished, having been almost entirely converted into shares except for a few bonds whose conversion was not requested and which were redeemed on 19 July 2024 for an amount of Euro 300,000. The Bond was delisted from the Vienna Stock Exchange on the same date.

As for the share buy-back programmeme, consistent with the aforementioned shareholders' resolution, its purpose is:

1. to provide the Company with a portfolio of treasury shares (a so-called "stock of shares") that can be used in any extraordinary transactions (e.g. mergers, demergers, spin-offs, acquisition of equity investments) and to implement the shareholder-approved remuneration policies applied to Prysmian Group;
2. to use treasury shares to service the exercise of rights arising from convertible debt instruments or instruments exchangeable for financial instruments issued by the Company, its subsidiaries or third parties (e.g. in takeovers bids and/or stock swaps);
3. to use treasury shares to satisfy share-based incentive plans or stock grant/subsidised purchase plans reserved for Prysmian Group directors and/or employees;
4. to manage the Company's capital effectively, by creating an investment opportunity, also in view of its available liquidity.

The purchase price may not be more than 10% above or below the official market price of the share as quoted on Euronext Milan on the day preceding the execution of each transaction and, in any case, it may not exceed the higher of the price of the last independent transaction and the price of the highest current independent bid on the trading platform on which the purchase is made.

Purchases shall be made in the manner set out in art. 144-bis, par. 1,b), of CONSOB Regulation No. 11971 of 14 May 1999, i.e. on regulated markets or multilateral trading systems, through an authorised intermediary specifically appointed for this purpose who shall carry out the purchases in the name and on behalf of the Company, completely independently and without any influence from the latter, subject to pre-determined quantitative price and volume limits in accordance with the shareholders' authorisation and in compliance with legal and regulatory requirements. All transactions must be disclosed to the market in accordance with the conditions and procedures established by applicable legal and regulatory requirements.

As at 31 December 2024, a total of 5,346,935 treasury shares had been purchased in implementation of the above programmeme for a total outlay of Euro 328 million.

New EIB Loan

On 24 July 2024, the European Investment Bank (EIB) and Prysmian signed a new Euro 450 million loan agreement to finance investments facilitating electricity transmission and distribution in Europe.

The loan will be disbursed in tranches and is repayable in a lump sum eight years after the disbursement of each tranche. The first tranche of Euro 198 million was drawn down on 1 August 2024 and no further tranches had been disbursed as of 31 December 2024.

In order to meet the growing demand for renewable energy in general and offshore wind in particular, Prysmian will use the EIB funds to build new production lines for extra-high-voltage submarine cables, lines for high-voltage onshore cables and other technical improvements to existing lines.

The EIB-financed investment will enable Prysmian to double its production capacity for extruded cables at its three plants in Pikkala (Finland), Arco Felice (Italy) and Gron (France) from around 2,000 km to over 4,000 km per year. This will help meet EU targets for clean energy transmission via submarine cable solutions and long-distance interconnections, improving the integration and efficiency of renewable energy.

According to Prysmian estimates, and in line with time frames and procedures to be defined, this investment will also promote the creation of new jobs, thereby generating significant economic benefits for the countries involved. The project is fully in line with the EIB's climate action and environmental sustainability goals and the REPowerEU framework, which the EU bank has committed to support with Euro 45 billion of additional investment by 2027. In addition, almost half of the operations covered by the agreement will take place in cohesion regions, such as Campania in Italy and Burgundy in France, thereby helping to reduce regional economic disparities and promote more balanced and inclusive economic development.

Approval of financial policy

On 30 October 2024, the Board of Directors of Prysmian S.p.A. approved the Group Financial Policy. The Policy is fully aligned with Prysmian's priority of maintaining its current investment grade rating, with the Company committed to maintaining this rating throughout the economic cycle. The Policy sets a target maximum net leverage ratio of 1.5x, below which the Company will be managed in the normal course of business. This level could temporarily rise to around 2x (in the event of acquisitions), but the Group would clearly focus on deleveraging over the following eighteen to twenty-four months. Prysmian will also maintain a clear dividend policy, with a maximum payout of 25-30% of the free cash flow forecast over the four-year planning period.

Prysmian establishes EMTN programmeme to refinance existing debt

On 14 November 2024, the Board of Directors of Prysmian S.p.A. authorised the establishment of a Euro Medium Term Notes (EMTN) programmeme amounting to Euro 3 billion. The EMTN programmeme is listed on the regulated market of the Luxembourg Stock Exchange and is valid for 12 months.

The Board of Directors also authorised the issuance under the EMTN programmeme of one or more senior unsecured non-convertible bonds, for a maximum total nominal amount of Euro 3 billion. The individual bond issues (each of which may be issued up to an amount of Euro 2 billion, in one or more tranches) will be targeted at institutional investors in Italy and abroad, excluding the United States of America pursuant to Regulation S of the United Securities Act of 1933. The bonds issued will be listed on the regulated market of the Luxembourg Stock Exchange.

The purpose of the Programmeme is to refinance existing debt, strengthen the financial structure by extending maturities and thus support Prysmian's growth strategy as well as the Group's ordinary activities.

Prysmian places a dual-tranche bond of Euro 1,500 million under its EMTN programmeme
As part of the above EMTN Programmeme, Prysmian S.p.A. successfully placed a dual-tranche offering of unsecured senior notes on 21 November 2024 for a total of Euro 1,500 million, rated BBB- by S&P Global Ratings Europe Limited (S&P). The issue consisted of a four-year tranche of Euro 850 million (due 28 November 2028), with a fixed annual coupon of 3.625% and an issue price of Euro 99.817, and a seven-year tranche of Euro 650 million (due 28 November 2031), with a fixed annual coupon of 3.875% and an issue price of Euro 99.459. The notes have a minimum denomination of Euro 100,000, plus integral multiples of Euro 1,000. The settlement date of the notes was on 28 November 2024.

Prysmian used the net proceeds of the transaction to repay the bridge financing taken out to acquire Encore Wire. In fact, on 28 November 2024 Prysmian repaid:

- Bridge Loan B for Euro 925 million;
- Bridge Loan C1 which was partially repaid, leaving a residual debt of Euro 230 million at 31 December 2024;
- Bridge Loan C2 which was partially repaid, leaving a residual debt of USD 234 million at 31 December 2024.

As at 18 February 2025 all Bridge Loans have been repaid in advance.

New contracts and other contract-related information

Prysmian closes contracts with Amprion for projects worth a total of around Euro 5 billion
On 15 February 2024, Prysmian signed contracts for three projects worth a total of around Euro 5 billion with Amprion, one of Europe's leading TSOs, for two offshore grid connection systems (BalWin1 and BalWin2), and the DC34 underground cable project. The contracts, which have been added to Prysmian's order backlog, follow its selection as preferred bidder in August 2023. This is the largest "bundle of contracts" ever awarded to Prysmian both in terms of value and kilometres of cable. It involves a total of some 4,400 km of ±525 kV HVDC cables and DMR (Dedicated Metallic Return) cables, of which around 3,400 km are underground cables and 1,000 km submarine cables.

Prysmian closes contract with Eastern Green Link 2 Limited for a project worth around Euro 1.9 billion
On 27 February 2024, Prysmian finalised the contract worth approximately Euro 1.9 billion awarded by Eastern Green Link 2 Limited, a joint venture between UK transmission grid owners SSEN Transmission and National Grid Electricity Transmission plc. Under the contract, Prysmian will deliver a major HVDC cable system for the construction of the Eastern Green Link 2 (EGL2) network connecting Scotland and England. The award of the EGL2 contract, which has been added to Prysmian's order backlog, follows Prysmian's earlier selection as exclusive preferred bidder in May 2023 and its subsequent commitment in June 2023 to reserve its production capacity for this project. The new connection is due to be operational in 2029.

Prysmian successfully completes export cable project for Gruissan/Eolmed floating offshore wind farm in France
On 30 May 2024, Prysmian announced that it had successfully completed the Gruissan/ EOLMED floating offshore wind farm project in France. Prysmian had been awarded this project in 2021 under a contract with French transmission system operator RTE (Réseau de Transport d'Électricité) for the engineering, procurement, construction and installation (EPCI) of a submarine export cable system. Prysmian was responsible for the design, supply, connection, testing and commissioning of a 66 kV static EPR-insulated three-core submarine export cable totalling 23 km and a 66 kV dynamic EPR-insulated submarine export cable, connecting the onshore grid to the floating substation of EOLMED's 30 MW floating wind farm (currently under construction).

With this high-profile engineering project and second EPCI contract for dynamic cable systems, Prysmian has further consolidated its position in the floating offshore wind farm market, using its know-how and experience to provide innovative dynamic cable systems designed for deepwater environments.

Prysmian receives letter of award for Peninsula - Baleares 2 interconnection in Spain
On 31 July 2024, Prysmian received a Letter of Award for a power transmission project that will connect the island of Majorca to the Spanish mainland. The project is valued at more than Euro 0.5 billion. Prysmian and Red Eléctrica, transmission system operator of the Spanish electricity grid, have negotiated the contract on an exclusive basis. Prysmian will be responsible for the design, installation, testing and commissioning of two 250 kV MI single-core HVDC cables, as well as fibre optic cable for telecommunication and monitoring purposes, which will connect the island of Majorca to the Spanish mainland power grid and cover both the submarine and onshore sections. This project will improve the quality and security of the electricity supply in the Balearic Islands and ensure that demand on the islands is met.

Prysmian signs Euro 600 million contract for Marinus Link in Australia

On 2 August 2024, Prysmian announced that it had finalised a contract with Marinus Link Pty Ltd. worth approximately Euro 600 million for the construction of a new electricity interconnection between Victoria and Tasmania, Australia. Commencement of work is subject to the issuance of a notice to proceed, which is expected by August 2025. This agreement follows on from the capacity reservation agreement, previously announced in September 2023. The completion date is set for 2030. Prysmian will design, test, supply and install a HVDC cable system, consisting of 320 kV single-core cables with XLPE insulation and single-wire armouring, and serving both the submarine and onshore sections. Prysmian will also supply a fully integrated PRY-CAM permanent monitoring system. The submarine cables will be manufactured at Prysmian's centre of excellence in Arco Felice (Italy), while the onshore cables will be produced in Delft (The Netherlands) or Gron (France). Installation operations will be carried out using the Leonardo da Vinci, Prysmian's record-breaking cable-laying vessel.

RTE strengthens its strategic supplies and contributes to the development of French industry through the purchase of more than 5,000 km of high-voltage underground power cables from five European suppliers

On 5 November 2024, RTE signed contracts with five manufacturers – Prysmian, Nexans, NKT-SolidAl and Hellenic Cables – to guarantee the supply of underground power cables for its projects until 2028. Valued at close to one billion euros, this commitment covers the supply and installation of approximately 5,200 kilometres of underground cables for voltages ranging from 90 to 400 kv.

The contracts require all cables to be manufactured exclusively in Europe (France, Portugal, Greece, Belgium, Italy, Germany and the Netherlands), at a cost of Euro 668 million. The contracts also cover cable installation and connection (junction and termination) services for around Euro 300 million.

One third of the cables will be manufactured in France, at the Prysmian plants in Gron (Yonne) and Montereau-Fault-Yonne (Seine-et-Marne) and at the Nexans plant in Bourg-en-Bresse (Ain). With this commitment, RTE is reserving almost all the French production capacity still available until 2028, for the manufacture of more than 1,700 km of cables.

Prysmian strengthens New Zealand's energy security through a Capacity Reservation agreement with Transpower New Zealand Ltd to ensure delivery of a submarine power interconnector

On 13 December 2024, Prysmian signed a capacity reservation agreement worth approximately Euro 250 million with Transpower New Zealand Ltd, operator of New Zealand's transmission grid, for a new submarine power cable across the Cook Strait, connecting the North and South Islands of Aotearoa New Zealand. With an overall capacity of 1400 MW, the new power line will replace the existing one, which is now obsolete, and will provide significant benefits to the country by guaranteeing secure and cost-effective supply of electricity to meet New Zealand's growing demand for electricity.

Prysmian will provide a full turnkey solution for the project, also including its state-of-the-art EOSS monitoring system, which is essential to ensure the long-term security and longevity of the power line.

The contract will now be negotiated and is expected to be finalised in the first quarter of 2026, with a notice to proceed expected in the first half of 2026 and commissioning planned for 2031.

Prysmian secures a framework agreement with RTE for strategic offshore wind farm connections in France. Two submarine power export cables to connect the FOS and Narbonnaise offshore wind farms to the mainland power grid in France

On 17 December 2024, Prysmian signed a framework agreement with Réseau de Transport d'Électricité (RTE), the French transmission system operator, for the engineering, procurement, construction and installation of submarine power cable links. These links will connect two offshore wind farms, specifically the "Fos Project" and the "Narbonnaise Project", to the French electricity transmission grid, and will include both the submarine and onshore sections (including landfall works).

The projects are subject to call-off by RTE and finalisation of the terms of the related EPCI contracts, expected during the period 2026-2027. Delivery and commissioning are scheduled for the period 2031-2032. These two EPCI contracts have a total potential value of approximately Euro 700 million.

Each individual project consists of three 225 kV three-core HVAC export cables with XLPE insulation and synthetic armour. The approximately 400 km of onshore cables will be made in Gron, France, while the approximately 240 km of submarine cables will be manufactured at Prysmian's centres of excellence in Arco Felice, Italy, and Pikkala, Finland, for a grand total of around 640 km of cables (onshore and submarine). Installation operations will be carried out using one of Prysmian's cable-laying vessels.

The Fos project will be located on the Provence-Alpes-Côte d'Azur coast and will require around 300 km of cables (onshore and submarine), while the Narbonnaise project, located on the coast of Occitania, will require around 340 km of cables (onshore and submarine), providing a potential capacity of 750 MW each.

These projects are of strategic importance to RTE's long-term plan to develop the national power grid to accommodate new low-carbon infrastructures (both generation and consumption).

Other significant events

Telecom footprint rationalisation

As described in the Integrated Annual Report 2023, following a reduction in demand in the Telecom segment since the second half of 2023, the Group has undertaken a number of initiatives to rationalise its footprint, involving its plants in Calais, Washington and Battipaglia. These measures have continued to be implemented during 2024, with the Group actively engaged in constructive discussions aimed at minimising social impact.

Prysmian and Telstra partner to expand optical cable manufacturing facility

On 30 January 2024, Telstra and Prysmian announced an expansion of Prysmian's optical cable manufacturing facility in Australia in order to produce the industry-leading fibre optic cable required for Telstra's intercity fibre network, using advanced technology to reduce the project's environmental impact. Telstra InfraCo is building the intercity fibre network in response to the ever-growing demand for fast and powerful digital networks. Sustainability has continued to be a key focus when developing manufacturing technology. The new fibre optic cable is 59% smaller and 54% lighter than the previous design used in Telstra's existing fibre network. The reduced size and weight will save an estimated 35,000 tonnes of CO_2 emissions during cable manufacture and transportation over the project's lifetime. To support the rollout of this major project, Prysmian has invested to significantly increase the capacity of its Dee Why facility.

Prysmian launches innovative Sirocco Extreme 864-fibre cable

On 12 February 2024, Prysmian announced the launch of its revolutionary Sirocco Extreme 864f microduct cable, setting a new standard of innovation for the industry. This groundbreaking cable features record diameters and fibre density for blown microduct cables. The Sirocco Extreme 864f microduct cable contains 864 fibres in a 9.8mm diameter, providing an unprecedented fibre density of 11.5 fibres per mm2. It can be installed in a 12mm duct, pushing the boundaries of what is possible in the telecom cable systems industry. Prysmian's Sirocco Extreme microduct cables use state-of-the-art BendBrightXS 180µm single-mode (ITU-T G.657.D, G.657.A2) bend-insensitive fibre, ensuring compatibility with existing G.652 fibres and use in advanced systems.

More than 50-year expected lifetime for Prysmian's Sirocco cables

On 19 March 2024, Prysmian announced the results of new and rigorous long-term ageing tests on its Sirocco cable family, showing an expected lifetime of more than 50 years, enabling operators to calculate the life cycle analysis of their networks over a longer period.

As part of its continued industry leadership in cable design and reliability, Prysmian has carried out long-term durability and ageing certification for its SiroccoHD and SiroccoEXTREME microduct cables and the fibres contained therein in order to simulate a cable lifetime of at least 50 years under dry and wet ageing conditions. The results show that after lifetime simulation, optical fibre attenuation as well as cable performance and material properties remain unchanged and able to meet industry standards for newly manufactured cables.

Prysmian wins "FTTH Innovation Award" with Bendbright 180µm optical fibre

On 22 March 2024, Prysmian received the FTTH Innovation Award in the Passive Infrastructure category for its BendBright 180µm optical fibre. This award, presented by the FTTH Council Europe, recognises the most innovative solutions in the FTTH sector, with a focus on accelerating fibre deployment, on cost reduction and efficient installation. BendBright 180µm is the only colour-coded optical fibre with a small 180µm diameter, designed to meet the challenges of fibre networks in space-constrained environments without compromising performance and reliability. Its flexibility and flexural strength make it ideal for applications in urban, rural and indoor environments where space and challenging conditions present obstacles to traditional solutions.

Prysmian joins the FMP Alliance to accelerate adoption of Fault-Managed Power technology

On 9 April 2024, Prysmian announced its membership of the Fault-Managed Power (FMP) Alliance, reinforcing its commitment to safe, reliable and efficient power supply systems.

The FMP Alliance, whose members include leading companies such as Belden, Cisco Systems, Panduit, Prysmian and VoltServer, promotes the development of advanced technologies for the safe management of electrical faults, reducing the risk of electrical shock and fire and contributing to more sustainable power distribution.

With this membership, Prysmian confirms its role as a leader in the sector, offering its expertise to promote the adoption of innovative solutions for the safety and efficiency of low-voltage electrical networks.

Prysmian honoured at GEO Awards 2024 for its share ownership plans

On 11 April 2024, Prysmian was named as one of the winners of the GEO Awards 2024, presented annually by Global Equity Organization, for its BE IN share ownership plan, part of the Value4All programmeme, in recognition of its commitment to offering value-sharing plans to its employees.

Value sharing has been part of Prysmian's DNA since 2013 when it launched its first employee share ownership plan, known as YES (Your Employee Shares), with the aim of promoting the creation and distribution of value to the group's employees and their participation in the company's shareholder base. The Value4All programmeme comprises three remuneration and incentive plans designed to ensure maximum inclusiveness according to the geographical, organisational or local diversity of participants.

Prysmian's goal is to have at least 50% of its employees (including non-desk workers) as company shareholders by 2027. At the end of 2023, 46% of employees, or more than 13,400 people, were company shareholders. To reinforce its inclusivity strategy, Prysmian launched the BE IN plan in 2022, which for the first time also included non-desk workers in a stock-based compensation plan.

Approval of the Annual Financial Statements at 31 December 2023, distribution of dividends and appointment of the Prysmian S.p.A. Board of Directors

On 18 April 2024, the shareholders' meeting of Prysmian S.p.A. approved the 2023 financial statements and the distribution of a gross dividend of Euro 0.70 per share, for a total of some Euro 191 million. The dividend was paid out from 24 April 2024, with record date 23 April 2024 and ex-div date 22 April 2024. The same shareholders' meeting also appointed the new members of the Prysmian S.p.A. Board of Directors.

Massimo Battaini is Prysmian's new Chief Executive Officer and General Manager

On 18 April 2024, the Board of Directors appointed Massimo Battaini as Prysmian's new Chief Executive Officer and General Manager. With this appointment, the new organisational structure, aimed at supporting the Group's strategic plan and value creation, has entered its operational phase.

Prysmian and Aurubis enter into a long-term copper wire rod supply agreement

On 23 April 2024, Prysmian and Aurubis, a leading non-ferrous metals supplier and one of the world's largest producers of recycled copper, entered into a long-term supply agreement for copper wire rod. Under the agreement, Aurubis will supply a significant volume of copper wire rod, which will increase year on year. The agreement with Aurubis, Europe's largest vertically integrated producer of copper wire rod, will meet Prysmian's needs, in particular those of its European plants, and ensure coverage of current and future activities.

Prysmian accelerates on Sustainability

Prysmian has marked its annual "Sustainability and Innovation Days" event by announcing the acceleration of certain key sustainability initiatives, as well as an update of the medium-term targets in its Sustainability Plan. Among the key points:

- Prysmian will revise up its sustainability targets thanks to the announced acquisition of Encore Wire, a sustainable leader through its unique business model.
- The launch of E-Path, Prysmian's new cable label designed to fully incorporate market-leading standards in measurable sustainability criteria. The label will be applied to Prysmian products worldwide that meet this standard.
- Prysmian is to become a partner in the "Copper Mark" initiative, the leading assurance framework to help increase the amount of responsibly produced, sourced, and recycled metal available to society.
- Prysmian is considering the introduction of science-based biodiversity targets, in line with the Science Based Network.

- Prysmian's share of revenue from sustainable products reached 41% in the first quarter of 2024, already surpassing the 40% target for 2025.

Prysmian's "Sustainability and Innovation Days", with the flagship event held on 27 June, have brought together Prysmian suppliers and customers from around the world, as well as other key stakeholders, to discuss, share progress and explore initiatives that have been put in place to make a positive impact on the environment and the company, united by a spirit of innovation.

"Sustainability and Innovation Days" are also part of Prysmian's approach to sustainability – engaging with key stakeholders to assess and accelerate the prime environmental, social and governance issues which impact both business and society. To ensure that progress is transparent and regularly updated, Prysmian's sustainability goals are reported in detail through the lens of its sustainability scorecard, which looks at 12 Impact KPIs aligned with the UN's sustainable development goals. The scorecard is based on the four pillars of Prysmian's approach to sustainability: Environment, People-Community, Governance and Innovation. The scorecard targets are regularly monitored by the Sustainability Steering Committee, chaired by the Chief Investor Relations, Sustainability and Communication Officer, and reported to the Sustainability Committee. Further details about Prysmian's sustainability targets, available to all stakeholders, can be found at: https://www.prysmian.com/en/sustainability/sustainability-targets-the-scorecard.

Record-breaking installation at 2,150-metre depth

On 8 July 2024, Prysmian announced that it had successfully completed sea trials for the ultra-deepwater installation of a 500 kV HVDC mass-impregnated cable, at a depth of 2,150 metres. This installation is an industry record, being the first time an HVDC cable has been laid at such a depth, setting new market standards.
This non-metallic armoured cable has been developed using High Modulus Synthetic Fibres (HMSF) composite material, defining a new generation of cable technology. The use of an innovative armouring solution, which can be up to 50% lighter than steel in water, combined with the state-of-the-art Leonardo da Vinci cable-laying vessel, will allow the cable for Terna's Tyrrhenian Link to be installed and maintained at a depth of more than 2,000 metres below sea level, the most ever reached for an electric power cable. The cable will be used for the Tyrrhenian Link, a Euro 1.7 billion project awarded by Terna S.p.A. in 2021. Prysmian's role has been to design, supply and install more than 1,500 km of submarine cables to support electrical power exchanges between Sardinia, Sicily and Campania, thus strengthening the Mediterranean energy hub.

TechnipFMC and Prysmian announce floating offshore wind collaboration agreement

On 4 November 2024, TechnipFMC (NYSE: FTI) and Prysmian (MILAN: PRY) signed a collaboration agreement to further accelerate the global development of floating offshore wind to help meet the growing demand for renewable energy.

The collaboration agreement brings together the technologies and expertise of these two offshore industry leaders, providing specific capabilities to develop a single integrated solution from the seabed to the sea surface. The collaboration will leverage TechnipFMC's unrivalled expertise in the design and integration of dynamic offshore applications and Prysmian's global leadership in the production and installation of submarine power cable systems. The companies intend to offer an optimised solution through a fully integrated Engineering, Procurement, Construction and Installation (iEPCI)™ business model. The integrated implementation of this new solution, which includes mooring, anchoring and dynamic inter-array and export cable systems, will improve project economics and reduce execution time.

Prysmian announces a new organisational structure

On 5 December 2024, Prysmian announced that, as of 1 January 2025, it will adopt a new organisational structure in line with the Group's growth strategy, with the aim of improving decision-making processes and strengthening the relationship between headquarters and the regions that drive operations at a commercial and industrial level.
All appointments have been made from Prysmian's internal talent pool.

The current structure will be simplified with the creation of the Europe and Asia Pacific (APAC) regions. As a result, the number of regions will be reduced from nine to five, thereby strengthening the commercial and industrial focus and supporting the Group's growth.

The new organisational structure is described in the Corporate Governance section of this report.

Dow Jones sustainability index: Prysmian's sustainability leadership confirmed

On 23 December 2024, Prysmian was confirmed as leader in the ELQ Electrical Components & Equipment sector of the Dow Jones Sustainability Index (World & Europe), the only cable solutions provider included in the index. The 2024 assessment looked at Prysmian's commitment and concrete actions in the areas of emissions, resource efficiency and circularity, waste and water. This year saw Prysmian take significant steps to affirm its leadership in terms of sustainability through:

- Confirmation of the 2024 guidance on the reduction of Scope 1 & 2 greenhouse gas emissions by 36% and Scope 3 emissions by 13% versus 2019.-
- The launch of E-Path, Prysmian's new sustainable cable label, which incorporates market-leading standards in rigorous sustainability criteria. The label will be applied to Prysmian products worldwide that meet these standards and will be validated by external third-parties, including through inspections of Prysmian's plants.
- Prysmian's participation in the "Copper Mark" initiative, the leading assurance framework for increasing the amount of responsibly produced, sourced and recycled metal available to society.
- The share of Prysmian's revenue from sustainable products, which reached 45% in the third quarter of 2024, already surpassing the 40% target for 2025.
- Prysmian's further reduction of greenhouse gas emissions, the introduction of recycled copper in PE and copper sheathing and the promotion of gender diversity.

This year Prysmian also continued to develop its employee share ownership plans, with around 40% of employees. As at 31 December 2024, the employees who hold Prysmian shares are approximately 46% considering the eligible employees of the programmemes and represent a total of approximately 1.5% of the capital.

Prysmian has also achieved a significant improvement in its social performance within the Dow Jones Sustainability Index (DJSI). This achievement is the result of a continuous and concrete commitment to enhance the social sustainability of the business, particularly through two key areas: employee training and the adoption of inclusive policies.

Prysmian has invested in numerous courses and training programmemes focused on various ESG (environmental, social, and governance) topics to support the growth and development of its employees and prepare them to meet the challenges of an increasingly sustainability-conscious market. At the same time, projects and policies have been implemented to ensure a healthy work-life balance, creating an inclusive, respectful and diversity-friendly environment. These efforts have been instrumental in strengthening the corporate culture and contributing to greater social equity, in line with Prysmian's sustainability and social responsibility objectives.

Prysmian obtains RINA gender equality certification

On 30 December 2024, Prysmian obtained the voluntary UNI/PdR 125:2022 gender equality certification in recognition of its ability to adopt concrete measures over the years to promote an inclusive working environment that respects all forms of diversity. The certification, which applies specifically to the Italian operations (Prysmian Spa and EOSS), was awarded by RINA, a multinational certification group operating in more than 70 countries, following the successful completion of an evaluation process covering areas such as remuneration, recruitment and selection, and professional development. The certification also attests to Prysmian's support for issues related to parenting and work-life balance, as well as its efforts to prevent any form of abuse - physical, verbal, or digital - in the workplace. This result is the culmination of a long journey undertaken by Prysmian, confirming the robustness of the practices and policies in place, as well as the concrete actions taken to create an increasingly inclusive working environment, which builds on diversity and uniqueness as strengths and enhances the awareness and skills of its people.

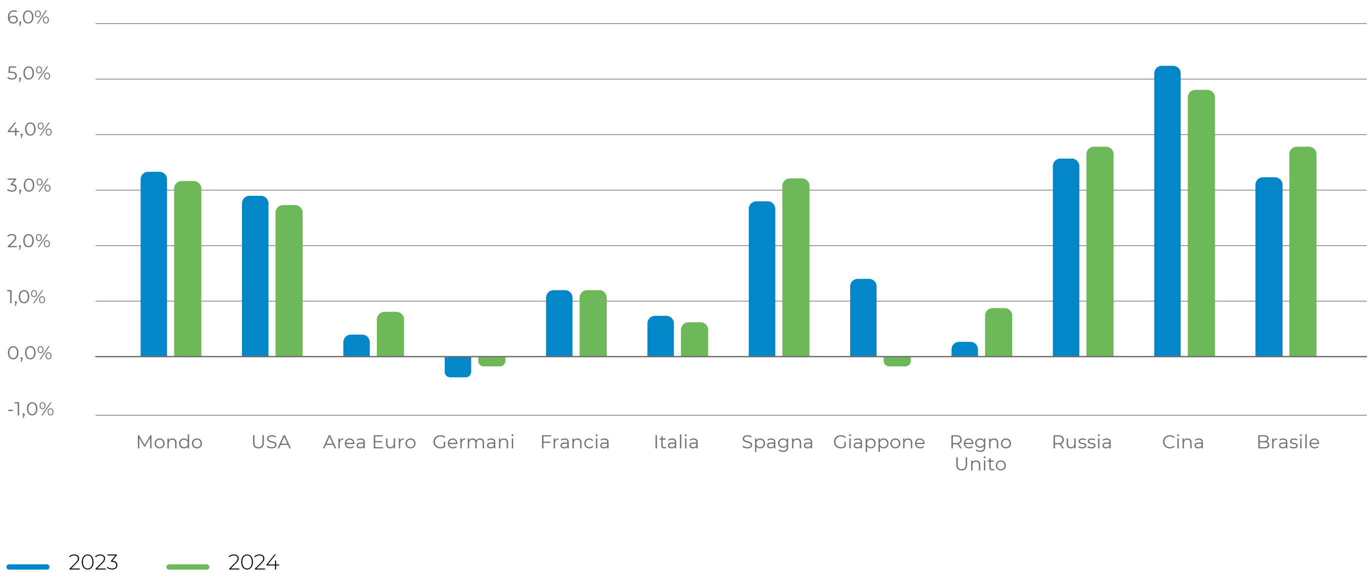
11. Business environment and financial markets

Macroeconomic environment

In 2024, the global macroeconomic picture improved, driven by the resilience of the US economy, which maintained solid growth (+2.8%), supported by strong domestic demand and favourable economic policies. Inflation fell less than expected, particularly in the services sector, while central banks started to ease monetary policy to stimulate growth. Geopolitical tensions, including the conflict in Ukraine, fighting in the Middle East and uncertainty over US protectionist policies, continued to weigh on energy and commodities.

According to the IMF, global growth is estimated at 3.2% in 2024, with the Eurozone recovering (+0.8%) but still suffering from inflation and weak domestic demand. Germany is in recession for the second year running, while Spain remains one of the most dynamic economies (+3.1%). France and Italy recorded stable growth of +1.1% and +0.6% respectively.
In China, growth slowed to +4.8%, affected by the property crisis and rising debt, although fiscal stimulus improved the outlook. Global trade tensions and possible new protectionist policies remain risk factors for investment and business confidence.

Variazione del PIL 2023-2024 per paese



Financial market performance

Prysmian S.p.A. has been listed on the Italian Stock Exchange since 2007 and is included in the FTSE MIB index, as well as being part of other major global and sector indices, such as the Stoxx Europe 600 Industrial G&S, the Dow Jones Sustainability World and the MIB ESG, which recognises top ESG performers.

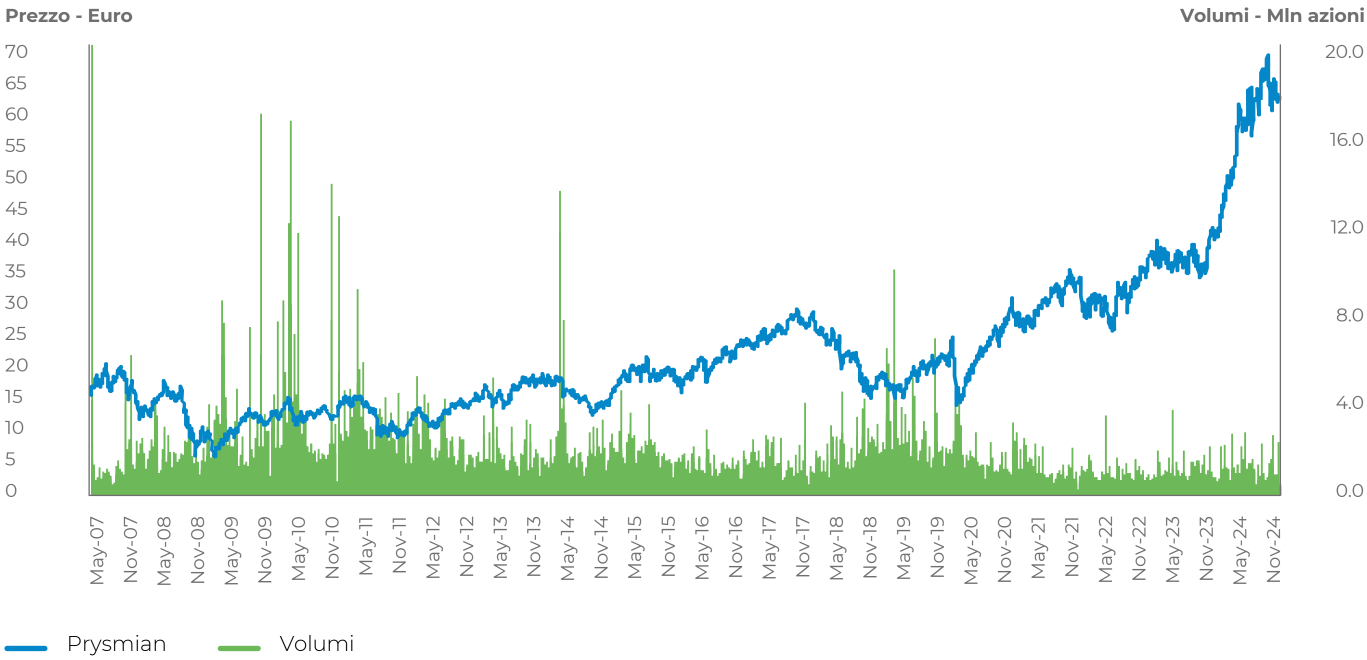
In 2024, global equity markets closed higher, driven by stronger-than-expected economic growth and central bank policies. In the US, the S&P 500 (+23.3%), Dow Jones (+12.9%) and Nasdaq 100 (+24.9%) enjoyed a boost from artificial intelligence and new post-election tax policies.

In Europe, the German DAX (+18.8%) reached a new record high, followed by the Spanish IBEX 35 (+14.8%) and the Italian FTSE MIB (+12.6%), driven by the banking sector. The UK FTSE 100 rose 5.7%, while the French CAC 40 fell 2.2% due to political instability. Overall, the Stoxx Europe 600 gained 6%, with the banking sector among the best performers and the automotive and food & beverage sectors among the worst (-11.3% and -12.3% respectively).

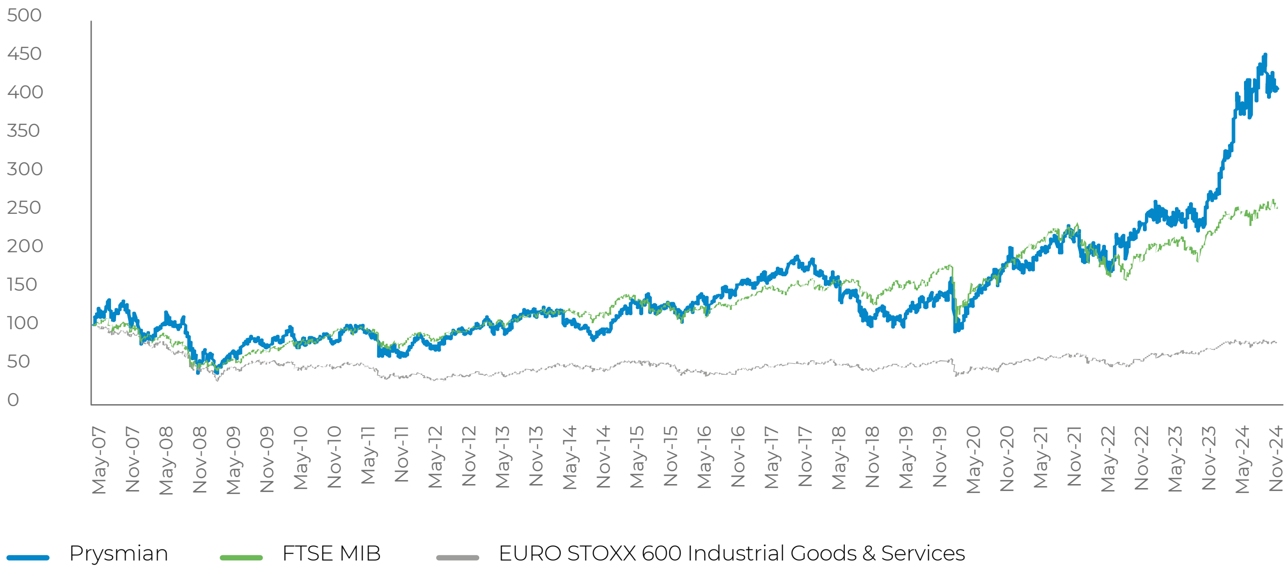
In China, after two negative years, the stock indices recovered thanks to economic stimulus measures: the Shanghai Composite closed with a +12.7% gain, while the Hong Kong Hang Seng was up +17.7%.

The Prysmian stock gained 49.8% in 2024, closing the year at Euro 61.66 per share versus Euro 41.17 at the end of 2023. This excellent performance continues the stock's positive trend of recent years, during which it rose by 27.4% in 2019, 35.3% in 2020, 13.9% in 2021, 4.7% in 2022 and 18.8% in 2023 bringing its total gain in the last six years to 265.5%. Over the same six-year period the total return was significantly higher than both the FTSE MIB Index, which gained +86.6%, and the STOXX Europe 600/Ind Goods & Svcs Index, which grew by +93.4%. Including dividend pay-outs, Prysmian's Total Shareholder Return (TSR) was +51.9% in 2024 and +478.5% since its original listing on 3 May 2007. The stock reported a market capitalisation of Euro 18.2 billion at the end of the financial year, up sharply from Euro 11.4 billion a year earlier and exceeding Euro 20 billion for the first time in 2024. The Group's solidity and expected growth in its key markets, also thanks to the megatrends of Energy Transition, Electrification and Digitalisation, have enabled the Prysmian stock to retain its strong market appeal, as confirmed by financial analyst recommendations, of which at the end of the year, 74% were "Buy" and 21% "Hold".

Andamento del titolo Prysmian dall'IPO



Performance del titolo



Prysmian key data

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Price at 31 December	61.66 €	41.17 €	34.66 €	33.11 €	29.08 €	21.49 €	16.87 €	27.19 €	24.40 €	20.26 €
Change in year	49.8%	18.8%	4.7%	13.9%	35.3%	27.4%	-38.0%	11.4%	20.4%	33.7%
Average Price	55.90 €	36.69 €	30.69 €	29.87 €	21.81 €	18.55 €	22.17 €	26.31 €	20.93 €	19.10 €
Maximum Price	68.56 €	41.24 €	35.60 €	35.05 €	29.08 €	22.06 €	28.54 €	30.00 €	24.42 €	22.23 €
Minimum Price	39.81 €	33.78 €	25.59 €	25.34 €	13.96 €	14.93 €	14.97 €	23.34 €	16.45 €	14.43 €
Capitalisation at year end	18,238 Mil €	11,385 Mil €	9,294 Mil €	8,878 Mil €	7,798 Mil €	5,762 Mil €	4,523 Mil €	5,913 Mil €	5,288 Mil €	4,319 Mil €
Average capitalisation in year	15,996 Mil €	9,864 Mil €	8,229 Mil €	8,009 Mil €	5,849 Mil €	4,975 Mil €	5,361 Mil €	5,701 Mil €	4,536 Mil €	4,140 Mil €
Average no. of shares traded	0,8 Mil	0,8 Mil	0,7 Mil	0,9 Mil	1,3 Mil	1,7 Mil	1,3 Mil	1,0 Mil	1,0 Mil	1,4 Mil
Average amount traded	46 Mil €	28 Mil €	22 Mil €	25 Mil €	27 Mil €	31 Mil €	28 Mil €	26 Mil €	20 Mil €	27 Mil €
No. of shares at 31 December	295,785,483	276,534,448	268,144,246	268,144,246	268,144,246	268,144,246	268,144,246	217,482,754	216,720,922	216,720,922

12. Group performance and results

Financial performance

(Euro/million)	2024	2023	% change	2022
Sales	**17,026**	**15,354**	**10.9%**	**16,067**
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**1,903**	**1,595**	**19.3%**	**1,442**
% Sales	11.2%	10.4%		9.0%
Adj. EBITDA	**1,927**	**1,628**	**18.4%**	**1,488**
% Sales	11.3%	10.6%		9.3%
EBITDA	**1,754**	**1,485**	**18.1%**	**1,387**
% Sales	10.3%	9.7%		8.6%
Fair value change in metal derivatives	19	6		(31)
Fair value share-based payment	(58)	(57)		(104)
Amortisation, depreciation, impairment and impairment reversal	(509)	(574)		(403)
Operating income	**1,206**	**860**	**40.2%**	**849**
% Sales	7.1%	5.6%		5.3%
Net finance income/(costs)	(225)	(96)		(110)
Profit before taxes	**981**	**764**	**28.4%**	**739**
% Sales	5.8%	5.0%		4.6%
Taxes	(233)	(217)		(230)
Net profit	**748**	**547**	**36.7%**	**509**
% Sales	4.4%	3.6%		3.2%
Attributable to:				
Owners of the parent	729	529		504
Non-controlling interests	19	18		5
Reconciliation of Operating Income/EBITDA to Adj. Operating Income/Adj. EBITDA				
Operating income (A)	**1,206**	**860**	**40.2%**	**849**
EBITDA (B)	**1,754**	**1,485**	**18.1%**	**1,387**
Adjustments:				
Business reorganisation	84	48		11
Non-recurring expenses/(income)	11	9		47
Other non-operating expenses/(income)	78	86		43
Total adjustments (C)	**173**	**143**		**101**
Fair value change in metal derivatives (D)	(19)	(6)		31
Fair value share-based payment (E)	58	57		104
Asset impairment and impairment reversal (F)	44	216		34
Adj. operating income (A+C+D+E+F)	**1,462**	**1,270**	**15.1%**	**1,119**
Adj. EBITDA (B+C)	**1,927**	**1,628**	**18.4%**	**1,488**

The Group's sales came to Euro 17,026 million in 2024, compared with Euro 15,354 million in 2023, posting a positive change of Euro 1,672 million (+10.9%). Sales of sustainable products in the E Path range also contributed to this growth, reaching 43.1% of the total in 2024, up from 37% in the previous year.

The variation in sales can be broken down into the following main factors:

- organic sales growth, accounting for an increase of Euro 76 million (+0.5%);
- increase mainly due to Euro 1,189 million (+7.7%) related to changes in the scope of consolidation, especially after obtaining control of Encore Wire, exchange rate fluctuations and other effects;
- fluctuation in the price of metals (copper, aluminium and lead), generating a sales price increase of Euro 407 million (+2.7%).

Prysmian's Adjusted EBITDA (before net expenses for business reorganisation, net non-recurring expenses and other net non-operating expenses) came to Euro 1,927 million in 2024, up Euro 299 million (+18.4%) on the corresponding 2023 figure of Euro 1,628 million. The Adjusted EBITDA margin on sales was 11.3%, up from 10.6% in 2023. The fourth quarter 2024 also enjoyed a positive performance, with organic sales growing +6.9%.

For a better understanding of Prysmian's financial performance, the following table presents sales, Adj. EBITDA and related margins by segment and by quarter:

	Q1		Q2		Q3		Q4		2024	
(Euro/million)	Sales	Adjusted EBITDA	Sales	Adjusted EBITDA	Sales	Adjusted EBITDA	Sales	Adjusted EBITDA	Sales	Adjusted EBITDA
Transmission	474	62	610	88	603	92	794	119	2,481	361
% Sales		*13.0%*		*14.4%*		*15.3%*		*15.0%*		*14.6%*
Power Grid	852	115	950	123	878	119	864	117	3,544	474
% Sales		*13.5%*		*12.9%*		*13.6%*		*13.5%*		*13.4%*
Electrification	2,049	203	2,228	202	2,733	284	2,685	242	9,695	931
% Sales		*9.9%*		*9.1%*		*10.4%*		*9.0%*		*9.6%*
Industrial & Construction	*1,193*	*114*	*1,307*	*110*	*1,836*	*211*	*1,815*	*185*	*6,151*	*620*
% Sales		*9.5%*		*8.4%*		*11.5%*		*10.2%*		*10.1%*
Specialties	*762*	*85*	*790*	*94*	*768*	*72*	*732*	*59*	*3,052*	*310*
% Sales		*11.1%*		*11.9%*		*9.4%*		*8.1%*		*10.2%*
Digital Solutions	312	32	344	44	329	45	321	40	1,306	161
% Sales		*10.4%*		*12.8%*		*13.7%*		*12.5%*		*12.4%*
Total	3,687	412	4,132	457	4,543	540	4,664	518	17,026	1,927
% Sales		*11.2%*		*11.1%*		*11.9%*		*11.1%*		*11.3%*

(Euro/million)	Q1 Sales	Q1 Adjusted EBITDA	Q2 Sales	Q2 Adjusted EBITDA	Q3 Sales	Q3 Adjusted EBITDA	Q4 Sales	Q4 Adjusted EBITDA	2023 Sales	2023 Adjusted EBITDA
Transmission	481	54	521	62	522	73	598	84	2,122	273
% Sales		*11.2%*		*11.9%*		*14.0%*		*14.0%*		*12.9%*
Power Grid	853	73	919	109	852	105	770	103	3,394	390
% Sales		*8.6%*		*11.9%*		*12.3%*		*13.4%*		*11.5%*
Electrification	2,198	233	2,174	220	2,114	195	1,863	177	8,349	825
% Sales		*10.6%*		*10.1%*		*9.2%*		*9.5%*		*9.9%*
Industrial & Construction	*1,299*	*154*	*1,271*	*136*	*1,162*	*109*	*1,061*	*115*	*4,793*	*514*
% Sales		*11.8%*		*10.7%*		*9.4%*		*10.8%*		*10.7%*
Specialties	*796*	*78*	*846*	*92*	*807*	*86*	*728*	*71*	*3,177*	*327*
% Sales		*9.8%*		*10.9%*		*10.6%*		*9.8%*		*10.3%*
Digital Solutions	460	67	397	60	334	35	298	(22)	1,489	140
% Sales		*14.6%*		*15.1%*		*10.5%*		*-7.4%*		*9.4%*
Total	3,992	427	4,011	451	3,822	408	3,529	342	15,354	1,628
% Sales		*10.7%*		*11.2%*		*10.7%*		*9.7%*		*10.6%*

EBITDA is stated after net expenses for business reorganisation, net non-recurring expenses and other net non-operating expenses, totalling Euro 173 million (Euro 143 million in 2023).

Amortisation, depreciation and impairment of Euro 509 million recorded a decline in 2024 from Euro 574 million the previous year when higher impairment losses were recorded.

The fair value change in metal derivatives, not designed as cash flow hedges, was a positive Euro 19 million, compared with a positive Euro 6 million in the previous year.

A total of Euro 58 million in costs were recognised in 2024 to account for the effects of the long-term incentive plan and employee share purchase scheme, in line with the figure of Euro 57 million recorded in the previous year.

Reflecting the effects described above, the Group's operating income came to Euro 1,206 million, versus Euro 860 million in 2023, thus reporting a year-on-year increase of Euro 346 million.

Net finance costs of Euro 225 million in 2024 were up from Euro 96 million in the previous year mainly as a result of loans taken out to finance the Encore Wire acquisition.

Taxes of Euro 233 million represented an effective tax rate of 23.8% (28.4% in 2023).

Net profit for 2024 was Euro 748 million (of which Euro 729 million the Group share), compared with Euro 547 million in 2023 (of which Euro 529 million the Group share).

Net financial debt amounted to Euro 4,296 million at the end of 2024, recording an increase of Euro 3,108 million from Euro 1,188 million at the end of 2023. This increase was mainly attributable to a cash outlay of Euro 4,089 million for the acquisition of Encore Wire and an another one of Euro 37 million for the acquisition of Warren & Brown, partially offset by solid cash generation of Euro 1,011 million.

For the purpose of a better understanding, the 2023 and 2022 comparative data have been restated on the basis of the new segment which is effective on 1 January 2024 and for further details please refer to the segment information.

Performance of Transmission operating segment

(Euro/million)	2024	2023	% change	2022
Sales	2,481	2,122	16.9%	1,673
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**361**	**273**	**32.5%**	**226**
% Sales	14.6%	12.9%		13.5%
Adj. EBITDA	**361**	**273**	**32.3%**	**226**
% Sales	14.6%	12.9%		13.5%
Adjustments	(4)	(15)		(23)
EBITDA	**357**	**258**	**38.5%**	**203**
% Sales	14.4%	12.2%		12.2%
Amortisation and depreciation	(111)	(70)		(75)
Adj. operating income	**250**	**203**	**23.2%**	**151**
% Sales	10.1%	9.6%		9.0%

The Transmission operating segment is focused on renewable energy transmission using innovative cable solutions. It incorporates the following high-tech high value-added businesses: High Voltage Direct Current (HVDC), Network Components High Voltage, Submarine Power, Submarine Telecom, Offshore Specialties and EOSS High Voltage.

Some of the businesses within this segment fall under the economic activities eligible for the purposes of the European Taxonomy and, more specifically, activity 3.1 "Manufacture of renewable energy technologies", activity 3.6 "Manufacture of other low carbon technologies", activity 3.20 "Manufacture, installation and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution" and activity 4.9 "Transmission and distribution of electricity", as explained in greater detail in the "European Taxonomy" chapter of this report.

Financial Performance

Transmission segment sales reached Euro 2,481 million in 2024, versus Euro 2,122 million in 2023, recording a positive change of Euro 359 million (+16.9%).

The factors behind this change were:

- organic sales growth, accounting for an increase of Euro 389 million (+18.3%);
- metal price fluctuations, producing a decrease of Euro 17 million (-0.8%);
- exchange rate fluctuations, producing a decrease of Euro 13 million (-0.6%).

The Transmission segment's organic growth is mainly attributable to the HVDC and Submarine Power businesses.

The main Submarine Power projects on which work was performed during the period were:

- the Neuconnect, Tyrrhenian, Egypt KSA and Biscay Bay interconnection projects;
- the Dominion offshore wind project in the United States and the RTE Noirmoutier offshore wind project.

The HVDC business recorded strong growth, mainly thanks to the German Corridors.
Sales in the period were generated by cable manufacturing activities at the Group's industrial facilities and installation activities forming part of project execution, carried out using both proprietary and third-party machinery and equipment.

Adjusted EBITDA came to Euro 361 million at the end of 2024, ahead of the 2023 figure of Euro 273 million, with a double-digit 14.6% margin, outperforming the 12.9% recorded in 2023. These results were mainly due to good project execution and the start of new higher margin projects.

Fourth quarter 2024 also saw an improvement in performance. Adjusted EBITDA climbed to Euro 119 million in 4Q 2024 from Euro 84 million in the same quarter of the previous year, while the margin improved from 14.0% in 4Q 2023 to 15.0% in 4Q 2024. Organic growth in 4Q 2024 was positive at +33.7% with the sales reaching Euro 794 million.

The Transmission segment is key for energy transition processes, since, as a solution provider, it offers its customers a whole range of solutions for the implementation of renewable energy generation and distribution projects.
As evidence of this megatrend, the value of the Group's Submarine Power order backlog has reached a record level of Euro 12.1 billion, mainly including:

- offshore wind contracts: Dominion in North America, DolWin4 and BorWin4, Ijmuiden Ver, the Amprion Framework Agreement and the 50 Hertz Framework Agreement;
- interconnection contracts: Biscay Bay, Tyrrhenian Link, NeuConnect, Adriatic Link, EGL1 and EGL2.

Prysmian's HVDC order backlog is worth approximately Euro 4.5 billion, and includes the German Corridors contracts, the Amprion Framework Agreement and the 50 Hertz Framework Agreement.

The value of the Transmission segment's order backlog was stable at year end compared with September 2024.

Performance of Power Grid operating segment

(Euro/million)	2024	2023	% change	2022
Sales	3,544	3,394	4.4%	3,605
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**472**	**389**	**21.3%**	**194**
% Sales	13.3%	11.5%		5.4%
Adj. EBITDA	**474**	**390**	**21.5%**	**194**
% Sales	13.4%	11.5%		5.4%
Adjustments	(10)	(28)		(36)
EBITDA	**464**	**362**	**27.8%**	**158**
% Sales	13.1%	10.7%		4.4%
Amortisation and depreciation	(79)	(72)		(68)
Adj. operating income	**395**	**318**	**24.2%**	**126**
% Sales	11.1%	9.4%		3.5%

The Power Grid operating segment incorporates the businesses that support power grid modernisation with innovative technologies. This segment is divided into the following lines of business: High Voltage Alternate Current (HVAC), Power Distribution, Overhead Lines, Network Components for Medium Voltage/Low Voltage, EOSS for Medium Voltage/Low Voltage.

Some of the businesses within this segment fall under the economic activities eligible for the purposes of the European Taxonomy and, more specifically, activity 3.1 "Manufacture of renewable energy technologies", activity 3.6 "Manufacture of other low carbon technologies", activity 3.20 "Manufacture, installation and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution" and activity 4.9 "Transmission and distribution of electricity", as explained in greater detail in the "European Taxonomy" chapter of this report.

Financial Performance

Power Grid segment sales amounted to Euro 3,544 million in 2024, versus Euro 3,394 million in 2023.

The positive change in sales of Euro 150 million (+4.4%) can be broken down into the following factors:

- organic sales growth of Euro 105 million (+3.1%);
- sales price increase of Euro 60 million (+1.8%) due to metal price fluctuations;
- negative change of Euro 15 million (-0.5%) for exchange rate fluctuations.

The segment's organic growth particularly benefited from the continuation of megatrends related to the strengthening of power transmission and distribution grids and the development of renewable energy sources.

Adjusted EBITDA amounted to Euro 474 million in 2024, versus Euro 390 million in 2023, reflecting a positive change of Euro 84 million (+21.5%). This increase reflects a positive performance by all the businesses, especially Power Distribution and HVAC. At a regional level, the segment reported a major improvement in EMEA and North America, partly due to newly available capacity, and in APAC. The Power Grid segment posted a margin of 13.4%, compared with 11.5% in the previous year.

Fourth quarter 2024 also saw an improvement in performance. Adjusted EBITDA climbed to Euro 117 million in 4Q 2024 from Euro 103 million in the same quarter of the previous year, while the margin went from 13.4% in 4Q 2023 to 13.5% in 4Q 2024. Organic growth in 4Q 2024 was positive at +7.4% and the sales reached Euro 864 million.

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Performance of Electrification operating segment

(Euro/million)	2024	2023	% change	2022
Sales	9,695	8,349	16.1%	8,916
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**925**	**820**	**12.8%**	**791**
% Sales	9.5%	9.8%		8.9%
Adj. EBITDA	**931**	**825**	**12.7%**	**797**
% Sales	9.6%	9.9%		8.9%
Adjustments	(107)	(72)		(34)
EBITDA	**824**	**753**	**9.3%**	**763**
% Sales	8.5%	9.0%		8.6%
Amortisation and depreciation	(211)	(146)		(146)
Adj. operating income	**720**	**679**	**5.9%**	**651**
% Sales	7.4%	8.1%		7.3%

The Electrification operating segment incorporates different businesses within the electrical energy sector, offering a comprehensive and innovative product portfolio designed to meet growing demand for electricity in various market sectors, namely:

- Industrial and Construction;
- Specialties, in turn comprising OEM, Renewables, Elevators, Automotive Oil & Gas and Downhole Technologies (DHT);
- Other: occasional sales of residual products.

Some of the businesses within this segment fall under the economic activities eligible for the purposes of the European Taxonomy and, more specifically, activity 3.1 “Manufacture of renewable energy technologies”, activity 3.6 “Manufacture of other low carbon technologies” and activity 3.18 “Manufacture of automotive and mobility components”, as explained in greater detail in the “European Taxonomy” chapter of this report.

Financial Performance

Electrification segment sales came to Euro 9,695 million, versus Euro 8,349 million in 2023, posting a positive change of Euro 1,346 million (+16.1%), the main components of which were as follows:

- negative organic sales growth of Euro 233 million (-2.8%);
- increase mainly due to Euro 1,221 million (+14.6%) related to the change in the scope of consolidation after obtaining control of Encore Wire, exchange rate fluctuations and other effects;
- sales price increase of Euro 358 million (+4.3%) for metal price fluctuations.

Adjusted EBITDA amounted to Euro 931 million, up from Euro 825 million in 2023, posting a positive change of Euro 106 million (+12.7%). The Electrification segment posted a margin of 9.6%, compared with 9.9% in the previous year. The results include Encore Wire, which has been fully consolidated in this segment from the third quarter of 2024.

The following paragraphs describe market trends and financial performance in each of the Electrification operating segment’s business areas.

Industrial & Construction

(Euro/million)	2024	2023	% change	2022
Sales	6,151	4,793	28.3%	5,249
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**617**	**511**	**20.7%**	**584**
% Sales	10.0%	10.7%		11.1%
Adj. EBITDA	**620**	**514**	**20.5%**	**588**
% Sales	10.1%	10.7%		11.2%
Adj. operating income	**482**	**433**	**11.3%**	**509**
% Sales	7.8%	9.0%		9.7%

The Industrial & Construction business comprises a portfolio of low and medium-voltage rigid and flexible products for the distribution of power to and within residential, commercial and industrial buildings; the customer portfolio mainly consists of distributors and installers.

Financial Performance

Industrial & Construction sales came to Euro 6,151 million in 2024, versus Euro 4,793 million in the previous year, recording a positive change of Euro 1,358 million (+28.3%), the main components of which were as follows:

- negative organic sales growth of Euro 44 million (-0.9%);
- increase mainly due to Euro 1,251 million (+26.0%) related to the change in the scope of consolidation after obtaining control of Encore Wire and exchange rate fluctuations;
- sales price increase of Euro 151 million (+3.2%) for metal price fluctuations.

Adjusted EBITDA amounted to Euro 620 million in 2024, up from Euro 514 million in the previous year, posting a positive change of Euro 106 million (+20.5%).

The margin amounted to 10.1%, down from 10.7% in the previous year.

Fourth quarter 2024 also saw an improvement in performance. Adjusted EBITDA climbed to Euro 185 million in 4Q 2024 from Euro 115 million in the same quarter of the previous year, while the margin went from 10.9% in 4Q 2023 to 10.2% in 4Q 2024. Organic growth in 4Q 2024 was positive at +0.9% and the sales reached Euro 1,815 million.

The results include Encore Wire, which has been fully consolidated in this business from the third quarter of 2024.

Specialties

(Euro/million)	2024	2023	% change	2022
Sales	3,052	3,177	-3.9%	3,272
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**307**	**325**	**-5.3%**	**221**
% Sales	10.1%	10.2%		6.8%
Adj. EBITDA	**310**	**327**	**-5.2%**	**223**
% Sales	10.2%	10.3%		6.8%
Adj. operating income	**245**	**266**	**-8.2%**	**160**
% Sales	8.0%	8.4%		4.9%

The Specialties business encompasses cables and products for OEM applications, Renewables, Elevators, Automotive, Oil & Gas and Downhole technologies (DHT). For a better understanding of the business, please refer to the "Prysmian Business Model" chapter of this report.

Financial Performance

Specialties sales came to Euro 3,052 million in 2024, compared with Euro 3,177 million in the previous year, recording a negative change of Euro 125 million (-3.9%), the main components of which were as follows:

- negative organic sales growth of Euro 188 million (-5.9%);
- negative change totalling Euro 27 million (-0.8%) for exchange rate fluctuations and other effects;
- sales price increase of Euro 90 million (+2.8%) for metal price fluctuations.

Adjusted EBITDA amounted to Euro 310 million, down from Euro 327 million in the previous year, posting a negative change of Euro 17 million (-5.2%).

The margin of 10.2% was basically in line with the previous year's 10.3%.

Adjusted EBITDA was Euro 59 million in 4Q 2024 versus Euro 71 million in the same quarter of the previous year, while the margin went from 9.8% in 4Q 2023 to 8.1% in 4Q 2024, mainly due to slowdown in the Automotive business. Organic growth in 4Q 2024 was negative at -6.1% and the sales were Euro 732 million.

Other

(Euro/million)	2024	2023	2022
Sales	492	379	395
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**1**	**(16)**	**(14)**
Adj. EBITDA	**1**	**(16)**	**(14)**
Adj. operating income	**(7)**	**(20)**	**(18)**

This business area encompasses occasional sales by Prysmian operating units of intermediate goods, raw materials or other products used in the production process. These sales are usually linked to local business situations, do not generate high margins and may vary in size and from period to period.

Performance of Digital Solutions operating segment

(Euro/million)	2024	2023	Change %	2022
Sales	1,306	1,489	-12.3%	1,873
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**145**	**113**	**27.3%**	**231**
% Sales	11.0%	7.6%		12.3%
Adj. EBITDA	**161**	**140**	**15.4%**	**271**
% Sales	12.4%	9.4%		14.5%
Adjustments	(52)	(28)		(8)
EBITDA	**109**	**112**	**-2.7%**	**263**
% Sales	8.4%	7.5%		14.0%
Amortisation and depreciation	(64)	(70)		(80)
Adj. operating income	**97**	**70**	**38.8%**	**191**
% Sales	7.4%	4.7%		10.2%

The Digital Solutions operating segment produces cable systems and telecom network connectivity products. This segment is organised in the following lines of business: optical fibre, optical cables, connectivity components and accessories, OPGW (Optical Ground Wire) and copper cables. This segment consists of the following businesses: Optical Fibre, MMS Multimedia Specials and Telecom Solutions.

Some of the businesses within this segment qualify for classification in the economic activities eligible for the purposes of the European taxonomy, specifically, in activity 3.6 "Manufacture of other low carbon technologies", as explained in more detail in the "European Taxonomy" chapter of this report.

Financial Performance

Digital Solutions segment sales came to Euro 1,306 million at the end of 2024, compared with Euro 1,489 million in 2023.

The negative change of Euro 183 million (-12.3%) is explained by:

- negative organic sales growth of Euro 187 million (-12.6%);
- sales price increase of Euro 6 million (+0.4%) due to metal price fluctuations;
- negative change of Euro 2 million (-0.1%) for exchange rate fluctuations and other effects.

The negative organic sales growth in 2024 reflects a temporary downturn in the copper and optical cables business mainly in the North American market.

The multimedia solutions, however, displayed a recovery in volumes, both in Europe and America.

Globally, copper cables continued their steady decline as traditional networks were retired in favour of new-generation ones.

The high value-added business of optical connectivity accessories, linked to the development of new FTTx (last mile broadband) networks, also recorded a temporary slowdown.

Adjusted EBITDA amounted to Euro 161 million in 2024, reporting an increase of Euro 21 million (+15.4%) from Euro 140 million in 2023, especially due to a recovery in volumes on the North American market by the Multimedia Solutions business.

There was also a significant improvement in fourth-quarter margins to 12.5%, up from -7.4% in Q4 2023, with Adjusted EBITDA coming in at Euro 40 million, up from Euro -22 million in Q4 2023. Overall sales also grew in the fourth quarter to Euro 321 million, with organic growth of +7.3%. There was also a significant improvement in fourth-quarter margins to 12.5%, up from -7.4% in Q4 2023, with Adjusted EBITDA coming in at Euro 40 million, up from Euro -22 million in Q4 2023. Overall sales also grew in the fourth quarter to Euro 321 million, with organic growth of +6.6%.

Long-term growth drivers remain confirmed, fuelled by strong data growth and increased FTTH, 5G and datacenter coverage. Prysmian is well positioned to seize the opportunities offered by digitalisation.

Group statement of financial position

Reclassified Statement of Financial Position

(Euro/million)	31.12.2024	31.12.2023	Change	31.12.2022
Net fixed assets	10,097	5,709	4,388	5,583
Net working capital	890	518	372	614
Provisions and net deferred taxes	(1,084)	(734)	(350)	(680)
Net invested capital	**9,903**	**5,493**	**4,410**	**5,517**
Employee benefit obligations	310	333	(23)	329
Total equity	5,297	3,972	1,325	3,771
of which attributable to non-controlling interests	210	191	19	186
Net financial debt	4,296	1,188	3,108	1,417
Total equity and sources of funds	**9,903**	**5,493**	**4,410**	**5,517**

Net Fixed Assets

(Euro/million)	31.12.2024	31.12.2023	Change	31.12.2022
Property, plant and equipment	4,921	3,401	1,520	3,020
Intangible assets	4,915	2,071	2,844	2,164
Equity-accounted investments	248	218	30	387
Other investments at fair value through other comprehensive income	12	10	2	12
Assets and liabilities held for sale	1	9	(8)	-
Net fixed assets	**10,097**	**5,709**	**4,388**	**5,583**

At 31 December 2024, net fixed assets amounted to Euro 10,097 million, compared with Euro 5,709 million at 31 December 2023, posting an increase of Euro 4,388 million mainly due to the combined effect of the following factors:

- Euro 2,017 million for consolidation of the fixed assets of Encore Wire and Warren & Brown;
- Euro 1,703 million for the recognition of goodwill arising on the acquisition of Encore Wire;
- Euro 25 million for the recognition of provisional goodwill arising on the acquisition of Warren & Brown;
- Euro 793 million in net capital expenditure on property, plant and equipment and intangible assets;
- Euro 509 million in amortisation, depreciation and impairment for the period;
- Euro 111 million in increases for property, plant and equipment accounted for in accordance with IFRS 16;
- Euro 218 million in positive currency translation differences affecting the value of property, plant and equipment and intangible assets;
- Euro 30 million for the net increase in equity-accounted investments;
- Euro 6 million for monetary revaluations due to hyperinflation.

Net working capital

The following table analyses the main components of net working capital:

(Euro/million)	31.12.2024	31.12.2023	Change	31.12.2022
Inventories	2,858	2,264	594	2,241
Trade receivables	2,433	1,987	446	1,942
Trade payables	(2,462)	(2,199)	(263)	(2,718)
Other receivables/(payables)	(2,020)	(1,527)	(493)	(856)
Net operating working capital	**809**	**525**	**284**	**609**
Derivatives	81	(7)	88	5
Net working capital	**890**	**518**	**372**	**614**

Net working capital of Euro 890 million at 31 December 2024 was Euro 372 million higher than the corresponding figure of Euro 518 million at 31 December 2023. Net operating working capital, which excludes the value of derivatives, amounted to Euro 809 million at 31 December 2024, up from Euro 525 million at the end of 2023. As a percentage of annualised last-quarter sales, net working capital was 4.3%, up from the prior year figure of 3.7%.

Equity

The following table reconciles the Group's equity and net profit/(loss) for 2024 with the corresponding figures reported by Prysmian S.p.A., the Parent Company.

(Euro/million)	Equity at 31.12.2024	Net profit/ (loss) 2024	Equity at 31.12.2023	Net profit/ (loss) 2023
Parent Company Financial Statements	**3,108**	**260**	**2,587**	**264**
Share of equity and net profit of consolidated subsidiaries, net of carrying amount of the related investments	2,323	888	1,542	674
Reversal of dividends distributed to the Parent Company by consolidated subsidiaries	-	(422)	-	(340)
Deferred taxes on earnings/reserves distributable by subsidiaries	(97)	18	(115)	(55)
Elimination of intercompany profits and losses included in fixed assets	(24)	3	(27)	4
Elimination of intercompany profits and losses included in inventories	(13)	2	(15)	-
Non-controlling interests	(210)	(19)	(191)	(18)
Consolidated Financial Statements	**5,087**	**730**	**3,781**	**529**

Net Financial Debt

The following table provides a detailed breakdown of net financial debt:

(Euro/million)	31.12.2024	31.12.2023	Change	31.12.2022
Long-term financial liabilities				
CDP Loans	120	194	(74)	175
EIB Loans	332	135	197	245
Convertible Bond 2021	-	728	(728)	718
Sustainability-Linked Term Loan 2022	1,195	1,193	2	1,191
Bond 850 mln Eur	845	-	845	
Bond 650M mln Eur	644	-	644	
Unicredit Loan	149	-	149	-
Mediobanca Loan	149	-	149	100
Term Loan Encore Wire	1,022	-	1,022	
Bridge Loan C2 Encore Wire	242	-	242	
Bridge Loan C1 Encore Wire	228	-	228	
Intesa Loan	-	-	-	150
Lease liabilities	229	234	(5)	156
Forex derivatives on financial transactions	6	-	6	-
Other financial payables	3	4	(1)	9
Total long-term financial liabilities	**5,164**	**2,488**	**2,676**	**2,744**
Short-term financial liabilities				
CDP Loans	75	103	(28)	1
EIB Loans	6	113	(107)	1
Bond 850 mln Eur	1	-	1	-
Bond 650M mln Eur	1	-	1	-
Sustainability-Linked Term Loan 2022	23	25	(2)	6
Unicredit Loan	-	-	-	200
Mediobanca Loan	-	100	(100)	-
Term Loan Encore Wire	32	-	32	-
Bridge Loan C2 Encore Wire	2	-	2	-
Bridge Loan C1 Encore Wire	4	-	4	-
Intesa Loan	-	151	(151)	1
Lease liabilities	81	70	11	58
Interest rate swaps	-	-	-	-
Forex derivatives on financial transactions	4	9	(5)	7
Other financial payables	32	46	(14)	56
Total short-term financial liabilities	**261**	**617**	**(356)**	**330**
Total financial liabilities	**5,425**	**3,105**	**2,320**	**3,074**
Long-term financial receivables	4	3	1	3
Long-term bank fees	3	4	(1)	-
Financial assets at amortised cost	4	3	1	3
Non-current interest rate swaps	2	11	(9)	59
Current interest rate swaps	6	20	(14)	13
Current forex derivatives on financial transactions	3	2	1	3
Short-term financial receivables	28	22	6	8
Short-term bank fees	3	2	1	2
Financial assets at fair value through profit or loss	32	85	(53)	270
Financial assets at fair value through other comprehensive income	11	24	(13)	11
Cash and cash equivalents	1,033	1,741	(708)	1,285
Total financial assets	**1,129**	**1,917**	**(788)**	**1,657**
Net financial debt	**4,296**	**1,188**	**3,108**	**1,417**

Net financial debt of Euro 4,296 million at 31 December 2024 recorded an increase of Euro 3,108 million from Euro 1,188 million at 31 December 2023. The main drivers of the change in net financial debt are discussed in the next section containing the "Statement of cash flows".

Statement of cash flows

(Euro/million)	2024	2023	Change	2022
EBITDA	**1,754**	**1,485**	**269**	**1,387**
Changes in provisions (including employee benefit obligations)	-	82	(82)	15
Net gains on disposal of fixed assets	-	-	-	(1)
Share of net profit/(loss) of equity-accounted companies	(41)	(33)	(8)	(47)
Net cash flow from operating activities (before changes in net working capital)	**1,713**	**1,534**	**179**	**1,354**
Changes in net working capital	465	197	268	(105)
Taxes paid	(261)	(328)	67	(221)
Dividends from equity-accounted companies	16	13	3	10
Net cash flow from operating activities	**1,933**	**1,416**	**517**	**1,038**
Cash flow from acquisitions and/or divestments	(4,126)	-	(4,126)	(7)
Net cash flow used in operating investing activities	(784)	(624)	(160)	(452)
Net cash flow from equity-accounted companies	(1)	-	(1)	-
Free cash flow (unlevered)	**(2,978)**	**792**	**(3,770)**	**579**
Net finance costs	(142)	(72)	(70)	(71)
Free cash flow (levered)	**(3,120)**	**720**	**(3,840)**	**508**
Dividend distribution	(202)	(165)	(37)	(148)
Other movements in equity	(327)	(4)	(323)	-
Net cash flow provided/(used) in the year	**(3,649)**	**551**	**(4,200)**	**360**
Opening net financial debt	**(1,188)**	**(1,417)**	**229**	**(1,760)**
Net cash flow provided/(used) in the year	(3,649)	551	(4,200)	360
Equity component of Convertible Bond 2021	733	-	733	-
Increase in net financial debt for IFRS 16	(115)	(153)	38	(58)
Other changes	(77)	(169)	92	41
Closing net financial debt	**(4,296)**	**(1,188)**	**(3,108)**	**(1,417)**

Net financial debt of Euro 4,296 million at the end of 2024 was Euro 3,108 million higher than at the end of 2023 (Euro 1,188 million).

Impacting this position were the net outflow of Euro 4,126 million to acquire Encore Wire and Warren & Brown, the outflow of Euro 328 million to buy treasury shares, the payment of Euro 202 million in dividends, partially offset by Euro 733 million from converting the Convertible Bond 2021 and Euro 1,011 million in net cash inflow generated in the past twelve months, net of Euro 5 million in antitrust-related outlays.

The net cash inflow of Euro 1,011 million was generated by:

a) Euro 1,457 million in net cash flow provided by operating activities before changes in net working capital;
b) Euro 465 million in cash inflows from the change in net working capital;
c) Euro 785 million in cash outflows for net capital expenditure;
d) Euro 142 million in payments of net finance costs;
e) Euro 16 million in dividends received from associates.

Alternative performance indicators

In addition to the standard financial reporting formats and indicators required under IFRS, this document contains a number of reclassified statements and alternative performance indicators in order to enable a better appreciation of Prysmian's business performance. Such reclassified statements and performance indicators should not however be treated as substitutes for the accepted ones required by IFRS.

In this regard, on 3 December 2015, Consob adopted the ESMA guidelines in Italy with publication of "ESMA Guidelines/2015/1415" which supersede the "CESR Recommendation 2005 (CESR/05-178b)". The alternative performance measures have therefore been revised in light of these guidelines.

The alternative indicators used for reviewing the income statement include:

- **Adjusted operating income**: operating income before income and expense for business reorganisation[70], before non-recurring items[71], as presented in the consolidated income statement, before other non-operating income and expense[72] and before the fair value change in metal derivatives and in other fair value items. The purpose of this indicator is to present Prysmian's operating profitability without the effects of events considered to be outside its continuing operations;

- **EBITDA**: operating income before the fair value change in metal price derivatives and in other fair value items and before amortisation, depreciation and impairment. The purpose of this indicator is to present Prysmian's operating profitability before the main non-monetary items;

- **Adjusted EBITDA**: EBITDA as defined above calculated before income and expense for business reorganisation, before non-recurring items, as presented in the consolidated income statement, and before other non-operating income and expense. The purpose of this indicator is to present Prysmian's operating profitability before the main non-monetary items, without the effects of events considered to be outside its recurring operations;

- **Adjusted EBITDA before share of net profit/(loss) of equity-accounted companies**: Adjusted EBITDA as defined above calculated before the share of net profit/(loss) of equity-accounted companies;

- **Organic growth**: growth in sales calculated net of changes in the scope of consolidation, changes in metal prices and exchange rate effects.

70. Income and expense for business reorganisation: these refer to income and expense that arise as a result of the closure of production facilities and/or as a result of projects to optimise organisational structure;
71. Non-recurring income and expense: these refer to income and expense related to unusual events that have not affected profit or loss in past periods and are not likely to affect the results in future periods;
72. Other non-operating income and expense: these refer to income and expense that management considers should not be taken into account when measuring business performance.

The alternative indicators used for reviewing the reclassified statement of financial position include:

- **Net fixed assets**: sum of the following items contained in the statement of financial position:
  - Intangible assets
  - Property, plant and equipment
  - Equity-accounted investments
  - Other investments at fair value through other comprehensive income
  - Assets held for sale (excluding financial assets and financial liabilities held for sale)

- **Net working capital:** sum of the following items contained in the statement of financial position:
  - Inventories
  - Trade receivables
  - Trade payables
  - Other non-current receivables and payables, net of long-term financial receivables classified in net financial debt
  - Other current receivables and payables, net of short-term financial receivables classified in net financial debt
  - Derivatives, net of interest rate and forex risk hedges of financial transactions classified in net financial debt
  - Current tax payables
  - Current assets and current liabilities held for sale

- **Net operating working capital**: net working capital, as defined above, net of derivatives not classified in net financial debt.

- **Provisions and net deferred taxes**: sum of the following items contained in the statement of financial position:
  - Provisions for risks and charges – current portion
  - Provisions for risks and charges – non-current portion
  - Provisions for deferred tax liabilities
  - Deferred tax assets

- **Net invested capital**: sum of Net fixed assets, Net working capital and Provisions.

- **Employee benefit obligations** and **Total equity**: these indicators correspond to Employee benefit obligations and Total equity reported in the statement of financial position.

- **Net financial debt**: sum of the following items:
  - Borrowings from banks and other lenders – non-current portion
  - Borrowings from banks and other lenders – current portion
  - Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial receivables
  - Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial receivables
  - Derivatives on financial transactions recorded as Non-current derivatives and classified under Long-term financial payables
  - Derivatives on financial transactions recorded as Current derivatives and classified under Short-term financial payables
  - Medium/long-term financial receivables recorded in Other non-current receivables
  - Loan arrangement fees recorded in Other non-current receivables
  - Short-term financial receivables recorded in Other current receivables
  - Loan arrangement fees recorded in Other current receivables
  - Financial assets at amortised cost
  - Financial assets at fair value through profit or loss
  - Financial assets at fair value through other comprehensive income
  - Cash and cash equivalents

- **Free cash flow (levered)**: sum of the following items:
  - EBITDA;
  - change in provisions (including those for employee benefit obligations);
  - net gains on disposal of fixed assets;
  - share of net profit/(loss) of equity-accounted companies;
  - changes in net working capital;
  - taxes paid;
  - dividends received from equity-accounted companies;
  - cash flow from acquisitions and/or divestments;
  - net cash flow from operating investing activities;
  - net finance costs.

- **Free cash flow (levered) excluding acquisitions and/or divestments and antitrust-related payments/receipts**: this is determined by stripping out from free cash flow (levered) any acquisitions and/or divestments and any antitrust-related payments/receipts occurring during the year.

Reconciliation between the Reclassified Statement of Financial Position presented in the Directors' Report and the Statement of Financial Position contained in the Consolidated Financial Statements and Explanatory Notes at 31 December 2024

(Euro/million)		Note	31.12.2024 As per financial statements	31.12.2023 As per financial statements
Total net fixed assets	A		**10,097**	**5,709**
Inventories		6	2,858	2,264
Trade receivables		5	2,433	1,987
Trade payables		13	(2,462)	(2,199)
Other receivables		5	1,236	1,090
Other payables		13	(3,102)	(2,522)
Current tax payables			(116)	(64)
Derivatives		8	82	17
Items not included in net working capital:				
Financial receivables		5	32	25
Prepaid finance costs		5	6	6
Interest rate derivatives		8	2	31
Forex derivatives on financial transactions		8	(1)	(7)
Total net working capital	B		**890**	**518**
Provisions for risks and charges		14	(833)	(811)
Deferred tax assets		16	328	299
Deferred tax liabilities		16	(579)	(222)
Total provisions	C		**(1,084)**	**(734)**
Net invested capital	D=A+B+C		**9,903**	**5,493**
Employee benefit obligations	E	**15**	**310**	**333**
Total equity	F	**11**	**5,297**	**3,972**
Borrowings from banks and other lenders		12	5,415	3,096
Financial assets at amortised cost			(4)	(3)
Financial assets at fair value through profit or loss		4	(32)	(85)
Financial assets at fair value through other comprehensive income		7	(11)	(24)
Cash and cash equivalents		9	(1,033)	(1,741)
Financial receivables		5	(32)	(25)
Prepaid finance costs		5	(6)	(6)
Interest rate derivatives		8	(2)	(31)
Forex derivatives on financial transactions		8	1	7
Net financial debt	G		**4,296**	**1,188**
Total equity and sources of funds	H=E+F+G		**9,903**	**5,493**

Reconciliation between the principal income statement indicators and the Income Statement contained in the Consolidated Financial Statements and Explanatory Notes for 2024

(Euro/million)	2024	2023
	As per income statement	As per income statement
Net profit	748	547
Taxes	233	217
Profit before taxes	**981**	**764**
Finance income	(811)	(997)
Finance costs	1,036	1,093
Operating income	**1,206**	**860**
Amortisation, depreciation, impairment and impairment reversal	509	574
Fair value change in metal derivatives	(19)	(6)
Fair value share-based payment	58	57
EBITDA	**1,754**	**1,485**
Non-recurring expenses/(income)	11	9
Business reorganisation	84	48
Other non-operating expenses/(income)	78	86
Adj. EBITDA	**1,927**	**1,628**

(Euro/million)		2024 As per income statement	2023 As per income statement
Sales	A	17,026	15,354
Change in inventories of finished goods and work in progress		22	52
Other income		117	70
Raw materials, consumables and supplies		(10,762)	(9,705)
Personnel costs		(1,965)	(1,804)
Other expenses		(2,783)	(2,572)
Operating costs	B	**(15,371)**	**(13,959)**
Share of net profit/(loss) of equity-accounted companies	C	41	33
Fair value share-based payment	D	58	57
EBITDA	E = A+B+C+D	**1,754**	**1,485**
Other non-recurring expenses and income	F	(11)	(9)
Personnel costs related to business reorganisation	G	(57)	(37)
Other expenses and income related to business reorganisation	H	(27)	(11)
Other non-operating expenses	I	(78)	(86)
Total adjustments to EBITDA	L = F+G+H+I	(173)	(143)
Adj. EBITDA	M = E-L	**1,927**	**1,628**
Share of net profit/(loss) of equity-accounted companies	N	24	33
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	O = M-N	**1,903**	**1,595**

(Euro/million)		2024 As per income statement	2023 As per income statement
Operating income	A	**1,206**	**860**
Other non-recurring expenses and income		(11)	(9)
Personnel costs related to business reorganisation		(57)	(37)
Other expenses and income related to business reorganisation		(27)	(11)
Other non-operating expenses		(78)	(86)
Total adjustments to EBITDA	B	**(173)**	**(143)**
Fair value change in metal derivatives	C	19	6
Fair value share-based payment	D	(58)	(57)
Non-recurring impairment and releases	E	(44)	(216)
Adj. operating income	F=A-B-C-D-E	**1,462**	**1,270**

13. Risk Factors

Prysmian Risk Model

Prysmian's value creation policy has always been based on the effective management of risks and opportunities. Since 2012, with the adoption of the provisions on risk management introduced by the "Italian Stock Exchange Corporate Governance Code for Listed Companies" (Corporate Governance Code), Prysmian has taken the opportunity to strengthen its governance model and implement an evolving system of Risk Management that promotes the proactive management of risks and opportunities using a structured and systematic tool to support the main business decision-making processes. In fact, this Enterprise Risk Management (ERM) model, developed in accordance with internationally recognised models and best practices, such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and ISO 31000, enables the Board of Directors and management to make informed assessments of risk scenarios that could jeopardise the achievement of strategic objectives, and to adopt additional tools capable of anticipating, mitigating or managing significant exposures and pursuing opportunities, in accordance with the Group's Risk Appetite, defined as the type and level of risk that Prysmian is able and willing to assume.

The Group Chief Risk Officer (CRO), designated to lead the ERM process, is responsible for ensuring, together with management, that the main risks/opportunities facing Prysmian and its subsidiaries are promptly identified, assessed, managed and monitored over time.

At regular meetings with the Control and Risk Committee, consisting of non-executive members of the Board of Directors, the CRO informs the Committee of the results of the analyses and actions taken, as well as of any developments in the Group's ERM programmeme. Prior to this, the CRO reports to an internal risk management committee comprising Prysmian's senior management.

The Control and Risk Committee is also updated, at least once a year, on any new issues that require more in-depth training or education, including new tools and methods for risk management and monitoring. Please refer to the "Corporate Governance" section of this report for a discussion of the governance structure adopted and the responsibilities assigned to the various bodies involved.

The ERM model adopted (and formalised in the Group ERM Policy which incorporates the Internal Control and Risk Management System guidelines approved by the Board of Directors in 2014) follows a top-down approach, meaning it is driven by senior management and medium/long-term business objectives and strategies. It covers all types of potentially significant risks/opportunities for Prysmian, represented in the Risk Model - shown in the figure below - which uses five categories to classify the risks of an internal or external nature that characterise the Prysmian business model:

- **Risks related to the business and sector in which Prysmian operates**: risks arising from external or internal factors such as changes in the market environment, from poor and/or improperly implemented business decisions and from failure to respond to changes in the competitive environment, as well as risks arising from the occurrence of events or situations that limit the effectiveness and efficiency of key processes and impact Prysmian's ability to create value, thus threatening its competitive position and the achievement of its objectives;
- **Environmental, Social and Governance Risks**: risks that the business's activities may cause damage to the environment, such as air, water or soil pollution, and at the same time the risk that natural events may have a significant impact on the normal course of business; risks related to the management of key corporate resources and to the organisational structure as a whole;
- **Financial Risks**: risks associated with the extent of availability of financial resources and the ability to manage currency and interest rate volatility effectively;
- **Legal and Compliance Risks**: risks related to non-compliance with national, international and industry-specific legal and regulatory requirements, and to unprofessional conduct in conflict with company ethics, exposing Prysmian to potential penalties and undermining its reputation in the marketplace;
- **Planning and Reporting Risks**: risks related to the adverse effects of disclosing incomplete, inaccurate and/or untimely information, which may affect Prysmian's strategic, operational and financial decisions.

Members of management involved in the ERM process are required to use a clearly defined common methodology to measure and assess specific risk events in terms of Impact, Probability of occurrence and adequacy of the existing Level of Risk Management, meaning:

- **economic-financial impact** on expected EBITDA or cash flow, net of any insurance coverage and countermeasures in place, and/or qualitative impact on **reputation** and/or **operational efficiency/ continuity** and **sustainability**, measured on a scale that goes from low (1) to very high (4);
- **probability** of a particular event occurring, measured on a scale going from remote (1) to probable (4);
- **level of control,** meaning the maturity and effectiveness of existing risk management systems and processes, measured on a scale that goes from adequate (green) to inadequate/non-existent (red).

The overall assessment must also take into account the future outlook for risk, i.e. the possibility that the exposure will increase, remain constant or decrease over the period considered.

The results of measuring the exposure to the risks analysed are then presented on a 4x4 heat map, which, by combining the variables in question, provides an immediate picture of the most significant risk events.

Risk assessment criteria

This overall picture of the Group's risks enables the Board of Directors and Management to reflect on the level of Prysmian's risk appetite, and thus to identify the risk management strategies to be adopted, by assessing which risks and with what priority it is considered necessary to implement, improve and optimise mitigation measures or simply to monitor the exposure over time. The adoption of a particular risk management strategy, however, depends on the nature of the risk event identified, so in the case of:

- *external risks outside* the Group's control, it will be possible to implement tools to assist in the assessment of scenarios should the risk materialise, by defining the possible action plans to mitigate impacts (e.g. continuous monitoring activities, stress testing of the business plan, taking out of insurance cover, disaster recovery plans, etc.);
- *risks partially manageable* by the Group, by means of risk transfer systems, monitoring of specific risk indicators, hedging activities, etc.;
- *internal risks manageable* by the Group, as risks inherent in the business, it will be possible to take targeted action to prevent risks and minimise their impact by implementing an adequate system of internal controls and related monitoring and auditing.

ERM is an ongoing process that forms part of the Prysmian's strategic planning process by identifying potential events that could affect its sustainability, and is updated annually with the involvement of key members of management.
In 2024, this process involved Prysmian's key business/function leaders, enabling the most significant risk factors to be identified, assessed and managed, including sustainability and climate change issues, with a view to ensuring lasting value creation for shareholders and stakeholders.

In particular, as early as 2021, Prysmian, with the full involvement of its senior management, had undertaken a detailed analysis of the topic of climate change and energy transition, drawing up a TCFD report through to 2023. As of 2024, the assessment of risks and opportunities arising from the transformation process induced by decarbonisation policies is incorporated in Chapter E1 Climate change of the Sustainability Statement.

Last but not least, special attention is also being paid to the issue of artificial intelligence, a technology that can offer significant opportunities in various fields of application. Harnessing its potential would be a major competitive advantage.

On the other hand, the increasing use of this technology is one of the emerging risks to be faced in the coming years, partly due to algorithmic bias, faulty data, lack of sources and evidence of the data used.

Developing an AI adoption strategy, establishing corporate policies and guidelines for its use, along with training and education, are the pillars of an effective plan to manage the risks and opportunities.

The key risk factors to which Prysmian's particular type of business model is exposed will now be presented according to the five-category classification (Risks related to the business and sector in which Prysmian operates; Environmental, Social and Governance Risks; Financial Risks; Legal and Compliance Risks; Planning and Reporting Risks) used in the Risk Model described earlier, along with an outline of the strategies adopted to mitigate these risks.

Among the key risk factors, those related to environmental, social and governance (ESG) issues have also been assessed and reported below, taking into account the latest update of Prysmian's materiality matrix for the Sustainability Report. More details can be found in the specific section of the Sustainability Report.
Financial risks are discussed in more detail in the Explanatory Notes to the Consolidated Financial Statements (Financial Risk Management). As stated in the Explanatory Notes to the Consolidated Financial Statements (Basis of preparation), the Directors have assessed that there are no financial, operational or other kind of indicators that might provide evidence of Prysmian's inability to meet its obligations in the foreseeable future and particularly in the next 12 months. In particular, based on its financial performance and cash generation in recent years, as well as the financial resources available at 31 December 2024, the Directors believe that, barring any unforeseeable extraordinary events, there are no material uncertainties that could cast significant doubt upon the business's ability to continue as a going concern.

Risks related to the business and sector in which Prysmian operates

Risks related to the competitive environment

Many of the products offered by Prysmian, primarily in the Industrial & Construction and Power Distribution businesses, are manufactured to specific industrial standards and are therefore interchangeable with those offered by major competitors. Price is therefore a key factor in customer choice of supplier. The entry into mature markets (e.g. Europe) of non-traditional competitors, i.e. small to medium-sized manufacturing companies with low production costs, and the need to saturate production capacity, together with the possible occurrence of a contraction in market demand, translate into strong competitive pressure on prices, with possible consequences for Prysmian's expected margins.

Moreover, despite the existence of certain barriers to entry (such as those related to ownership of technology and know-how), high value-added businesses such as high-voltage underground and submarine cables and optical cables are witnessing an escalation in competition from both existing operators and new players, not necessarily within the sector, but with leaner and more flexible organisational models and/or significant financial resources, with a potentially negative impact on both Prysmian's sales volumes and prices.

In addition, the acceleration in technological innovation observed in recent years, with the increasing use of renewable energy and a shift towards digitalisation, also fostered by the Covid-19 pandemic, represents another area of competition in the medium and long term.

Prysmian may be unable either to reduce its costs sufficiently to offset the reduction in demand and the increased pricing pressure, or to effectively limit the greater competition from both new entrants and existing players, which could have a material adverse effect on its economic and financial condition and/or results of operations.

The strategy of rationalising manufacturing footprint currently in progress, the consequent optimisation of cost structure, the policy of geographical diversification and, last but not least, the ongoing pursuit of innovative technological solutions, all help Prysmian to address the potential effects arising from the competitive environment.

Risks related to changes in macroeconomic conditions and demand

Factors such as trends in GDP and interest rates, the ease of access to credit, the cost of raw materials, and the general level of energy costs, have a significant impact on market demand. In such circumstances, government incentives for alternative energy sources and the development of telecommunications networks could diminish.

Shortages of equipment, materials and labour in some sectors could hamper the production of goods, causing delays in contract execution and slowing economic recovery. In situations of economic downturn, Prysmian's business, financial condition and results of operations may be adversely affected.

To counter this risk, Prysmian pursues a policy of geographical diversification along with a strategy of cost reduction. In addition, Prysmian constantly monitors developments on the global geopolitical stage which, for example, as a result of the introduction of specific industrial policies by individual countries, may require it to revise existing business strategies and/or adopt mechanisms to safeguard its competitive position.

Risks related to non-compliance with contractual terms in turnkey projects

Turnkey projects involve operational and management complexities that may affect delivery times, the quality of the cables manufactured, the costs estimated at the contractual stage and, consequently, the agreed consideration and any warranty costs. Prysmian accounts for these projects using the percentage of completion method, whereby the margins recognised in the financial statements depend on the progress of the project and the estimated margins at completion. Accordingly, work in progress and margins on uncompleted projects may not be correctly recognised if the revenue and costs of completion, including any contractual variations and cost overruns and penalties that might reduce the expected margins, have not been correctly estimated. The percentage of completion method requires Prysmian to estimate the costs to complete projects and involves making estimates based on factors that may change over time and therefore have a significant impact on the recognition of revenue and margins. Although Prysmian has policies and procedures in place to manage and monitor the execution of each project, there can be no guarantee that such problems will not arise. This could have a material adverse effect on Prysmian's business, financial condition and/or results of operations. Specifically, projects for high/medium voltage submarine or underground power cables are characterised by types of contract entailing "turnkey" or end-to-end project management that therefore requires compliance with deadlines and quality standards, guaranteed by penalties calculated as an agreed percentage of the contract value and which may also lead to contract termination if Prysmian (or its subcontractors and/or other third parties used by Prysmian in the execution of these projects) fails to meet certain deadlines and quality standards.

The application of such penalties, the obligation to pay damages, as well as indirect effects on the supply chain in the event of late delivery or manufacturing problems, could have a significant impact on project performance and therefore on Prysmian's margins. Possible damage to market reputation cannot be ruled out.

Any of these elements could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Given the complexity of turnkey projects, Prysmian has implemented a quality management process involving an extensive series of tests on cables and accessories before delivery and installation, as well as specific insurance coverage, often through insurance syndicates, to mitigate exposure to risks running from the manufacturing stage through to delivery.

In addition, the ERM assessments for this particular risk have led the Risk Management function, with the support of the Sales department, to implement a systematic Project Risk Assessment process for all turnkey projects, involving the assignment of a Project Risk Manager, right from the bidding stage, with the aim of identifying, assessing and monitoring over time Prysmian's exposure to specific risks and of foreseeing the necessary mitigation measures. The decision to submit a bid proposal to a customer will therefore also depend on the results of risk assessment.

Management periodically reviews completed and ongoing contracts and analyses the risks involved, including a potential domino effect on the order backlog.

In particular, a scenario/sensitivity analysis is carried out, which also examines the unavailability of strategic assets (vessels and manufacturing facilities), in order to analyse their potential impact on the entire project portfolio and to implement appropriate mitigation measures.

Prysmian has set aside specific provisions for such risks that represent the best estimate of the related liabilities based on available information.

Business interruption risk due to dependence on key assets

The submarine cables business is heavily dependent on certain key assets, particularly the plants in Pikkala (Finland) and Arco Felice (Italy) for the manufacture of a specific type of cable, and Prysmian's cable-laying vessels, some of whose technical capabilities are hard to find on the market. The construction of a new vessel, the "Monna Lisa", sister to the "Leonardo da Vinci", was announced in 2022 and is currently underway; the new vessel is expected to enter service in 2025.

The loss, if only partial, of one of these assets due to unforeseen natural events (e.g. earthquakes, storms, or other natural disasters) or other incidents (including fires, terrorist attacks, or other events) and the resulting prolonged business interruption could have a critical economic impact on Prysmian's business, financial condition and/or results of operations.

Prysmian addresses asset dependency risk by having:

- a systematic Loss Prevention programmeme, managed centrally by the Risk Management function, which, through periodic on-site inspections, makes it possible to assess the adequacy of existing systems of protection and to decide any necessary remedial actions to mitigate the estimated residual risk. As at 31 December 2024, the Group's operating facilities were sufficiently protected and there were no significant risk exposures. Almost all the facilities have been classified as "Excellent Highly Protected Rated (HPR)", "Good HPR" or "Good not HPR", in accordance with the methodology defined by internationally recognised best practices in the field of Risk Engineering & Loss Prevention; limited exceptions, in a defined geographical area, have been classified as "Fair", for which a plan for improvement and progress monitoring has accordingly been initiated and is still ongoing;
- specific Disaster Recovery & Business Continuity plans that make it possible to activate, as quickly as possible, suitable countermeasures to contain the impact following a catastrophic event and manage any resulting crisis;
- specific insurance programmemes covering damage to assets and loss of associated contribution margin due to business interruption, so as to minimise the financial impact of this risk on cash flow.

Risk of instability in Prysmian's countries of operation

Prysmian has operations and production facilities and/or companies in Asia, Latin America, the Middle East, Africa and Eastern Europe. Prysmian's operations in these countries are exposed to various risks related to local regulatory and legal systems, the imposition of duties or taxes, exchange rate volatility, and political and economic instability affecting the ability of business and financial partners to meet their obligations.

Some of Prysmian's facilities, particularly in certain locations, are most exposed to economic and political destabilisation, international conflicts, restrictive measures by foreign governments, nationalisation or expropriation, and changes in regulatory requirements. Other difficulties may arise from terrorist activities, natural disasters, the introduction of unfavourable tax legislation and the development of potential pandemics in countries that do not have the resources to deal with such outbreaks.

Significant changes in the macroeconomic, political (for instance, the current geopolitical crises, such as the one between Russia and Ukraine and those in the Middle East), fiscal or legislative environment in such countries could have an adverse impact on Prysmian's business, results of operations, assets and financial condition.

Consequently, Prysmian constantly monitors developments on the global geopolitical stage that could require it to revise existing business strategies and/or to adopt mechanisms to safeguard its competitive position and performance.

Commodity price volatility risk

Prysmian's operating results could be affected by changes in the prices of raw and strategic materials (such as copper, aluminium, lead, resins and polyethylene compounds as well as fuel and energy), which are subject to market volatility.

The main raw materials purchased by Prysmian are copper, aluminium and lead, which account for more than 50% of the total raw materials used in the manufacture of its products.
Prysmian neutralises the impact of possible variations in the price of copper, aluminium and, to a lesser extent, lead through hedging activities and automatic price adjustment mechanisms. Hedging activities are based on sales contracts or sales forecasts which, if not met, could expose Prysmian to the risk of price volatility in the underlying assets. This could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

A dedicated team within the Group Purchasing department centrally monitors and coordinates those sales transactions requiring the purchase of metals and the related hedging activities carried out by each subsidiary, ensuring that the level of exposure to risk is kept within defined tolerance limits.
A more detailed analysis of this risk is given in the "Financial Risk Management" section of the Explanatory Notes to the Consolidated Financial Statements.

Risks related to the outbreak and continuation of conflict between Russia and Ukraine and in the Middle East

On 24 February 2022, Russia launched its invasion of Ukraine, marking a significant escalation in the Russia-Ukraine conflict (the Conflict). The Conflict is still having a major impact on the global economy and the resulting negative effects could continue for an unpredictable period of time.

The Conflict has prompted a number of other countries to impose or tighten sanctions against Russia. These measures have created uncertainty about the potential impact on global economies, particularly for Europe, whose geographical proximity and trade relations make it the macro-area most vulnerable to the effects of the crisis. Russia has responded to these sanctions with counter-sanctions against so-called "unfriendly" states (including, in particular, the members of the European Union). If economic sanctions were to escalate further, Russia could take further legal action that could affect European businesses (located in what Russia considers to be an "unfriendly state").

In addition, the economic consequences of the Conflict include, inter alia, (i) a significant disruption of energy markets with a sharp increase in the price of gas, oil and other related products, leading to higher energy prices for businesses and households in countries that are most dependent on Russian fossil resources (including Italy); (ii) the risk of a deterioration in the credit profile of a significant number of countries (including Italy) that are highly dependent on imports from Russia; and (iii) serious financial difficulties for many businesses.

In addition, recent tensions in the Middle East, including the conflict between Israel and Hamas that began in October 2023, the escalation of a series of direct clashes between Israel and Iran in April 2024, and the recent escalation of hostilities between Israel and the militant group Hezbollah in September 2024, have caused volatility and instability, and there is a risk that these events could potentially spiral into a wider regional conflict. Moreover, since November 2023, the Al-Houthi militia in Yemen has launched several attacks on commercial vessels in the Red Sea, causing significant disruption to global trade routes. The current situation is having an impact on consumer price pressure and could also affect economic growth in the Eurozone. These elements of uncertainty could lead to a disruption of normal market dynamics and, more generally, of business operating conditions.

As a result, Prysmian could be affected by price volatility of commodities originating from countries affected by the Russia-Ukraine conflict and the conflict in the Middle East, with a possible general increase in inflation and, in particular, in energy commodities (e.g., oil, gas and coal), especially as the cash flows of many of Prysmian's customers are highly dependent on energy prices, with the consequent possibility of default and earnings problems.

The extent and duration of the conflicts, the sanctions and the resulting market disruptions have already been significant and could potentially continue to have a substantial impact on the global economy and Prysmian's business for an unspecified period of time. Any of the above factors could have a material adverse effect on Prysmian's business and results of operations.

Liability for product quality/defects

Any defect in the design and manufacture of Prysmian's products could give rise to civil or criminal liability towards its customers or third parties.

As a result, Prysmian, like other companies in the industry, is exposed to the risk of product liability claims in the countries in which it operates.

In line with the practice of many companies in the industry, Prysmian has taken out insurance which it believes provides adequate protection against the risks arising from such liability. However, should this insurance cover prove insufficient, Prysmian's results of operations and financial condition could be adversely affected.

Risks of dependence on key distributors and resellers for the non-exclusive sale of Prysmian products

Distributors and resellers account for a significant portion of Prysmian's sales. These distributors and resellers are not contractually obliged to purchase the Group's products on an exclusive basis. Therefore, they may purchase competing products or stop purchasing Prysmian products at any time. The loss of one or more major distributors could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Key supplier dependence risks

Prysmian relies on a large number of suppliers of goods and services to carry out its activities, some of which are important suppliers of raw materials, including certain metals (copper, aluminium and lead) and some polymer compounds, particularly for the high-voltage and submarine cable businesses.

Dependence on key suppliers is obviously a risk in the event of delivery problems, quality issues or price increases, especially in the current macroeconomic climate, where pandemics, recent geopolitical crises and even localised events have clearly demonstrated the vulnerability of a complex and now globalised supply chain. In particular, Prysmian is potentially exposed to the industrial risk of certain raw material suppliers (including fires, explosions or floods). The risk is also assessed by means of scenario/sensitivity analyses, which take into account the unavailability of a particular raw material and its impact on Prysmian's business.

Any of these circumstances could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

In order to prevent and mitigate these risks, Prysmian has a well-established qualification system to select and work with reliable suppliers of goods and services and, where possible, to identify possible alternatives, thus avoiding single-source situations.

The mitigation strategy is therefore based on partnerships with a number of key suppliers to reduce Prysmian's exposure to supply bottlenecks, on close monitoring of their performance, and on R&D projects and investments to develop alternative technical solutions.

Risks related to acquisitions and divestments

Prysmian constantly evaluates potential acquisition targets and, whenever it acquires new companies, their integration may be challenging, particularly if the management information and accounting systems are significantly different from those used elsewhere in the Group. It is also possible that unforeseen problems may arise in one or more of the acquired businesses.

In addition, Prysmian may need to incur additional debt to finance the acquisitions.

Most recently, on 14 April 2024, Prysmian S.p.A., Applause Merger Sub Inc, a Delaware corporation whose share capital is indirectly and wholly owned by Prysmian S.p.A., Prysmian Cables and Systems USA LLC, a wholly and indirectly owned subsidiary of Prysmian S.p.A, and Encore Wire entered into an agreement (Agreement and Plan of Merger) pursuant to which, upon the occurrence of the conditions precedent to the Agreement, Prysmian would indirectly acquire, on the Acquisition completion date, 100% of the share capital of Encore Wire, a company incorporated under US law whose shares were listed on the NASDAQ prior to the completion of the Acquisition (the Acquisition). On 2 July 2024 Prysmian S.p.A. completed the acquisition of Encore Wire.

With particular reference to the policies for the management of strategic metals, such as copper and aluminium, and the hedging of the related price risk, as well as the management of forex risk, trade credit risk and inventory obsolescence risk, it cannot be excluded that any delays in the implementation of the processes to harmonise the Group's policies following the Acquisition may have an adverse effect in the future on Prysmian's prospects, financial condition, results of operations and cash flows.

Furthermore, it is not possible at this stage to confirm that the integration of Encore Wire's information system into the existing system applied to Prysmian's companies will be without impact on business operations and that any delays in this process could have an adverse effect on Prysmian's prospects, financial condition, results of operations and cash flows.

Under the terms of the Agreement and Plan of Merger, Encore Wire Corporation made binding representations and warranties only up until the Acquisition completion date. Therefore, in the event that contingent liabilities arise in relation to Encore Wire Corporation, for example in relation to tax, environmental, contractual, litigation or arbitration matters, Prysmian will have no recourse to seek indemnification from the counterparty, which could have a potentially adverse effect on Prysmian's prospects, financial condition, results of operations and cash flows. In addition, Prysmian has agreed, for a period of six years following completion of the merger, to indemnify and hold harmless, to the fullest extent permitted by applicable law, all current and former directors and officers of Encore Wire Corporation, as well as any person who served at the request of Encore Wire Corporation as a director, officer, employee, trustee or fiduciary of any other company, entity or joint venture, against any and all costs, expenses, legal judgements, fines, losses, claims, damages or liabilities incurred by any such person in connection with any claim, action, proceeding or investigation (whether civil, criminal or administrative) arising out of activities performed for Encore Wire Corporation prior to the effective date of the merger (including those relating to the Acquisition and other activities contemplated by the Agreement and Plan of Merger).

More generally, Prysmian may also dispose of some of its businesses through M&A transactions, themselves subject to uncertainty. Agreements entered into in connection with divestment transactions typically contain reciprocal covenants, as well as representations and warranties and the seller's obligation to indemnify the buyer for any liability arising from the breach of such representations and warranties. In addition, such agreements typically contain conditions precedent that must be satisfied prior to completion, failing which the buyer's right of termination will be triggered, which means that there is no guarantee that any outstanding transactions that have not yet been completed will actually be completed within the specified timeframe.

Any of the above circumstances could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Risks related to pension plan obligations

Prysmian companies have defined benefit pension plans in place around the world, into which they are required to pay specific contributions. Under these plans, Prysmian is required to provide a defined level of benefits to plan participants and is therefore exposed to the risk that the related assets may not be sufficient to cover the benefits. If a plan has a deficit, its managing trustee will require Prysmian to fund the plan. In addition, Prysmian may be required to make significant prepayments or provide additional financial support to certain plans if their creditworthiness deteriorates or if beneficiaries withdraw en masse from the plans and require immediate coverage of their deficits. The cost of defined benefit pension plans is determined using a number of actuarial assumptions including the expected long-term rate of return on plan assets and the discount rate. The use of these assumptions causes the pension expense and cash contributions to fluctuate from year to year.

The above risks may have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

The Group has taken measures to mitigate its exposure to these risks, including by preventing new participants from joining funded plans and requiring ongoing contributions from the original beneficiaries, but there can be no assurance that these measures will be sufficient to mitigate the relevant risks.

A more detailed analysis of this risk is given in the note on "Employee benefit obligations" within the Explanatory Notes to the Consolidated Financial Statements.

Financial risks

Risks related to the availability and cost of financing

The volatility of the international banking and financial system could be a potential risk factor in relation to the availability and cost of financing. In addition, failure to comply with the financial and non-financial covenants contained in Prysmian's credit agreements could limit its ability to increase its net debt, other factors remaining equal. Failure to comply with any of these covenants would trigger an event of default which, unless remedied under the terms of the respective agreements, could result in their termination and/or early repayment of any borrowings. In such a situation, Prysmian may not be able to repay the amounts requested early, which in turn creates a liquidity risk.

Given the current level of cash and undrawn committed credit facilities, totalling over Euro 2 billion at 31 December 2024, and the six-monthly monitoring[73] of compliance with the financial covenants (fully met at 31 December 2024), Prysmian believes that it has significantly mitigated this risk and that it is able to raise sufficient funding at a competitive cost. A more detailed analysis of this risk, including a description of Prysmian's principal sources of finance, is given in the Explanatory Notes to the Consolidated Financial Statements.

Exchange rate volatility

Prysmian operates internationally and is therefore exposed to foreign exchange risk on the currencies of the various countries in which it operates. Foreign exchange risk arises when future transactions or assets and liabilities recognised in the statement of financial position are denominated in a currency other than the functional currency of the company undertaking the transaction.

To manage foreign exchange risk arising from future trade transactions and from the recognition of foreign currency assets and liabilities, most Prysmian companies use forward contracts arranged by Group Treasury, which manages the various positions in each currency. However, as Prysmian prepares its consolidated financial statements in Euro, fluctuations in the exchange rates used to translate the financial statements of subsidiaries, originally denominated in foreign currencies, could affect Prysmian's business, financial conditions and/or results of operations. Exchange rate volatility is monitored both locally and centrally, by the Group Finance department, also using specific indicators designed to intercept potential risk situations which, if deemed to exceed the defined tolerance limits, will trigger immediate action to mitigate the impact.

A more detailed analysis of this risk is given in the "Financial Risk Management" section of the Explanatory Notes to the Consolidated Financial Statements.

73. The financial covenants are measured at the half-year reporting date of 30 June and at the full-year reporting date of 31 December.

Interest rate volatility

Changes in interest rates affect the market value of Prysmian's financial assets and liabilities and net finance costs.

The interest rate risk to which Prysmian is exposed mainly relates to long-term financial debt, both fixed and variable rate.

Fixed rate debt exposes Prysmian to fair value risk. Prysmian does not adopt specific policies to hedge the risk arising from such contracts, as it considers this risk to be immaterial.

Variable rate debt exposes Prysmian to interest rate volatility risk (cash flow risk). To hedge this risk, Prysmian uses interest rate swap (IRS) contracts, which convert the variable rate into a fixed rate, thereby reducing the interest rate volatility risk. IRS contracts allow the difference between the contracted fixed rates and the variable rate calculated on a loan's notional amount to be swapped at pre-determined dates.

A potential increase in interest rates could be a risk factor in future periods and could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

A more detailed analysis of this risk is given in the "Financial Risk Management" section of the Explanatory Notes to the Consolidated Financial Statements.

Credit risk

Credit risk is Prysmian's exposure to potential losses arising from the failure of business or financial partners to meet their obligations.

This risk is monitored centrally by the Group Finance department, while customer-related credit risk is managed operationally by the individual subsidiaries.

Prysmian does not have excessive concentrations of credit risk, but given the economic and social difficulties in some of the countries in which it operates, its exposure could deteriorate, which would require closer monitoring. Accordingly, Prysmian has put procedures in place to ensure that its business partners are of proven reliability and that its financial partners have high credit ratings. In addition, Prysmian has a global trade credit insurance programmeme covering almost all of its operating companies; this programmeme is centrally managed by the Risk Management function, which, with the support of Prysmian's Credit Management function, monitors the level of risk exposure and intervenes when tolerance limits are exceeded due to the difficulty of finding cover on the market. However, any delay or non-payment, in whole or in part, of amounts due from major counterparties could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

A more detailed analysis of this risk is given in the "Financial Risk Management" section of the Explanatory Notes to the Consolidated Financial Statements.

Liquidity risk

Liquidity risk indicates the sufficiency of an entity's financial resources to meet its payment obligations to business or financial partners in the agreed manner on the established due dates.

Prysmian's working capital liquidity requirements increase significantly in the first half of the year, when production ramps up in anticipation of order intake, resulting in a temporary increase in net financial debt.

Prudent management of liquidity risk involves maintaining adequate levels of cash, cash equivalents and short-term securities, having sufficient committed credit lines and renegotiating loans in a timely manner before they mature. Given the dynamic nature of the business in which Prysmian operates, the Group Finance department prefers flexible forms of financing in the form of committed credit lines.

At 31 December 2024, Prysmian's cash and cash equivalents and undrawn committed credit lines amounted to approximately Euro 2 billion.

Should Prysmian be unable to meet its payment obligations to counterparties due to seasonal fluctuations in working capital, this could have a material adverse effect on its business, financial condition and/or results of operations.
A more detailed analysis of this risk is given in the "Financial Risk Management" section of the Explanatory Notes to the Consolidated Financial Statements.

Risk of impairment of goodwill or other intangible assets

Prysmian's balance sheet includes certain amounts recognised as intangible assets, including goodwill.
Goodwill is subject to an impairment test at least once a year.

As this test is based on estimates derived from Prysmian's business, its performance, interest rates, growth rates and other factors existing at the time of the test, there may discrepancies between estimates and actual developments. Any future deterioration in business and financial conditions could result in an impairment loss.

Environmental, social and governance risks

Sustainability risks in Prysmian's supply chain

Prysmian's business model, with a global presence in more than 50 countries and a high diversification of product applications, is based on a complex supply chain that requires continuous interface with numerous suppliers of different sizes and cultural backgrounds. Without prior investigation and control, the management of a complex supply chain could lead Prysmian to source goods and services from suppliers that do not comply with its guidelines and policies, with the risk of supporting suppliers that do not operate in accordance with international standards. In addition, Prysmian believes that it has a responsibility that goes beyond its organisational boundaries and, therefore, by managing the sustainability of its supply chain (upstream and downstream activities and customers), it is also able to limit any reputational risks.

In addition to its commitment to assess its business partners, Prysmian has adopted guidelines and policies that its suppliers must comply with (e.g. the Code of Ethics and the Code of Business Conduct). Prysmian will react immediately if it is found that third parties involved in the supply chain have taken actions that do not comply with the principles of environmental and social sustainability, which would expose Prysmian to potentially significant image and reputation risks. If the reported issues are not promptly resolved and corrected, Prysmian reserves the right to initiate a procedure to terminate existing business activities and to temporarily or, in the most serious cases, permanently exclude the supplier from its supplier list. Third-party sustainability risk assessment is a fundamental step in the overall supply chain management process which defines clear rules for (i) introducing new suppliers, (ii) periodically assessing the supply chain and (iii) monitoring and improving the supply chain management strategy. In this context, Prysmian has defined a supply chain strategy and related actions that embed ESG factors throughout the value chain in order to improve its social and environmental policies within the supply chain.

Any of these risks could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Risk of loss of competitiveness or leadership in the energy transition sector

New energy transition policies and the resulting new market opportunities are rapidly changing an already competitive environment, with the potential entry or strengthening of new players and the development of new technologies, that could reduce or interrupt Prysmian's leadership. The exposure to this risk has been analysed over the 2022-2035 time horizon, taking into account the International Energy Agency's four emission scenarios: Stated Policy Scenario (STEPS), Announced Pledges Scenario (APS), Sustainable Developed Scenario (SDS) and Net Zero Emissions (NZE). The impact in terms of reduced revenue and/or profitability has been assessed as medium-low in the medium term and medium-high in the long term.

Any of these risks could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Prysmian has carried out an in-depth analysis of its activities in relation to the entry of new competitors in the HV Underground, Submarine Energy and Submarine Telecom sectors. The risk assessment of new entrants has also considered companies with significant financial resources, not necessarily active in the cable sector, which could see an attractive business opportunity in the energy transition sector.

In terms of mitigation measures, Prysmian's diversified portfolio of activities with a global geographical presence is a strength, as it is the only world leader with a business model balanced between areas with different profiles, with each segment playing a precise role in the overall strategy, taking into account stability, potential growth and the creation of opportunities.

Risks related to cybersecurity attacks and other technological risks

Prysmian is exposed to cybersecurity attacks and other technological risks, and in a rapidly evolving world where information is of significant value and there is increasing interoperability between networks, systems and applications, it is becoming increasingly complex to manage and protect information assets, while ensuring compliance with current regulations. This increased complexity - combined with the proliferation and evolution of persistent cyber threats - exposes organisations to new types of risk, the damaging effects of which can have serious consequences in terms of financial loss, brand reputation, compliance, data leakage and business interruption. In addition, the acceleration of technological innovation in recent years exposes Prysmian's cultural and organisational model to the risk of being unprepared for this rapid change.

In this ever-evolving scenario, it is becoming increasingly challenging to create a secure environment, minimise potential negative impacts on business activities and ensure compliance with regulatory requirements.

This complexity is particularly relevant for manufacturing enterprises that continue to focus on significant innovation in products, services, production processes and industrial ecosystems in order to be competitive in an ever-changing global market by adopting new technologies to ensure customer focus and increase value-added services and business efficiency.

Prysmian has carried out a quantitative assessment, including scenario/sensitivity analysis, of the impact of cyber-attack risk on manufacturing activities, taking into account the entire life cycle of assets, the growing use of IoT systems in operations and the likely acceleration of these technologies due to energy transition programmemes. Based on the "possible" future scenarios defined by the IEA, this analysis confirms a medium impact in the medium term, with rising operating costs, and a medium-high impact in the long term.

In this context, Prysmian has developed its Information Security Strategy, the main objective of which is to establish general guidelines for the effective and efficient management, monitoring and protection of its information assets. Prysmian has adopted a comprehensive set of policies, procedures and operating instructions in order to manage and control, at various levels of detail, information security issues and processes in application of the Information Security Strategy and Framework.
The Group's second cybersecurity programmeme was completed, a three-year strategic roadmap was successfully implemented and activities were carried out to strengthen information security and consolidate the maturity achieved, through a series of actions aimed at reducing overall cyber and compliance risks.
The reliance on Group suppliers and outsourced products and services to support critical IT operations increases the business's exposure to cyber risks and attacks. The latest and most advanced vectors of cyber-attacks are targeting suppliers, necessitating additional requirements for constant monitoring and supervision of the Group's third-party security.
Prysmian constantly and continuously monitors the security of its digital footprint with the support of cyber-scoring agencies, with this discipline applied throughout the wider ecosystem.

Security incidents, as well as identifiable and attributable vulnerabilities, can negatively impact the overall score and must be addressed and resolved in a timely manner. Prysmian is committed to achieving and maintaining a score above 85/100.

Prysmian has continued the collaboration foreseen by its membership of associations and consortia, as well as by agreements with national and international institutions, by sharing information about relevant cyber events, including attacks on its IT infrastructure.

Growing concerns about an increasingly fragmented and unpredictable world have also led to a major shift in the perception of the effectiveness of cyber security and privacy standards.

Some aspects of the standards now pose real compliance challenges; however, local and international certification and attestation standards and norms are increasingly seen as an adequate and appropriate approach to ensuring greater IT security and resilience of systems.
It is also worth remembering that Artificial Intelligence (AI) technologies have significant potential to transform society and people's lives, from commerce to health, from transportation to cybersecurity, the environment and our planet. AI technologies can foster inclusive economic growth and support scientific advances that improve the state of the world, including our own industry. However, AI technologies also carry risks that can negatively impact individuals, groups, organisations, communities, society, the environment and the planet. As with other types of technology, AI-related risks can manifest in different ways and can be characterised as long term or short term, high or low probability, systemic or localised, high or low impact.

In this context, Prysmian is developing its AI strategy, the main objective of which is to establish general guidelines for the effective and efficient use and management of this new technology, while minimising potential negative impacts.

Any of the above circumstances could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Risks related to human resources management (lack or loss of key resources, talent management, etc.)

Prysmian promotes the creation and development of an experienced and skilled workforce and supports its diversity in order to create an ever more inclusive working environment. Prysmian remains exposed to the risk of a shortage or loss of key resources in strategic operational functions, especially in a new market context in which the energy transition and the strong push towards digitalisation are demanding new skills. These individuals, who can be identified by their management responsibilities and/or specific know-how required to implement business strategies, are difficult to replace in the short term.

In order to ensure business continuity in line with its strategic objectives, Prysmian has defined various programmemes to encourage continuous training, professional growth and employee involvement, as well as appropriate remuneration systems. These include: global recruitment and development programmemes - Build The Future, Stem It, Sell It and Sum It; performance and talent management systems - Group Academies and Local Schools, the MyMentorship project, Internal Job Postings and Job Banding; short- and long-term variable remuneration mechanisms, also linked to sustainability objectives; non-compete agreements and broad share ownership.

In addition, each year the Group organises a global engagement survey, to which all employees are invited to respond and share their opinions anonymously. This allows global and local action plans to be initiated for the continuous improvement of the working environment.

Despite Prysmian's adoption of certain measures including, among others, the "Long-Term Incentive" programmeme and certain recruitment programmemes aimed at creating a pipeline of professionals and managers for the future, the inability to attract and retain highly qualified personnel and competent managers capable of managing growth could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Risks related to the social sustainability of the organisational structure and business model

On a daily basis, Prysmian is faced with the complexity of managing organisational and business activities carried out by people from different social and cultural backgrounds. Despite constant commitment, careful supervision and periodic awareness raising, through the provision of specific information and training, it is never possible to rule out the possibility of episodic misconduct in violation of policies, procedures and the Code of Ethics, and therefore in violation of applicable human rights legislation, by those who carry out activities on behalf of Prysmian, with possible sanctions, significant reputational damage and impact on the business.

As an international company operating in many countries and communities, Prysmian is passionately committed to respecting and protecting the human rights of all employees and all those affected by our activities. The aim is to ensure that Prysmian is not involved in any way, either directly or indirectly, in activities that violate human rights.

With this in mind, the Group Human Rights Policy was introduced in 2017. This policy, available on Prysmian's corporate website, is based on various international standards (such as the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the United Nations Global Compact, etc.) and is applied in all of Prysmian's offices and activities.

In addition, a Human Rights Due Diligence process has been in place since 2018 and is available on the Corporate website, allowing Prysmian to map the potential impact of its activities on respect for human rights.

Any of the above circumstances could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Health and safety risks

The main health and safety risks faced by Prysmian's personnel and contractors are related to the activities they carry out at production sites, on ships and in shipyards.

Prysmian has always been committed to protecting the integrity, health and well-being of its employees in the workplace and has implemented a centralised management system based on the identification and assessment of critical factors at various levels: Group, Country and Business Unit. This approach provides a complete picture of the risks associated with each production activity in order to manage, monitor and minimise health and safety risks. In order to apply the health and safety standards defined at the Group level, Prysmian uses tools and procedures to centrally collect, assess, aggregate and report data, to implement and verify corrective and preventive actions and to monitor significant events (accidents, near misses, non-conformities and reports). Prysmian is also committed to training its employees, not only to impart technical knowledge, but also to convey an understanding of the approach taken and the risks related to non-compliance with H&S rules and procedures.

In 2024, Prysmian continued a multi-year audit programmeme (the Safety Assessment Programmeme) carried out by a third party, with the aim of measuring the maturity of the safety culture at Prysmian's sites through a customised protocol to assess safety performance through 4 main criteria (Governance, Employee Engagement, Risk Assessment and Frequency Index). Through the Safety Assessment Programmeme, Prysmian aims to raise awareness of a site's main risks and issues at each organisational level and, through specific improvement plans, to cultivate a culture of continuous improvement, identifying the strengths and weaknesses of each site and aiming to reduce accidents.

Notwithstanding the above, any of the circumstances described above could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Environmental risks

Prysmian's manufacturing activities are subject to specific environmental regulations. These include the management of raw materials, energy resources, hazardous substances, water discharges, air emissions and waste, as well as the prevention of pollution and the minimisation of the impact on environmental matrices (soil, subsoil, water resources, atmosphere, biodiversity and impact on nature). In addition, the evolution of these regulations tends to impose increasingly stringent requirements on companies, often requiring the improvement of technologies (best available techniques) and associated risk prevention systems, which generate additional costs. For these reasons, notwithstanding Prysmian's strong and constant commitment to environmental protection, its activities could still have an impact on environmental matrices, with possible implications for the continuity of production and economic and reputational consequences that could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Prysmian could face a possible increase in production costs resulting from the adoption of more restrictive laws and regulations on greenhouse gas emissions, either in the form of taxation (carbon tax) or participation in the emissions market (Emission Trading Schemes - ETS).

The risk exposure over the 2022-2035 time horizon and with respect to the IEA scenarios analysed, namely STEPS, APS, SDS and NZE, does not appear to be critical as a whole, with a low impact in the medium term and a medium impact in the long term, although the impact on operating costs could vary significantly in the different geographical areas.
Prysmian is committed to constantly monitoring changes in laws and regulations governing greenhouse gas emissions at an international level, particularly in the countries where its production facilities are located. In addition, Prysmian has defined a strategic plan, reflected in the Sustainability Scorecard, which includes, among other things, quantitative targets for the reduction of greenhouse gas emissions. The emission reduction targets have been scientifically validated by the Science-Based Target Initiative (SBTi).

In addition, Prysmian continuously monitors the exposure of all its production sites to atmospheric events such as storms, floods, hail, etc., over the entire life cycle of the assets, using CatNet®, a profiling tool developed by Swiss Re to measure exposure to geo-specific risks. This tool has been used to carry out an exposure assessment up to 2035 under a conservative high CO_2 emissions scenario (RCP 8.5), confirming a low overall exposure. In addition, a sensitivity analysis has been performed for the period 2023-2040, assuming a further increase in the severity and frequency of extreme weather events that have affected Prysmian's assets over the last 20 years. The analysis has confirmed a medium exposure to this risk, resulting in increased operating costs. The risk assessment of the increased severity of extreme weather events has been extended to the entire supply chain, for both upstream and downstream activities, taking into account a selection of strategic suppliers and customers.

Prysmian also monitors the risk of climate change, and in particular sea-level rise, to assess the potential impact on all production sites, taking into account the full life cycle of key assets. A detailed analysis of the exposure to sea-level rise is carried out each year and has confirmed that there is no direct impact on Prysmian's production sites over a time horizon extending to 2080. However, sea-level rise could increase exposure to the risk of coastal flooding from storms, but this would affect a very limited number of production sites (< 2%). The impact, mainly in terms of increased operating costs or lost sales, would be low. Exposure will be monitored so that action can be taken in advance, including the introduction of additional control systems if necessary. The risk assessment of sea-level rise has been extended to the entire supply chain for both upstream and downstream activities, taking into account a selection of strategic suppliers and customers.

Another environmental risk is related to the fact that Prysmian facilities consume water mainly for industrial purposes, in particular, for cooling certain processes.

Every year Prysmian performs a water stress analysis, taking into account the relationship between water demand and available water. The assessment of risks related to water availability has been extended to the entire supply chain (upstream and downstream activities and customers), taking into account a selection of strategic suppliers and customers.

Prysmian regularly measures the amount of water used at its production sites and analyses and controls the parameters of the cooling process to ensure the efficiency of water consumption; in this regard, water supply systems are properly maintained to avoid significant losses.

Taking into account the quantity and quality of water sources, the way they are used and the recirculation systems in place, it has been determined that the most significant water-related impacts are not directly related to the organisation's activities, but rather to the supply chain and in particular to the production cycles of suppliers of raw materials, especially metals. This is why, in addition to continuing to monitor and verify "critical" suppliers against sustainability criteria and indicators, in 2021 Prysmian extended the assessment of risks related to water availability to the entire supply chain.

Finally, biodiversity of animal and plant species is one of the environmental aspects potentially affected by Prysmian with a potential negative impact on the state of the biosphere. In line with its HSEE Policy, updated in 2023, Prysmian is committed to identifying and assessing any risks related to biodiversity, applying a hierarchical mitigation approach (avoid, minimise, restore and compensate) to all operations.

With respect to Prysmian's operating units, Prysmian has drawn up a list of protected areas, which shows that most of its facilities are not located in or near protected areas or where endangered species may be present.

In order to meet and reinforce its commitments, Prysmian decided in 2024 to quantify any impact on flora and/or fauna in the vicinity of the areas in which it operates, as well as any impact/dependency on the ecosystem services on which the Group's units depend, in order to seek ways to reduce and mitigate these risks.

Prysmian applies best practices to ensure that all materials used for erosion protection and offshore cables are natural or engineered stone, so as not to inhibit the growth of epibenthic species and to provide three-dimensional complexity in height and interstitial spaces wherever possible. Prysmian decided to use bioactive concrete (i.e. containing bio-enhancers) to reinforce primary erosion protection (e.g. concrete mattresses) and to promote biotic growth. Furthermore, as this type of mattress mimics the local marine environment, marine species use the infrastructure as a habitat, resulting in a more environmentally sustainable alternative that provides better protection than traditional concrete mattresses.

Bird populations, whether wintering, migratory, regular and/or breeding species, are protected in accordance with the European Nature Directives (Habitats Directive 79/409/EC and Birds Directive 92/43/EC).

Special Protection Areas (SPAs) for rare or endangered species, as well as for all regularly migrating species, are identified and monitored during project implementation, with particular attention paid to the presence of watercourses, lakes, swamps and marshes of international relevance.
In 2024, project-related risk analyses, which include an assessment of environmental aspects related to biodiversity impacts, identified a residual risk that considers the occurrence of potentially relevant scenarios to be unlikely.
Notwithstanding the above, any of the circumstances described above could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Legal and compliance risks

Risks related to non-compliance with antitrust laws, rules and regulations

Its strong international presence in more than 50 countries means that Prysmian is subject to antitrust laws in Europe and in all the other countries in the world in which it operates, each with its own rules governing the civil, administrative and criminal liability of the perpetrators of anti-competitive practices. Over the past decade, local antitrust authorities have shown increased attention to the commercial activities of market participants, with a trend towards international cooperation between such authorities.

At 31 December 2024, Prysmian's financial statements included specific provisions of Euro 189 million in relation to antitrust investigations.

Prysmian's Board of Directors has adopted an Antitrust Code of Conduct applicable to all Prysmian's employees, directors and managers in the performance of their duties and in their dealings with third parties.

However, there can be no assurance that such persons will not take actions that violate Prysmian's policies or applicable laws, rules and regulations. Such violations could expose Prysmian to penalties and claims for damages by third parties, which could have a material adverse effect on its business, financial condition and/or results of operations.

In order to prevent and mitigate these risks, Prysmian has adopted a global Antitrust Code of Conduct that all Prysmian employees, directors and managers and, where applicable, third parties, must be aware of and comply with in the conduct of their activities and in their dealings with third parties. In addition, more detailed documents have been adopted on the antitrust laws applying in the European Union, North America, China and Australia.

The Antitrust Code of Conduct provides an overview of the risks associated with the non-application or misapplication of competition law, in particular with regard to restrictive practices (both horizontal and vertical) and abuse of a dominant position. The Antitrust Code of Conduct is complemented by specific procedures and a training programmeme aimed at raising the awareness of all those acting on behalf of Prysmian.

Risks related to compliance with anti-corruption laws and regulations applicable to international transactions

In recent years, legislators and regulators have made significant efforts to combat bribery and corruption, with a growing tendency to extend liability to legal entities as well as natural persons. With increasing globalisation, organisations are ever more often operating in places and contexts where there is a risk of corruption and must comply with the numerous regulations in this area, such as Italian Legislative Decree 231/2001, the Anti-Corruption Act (Italian Law 190/2012), the Foreign Corrupt Practices Act of 1977 as amended (FCPA) and the UK Bribery Act of 2010.
With a global presence in more than 50 countries and a wide range of applications for Prysmian products, the Group and its subsidiaries have regular contact with a large number of third parties (including suppliers, intermediaries, agents and customers). In particular, the management of large international projects entails business dealings with local commercial agents and public officials in countries with a potential risk of corruption.

Prysmian has implemented a number of policies and measures to prevent bribery and corruption and has adopted a whistleblowing policy to facilitate the reporting of any wrongdoing occurring within the organisation, including that by its subsidiaries and business partners, but these policies and measures may still fail to prevent future violations of relevant laws and regulations, exposing Prysmian to the risk of litigation, investigations and material penalties.

Any failure to comply with ongoing anti-corruption and anti-bribery obligations could result in additional criminal and/or civil penalties and/or additional requirements imposed by applicable regulatory authorities and continued or increased expenses related to additional compliance costs and/or additional investigation and defence costs, which could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Despite Prysmian's compliance policies and procedures, there can be no assurance that employees, contractors and agents will not take actions in violation of these policies. Such violations could expose Prysmian to civil or criminal penalties, including substantial fines or prohibitions on Prysmian's ability to offer its products in one or more countries, and could also materially damage its reputation and brand, which could have a material adverse effect on its business, financial condition and/or results of operations.

Risks related to the introduction of export restrictions, trade tariffs and other changes in trade policy

Some of Prysmian's activities require the shipment and transfer of finished products, semi-finished goods and raw materials from one country to another, exposing Prysmian to risks related to changes in the tax regimes, customs tariffs and trade policies of different jurisdictions. Failure to promptly comply with such changes could expose Prysmian to fines and penalties. In addition, many countries regulate international commerce and apply laws and regulations that govern trade in products, software, technology and services, including financial transactions and intermediation. For example, export control regimes, governed by the laws of the United States, the EU (article 215 of the Treaty on the Functioning of the EU) and the United Nations (Chapter VII of the UN Charter), identify the parties (natural or legal persons) to whom targeted restrictions (e.g. arms embargoes, travel bans, financial or diplomatic sanctions, etc.) must be applied. Non-compliance may result in the imposition of fines and criminal and/or civil penalties, including imprisonment. Any of the above circumstances could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

In order to prevent and mitigate export-related risks, Prysmian has adopted an export management and control policy which, among other things, provides for the following measures:

- monitoring of restricted countries and parties and the level of restrictions in place;
- due diligence on restricted parties to avoid transactions with prohibited parties;
- product classification to determine the applicable export compliance requirements and to understand where and to whom they can be exported, and whether a licence or other authorisation is required;
- basic training on the topic for all employees and specific training for those in positions responsible for international trade transactions and export controls;
- requirement for an end-user declaration certifying that the buyer or end-user of the goods/technology complies with applicable export regulations.

Risks related to possible infringement of third-party patents

The increase in new product offerings and the opening up of new markets, partly accelerated by decarbonisation policies, increases the likelihood that Prysmian Group's products will include solutions patented by third parties involving a risk of litigation. Any of these risks could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

In order to mitigate these risks, Prysmian's Intellectual Property department, supported by external experts when necessary and for specific issues, constantly analyses the possible existence of third-party patents in relation to new products and new markets, and is committed to respecting third-party intellectual property rights when it becomes aware of them. Prysmian's strong patent portfolio is an important deterrent against potential litigation.

Employees and others acting on Prysmian's behalf may violate laws and regulations to which Prysmian is subject

There can be no assurance that those acting on behalf of Prysmian will not engage in misconduct, violate applicable laws and regulations and incur legal or administrative sanctions, significant financial loss or reputational damage.
Prysmian has implemented a series of organisational measures, including a management and control model aimed at preventing the offences envisaged by Italian Legislative Decree 231/2001 and a Code of Ethics, which sets out the ethical standards and behavioural guidelines applicable to anyone acting on its behalf (including managers, officers, employees, agents, representatives, contractors, suppliers and consultants). In addition, Prysmian's value system applies to the conduct of individuals inside and outside the business. Prysmian also has a Whistleblowing Policy, which facilitates whistleblowing by stakeholders and includes systems designed in line with ethical and compliance

best practices, as well as a Whistleblowing Committee that meets at least quarterly and evaluates reports received, conducts investigations and takes appropriate action.

Despite these efforts, there can be no assurance that those acting on behalf of Prysmian will not engage in misconduct or violate its policies, procedures or Code of Ethics and applicable rules and regulations, which could result in legal sanctions, fines or reputational damage. This could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Risks related to compliance with environmental legislation, health and safety legislation and to environmental accountability

Prysmian's manufacturing activities are subject to specific environmental regulations, including those relating to soil and subsoil contamination and the presence/use of hazardous materials and substances. These regulations impose increasingly stringent standards on companies, resulting in significant costs.

Prysmian's large number of facilities expose it to the risk of accidents that could have an impact on the environment and the continuity of production, which could have significant economic and reputational consequences.

Despite the risk management measures adopted by Prysmian, such as the constant monitoring of HSE regulatory requirements, the use of external certification bodies (e.g. ISO, OSHA, etc.) and the monitoring and auditing of its sites, there can be no guarantee that environmental damage will not occur in the normal course of business. This may result in criminal and/or civil penalties and, in some cases, safety violations. There are also costs associated with Prysmian's compliance with environmental, health and safety rules and regulations.

Prysmian's production activities are subject to national and international health and safety laws and regulations. Future legislative and/or regulatory changes, which are more or less predictable, could affect Prysmian's operations, its ability to compete in the marketplace and its financial results, unless such changes are identified, anticipated and managed in a timely manner.

The occurrence of environmental incidents or non-compliance with environmental, health, safety and security legislation could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Risks related to changes in data protection legislation and improper control of personal information

Regulation (EU) 2016/679, the European General Data Protection Regulation (GDPR), which came into force in May 2018, has now become one of the main cornerstones for a renewed commitment to data protection, especially personal data. The GDPR envisages significant penalties for non-compliance. If Prysmian does not properly comply with these new regulatory requirements or does not implement processes in response to them - particularly given the large number of employees and the growing trend towards global data management (including cloud storage and the use of mobile devices) - it could be at risk of individual claims for alleged unlawful processing of personal data, the imposition of penalties by the competent authorities and reputational damage.

In addition, any future changes to the rules and/or to the interpretation and application of the rules by the competent authorities could create new obligations and requirements for Prysmian, and there can be no guarantee that Prysmian will be able to comply with any future legislative changes in a timely manner.

Any of the foregoing circumstances could have a material adverse effect on Prysmian's reputation, business, financial condition and/or results of operations.

Risks related to changes in industry standards and regulatory requirements

Prysmian companies are required to comply with specific federal, state, local and foreign legal and regulatory requirements, as well as certain industry standards. Changes in applicable laws and regulations may affect the growth of the markets in which Prysmian operates. Growth in the cable industry is driven in part by legislation on energy and alternative and renewable energy sources, as well as by incentives for investing in utilities and infrastructure. It is not possible to foresee any future change in legislation and/or industry standards that would be detrimental to Prysmian's business. Although Prysmian's business is managed to mitigate these risks, there can be no assurance that changes in applicable standards, laws and regulations will not result in significant costs that could have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Changes in tax rates, exposure to various tax laws and/or challenges to Prysmian's transfer pricing policies could have an adverse impact on Prysmian's financial condition

Prysmian is subject to taxation not only in Italy, but also in numerous other jurisdictions worldwide, each with its own tax regime, in which Prysmian operates. Effective tax rates may be adversely affected by changes in the mix of earnings by jurisdiction, or by changes in tax legislation. In addition, Prysmian companies are subject to audits and assessments in various jurisdictions. Although Prysmian's management believes that the tax estimates are reasonable and appropriate, these estimates are subject to uncertainties that could result in material adjustments. As a result, Prysmian companies may be required to pay additional taxes and/or penalties that may not be sufficiently covered by the Prysmian's provisions. There can be no assurance that such situations will not have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Prysmian's financial position and its ability to meet its debt obligations may also be adversely affected by new legislation or changes in the interpretation of existing tax laws, including legislation implementing the OECD Pillar 2 rules.

Prysmian is also at risk of double taxation. The Group and its subsidiaries conduct intercompany transactions in accordance with national and international transfer pricing principles and guidelines, including those established by the Organisation for Economic Cooperation and Development (OECD) and the United Nations. Nevertheless, and notwithstanding tax treaties entered into between certain countries, the jurisdictions in which Prysmian companies operate could challenge decisions made by such companies and issue tax assessments that could result in cases of double taxation or subject such companies to other penalties. There can be no assurance that such situations will not have a material adverse effect on Prysmian's business, financial condition and/or results of operations.

Risks related to possible misapplication (interpretation and/or errors and omissions) of tax regulations

The complexity of Prysmian's activities and its international dimension mean that tax regulations may not be correctly applied (interpretations and/or errors and omissions), especially when the correct tax treatment of transactions that are not easy to classify is unclear, partly due to the rapid evolution of tax regulations in many of the jurisdictions in which Prysmian operates. This exposes the business to potential legal proceedings, reputational damage and/or financial loss, including fines/penalties.

Prysmian adopts a tax strategy applicable to all Group companies, approved by the Board of Directors of Prysmian S.p.A. This strategy is in line with the fundamental values of honesty and fairness contained in the Code of Ethics, in order to minimise the significant impact of any tax and reputational risks.

In the event of uncertainty as to the correct tax treatment of transactions that are not easily classifiable, Prysmian applies the tax treatment that it considers to be the most correct and appropriate, taking into account legitimate tax saving opportunities (if any), the opinions of experts in the field and industry best practices. The business is committed to embracing valid and reasonable interpretations and to adopting a prudent approach in order to avoid any negative impact on Prysmian.

Any of the above circumstances could have a material adverse effect on Prysmian's reputation, business, financial condition and/or results of operations.

Planning and reporting risks

Planning and reporting risks relate to the adverse impact that any irrelevant, untimely or inaccurate information could have on Prysmian's strategic, operational and financial and non-financial decisions. Taking into account the reliability and effectiveness of internal reporting and planning procedures, these risks are currently not considered to be material at Group level.

14. Other information

Incentive plans

Information about incentive plans can be found in the Explanatory Notes to the Consolidated Financial Statements and in the "Information on social aspects" chapter of the Sustainability Report.

Related party transactions

Related party transactions are neither atypical nor unusual as they are part of the normal business activities of Prysmian companies. These transactions are conducted on an arm's length basis, taking into account the characteristics of the goods and services provided.

Prysmian has published, including on its website, the procedures adopted to ensure the transparency and substantive and procedural fairness of related party transactions.

Information about related party transactions, including that required by the Consob Communication dated 28 July 2006, is presented in Note 33 to the Consolidated Financial Statements at 31 December 2024.

Atypical and/or unusual transactions

In accordance with the disclosures required by Consob Communication DEM/6064293 dated 28 July 2006, it is reported that no atypical and/or unusual transactions took place during 2024.

Secondary locations and basic corporate information

The list of secondary locations and basic corporate information about the legal entities making up Prysmian can be found in Appendix A of the Explanatory Notes to the Consolidated Financial Statements.

Financial risk management

The management of financial risks is discussed in the Explanatory Notes to the Consolidated Financial Statements (Financial risk management).

Treasury shares

Information about treasury shares can be found in Note 11 to the Consolidated Financial Statements at 31 December 2024.

15. Business outlook

Prysmian sets the 2025 guidance based on its strong track-record of delivery, and the solid market trends in electrification, energy transition and digitalisation, with:

- Adjusted EBITDA in the range of €2,250–€2,350 million;
- Free cash flow in the range of €950-€1,050 million;
- Scope 1&2 GHG emission reduction in the range of -38% and -40% vs 2019[65].

Prysmian will share updated targets, and an overview of its mid-term strategy at its 2025 Capital Markets Day, which will be held in the United States. The presentation will take place in New York City on 26th March 2025, while a site visit to Encore Wire will take place in McKinney, Texas on 27th March.

These goals assume no material changes in the geopolitical situation, in addition to excluding extreme dynamics in the prices of production factors or significant supply chain disruptions. The forecasts are based on the Company's current business perimeter assuming a EUR/USD exchange rate of 1.06, and do not include impacts on cash flows related to Antitrust issues.

16. Certification pursuant to art. 2.6.2 of the Italian Stock Exchange market regulations

it is hereby certified that adequate measures have been taken to ensure compliance with art. 15 of the Regulations issued by Consob, Italy's financial markets regulator, under Resolution no. 20249 of 28 December 2017, concerning conditions for the listing of shares of parent companies that control companies incorporated under and regulated by the law of countries other than EU member states and which are material to the Consolidated Financial Statements, and that the requirements of art. 15 have been met.

Milan, 26 February 2025

ON BEHALF OF THE BOARD OF DIRECTORS
THE CHAIRMAN
Francesco Gori

B
Consolidated Financial Statements

1. Consolidated Financial Statements Schemes

Consolidated Statement of Financial Position

(Euro/million)	Note	31.12.2024	of which related parties	31.12.2023	of which related parties
Non-current assets					
Property, plant and equipment	1	4,921		3,401	
Goodwill	2	3,499		1,660	
Other intangible assets	2	1,416		411	
Equity-accounted investments	3	248	248	218	218
Other investments at fair value through other comprehensive income	4	12		10	
Financial assets at amortised cost		4		3	
Derivatives	8	63		41	
Deferred tax assets	16	328		299	
Other receivables	5	42		36	
Total non-current assets		**10,533**		**6,079**	
Current assets					
Inventories	6	2,858		2,264	
Trade receivables	5	2,433	1	1,987	3
Other receivables	5	1,194	-	1,054	2
Financial assets at fair value through profit or loss	7	32		85	
Derivatives	8	107		80	
Financial assets at fair value through other comprehensive income	4	11		24	
Cash and cash equivalents	9	1,033		1,741	
Total current assets		**7,668**		**7,235**	
Assets held for sale	10	1		9	
Total assets		**18,202**		**13,323**	
Equity					
Share capital	11	30		28	
Reserves	11	4,328		3,224	
Group share of net profit/(loss)	11	729		529	
Equity attributable to the Group		**5,087**		**3,781**	
Equity attributable to non-controlling interests	11	210		191	
Total equity		**5,297**		**3,972**	
Non-current liabilities					
Borrowings from banks and other lenders	12	5,158		2,488	
Employee benefit obligations	15	310		333	
Provisions for risks and charges	14	99		58	
Deferred tax liabilities	16	579		222	
Derivatives	8	30		47	
Other payables	13	36		53	
Total non-current liabilities		**6,212**		**3,201**	
Current liabilities					
Borrowings from banks and other lenders	12	257		608	
Provisions for risks and charges	14	734	11	753	5
Derivatives	8	58		57	
Trade payables	13	2,462	9	2,199	4
Other payables	13	3,066	2	2,469	5
Current tax payables	27	116		64	
Total current liabilities		**6,693**		**6,150**	
Total liabilities		**12,905**		**9,351**	
Total equity and liabilities		**18,202**		**13,323**	

Consolidated Income Statement

(Euro/million)	Note	2024	of which related parties	2023	of which related parties
Sales	17	17,026		15,354	
Change in inventories of finished goods and work in progress	18	22		52	
Altri proventi	19	117	-	70	6
Other income		**17,165**		**15,476**	
Total sales and income	20	(10,762)		(9,705)	
Raw materials, consumables and supplies		19		6	
Fair value change in metal derivatives	21	(1,965)	(14)	(1,804)	(13)
Amortisation, depreciation, impairment and impairment reversals	22	(509)		(574)	
Other expenses	23	(2,783)	(6)	(2,572)	(7)
Share of net profit/(loss) of equity-accounted companies	24	41	41	33	33
Operating income		**1,206**		**860**	
Finance costs	25	(1,036)		(1,093)	
Finance income	26	811		997	
Profit/(loss) before taxes		**981**		**764**	
Taxes	27	(233)		(217)	
Net profit/(loss)		**748**		**547**	
Of which:					
- attributable to non-controlling interests		***19***		***18***	
- Group share		***729***		***529***	
Basic earnings/(loss) per share (in Euro)	**28**	**2.59**		**1.94**	
Diluted earnings/(loss) per share (in Euro)	**28**	**2.52**		**1.84**	

Other Comprehensive Income (Note 11)

(Euro/million)	2024	2023
Other comprehensive income:	**748**	**547**
A) Change in cash flow hedge reserve:		
- Profit/(loss) for the year	**57**	**(35)**
- Taxes	79	(45)
B) Other changes relating to cash flow hedges:	(22)	10
- Profit/(loss) for the year	**(6)**	**(19)**
- Taxes	(8)	(24)
C) Change in currency translation reserve	2	5
D) Fair value financial instruments:	**240**	**(201)**
- Profit/(loss) for the year	**-**	**(8)**
- Taxes	-	(12)
E) Actuarial gains/(losses) on employee benefits*:	-	4
- Profit/(loss) for the year	**11**	**(8)**
- Taxes	17	(10)
Total other comprehensive income (A+B+C+D+E):	(6)	2
Total comprehensive income	**302**	**(271)**
Of which:	**1,050**	**276**
- attributable to non-controlling interests		
- Group share	***28***	***8***
- di competenza del Gruppo	***1,022***	***268***

* Components of comprehensive income that will not be reclassified to profit or loss in subsequent periods.

Consolidated Statement of Changes in Equity (Note 11)

(Euro/million)	Share capital	Cash flow hedge reserve	Currency translation reserve	Other reserves	Group share of net profit/(loss)	Equity attributable to the Group	Equity attributable to non-controlling interests	Total
Balance at 31 December 2022	**27**	**70**	**(174)**	**3,158**	**504**	**3,585**	**186**	**3,771**
Allocation of prior year net profit	1	-	-	503	(504)	-	-	-
Fair value share-based payment	-	-	-	56	-	56	1	57
Dividend distribution	-	-	-	(158)	-	(158)	(7)	(165)
Acquisition of non-controlling interest	-	-	-	(5)	-	(5)	-	(5)
Effect of hyperinflation	-	-	-	35	-	35	3	38
Total comprehensive income/(loss)	-	(35)	(193)	(33)	529	268	8	276
Balance at 31 December 2023	**28**	**35**	**(367)**	**3,556**	**529**	**3,781**	**191**	**3,972**

(Euro/million)	Share capital	Cash flow hedge reserve	Currency translation reserve	Other reserves	Group share of net profit/(loss)	Equity attributable to the Group	Equity attributable to non-controlling interests	Total
Balance at 31 December 2023	**28**	**35**	**(367)**	**3,556**	**529**	**3,781**	**191**	**3,972**
Allocation of prior year net profit	-	-	-	529	(529)	-	-	-
Fair value share-based payment	-	-	-	57	-	57	1	58
Dividend distribution	-	-	-	(191)	-	(191)	(11)	(202)
Share buy-back	-	-	-	(328)	-	(328)	-	(328)
Acquisition of non-controlling interest	-	-	-	1	-	1	(1)	-
Effect of hyperinflation	-	-	-	12	-	12	2	14
Conversion of Convertible Bond 2021	2	-	-	731	-	733	-	733
Total comprehensive income/(loss)	-	57	232	4	729	1,022	28	1,050
Balance at 31 December 2024	**30**	**92**	**(135)**	**4,371**	**729**	**5,087**	**210**	**5,297**

Consolidated Statement of Cash Flows (Note 37)

	(Euro/million)	2024	of which related parties	2023	of which related parties
	Profit/(loss) before taxes	981		764	
	Amortisation, depreciation and impairment	509		574	
	Share of net profit/(loss) of equity-accounted companies	(41)	(41)	(33)	(33)
	Dividends received from equity-accounted companies	16	16	13	13
	Share-based payments	58	4	57	2
	Fair value change in metal derivatives	(19)		(6)	
	Net finance costs	225		96	
	Changes in inventories	(203)		(88)	
	Changes in trade receivables/payables	268	7	(523)	(16)
	Changes in other receivables/payables	400	(1)	808	4
	Change in employee benefit obligations	(20)		(16)	
	Change in provisions for risks	20		98	
	Net income taxes paid	(261)		(328)	
A.	**Cash flow from operating activities**	**1,933**		**1,416**	
	Net cash flow from acquisitions and/or divestments	(4,126)		-	
	Investments in property, plant and equipment	(768)		(599)	
	Disposals of assets held for sale	9		-	
	Investments in intangible assets	(25)		(25)	
	Investments in financial assets at fair value through profit or loss and financial assets at amortised cost	-		(33)	
	Disposals of financial assets at fair value through profit or loss	44		214	
	Investments in financial assets or equity investments at fair value through other comprehensive income	(13)		(48)	
	Disposals of financial assets at fair value through other comprehensive income	25		-	
B.	**Cash flow from investing activities**	**(4,854)**		**(491)**	
	Share buy-back and other movements	(327)		-	
	Capital contributions and other equity movements	-		(4)	
	Dividend distribution	(202)		(165)	
	Proceeds of new loans	5,379		120	
	Repayments of loans	(2,381)		(200)	
	Changes in other net financial receivables/payables and other movements	(124)		(103)	
	Net finance costs paid	(251)		(140)	
	Finance income received	109		68	
C.	**Cash flow from financing activities**	**2,203**		**(424)**	
D.	**Net currency translation difference on cash and cash equivalents**	**10**		**(45)**	
E.	**Net cash flow for the year (A+B+C+D)**	**(708)**		**456**	
F.	**Cash and cash equivalents at beginning of year**	**1,741**		**1,285**	
G.	**Cash and cash equivalents at end of year (E+F)**	**1,033**		**1,741**	

2. Explanatory Notes

A. General information

Prysmian S.p.A. ("the Company") is a company incorporated and domiciled in Italy and organised under the laws of the Italian Republic. The Company has its registered office in Via Chiese 6, Milan (Italy).

Prysmian S.p.A. was floated on the Italian Stock Exchange on 3 May 2007 and since September 2007 has been included in the FTSE MIB index, comprising the top 40 Italian companies by capitalisation and stock liquidity. Since 18 October 2021, the stock has been included in the MIB® ESG, the first "Environmental, Social and Governance" index dedicated to Italian blue chips, featuring the most important listed issuers that demonstrate their espousal of ESG best practices.

The Company and its subsidiaries (together "the Group" or "Prysmian") produce power and telecom cables and systems and related accessories, and distribute and sell them around the globe.

These consolidated financial statements were approved on 26 February 2025 by the Board of Directors of Prysmian S.p.A., which also authorised their publication in accordance with the law.

A.1 Significant events in 2024

Significant events in the year are reviewed in the Directors' Report in the section entitled "SIGNIFICANT EVENTS DURING THE YEAR".

B. Accounting policies

The material accounting policies used to prepare the consolidated financial statements and Group financial information are discussed below.

B.1 Basis of preparation

The consolidated financial statements at 31 December 2024 have been prepared on a going concern basis, with the directors having assessed that there are no financial, operating or other kind of indicators that might provide evidence of material uncertainties as to the Group's ability to meet its obligations in the foreseeable future and particularly in the next 12 months.

The assessments carried out confirm Prysmian's ability to operate in compliance with the going concern presumption and with its financial covenants.

The Group's consolidated financial statements at 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), based on the text published in the Official Journal of the European Union (OJEU).

The primary reporting formats adopted have the following characteristics:

- the consolidated income statement is prepared in a multi-step format with individual items classified by nature, and other comprehensive income, reporting components of profit or loss deferred in equity, shown separately;
- the consolidated statement of financial position presents assets and liabilities according to maturity, with current balances shown separately from non-current ones;
- the consolidated statement of cash flows presents cash flows using the "indirect method", as permitted by IAS 7.

In application of art. 264b HGB of the German Commercial Code ("Handelsgesetzbuch"), the present consolidated financial statements constitute an exemption from the requirement to present statutory financial statements for Draka Comteq Berlin GMBH & Co.KG and Draka Comteq Germany GMBH & Co.KG.

All the amounts shown in the consolidated financial statements are expressed in millions of Euro, unless otherwise stated.

B.2 Newly adopted accounting standards and principles

The accounting principles and policies and basis of consolidation used to prepare the 2024 consolidated financial statements are consistent with those used for the 2023 consolidated financial statements. Full details can be found in Note 39. Basis of consolidation and accounting policies.

The following is a list of new standards, interpretations and amendments whose application became mandatory from 1 January 2024 but which, based on the assessments performed, have not had a material impact on the consolidated financial statements at 31 December 2024:

- *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements*. In particular, the aim of the disclosures covered by the IAS 7 amendment is to enable users of financial statements to assess the effects of supplier finance arrangements on an entity's liabilities and cash flows and on its exposure to liquidity risk. Based on the analysis performed, Prysmian has not identified any significant cases of this type of arrangement, meaning the amendment has not resulted in any disclosure requirement in the current financial statements;
- *Amendments to IAS 1: Presentation of Financial Statements:*
  - *Classification of Liabilities as Current or Non-current;*
  - *Classification of Liabilities as Current or Non-current: Deferral of Effective Date;*
  - *Non-current Liabilities with Covenants.*
- *Amendments to IFRS 16 Leases: Lease Liability in a Sale as Leaseback.*

There are no accounting standards, amendments and interpretations applicable to annual reporting periods after 2024 that have already completed the EU endorsement process.

International Tax Reform - Pillar Two Model Rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Sharing (OECD/G20 BEPS), has published the Pillar Two anti-Base Erosion rules ("Pillar Two") aimed at addressing the tax challenges arising from digitalisation of the global economy.

The Pillar Two Global anti-Base Erosion rules (GloBE Rules) represent the first substantial proposal to renovate international tax rules by proposing new tax mechanisms under which multinational enterprises (MNEs) will have to pay a minimum level of tax on their income.

The Pillar Two rules have been adopted by several jurisdictions in which the Group operates and are applicable to the 2024 consolidated financial statements.

The analysis of exposure to the Pillar Two rules has been carried out on the basis of data that will feed into the country-by-country report and the reporting data of Group companies. This data shows that most of the jurisdictions in which the Group operates will be exempt from the application of Pillar Two tax under the Transitional CbCR Safe Harbour. A limited number of jurisdictions will not benefit from the exemption under the Transitional CbCR Safe Harbour. However, these are jurisdictions in which the Group has a marginal presence or in which the calculation of the Income Inclusion Rule and/or Domestic Top-up tax will not generate a tax liability. Only in the case of the Hong Kong jurisdiction has a current tax charge for an immaterial amount been recognised under the Pillar 2 rules.

When preparing the consolidated financial statements at 31 December 2024, and consistent with the approach adopted for the consolidated financial statements at 31 December 2023, Prysmian has applied the temporary exception envisaged by the amendments to IAS 12 - Income Taxes, whereby a reporting entity does not recognise or disclose information about deferred tax assets and deferred tax liabilities related to Pillar Two.

B.3 Accounting standards, amendments and interpretations not yet applicable and not adopted early by the group

The following new accounting standards, amendments and interpretations had been issued at the date of preparing the present report but are not yet applicable and have not been adopted early by the Group:

New accounting standards, amendments and interpretations	Mandatory application as from
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	1 January 2025

Preliminary review has indicated that the new accounting standards, amendments and interpretations listed above are not expected to have a material impact on the Group's consolidated financial statements.

B.4 Principal changes in the scope of consolidation

The Group's scope of consolidation includes the financial statements of Prysmian S.p.A. (the Parent Company) and the companies over which it exercises direct or indirect control, which are consolidated from the date when control is obtained until the date when such control ceases.

The changes in the scope of consolidation at 31 December 2024, with respect to 31 December 2023, are reported below.

New incorporations

Newco	Nation	Date
Applause Merger Sub Inc.	U.S.A.	12 April 2024
Prysmian Philippines, Incorporated	Philippines	5 August 2024

Liquidations

Liquidated companies	Nation	Date
Omnisens do Brasil Serviços de Soluções de Monitoração em Fibra Ótica LTDA	Brazil	11 March 2024
National Cables (Pty) Ltd.	South Africa	4 July 2024
Proveedora de Cables Y Alambres PDCA Guatemala, S.A.	Guatemala	16 August 2024
Prysmian Netherlands Holding B.V.	Netherlands	24 December 2024
Prysmian (French) Holdings S.A.S.	France	31 December 2024

Mergers

Merged company	Surviving company	Nation	Date
Prysmian RE Company Designated Activity Company	Prysmian Servizi S.p.A.	Ireland	1 April 2024
Applause Merger Sub Inc.	Encore Wire Corporation	U.S.A.	2 July 2024
Draka Holding, S.L. (Sociedad Unipersonal)	Prysmian Cables Spain S.A.	Spain	10 September 2024
General Cable Corporation	Prysmian Cables and Systems USA, LLC	U.S.A.	30 November 2024

Name changes
For a clearer understanding of the scope of consolidation, the following table shows the name changes made during the year:

Previous name	New name	Nation	Date
Prysmian Servizi S.p.A.	Prysmian Riassicurazioni S.p.A	Italy	1 April 2024

Appendix A contains a complete list of the companies included in the scope of consolidation at 31 December 2024.

C. Financial risk management

The Group's activities are exposed to various types of risk: market risk (including exchange rate, interest rate and price risks), credit risk and liquidity risk. The Group's risk management strategy focuses on the unpredictability of markets and aims to minimise the potentially negative impact on the Group's results. Certain types of risk are mitigated using derivative instruments.

Monitoring of key financial risks is centrally coordinated by the Group Finance Department, and by the Purchasing Department where price risk is concerned, in close cooperation with the Group's operating companies. Risk management policies are approved by the Group Finance, Administration and Control Department, which provides written guidelines on managing the above risks and on using (derivative and non-derivative) financial instruments.

The impact on profit and equity presented in the subsequent sensitivity analyses has been determined net of tax, calculated using the Group's weighted average theoretical tax rate.

[a] Exchange rate risk
The Group operates worldwide and is therefore exposed to exchange rate risk caused by changes in the value of commercial and financial flows expressed in a currency other than the unit of account of individual Group companies. The principal exchange rates affecting the Group are:

- Euro/British Pound: in relation to commercial and financial transactions by Eurozone companies on the British market and vice versa;
- Euro/US Dollar: in relation to commercial and financial transactions in US dollars by Eurozone companies on the American market and vice versa;
- Euro/Australian Dollar: in relation to commercial and financial transactions by Eurozone companies on the Australian market and vice versa;
- Euro/Canadian Dollar: in relation to commercial and financial transactions by Eurozone companies on the Canadian market and vice versa;
- US Dollar/Brazilian Real: in relation to commercial transactions by companies operating on the Brazilian market;
- Euro/Hungarian Forint: in relation to commercial and financial transactions by Hungarian companies on the Eurozone market and vice versa;
- Euro/Chinese Renminbi (Yuan): in relation to commercial transactions by companies operating on the Chinese market;
- Euro/Romanian Leu: in relation to commercial and financial transactions by Eurozone companies on the Romanian market and vice versa;
- Euro/Swedish Krona: in relation to commercial and financial transactions by Eurozone companies on the Swedish market and vice versa;
- British Pound/US Dollar: in relation to commercial transactions by North American companies on the British market;
- Euro/Hong Kong Dollar: in relation to commercial and financial transactions by Eurozone companies on the Hong Kong market and vice versa;
- Euro/Norwegian Krone: in relation to commercial and financial transactions by Eurozone companies on the Norwegian market and vice versa;
- US Dollar/Omani Real: in relation to commercial transactions by companies operating on the Omani market;
- Euro/Danish Krone: in relation to commercial and financial transactions by Eurozone companies on the Danish market and vice versa;
- Euro/Czech Koruna: in relation to commercial and financial transactions by Eurozone companies on the Czech market and vice versa;
- Euro/Mexican Peso: in relation to commercial and financial transactions by Eurozone companies on the Mexican market.

In 2024, commercial and financial flows exposed to the above exchange rates accounted for around 92% of the total exposure to exchange rate risk arising from commercial and financial transactions.

The Group is also exposed to exchange risks on other exchange rates. None of these exposures, taken individually, accounted for more than 1% of the overall exposure to transactional exchange rate risk in 2024.

It is the Group's policy to hedge, where possible, exposures in currencies other than the unit of account of its individual companies. In particular, the Group hedges:

- firm cash flows: invoiced commercial flows and exposures arising from loans receivable and payable;
- projected cash flows: commercial and financial flows arising from firm or highly probable contractual commitments.

Such hedges are arranged using derivative contracts.

The following sensitivity analysis shows the post-tax effects on profit of a 5% and 10% increase/decrease in the exchange rates of the local currencies shown below on the actual rates at 31 December 2024 and 31 December 2023.

(Euro/million)	2024		2023	
	-5%	+5%	-5%	+5%
Euro	(0.74)	0.67	(1.31)	1.18
US Dollar	(0.51)	0.46	(0.71)	0.65
British Pound	(0.05)	0.05	(0.16)	0.14
Other currencies	(1.21)	1.09	(1.08)	1.00
Total	**(2.51)**	**2.27**	**(3.26)**	**2.97**

(Euro/million)	2024		2023	
	-10%	+10%	-10%	+10%
Euro	(1.57)	1.28	(2.76)	2.26
US Dollar	(1.07)	0.88	(1.51)	1.23
British Pound	(0.11)	0.09	(0.33)	0.27
Other currencies	(2.54)	2.08	(2.29)	1.87
Total	**(5.29)**	**4.33**	**(6.89)**	**5.63**

When assessing the potential impact of the above, the assets and liabilities of each Group company in currencies other than their unit of account were considered, net of any derivatives hedging the above-stated cash flows.

The following sensitivity analysis shows the post-tax effects on equity reserves of an increase/decrease in the fair value of designated cash flow hedges following a 5% and 10% increase/decrease in the exchange rates of the local currencies shown below on the actual rates at 31 December 2024 and 31 December 2023.

(Euro/million)	2024		2023	
	-5%	+5%	-5%	+5%
US Dollar	8.94	(9.88)	3.46	(3.82)
Euro	6.04	(6.67)	12.46	(13.77)
British Pound	20.61	(22.78)	18.31	(20.23)
Other currencies	3.24	(3.61)	0.38	(0.51)
Total	**38.83**	**(42.94)**	**34.61**	**(38.33)**

(Euro/million)	2024		2023	
	-10%	+10%	-10%	+10%
US Dollar	17.07	(20.87)	6.89	(8.43)
Euro	11.53	(14.09)	24.85	(30.38)
British Pound	39.34	(48.08)	36.52	(44.64)
Other currencies	6.19	(7.56)	0.76	(0.93)
Total	**74.13**	**(90.60)**	**69.02**	**(84.38)**

The above analysis ignores the effects of translating the equity of Group companies whose functional currency is not the Euro.

Further details can be found in the individual notes to the financial statements.

[b] Interest rate risk

The interest rate risk to which the Group is exposed is mainly on long-term financial liabilities, carrying both fixed and variable rates.

Fixed rate debt exposes the Group to a fair value risk. The Group does not operate any particular hedging policies in relation to the risk arising from such contracts.
Variable rate debt exposes the Group to a cash flow risk originating from rate volatility. In order to hedge this risk, the Group can use derivative contracts that limit the impact of interest rate changes on profit or loss.
The Group Finance Department monitors the exposure to interest rate risk and adopts appropriate hedging strategies to keep the exposure within the limits defined by the Group Administration, Finance and Control Department, arranging derivative contracts, if necessary.

The following sensitivity analysis shows the effects on consolidated net profit of a 25 b.p. and 50 b.p. increase/decrease in interest rates versus the interest rates applying at 31 December 2024 and 31 December 2023, assuming that all other variables remain equal.

The potential effects shown below refer to net liabilities representing the bulk of Group debt at the reporting date, for which the impact of the change in interest rates on net finance costs has been calculated on an annualised basis.

The net liabilities considered for sensitivity analysis include variable rate financial receivables and payables, cash and cash equivalents and derivatives whose value is influenced by rate volatility.

(Euro/million)	2024		2023	
	-0,25%	+0,25%	-0,25%	+0,25%
Euro	1.28	(1.28)	(1.20)	1.20
US Dollar	(0.45)	0.45	(0.33)	0.33
British Pound	(0.07)	0.07	(0.11)	0.11
Other currencies	(0.96)	0.96	(0.83)	0.83
Total	**(0.20)**	**0.20**	**(2.47)**	**2.47**

(Euro/million)	2024		2023	
	-0,50%	+0,50%	-0,50%	+0,50%
Euro	2.56	(2.56)	(2.40)	2.40
US Dollar	(0.89)	0.89	(0.66)	0.66
British Pound	(0.15)	0.15	(0.22)	0.22
Other currencies	(1.92)	1.92	(1.67)	1.67
Total	**(0.40)**	**0.40**	**(4.95)**	**4.95**

At 31 December 2024, the Group had interest rate swap agreements in place that transform the variable rate into a fixed one. These agreements have been accounted for as cash flow hedges.

An analysis of all these risks can also be found in the Risk Factors chapter of the Directors' Report.

[c] Price risk

The Group is exposed to price risk in relation to purchases and sales of strategic materials, the price of which is subject to market volatility. The main raw materials used by the Group in its own production processes consist of strategic metals such as copper, aluminium and lead. The cost of purchasing such strategic materials accounted for approximately 63.7% of the Group's total cost of materials in 2024 (58.2% in 2023), forming part of its overall production costs.

In order to manage the price risk on future commercial transactions, the Group negotiates derivative contracts on strategic metals, setting the price of expected future purchases or the value of stocks.

The derivative contracts entered into by the Group are negotiated with leading financial institutions on the basis of strategic metal prices quoted on the London Metal Exchange ("LME"), the New York market ("COMEX") and the Shanghai Futures Exchange ("SFE").

The following sensitivity analysis shows the effect on consolidated equity of a 10% increase/decrease in strategic material prices versus prices at 31 December 2024 and 31 December 2023, assuming that all other variables remain equal.

(Euro/million)	2024		2023	
	-10%	+10%	-10%	+10%
LME	(101.17)	101.17	(78.75)	78.75
COMEX	18.47	(18.47)	(0.56)	0.56
SME	(3.07)	3.07	(3.19)	3.19
Total	**(85.77)**	**85.77**	**(82.50)**	**82.50**

The potential impact shown above is solely attributable to increases and decreases in the fair value of derivatives on strategic material prices which are directly attributable to changes in the prices themselves. It does not refer to the impact on the income statement of the cost of purchasing strategic materials.

[d] Credit risk

There is a credit risk in relation to trade receivables, cash and cash equivalents, financial instruments, and deposits with banks and other financial institutions.

Customer-related credit risk is managed by the individual subsidiaries and monitored centrally by the Group Finance Department. The Group does not have excessive concentrations of credit risk. It nonetheless has procedures aimed at ensuring that sales of goods and services are made to reliable customers, taking account of their financial situation, track record and other factors. Credit limits for major customers are based on internal and external assessments within ceilings approved by local country management. The utilisation of credit limits is periodically monitored at local level.

During 2024 the Group had a global insurance policy in place to provide coverage for part of its trade receivables against any credit losses, net of the deductible.

As for credit risk relating to the management of financial and cash resources, this risk is monitored by the Group Finance Department, which implements procedures intended to ensure that Group companies deal with independent, highly rated, reliable counterparties. In fact, at 31 December 2024 (like at 31 December 2023) the vast majority of the Group's financial and cash resources were held with investment grade counterparties. Credit limits relating to the principal financial counterparties are based on internal and external assessments, within ceilings set by the Group Finance Department.

An increase/decrease in the Group's credit rating at 31 December 2024 would not have had significant effects on net profit at that date.

[e] Liquidity risk

Prudent management of the liquidity risk arising from the Group's normal operations implies maintaining an adequate level of cash and short-term deposits, as well as ensuring the availability of funds by having an adequate amount of committed credit lines.

The Group Finance Department uses cash flow forecasts to monitor the projected level of the Group's liquidity reserves.

The amount of liquidity reserves at the reporting date is as follows:

(Euro/million)	31.12.2024	31.12.2023
Cash and cash equivalents	1,033	1,741
Financial assets at fair value through profit or loss	32	85
Financial assets at fair value through other comprehensive income	11	24
Undrawn committed lines of credit	1,252	1,000
Total	**2,328**	**2,850**

Undrawn committed lines of credit at 31 December 2024 refer to the Revolving Credit Facility 2023 (Euro 1,000 million) and to EIB loan (Euro 252 million).

The following table presents a due date analysis of debt, at its repayment value, other liabilities, and derivatives settled on a net basis; the various due date categories refer to the period between the reporting date and the contractual maturity of the obligations.

(Euro/million)	31.12.2024			
	Due within 1 year	Due between 1 - 2 years	Due between 2 - 5 years	Due after 5 years
Borrowings from banks and other lenders	402	758	3,851	915
Derivatives	59	16	8	5
Trade and other payables	5,528	36	-	-
Total	**5,989**	**810**	**3,859**	**920**

(Euro/million)	31.12.2023			
	Due within 1 year	Due between 1 - 2 years	Due between 2 - 5 years	Due after 5 years
Borrowings from banks and other lenders	695	270	2,087	405
Derivatives	57	25	11	11
Trade and other payables	4,668	53	-	-
Total	**5,420**	**348**	**2,098**	**416**

In completion of the disclosures about financial risks, the following is a reconciliation between the classes of financial assets and liabilities reported in the Group's statement of financial position and the categories used by IFRS 7 to identify financial assets and liabilities:

	31.12.2024					
(Euro/million)	Financial assets at FVPL	Receivables and other assets at amortised cost	Financial assets at FVOCI	Financial liabilities at FVPL	Financial liabilities at amortised cost	CFH derivatives
Other investments at FVOCI	-	-	12	-	-	-
Financial assets at FVOCI	-	-	11	-	-	-
Financial assets at amortised cost	-	4	-	-	-	-
Trade receivables	-	2,433	-	-	-	-
Other receivables	-	1,236	-	-	-	-
Financial assets at FVPL	32	-	-	-	-	-
Derivatives (assets)	12	-	-	-	-	158
Cash and cash equivalents	-	1,033	-	-	-	-
Borrowings from banks and other lenders	-	-	-	-	5,416	-
Trade payables	-	-	-	-	2,462	-
Other payables	-	-	-	-	3,102	-
Derivatives (liabilities)	-	-	-	12	-	76
Total	**44**	**4,706**	**23**	**12**	**10,980**	**234**

(Euro/million)	31.12.2023					
	Financial assets at FVPL	Receivables and other assets at amortised cost	Financial assets at FVOCI	Financial liabilities at FVPL	Financial liabilities at amortised cost	CFH derivatives
Other investments at FVOCI	-	-	10	-	-	-
Financial assets at FVOCI	-	-	24	-	-	-
Financial assets at amortised cost	-	3	-	-	-	-
Trade receivables	-	1,987	-	-	-	-
Other receivables	-	1,090	-	-	-	-
Financial assets at FVPL	85	-	-	-	-	-
Derivatives (assets)	16	-	-	-	-	105
Cash and cash equivalents	-	1,741	-	-	-	-
Borrowings from banks and other lenders	-	-	-	-	3,096	-
Trade payables	-	-	-	-	2,199	-
Other payables	-	-	-	-	2,522	-
Derivatives (liabilities)	-	-	-	25	-	79
Total	**101**	**4,821**	**34**	**25**	**7,817**	**184**

C.1 Capital risk management

The Group's objective in capital risk management is mainly to safeguard business continuity in order to guarantee returns for shareholders and benefits for other stakeholders. The Group also aims to maintain an optimal capital structure in order to reduce the cost of debt and to comply with a series of covenants required by the various Credit Agreements (Note 32. Financial covenants).

The Group also monitors capital using a gearing ratio (i.e. the ratio between net financial debt and capital). Details of how net financial debt is determined can be found in Note 12. Borrowings from banks and other lenders. Capital is equal to the sum of equity, as reported in the Group consolidated financial statements, and net financial debt.

The gearing ratios at 31 December 2024 and 31 December 2023 are shown below:

(Euro/million)	2024	2023
Net financial debt	4,296	1,188
Equity	5,297	3,972
Total capital	**9,593**	**5,160**
Gearing ratio	**44.78%**	**23.02%**

C.2 Fair value measurement of financial instruments

IFRS 13 requires assets and liabilities recognised in the statement of financial position at fair value to be classified according to a hierarchy that reflects the significance of the inputs used in measuring fair value.

Financial instruments are classified according to the following fair value measurement hierarchy:

Level 1: Fair value is determined with reference to quoted prices (unadjusted) in active markets for identical financial instruments. Therefore, the emphasis within Level 1 is on determining both of the following:

a) the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; and
b) whether the entity can enter into a transaction for the asset or liability at the price in that market at the measurement date.

Level 2: Fair value is determined using valuation techniques where the input is based on observable market data. The inputs for this level include:

a) quoted prices for similar assets or liabilities in active markets;
b) quoted prices for identical or similar assets or liabilities in markets that are not active;
c) inputs other than quoted prices that are observable for the asset or liability, for example:
   i. interest rate and yield curves observable at commonly quoted intervals;
   ii. implied volatilities;
   iii. credit spreads;
d) market-corroborated inputs.

Level 3: Fair value is determined using valuation techniques where the input is not based on observable market data.

The following tables present the assets and liabilities that are recurrently measured at fair value:

(Euro/million)	31.12.2024			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value:				
Derivatives at FVPL	-	12	-	12
CFH derivatives	-	158	-	158
Financial assets at FVPL	32	-	-	32
Financial assets at FVOCI	-	-	12	12
Other investments at FVOCI	11	-	-	11
Total assets	**43**	**170**	**12**	**225**
Liabilities				
Financial liabilities at fair value:				
Derivatives at FVPL	-	12	-	12
CFH derivatives	-	76	-	76
Total liabilities	**-**	**88**	**-**	**88**

(Euro/million)	31.12.2023			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value:				
Derivatives at FVPL	-	16	-	16
CFH derivatives	-	105	-	105
Financial assets at FVPL	85	-	-	85
Financial assets at FVOCI	-	-	10	10
Other investments at FVOCI	24	-	-	24
Total assets	**109**	**121**	**10**	**240**
Liabilities				
Financial liabilities at fair value:				
Derivatives at FVPL	-	25	-	25
CFH derivatives	-	79	-	79
Total liabilities	**-**	**104**	**-**	**104**

Financial assets classified in fair value Level 3 have reported no significant movements in either 2024 or 2023.

Given the short-term nature of trade receivables and trade payables, their carrying amounts, net of any allowance for doubtful accounts, are treated as a good approximation of fair value.

During 2024 there were no transfers of financial assets and liabilities between the different levels of the fair value hierarchy.

Valuation techniques

Level 1: The fair value of financial instruments quoted in an active market is based on market price at the reporting date.

Level 2: Derivatives classified in this category include interest rate swaps, currency forwards and derivative contracts on metals and other commodities that are not quoted in active markets. Fair value is determined as follows:

- for interest rate swaps, it is calculated on the basis of the present value of forecast future cash flows;
- for currency forwards, it is determined using the forward exchange rate at the reporting date, appropriately discounted;
- for metal derivatives, it is determined using the prices of such metals at the reporting date, appropriately discounted.

Level 3: The fair value of instruments not quoted in an active market is primarily determined using valuation techniques based on estimated discounted cash flows.

C.3 Risks related to climate change

The Group has a "Net Zero" strategy, as explained in more detail in the section of the Directors' Report on "Prysmian's two ambitions: Climate Change and Social Ambition", to which you are referred.

To implement this strategy, Prysmian has continued its programmeme of investments in sustainability. These investments involve different strands, including the installation of photovoltaic systems at some of the Group's plants, various measures to reduce energy consumption, and a multi-year plan to reduce the use of SF6 gas.

In this context, the Group analyses and assesses the risks, impacts and opportunities of climate change and has also set targets to reduce Scope 3 emissions (generated by the value chain) to zero by 2050. For further information, please refer to the "Environmental information" section of the Directors' Report.

The consequences in terms of investments, costs and other cash flow impacts are considered when preparing the accounting estimates. The impairment tests carried out for the purposes of these financial statements have taken into account the impacts on investment flows, as far as they can be currently estimated, without any significant effects on the test results. In addition, challenges associated with climate change commitments have been considered, and the Group has not identified any additional issues that may have a material impact on the impairment tests. More details about the impact of climate change on impairment testing can be found in Note 2. Goodwill and other intangible assets.

It is also possible that in the future the carrying amount of assets or liabilities recognised in the Group's financial statements may be subject to different impacts as the strategy of managing climate change evolves. Although these aspects are not currently foreseeable, they are the subject of increasingly frequent and coordinated monitoring by the various company departments.

Other climate change-related impacts are discussed in Note 1. Property, plant and equipment as regards investments and in Note 12. Borrowings from banks and other lenders and in Note 32. Financial covenants as regards sustainability-linked loans and covenants.

D. Business combinations

Encore Wire Corporation

As described in "Significant events during the year" presented in the Directors' Report, Prysmian obtained control of Encore Wire Corporation on 2 July 2024. For accounting purposes, the acquisition date is being taken as 1 July 2024. The total consideration for the acquisition amounts to Euro 4,355 million.

Direct acquisition-related costs, amounting to around Euro 16 million, before approximately Euro 3 million in tax effects, have been expensed to income as "non-operating expenses".

The assets and liabilities of Encore Wire have been determined on a final basis, since the acquisition accounting processes had been completed at the date of preparing the present report. In compliance with IFRS 3, the fair value of the assets, liabilities and contingent liabilities has therefore been finalised as at the current reporting date.

The excess of the purchase consideration over the fair value of net assets acquired has been recognised as goodwill, amounting to Euro 1,703 million. Such goodwill is primarily justified by expected future income from integrating the company into the Group, including the run-rate synergies.

Details of the net assets acquired and goodwill are as follows:

(Euro/million)	
Cash outflow	4,337
Derivative instruments arranged for the acquisition	18
Total purchase consideration (A)	**4,355**
Fair value net assets acquired (B)	**2,652**
Non-controlling interests	-
Goodwill (A-B)	**1,703**
Cash outflow for acquisition	4,355
Cash held by acquiree	(266)
Acquisition cash flow	**4,089**

Details of the fair values of the assets/liabilities acquired are as follows:

(Euro/million)	
Property, plant and equipment	969
Intangible assets	1,039
Deferred taxes	(348)
Provisions for risks	(7)
Inventories	326
Trade and other receivables	480
Trade and other payables	(73)
Cash and cash equivalents	266
Fair value net assets acquired (B)	**2,652**

If Encore Wire had been consolidated as of January 1, 2024, the contribution to Group Revenues would have amounted to Euro 2,532 million while the contribution to the bottom line would have been a positive Euro 212 million.

Warren & Brown

As described in "Significant events during the year" presented in the Directors' Report, on 29 November 2024 Prysmian obtained control of Warren & Brown Technologies's business, a leading Australian company in telecommunication network connectivity products that provides solutions to telecom operators for various applications, mainly in the FTTA and FTTH & Data Center areas.

The total consideration for the acquisition was Euro 37 million.

The assets and liabilities of Warren & Brown have been determined on a provisional basis, since the acquisition accounting processes had not yet been completed at the date of preparing the present report. In compliance with IFRS 3, the fair value of the assets, liabilities and contingent liabilities will be finalised within twelve months of the acquisition date.

The excess of the purchase consideration over the fair value of net assets acquired has been provisionally recognised as goodwill, as permitted by IFRS 3, quantified at Euro 3 million.

Details of the net assets acquired and goodwill are as follows:

(Euro/million)	
Cash outflow	37
Total purchase consideration (A)	37
Fair value net assets acquired (B)	12
Goodwill (A-B)	25
Cash outflow for acquisition	37
Cash held by acquiree	-
Acquisition cash flow	**37**

Details of the provisional fair values of the assets/liabilities acquired are as follows:

(Euro/million)	
Property, plant and equipment	5
Inventories	11
Trade and other payables	(4)
Fair value net assets acquired (B)	**12**

E. Segment information

Further to the Group's new strategy presented at the Capital Markets Day on 5 October 2023, on 19 December 2023, Prysmian announced changes to its internal organisational structure and operating segments. In particular, effective 1 January 2024, four new business segments are in operation: Transmission, Power Grid, Electrification and Digital Solutions.

The implementation of the reporting systems to support the new model, undertaken in early 2024, was completed prior to preparing the current report. The criteria used to identify the reportable segments are therefore consistent with the current organisational model.

In accordance with IFRS 8 and taking into account the organisational structure and the management, internal reporting and performance monitoring models, the directors have therefore modified the structure of the operating segments, as illustrated below.

The Group's operating segments are:

- *Transmission,* whose smallest identifiable CGUs are the High Voltage Direct Current, Network Components High Voltage, Submarine Power, Submarine Telecom, Offshore Specialties and EOSS High Voltage businesses;
- *Power Grid*, whose smallest identifiable CGUs are Regions/Countries depending on the specific organisation;
- *Electrification*, whose smallest identifiable CGUs are Regions/Countries depending on the specific organisation;
- *Digital Solutions*, whose smallest CGU is the operating segment itself.

Segment information is structured in the same way as the report periodically prepared for the purpose of reviewing business performance. This management report presents operating performance by macro type of business (Transmission, Power Grid, Electrification and Digital Solutions)), and the results of operating segments primarily on the basis of Adjusted EBITDA, defined as earnings (loss) for the period before income and expense considered non-recurring, non-operating or related to business reorganisations, the fair value change in metal price derivatives and in other fair value items, amortisation, depreciation and impairment, finance costs and income and taxes.

All Corporate fixed costs are allocated to the Transmission, Power Grid, Electrification and Digital Solutions segments. Revenues and costs are allocated to each operating segment by identifying all directly attributable revenues and costs and allocating the related indirect costs.

Group operating activities are organised and managed separately according to the nature of the products and services provided: each segment offers different products and services to different markets. Sales of goods and services are analysed geographically on the basis of the location of the registered office of the company that issues the invoices, regardless of the geographic destination of the products sold. All transfer prices are set using the same conditions applied to other transactions between Group companies and are generally determined by applying a mark-up on production costs.

Assets and liabilities by operating segment are not included in the data reviewed by management and so, as permitted by IFRS 8, the Group's statement of financial position is not presented by operating segment.

E.1 Operating segments

The following tables present information by operating segment:

(Euro/million)	2024							
	Transmission	Power Grid	Electrification				Digital Solutions	Totale Prysmian
			IC	Specialties	Other	Total Electrification		
Sales [1]	2,481	3,544	6,151	3,052	492	9,695	1,306	17,026
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**361**	**472**	**617**	**307**	**1**	**925**	**145**	**1,903**
% Sales	14.6%	13.3%	10.0%	10.1%		9.5%	11.0%	11.2%
Adj. EBITDA (A)	**361**	**474**	**620**	**310**	**1**	**931**	**161**	**1,927**
% Sales	14.6%	13.4%	10.1%	10.2%		9.6%	12.4%	11.3%
Adjustments	(4)	(10)	(95)	(10)	(2)	(107)	(52)	(173)
EBITDA (B)	**357**	**464**	**525**	**300**	**(1)**	**824**	**109**	**1,754**
% Sales	14.4%	13.1%	8.5%	9.8%		8.5%	8.4%	10.3%
Amortisation and depreciation (C)	(111)	(79)	(138)	(65)	(8)	(211)	(64)	(465)
Adj. Operating income (A+C)	**250**	**395**	**482**	**245**	**(7)**	**720**	**97**	**1,462**
% Sales	10.1%	11.1%	7.8%	8.0%		7.4%	7.4%	8.6%
Fair value change in metal derivatives (D)								19
Fair value share-based payment (E)								(58)
Asset (impairment)/ impairment reversal (F)								(44)
Operating income (B+C+D+E+F)								**1,206**
% Sales								7.1%
Finance income								811
Finance costs								(1,036)
Taxes								(233)
Net profit								**748**
% Sales								4.4%
Attributable to:								
Owners of the parent								729
Non-controlling interests								19

1. Sales of the operating segments and business areas are reported net of intercompany transactions and net of transactions between operating segments, consistent with the presentation adopted in the regularly reviewed reports.

(Euro/million)	2023*							
	Transmission	Power Grid	Electrification				Digital Solutions	Totale Prysmian
			IC	Specialties	Other	Total Electrification		
Sales [1]	2,122	3,394	4,793	3,177	379	8,349	1,489	15,354
Adj. EBITDA before share of net profit/(loss) of equity-accounted companies	**273**	**389**	**511**	**325**	**(16)**	**820**	**113**	**1,595**
% Sales	12.9%	11.5%	10.7%	10.2%		9.8%	7.6%	10.4%
Adj. EBITDA (A)	**273**	**390**	**514**	**327**	**(16)**	**825**	**140**	**1,628**
% Sales	12.9%	11.5%	10.7%	10.3%		9.9%	9.4%	10.6%
Adjustments	(15)	(28)	(34)	(37)	(1)	(72)	(28)	(143)
EBITDA (B)	**258**	**362**	**480**	**290**	**(17)**	**753**	**112**	**1,485**
% Sales	12.2%	10.7%	10.0%	9.1%		9.0%	7.5%	9.7%
Amortisation and depreciation (C)	(70)	(72)	(81)	(61)	(4)	(146)	(70)	(358)
Adj. Operating income (A+C)	**203**	**318**	**433**	**266**	**(20)**	**679**	**70**	**1,270**
% Sales	9.6%	9.4%	9.0%	8.4%		8.1%	4.7%	8.3%
Fair value change in metal derivatives (D)								6
Fair value share-based payment (E)								(57)
Asset (impairment)/ impairment reversal (F)								(216)
Operating income (B+C+D+E+F)								**860**
% Sales								5.6%
Finance income								997
Finance costs								(1,093)
Taxes								(217)
Net profit								**547**
% Sales								3.6%
Attributable to:								
Owners of the parent								529
Non-controlling interests								18

1. Sales of the operating segments and business areas are reported net of intercompany transactions and net of transactions between operating segments, consistent with the presentation adopted in the regularly reviewed reports.

* The comparative figures have been restated to reflect the new segmentation.

E.2 Geographical areas

The following table presents sales of goods and services by geographical area. The breakdown is determined on the basis of the location of the registered office of the company that issues the invoices, regardless of the geographic destination of the products sold.

(Euro/million)	2024	2023
Sales	**17,026**	**15,354**
EMEA*	**8,379**	**8,043**
(of which Italy)	2,172	1,966
North America	**6,110**	**4,860**
Latin America	**1,474**	**1,374**
Asia Pacific	**1,063**	**1,077**

* EMEA: Europe, Middle East and Africa.

1. Property, plant and equipment

Details of this line item and related movements are as follows:

(Euro/million)	Land	Buildings	Plant and machinery	Equipment	Other assets	Assets under construction and advances	Total
Balance at 31-Dec-2023	**306**	**819**	**1,174**	**44**	**198**	**860**	**3,401**
Movements 2024:							
-Business combinations	123	311	60	283	14	187	978
- Investments	3	26	53	13	6	668	769
- Disposals	-	-	(1)	-	-	-	(1)
- Depreciation	-	(67)	(156)	(43)	(97)	-	(363)
- Impairment	-	(5)	(4)	-	-	(35)	(44)
- Currency translation differences	7	20	18	11	-	8	64
- Increases for leases (IFRS 16)	1	20	1	5	84	-	111
- Monetary revaluation for hyperinflation	2	4		-	-	-	6
- Other	2	174	141	81	34	(432)	-
Balance at 31-Dec-2024	**444**	**1,302**	**1,286**	**394**	**239**	**1,256**	**4,921**
Of which:							
- Historical cost	458	1,961	3,225	604	580	1,287	8,115
- Accumulated depreciation and impairment	(14)	(659)	(1,939)	(210)	(341)	(31)	(3,194)
Net book value	**444**	**1,302**	**1,286**	**394**	**239**	**1,256**	**4,921**

(Euro/million)	Land	Buildings	Plant and machinery	Equipment	Other assets	Assets under construction and advances	Total
Balance at 31-Dec-2022	**304**	**815**	**1,203**	**56**	**127**	**515**	**3,020**
Movements 2023:							
- Investments	-	37	44	4	5	509	599
- Disposals	-	-	-	-	-	-	-
- Depreciation	-	(63)	(150)	(16)	(51)	-	(280)
- Impairment	-	(16)	(19)	(3)	(8)	(2)	(48)
- Currency translation differences	(5)	(15)	(23)	(4)	-	(11)	(58)
- Increases for leases (IFRS 16)	2	37	1	2	111	-	153
- Monetary revaluation for hyperinflation	1	3	8	1	1	1	15
- Other	4	21	110	4	13	(152)	-
Balance at 31-Dec-2023	**306**	**819**	**1,174**	**44**	**198**	**860**	**3,401**
Of which:							
- Historical cost	325	1,416	2,968	219	474	888	6,290
- Accumulated depreciation and impairment	(19)	(597)	(1,794)	(175)	(276)	(28)	(2,889)
Net book value	**306**	**819**	**1,174**	**44**	**198**	**860**	**3,401**

In 2024, the value of gross investments was Euro 794 million, of which Euro 769 million for property, plant and equipment and Euro 25 million for intangible assets, discussed in the next note, up from the previous year's figure of Euro 624 million, due to higher investment in production and installation capacity, essential for keeping pace with the demands of energy transition. In addition, investments by Encore Wire, located in McKinney, Texas (USA), have been included in the consolidation since 1 July 2024. The main investments are described below:

Projects to increase and technologically upgrade production capacity and develop new products/markets

Investments amounted to Euro 641 million, representing about 81% of total capital expenditure:

Transmission segment

- Cable-laying vessels: Investments, started at the end of 2023 for the construction of two new cable-laying vessels are proceeding according to schedule; with a total budget of about Euro 350 million, these investments are in response to growing demand for submarine cable systems serving interconnections and offshore wind farms.
  - The Alessandro Volta, the first of these vessels and an evolution of the Monna Lisa, will be equipped with advanced cable installation technology and have a 19,000-tonne load capacity. It will be operational by early 2027.
  - The Marco Polo, the second vessel and an evolution of the Ulisse, will have a 10,000-tonne load capacity and will be operational in the first half of 2025.
  - Both vessels will have green specifications, including high-voltage shore connection systems, biofuel-compatible diesel generators and, in the case of the deepwater vessel, hybrid batteries.
  - The Monna Lisa, construction of which began in 2022 with an investment of about Euro 200 million (plus Euro 40 million for cable-laying equipment), is nearing completion and will enter service in 2025.
- *Increased production capacity:*
  - Pikkala (Finland): The plant expansion is progressing according to plan. The 185-metre tower, which will house two new vertical extrusion lines for the production of 525 kV DC or 400 kV AC submarine cables, has been completed. The total investment amounts to Euro 240 million. An additional investment of Euro 70 million was approved during 2024 to increase 150 kV cable production capacity.

- Gron (France): An investment of more than Euro 60 million was approved during 2024 for the installation of a new silicone oil insulation line, which will support the production of XLPE or P-Laser insulated 525 kV HVDC cables.
- Quattordio (Italy): An investment of more than Euro 20 million to expand HVDC testing and mechanical testing capacity, in support of research into new materials and technologies, is proceeding according to plan.

Power Grid segment:

- *Expansion in the USA*:
  - DuQuoin (Illinois): Work is progressing on the plant's expansion with 9,000 m^2 of new space and a 50% increase in production capacity for medium-voltage cables, mainly serving renewable energy.
  - Williamsport (Pennsylvania): The investment to increase production of high-voltage cables for overhead power lines has been completed. An additional investment to install a new E3X production line for energy-efficient cables has been approved.
- Expansion in Europe:
  - Montereau (France): A Euro 36 million investment has been approved for a new CCV insulation line and machinery for the production of HVAC underground cables up to 400 kV, in response to the growing demand for energy transition infrastructure.
  - Slatina (Romania): Construction has started of a new medium-voltage cable production line, involving an investment of Euro 23 million. The three-year project will increase production capacity by 12,000 tonnes per year, improving the efficiency and resilience of European distribution networks.

Electrification segment:

- The investment in Sedalia (Missouri) was completed to expand the plant that manufactures low-voltage aluminium cables, mainly serving residential, commercial and industrial markets and photovoltaic systems.
- Prysmian has consolidated Encore Wire's investments in this area since 1 July 2024, totalling more than Euro 50 million. These investments are aimed at boosting production capacity and efficiency in order to further improve the already high standards of service.
- Numerous investments are also underway in Europe and Latin America to increase capacity and expand low-voltage cable capability in response to growing market demand.

Digital Solutions segment

- Targeted investments have been approved for specific products and geographic areas within this business segment, in line with market needs. Production of high-performance MMS cables is being expanded at the Lawrenceburg plant in Kentucky. Additional investments are planned in Vilanova to increase Optical Ground Wire production capacity.

Multiple projects to improve industrial efficiency and rationalise production capacity.

The Group has invested Euro 27 million (about 3% of the total).
These investments have focused on:

- Reducing variable and fixed costs, with particular attention to product design and materials used.
- Optimising the supply chain and upgrading machinery to the latest production technologies.

Sustainability and recycled materials

Prysmian has continued its ten-year Euro 100 million sustainability programmeme, with investments of around Euro 6 million in 2024 dedicated to:

- Installing photovoltaic systems at several plants.
- Reducing energy and gas consumption.
- A multi-year plan to reduce the use of SF6 gas.

These investments represent Prysmian's commitment to reach the goal of reducing global Co_2eq emissions by 55%-60% by 2030 (compared to 2019 levels) and achieving Zero Emissions (Scopes 1 and 2) by 2035. In addition, a strategic investment has been approved to increase the use of recycled materials in cable manufacturing, with a particular focus on recycled polyethylene, which will be incorporated into the production processes of several plants, marking a step forward in the sustainability and innovation strategy.

Structural work

The Group has invested Euro 84 million (about 11% of the total) in structural work, focusing on:

- Modernisation of offices and production sites to improve employee well-being and safety.
- Improving machinery safety, with investments to ensure higher standards of protection and operational reliability.

IT and R&D investments

The Group has invested Euro 42 million in these areas (about 5% of the total).

In 2024, the implementation of the group ERP system (SAP 1C) continued in the USA and Latam, in line with Prysmian Group's integration strategy. In addition, SAP RISE was introduced, an upgrade that includes migration to the cloud and the integration of new strategic capabilities, such as Artificial Intelligence (AI), sustainability and industry innovations.

- Security and AI: The new SAP RISE platform securely integrates Generative Artificial Intelligence, while respecting user privileges.
- Energy efficiency: The new systems reduce energy consumption to a third of what it used to be, improving efficiency and reducing CO_2 emissions.
- In the Operations area, the Corporate MES (FastTrack) has continued to be implemented successfully. In addition, a Smart Factory pilot project has been launched, based on a global solution that acts as a virtual control room. This platform collects and analyses process data in real time, providing advanced AI-based decision-making tools and new automation opportunities.

At 31 December 2024, the value of machinery pledged as collateral against long-term loans was approximately Euro 1 million.

During the reporting period just ended, the Group reviewed whether there was any evidence that its CGUs might be impaired but did not identify any. It should be noted, moreover, that the reorganization, effective January 1, 2025, which may involve revisiting CGUs is not expected to have any impact on the identification of any impairment indicators.

However, as a result of specific market situations, impairment losses have been recognised against certain specific assets belonging to larger CGUs for which no explicit indicators of impairment had been found. This has involved the recognition of an impairment loss of Euro 44 million, mainly attributable to the write-off of preparatory work for the construction of the Brayton Point site (USA), following the announcement that this plant will no longer be built, and the write-off of certain assets in the Digital Solutions segment.

2. Goodwill and other intangible assets

Details of this line item and related movements are as follows:

(Euro/million)	Patents	Concessions, licences, trademarks and similar rights	Goodwill	Software	Other intangible assets	Intangibles in progress and advances	Total
Balance at 31-Dec-2023	**4**	**59**	**1,660**	**73**	**258**	**17**	**2,071**
Movements 2024:							
- Business combinations	-	104	1,728	-	935	-	2,767
- Investments	-	1	-	9	-	15	25
- Amortisation	(1)	(18)	-	(22)	(61)	-	(102)
- Currency translation differences	-	4	111	-	39	-	154
- Other	-	1	-	8	1	(10)	-
Balance at 31-Dec-2024	**3**	**151**	**3,499**	**68**	**1,172**	**22**	**4,915**
Of which:							
- Historical cost	65	313	3,499	250	1,625	43	5,795
- Accumulated amortisation and impairment	(62)	(162)	-	(182)	(453)	(21)	(880)
Net book value	**3**	**151**	**3,499**	**68**	**1,172**	**22**	**4,915**

(Euro/million)	Patents	Concessions, licences, trademarks and similar rights	Goodwill	Software	Other intangible assets	Intangibles in progress and advances	Total
Balance at 31-Dec-2022	**5**	**72**	**1,691**	**76**	**301**	**19**	**2,164**
Movements 2023:							
- Investments	-	1	-	8	1	15	25
- Amortisation	(1)	(14)	-	(27)	(36)	-	(78)
- Currency translation differences	-	(1)	(31)	-	(8)	-	(40)
- Other	-	1	-	16	-	(17)	-
Balance at 31-Dec-2023	**4**	**59**	**1,660**	**73**	**258**	**17**	**2,071**
Of which:							
- Historical cost	65	203	1,660	233	650	38	2,849
- Accumulated amortisation and impairment	(61)	(144)	-	(160)	(392)	(21)	(778)
Net book value	**4**	**59**	**1,660**	**73**	**258**	**17**	**2,071**

In 2024, the value of gross investments in intangible assets was Euro 25 million, in line with the previous year. Further details can be found in Note 1. Property, plant and equipment.

Goodwill

At 31 December 2024, the Group reported Euro 3,499 million in Goodwill (Euro 1,660 million at 31 December 2023). The increase is due to the acquisitions of Encore Wire and Warren & Brown, as described in section D. Business Combinations.

Goodwill impairment test

As reported in Note 40 (b) Estimates and assumptions, the Group's activities have been organised since 1 January 2024 in four business segments: Transmission, Power Grid, Electrification and Digital Solutions. The *Transmission* segment consists of the High Voltage, Submarine Power, Submarine Telecom, Offshore Specialties and EOSS High Voltage CGUs; the *Power Grid* segment consists of a number of CGUs corresponding to the Regions or Countries in keeping with the specific organisation structure; the *Electrification* segment consists of a number of CGUs corresponding to the Regions or Countries in keeping with the specific organisation structure; lastly, the *Digital Solutions* segment consists of a single CGU that coincides with the operating segment itself.

Goodwill, acquired on the occasion of business combinations, has been allocated to groups of CGUs, corresponding to the operating segments, which are expected to benefit from the synergies of such combinations and which represent the lowest level at which management monitors business performance.

Goodwill has therefore been allocated to each of the operating segments: *Transmission, Power Grid, Electrification* and *Digital Solutions*:

(Euro/million)	31.12.2023*	Business combinations	Currency translation differences	31.12.2024
Transmission goodwill	236	-	10	246
Power Grid goodwill	442	-	13	455
Electrification goodwill	686	1,703	78	2,467
Digital Solutions goodwill	296	25	10	331
Total goodwill	**1,660**	**1,728**	**111**	**3,499**

* The comparative figures have been restated to reflect the new segmentation.

The cash flows for all CGUs were determined as follows:

a) post-tax cash flow for 2025 was based on the Group's 2025 budget, approved by the Board of Directors on 11 February 2025;
b) cash flow forecasts for 2026-2028 were based on the multi-year plan developed by management. Risks and opportunities related to sustainability and climate change were implicitly considered in the cash flow forecasts. For example, in the Transmission segment, the explicit flows used in the impairment test took into account the opportunities arising from electrification and the transition to renewable energy. The flows used in the impairment test for the Power Grid and Electrification segments took into account the impact of electrification and energy transition, while flows in the Digital Solutions segment took into account the impact of digitalisation;
c) terminal value was calculated using a 2% perpetual growth rate, consistent with expected long-term world growth forecasts;
d) impairment tests took into account sustainability-related investments in line with the target of a 55%-60% reduction in global CO_2 equivalent emissions by 2030 (from the 2019 baseline) and of achieving Zero Emissions (Scope 1 and 2) by 2035. Investments in health and safety were also considered as were assessments of the risks and opportunities posed by climate change;
e) with regard to macroeconomic and geopolitical uncertainty no significant direct impact was identified.

The rate used to discount cash flows was determined on the basis of market information about the cost of money and asset-specific risks (Weighted Average Cost of Capital, WACC). The outcome of the test has shown that the recoverable amount of the individual operating segments is higher than their net invested capital (including the share of allocated goodwill). In particular, recoverable amount exceeded carrying amount not only for the Transmission operating segment (where the headroom is extremely wide since the segment has a very high value in use for negligible net invested capital), but also for the Power Grid operating segment (314%), the Electrification operating segment (20%), and the Digital Solutions operating segment (51%).

A WACC of 8.1% was used for the Transmission segment. The theoretical WACC, which would make recoverable amount equal to carrying amount, would have an implausibly high positive value in view of the extremely wide headroom described above. A WACC of 8.5% was used for the Power Grid operating segment. For recoverable amount to be equal to carrying amount, a theoretical WACC of 26.2% would have to be used for this segment. A WACC of 8.6% was used for the Electrification segment. For recoverable amount to be equal to carrying amount, a theoretical WACC of 9.8% would have to be used for this segment. A WACC of 8.3% was used for the Digital Solutions segment. For recoverable amount to be equal to carrying amount, a theoretical WACC of 11.7% would have to be used for this segment.

For recoverable amount to be equal to carrying amount, the growth rate in terminal value for all segments would have to be negative.

Lastly, in order to verify the results of goodwill impairment testing were not affected by the reorganisation taking effect on 1 January 2024, a specific quantitative test was carried out by aggregating the results/headroom of impairment tests for the previous organisation using specific mapping criteria between the former and current operating segments, in order to reconcile them to the current to the previous structure. The exercise also confirmed that no impairment was required based on the previous segment structure.

3. Equity-accounted investments

This balance, amounting to Euro 248 million, has increased by Euro 30 million since 31 December 2023, when it amounted to Euro 218 million, reflecting the effects shown in the following table:

(Euro/million)	31.12.2024
	Investments in associates
Opening balance	**218**
Movements:	
- Currency translation differences	5
- Share of net profit/(loss)	41
- Dividends	(16)
Closing balance	**248**

(Euro/million)	31.12.2023
	Investments in associates
Opening balance	**387**
Movements:	
- Currency translation differences	(21)
- Share of net profit/(loss)	33
- Dividends	(13)
- Impairment	(168)
Closing balance	**218**

Details of investments in equity-accounted companies are as follows:

(Euro/million)	31.12.2024	31.12.2023
Yangtze Optical Fibre and Cable Joint Stock Limited Company	201	174
Yangtze Optical Fibre & Cable (Shanghai) Co. Ltd.	19	19
Kabeltrommel Gmbh & Co.K.G.	9	7
Elkat Ltd.	9	9
Power Cables Malaysia Sdn Bhd	10	9
Total equity-accounted investments	**248**	**218**

The value of investments includes Euro 41 million for the share of net profit (loss) of equity-accounted companies.

Investments in associates

Information about the nature of the main investments in associates:

Company name	Sede	% di possesso
Yangtze Optical Fibre and Cable Joint Stock Limited Company	Cina	23.73%
Yangtze Optical Fibre & Cable (Shanghai) Co. Ltd	Cina	42.80%
Kabeltrommel GmbH & Co.K.G.	Germania	44.93%
Power Cables Malaysia Sdn Bhd	Malesia	40.00%
Elkat Ltd.	Russia	40.00%

Yangtze Optical Fibre and Cable Joint Stock Limited Company is a Chinese company formed in 1988 whose main shareholders are: China Huaxin Post and Telecommunication Economy Development Center, Wuhan Yangtze Communications Industry Group Company Ltd. and Prysmian. The company is one of the industry's most important manufacturers of optical fibre and cables. Its products and solutions are sold in more than 50 countries, including the United States, Japan, the Middle East and Africa.

The company was listed on the Main Board of the Hong Kong Stock Exchange in December 2014 and in July 2018 was also listed on the Shanghai Stock Exchange.

At 31 December 2024, the fair value of the investment in Yangtze Optical Fibre and Cable Joint Stock Limited Company was Euro 272 million (based on the Hong Kong market price), thus above the carrying amount of Euro 201 million. At the time of preparing this document, this positive difference cannot be considered to be permanent, having only occurred in the last six months; it is therefore not deemed appropriate to reverse the impairment recognised in 2023.

Yangtze Optical Fibre & Cable (Shanghai) Co. Ltd, formed in 2002 and based in Shanghai (China), is an associate company, 25% of whose share capital is held by Prysmian and 75% by Yangtze Optical Fibre and Cable Joint Stock Limited Company. The company specialises in the manufacture and sale of optical fibre and cables, offering a wide range of optical fibre cables and accessories, services and FTTx solutions.

Kabeltrommel GmbH & Co. K.G. is a German company that heads a consortium for the production, procurement, management and sale of disposable and reusable cable carrying devices (drums). The services offered by the company include both the sale of cable drums, and the complete management of logistical services such as drum shipping, handling and subsequent retrieval. The company operates primarily in the German market.

Power Cables Malaysia Sdn Bhd, a company based in Malaysia, manufactures and sells power cables and conductors, with its prime specialism high voltage products.

Elkat Ltd. is based in Russia and manufactures and sells copper conductors; it is the only company certified by the LME to test copper cathodes for the local market.

The following table reports key financial figures for the principal investments in associates (n.a. if figures are not yet available):

(Euro/million)	Kabeltrommel Gmbh & Co.K.G.	Yangtze Optical Fibre and Cable Joint Stock Limited Company (*)	Elkat Ltd.	Yangtze Optical Fibre & Cable (Shanghai) Co. Ltd	Power Cables Malaysia Sdn Bhd
	31.12.2024	30.09.2024	31.12.2024	31.12.2024	31.12.2024
Non-current assets	n.a	2,007	n.a	10	8
Current assets	n.a	1,893	n.a	71	34
Total assets	n.a	3,900	n.a	81	42
Equity	n.a	1,887	n.a	46	20
Non-current liabilities	n.a	817	n.a	3	2
Current liabilities	n.a	1,196	n.a	32	20
Total equity and liabilities	n.a	3,900	n.a	81	42
	2024	**2024**	**2024**	**2024**	**2024**
Sales of goods and services	n.a	1,111	n.a	93	62
Net profit/(loss) for the year	n.a	66	n.a	1	2
Comprehensive income/(loss) for the year	n.a	67	n.a	1	2
Dividends received	3	12	-	-	-

(*) The figures for Yangtze Optical Fibre and Cable Joint Stock Limited Company, a company listed on the Hong Kong Stock Exchange, refer to its latest published financial results which relate to the first nine months of 2024.

(Euro/million) (Euro/million)	Kabeltrommel Gmbh & Co.K.G.	Yangtze Optical Fibre and Cable Joint Stock Limited Company	Elkat Ltd.	Yangtze Optical Fibre & Cable (Shanghai) Co. Ltd	Power Cables Malaysia Sdn Bhd
	31.12.2023	31.12.2023	31.12.2023	31.12.2023	31.12.2023
Non-current assets	12	1,858	6	10	8
Current assets	27	1,854	28	67	27
Total assets	39	3,712	34	77	35
Equity	11	1,834	27	44	17
Non-current liabilities	16	721	0	3	1
Current liabilities	12	1,157	7	30	17
Total equity and liabilities	39	3,712	34	77	35
	2023	**2023**	**2023**	**2023**	**2023**
Sales of goods and services	51	1,743	294	106	53
Net profit/(loss) for the year	8	154	4	2	2
Comprehensive income/(loss) for the year	8	161	3	2	2
Dividends received	2	11	-	-	-

4. Other investments and financial assets at fair value through other comprehensive income

Details are as follows:

(Euro/million)	31.12.2024	31.12.2023
Other investments at fair value through other comprehensive income (non-current)	12	10
Financial assets at fair value through other comprehensive income (current)	11	24
Total	**23**	**34**

Other investments at fair value through other comprehensive income (non-current) report shareholdings that are not intended for sale in the near term.
Financial assets at fair value through other comprehensive income (current) include securities that mature within 12 months of the reporting date and those that could possibly be sold in the near term.

Other investments at fair value through other comprehensive income are analysed as follows:

(Euro/million)	Type of financial asset	% owned by Group	31.12.2024	31.12.2023
Ravin Cables Limited	unlisted shares	51%	9.25	9.25
Tunisie Cables S.A.	unlisted shares	7.55%	0.65	0.65
Cence	unlisted shares	4%	1.90	0.00
Other			0.22	0.46
Total non-current			**12.02**	**10.36**

Other investments and financial assets at fair value through other comprehensive income are denominated in the following currencies:

(Euro/million)	31.12.2024	31.12.2023
Euro	13	24
Tunisian Dinar	1	1
Indian Rupee	9	9
Total	**23**	**34**

Other investments at fair value through other comprehensive income are classified in Level 3 of the fair value hierarchy, while Financial assets at fair value through other comprehensive income are classified in Level 1 of the fair value hierarchy and refer to investments in Italian government bonds.

5. Trade and other receivables

Details are as follows:

	31.12.2024		
(Euro/million)	Non-current	Current	Total
Trade receivables	-	2,532	2,532
Allowance for doubtful accounts	-	(99)	(99)
Total trade receivables	**-**	**2,433**	**2,433**
Other receivables:			
Tax receivables	13	370	383
Financial receivables	4	28	32
Prepaid finance costs	3	3	6
Receivables from employees	3	6	9
Pension plan receivables	-	2	2
Construction contracts	-	554	554
Advances to suppliers	-	83	83
Other	19	148	167
Total other receivables	**42**	**1,194**	**1,236**
Total	**42**	**3,627**	**3,669**

	31.12.2023		
(Euro/million)	Non-current	Current	Total
Trade receivables	-	2,085	2,085
Allowance for doubtful accounts	-	(98)	(98)
Total trade receivables	**-**	**1,987**	**1,987**
Other receivables:			
Tax receivables	8	298	306
Financial receivables	3	22	25
Prepaid finance costs	4	2	6
Receivables from employees	1	6	7
Pension plan receivables	-	2	2
Construction contracts	-	485	485
Advances to suppliers	-	133	133
Other	20	106	126
Total other receivables	**36**	**1,054**	**1,090**
Total	**36**	**3,041**	**3,077**

No individual customer accounted for more than 10% of the Group's net receivables in 2024, like in 2023.

Trade receivables

The gross amount of past due receivables that are totally or partially impaired is Euro 369 million at 31 December 2024 (Euro 346 million at 31 December 2023).

Past due impaired receivables are aged as follows:

(Euro/million)	31.12.2024	31.12.2023
1 to 30 days	185	183
31 to 90 days	71	72
91 to 180 days	22	28
181 to 365 days	33	24
More than 365 days	58	39
Total	**369**	**346**

The value of trade receivables past due but not impaired is Euro 83 million at 31 December 2024 (Euro 94 million at 31 December 2023). These receivables mainly relate to customers in the Transmission operating segment which, given the nature of the counterparties, are not considered necessary to impair.

(Euro/million)	31.12.2024	31.12.2023
1 to 30 days	10	7
31 to 90 days	1	3
91 to 180 days	-	1
181 to 365 days	1	2
More than 365 days	71	81
Total	**83**	**94**

The total value of trade receivables not past due is Euro 1,642 million at 31 December 2024 (Euro 1,633 million at 31 December 2023). There are no particular problems with the quality of these receivables and there are no material amounts that would otherwise be past due if their original due dates had not been renegotiated.

The following table breaks down trade and other receivables according to the currency in which they are expressed:

(Euro/million)	31.12.2024	31.12.2023
Euro	1,460	1,320
US Dollar	1,197	785
Brazilian Real	186	95
Chinese Renminbi (Yuan)	91	108
British Pound	85	294
Canadian Dollar	68	146
Turkish Lira	67	36
Mexican Peso	41	46
Omani Rial	34	5
Columbian Peso	27	24
Australian Dollar	26	76
Swedish Krona	23	33
Norwegian Krone	23	12
Polish Zloty	19	2
Other currencies	322	95
Total	**3,669**	**3,077**

The allowance for doubtful accounts amounts to Euro 99 million at 31 December 2024 (Euro 98 million at 31 December 2023). Movements in this allowance are shown in the following table:

(Euro/million)	31.12.2024	31.12.2023
Opening balance	**98**	**97**
Movements:		
- Increases in allowance	13	14
- Releases	(11)	(10)
- Bad debt write-offs	(1)	(3)
Closing balance	**99**	**98**

Increases in and releases from the allowance for doubtful accounts are recorded in “Other expenses” in the income statement.

Other receivables

Other receivables include “Prepaid finance costs” of Euro 6 million at 31 December 2024, primarily relating to arrangement costs for the Revolving Credit Facility 2023 agreed with a syndicate of leading banks on 20 June 2023.

“Construction contracts” represent the value of contracts in progress, determined as the difference between the costs incurred plus the related profit margin, net of recognised losses, and the amount billed by the Group.
The following table shows how these amounts are reported between assets and liabilities:

(Euro/million)	31.12.2024	31.12.2023
Construction contract revenue to date	18,091	15,718
Amounts billed	(19,611)	(16,860)
Net amount due from/(to) customers for construction contracts	**(1,520)**	**(1,142)**
Of which:		
Other receivables for construction contracts	554	485
Other payables for construction contracts	(2,074)	(1,627)

6. Inventories

Details are as follows:

(Euro/million)	31.12.2024	31.12.2023
Raw materials	928	755
of which allowance for obsolete and slow-moving raw materials	*(105)*	*(117)*
Work in progress and semi-finished goods	662	533
of which allowance for obsolete and slow-moving work in progress and semi-finished goods	*(31)*	*(29)*
Finished goods (*)	1,268	976
of which allowance for obsolete and slow-moving finished goods	*(123)*	*(124)*
Total	**2,858**	**2,264**

(*) Finished goods also include those for resale.

7. Financial assets at fair value through profit or loss

Details are as follows:

(Euro/million)	31.12.2024	31.12.2023
Listed securities	32	85
Total	**32**	**85**

Financial assets at fair value through profit or loss, amounting to Euro 32 million (Euro 85 million at 31 December 2023), refer to funds in which Brazilian subsidiaries have temporarily invested their liquidity.

Movements in these assets are analysed as follows:

(Euro/million)	31.12.2024	31.12.2023
Opening balance	**85**	**270**
Movements:		
- Currency translation differences	(11)	(9)
- Securities purchased	-	33
- Securities sold	(42)	(214)
- Other	-	5
Closing balance	**32**	**85**

8. Derivatives

Details are as follows:

(Euro/million)	31.12.2024	
	Asset	Liability
Interest rate derivatives (CFH)	2	6
Forex derivatives on commercial transactions (CFH)	4	12
Metal derivatives (CFH)	56	7
Forex derivatives on commercial transactions	1	5
Total non-current	**63**	**30**
Forex derivatives on commercial transactions (CFH)	7	27
Interest rate derivatives (CFH)	6	-
Metal derivatives (CFH)	83	24
Forex derivatives on commercial transactions	-	2
Forex derivatives on financial transactions	3	4
Metal derivatives	8	1
Total current	**107**	**58**
Total	**170**	**88**

(Euro/million)	31.12.2023	
	Asset	Liability
Interest rate derivatives (CFH)	11	-
Forex derivatives on commercial transactions (CFH)	7	6
Metal derivatives (CFH)	22	41
Metal derivatives	1	-
Total non-current	**41**	**47**
Forex derivatives on commercial transactions (CFH)	5	19
Interest rate derivatives (CFH)	20	-
Metal derivatives (CFH)	40	13
Forex derivatives on commercial transactions	5	6
Forex derivatives on financial transactions	2	9
Metal derivatives	8	10
Total current	**80**	**57**
Total	**121**	**104**

Forex derivatives have a notional value of Euro 6,269 million at 31 December 2024 (Euro 3,243 million at 31 December 2023); total notional value at 31 December 2024 includes Euro 3,025 million in derivatives designated as cash flow hedges (Euro 1,201 million at 31 December 2023).

Interest rate derivatives designated as cash flow hedges (CFH) refer to:

- interest rate swaps for an overall notional value of Euro 75 million, arranged with the objective of hedging variable rate interest flows over the period 2021-2025;
- interest rate swaps for an overall notional value of Euro 1,200 million, arranged with the objective of hedging variable rate interest flows over the period 2022-2027;
- interest rate swaps for an overall notional value of USD 1,070 million, arranged with the objective of hedging variable rate interest flows over the period 2024-2029;
- interest rate swaps for an overall notional value of USD 250 million, arranged with the objective of hedging variable rate interest flows over the period 2024-2026.

At 31 December 2024, like at 31 December 2023, almost all the derivative contracts had been entered into with major financial institutions.

Metal derivatives have a notional value of Euro 2,827 million at 31 December 2024 (Euro 1,727 million at 31 December 2023).

The following tables show the impact of offsetting assets and liabilities for derivative instruments, done on the basis of master netting arrangements (ISDA and similar agreements). They also show the effect of potential offsetting in the currently unforeseeable event of default:

	31.12.2024				
(Euro/million)	Gross derivatives	Amounts offset	Derivatives recognised in statement of financial position	Amounts not offset [1]	Net derivatives
Assets					
Forex derivatives	14	-	14	(13)	1
Interest rate derivatives	8	-	8	-	8
Metal derivatives	147	-	147	(27)	120
Total assets	**169**	**-**	**169**	**(40)**	**129**
Liabilities					
Forex derivatives	45	-	45	(13)	32
Interest rate derivatives	-	-	-	-	-
Metal derivatives	32	-	32	(27)	5
Total liabilities	**77**	**-**	**77**	**(40)**	**37**

	31.12.2023				
(Euro/million)	Gross derivatives	Amounts offset	Derivatives recognised in statement of financial position	Amounts not offset [1]	Net derivatives
Assets					
Forex derivatives	19	-	19	(12)	7
Interest rate derivatives	31	-	31	-	31
Metal derivatives	71	-	71	(58)	13
Total assets	**121**	**-**	**121**	**(70)**	**51**
Liabilities					
Forex derivatives	40	-	40	(12)	28
Interest rate derivatives	-	-	-	-	-
Metal derivatives	64	-	64	(58)	6
Total liabilities	**104**	**-**	**104**	**(70)**	**34**

1. Derivatives potentially offsettable in the case of events of default in accordance with master netting arrangements.

The following table shows movements in the cash flow hedge reserve for designated hedging derivatives in the current and previous reporting period:

	2024		2023	
(Euro/million)	Gross reserve	Tax effect	Gross reserve	Tax effect
Opening balance	**48**	**(12)**	**93**	**(22)**
Changes in fair value	79	(22)	(45)	10
Reserve for other finance costs/(income)	1	-	3	-
Release to construction contract costs/(revenues)	(3)	-	(5)	-
Other	1	-	2	-
Closing balance	**126**	**(34)**	**48**	**(12)**

9. Cash and cash equivalents

Details are as follows:

(Euro/million)	31.12.2024	31.12.2023
Cash and cheques	3	5
Bank and postal deposits	1,030	1,736
Total	**1,033**	**1,741**

Cash and cash equivalents, deposited with major financial institutions, are managed centrally through the Group's treasury company and by its various operating units.

Cash and cash equivalents managed by the Group's treasury company amounted to Euro 520 million at 31 December 2024, while at 31 December 2023 the figure was Euro 1,273 million.

The change in cash and cash equivalents is commented on in Note 37. Statement of cash flows.

10. Assets held for sale

Assets held for sale, amounting to Euro 1 million at 31 December 2024, refer to a building owned by a foreign subsidiary for which a preliminary sale agreement has been reached. During the course of 2024, the sale of a building owned by a foreign subsidiary was finalised after reaching a preliminary sale agreement in 2023, reflected in the recognition of Euro 9 million in "Assets held for sale" at 31 December 2023.

11. Share capital and reserves

Consolidated equity has recorded an increase of Euro 1,325 million since 31 December 2023, mainly reflecting the net effect of:

- the net profit for the year of Euro 748 million;
- an increase of Euro 733 million upon converting the Convertible Bond 2021;
- a decrease of Euro 328 million for the purchase of treasury shares.
- the distribution of Euro 202 million in dividends;

- positive currency translation differences of Euro 240 million;
- a positive change of Euro 58 million in the share-based payment reserve related to long-term incentive plans and the employee share purchase plan;
- an increase of Euro 11 million in the reserves for actuarial gains and losses on employee benefits;
- an increase of Euro 14 million for the effects of hyperinflation;
- the fair value adjustment of derivatives designated as cash flow hedges, comprising a positive change of Euro 57 million, partially offset by Euro 6 million in hedging costs, net of the related tax effect.

At 31 December 2024, the share capital of Prysmian S.p.A. consisted of 295,785,483 shares, each of nominal value Euro 0.10 for a total of Euro 29,578,548.30.

Movements in the ordinary shares and treasury shares of Prysmian S.p.A. are reported in the following table:

	Ordinary shares	Treasury shares	Total
Balance at 31 December 2022	**268,144,246**	**(4,612,031)**	**263,532,215**
Capital increase [1]	8,390,202	-	8,390,202
Share buy-back	-	-	-
Allotments and sales [2]	-	882,957	882,957
Balance at 31 December 2023	**276,534,448**	**(3,729,074)**	**272,805,374**
Capital increase [3]	19,251,035	-	19,251,035
Share buy-back	-	(5,346,935)	(5,346,935)
Allotments and sales [4]	-	204,949	204,949
Balance at 31 December 2024	**295,785,483**	**(8,871,060)**	**286,914,423**

1. Issue of new shares serving the long-term incentive plan for Group employees (8,000,000 shares) and the BE IN plan (390,202 shares).
2. Allotment and/or sale of treasury shares under Group employee incentive and share purchase plans.
3. Issue of 618,282 new shares under the BE IN plan and 18,632,753 new shares upon conversion of the Convertible Bond 2021.
4. Allotment and/or sale of treasury shares under the BE IN plan and the YES share purchase plan for Group employees.

Treasury shares

Movements in treasury shares during 2024 relate to the purchase of treasury shares under the Prysmian S.p.A. ordinary share purchase programmeme initiated on 10 June 2024 and the sale of treasury shares to service the BE IN plan and the Group employee subsidised share purchase plan.

The following table shows movements in treasury shares during the reporting period:

	Number of shares	Total nominal value (in Euro)	% of share capital	Average unit value (in Euro)	Total carrying value (in Euro)
Balance at 31 December 2022	**4,612,031**	**461,204**	**1.72%**	**20**	**93,880,703**
- Allotments and sales	(882,957)	(88,296)	-	20	(17,588,503)
Balance at 31 December 2023	**3,729,074**	**372,908**	**1.35%**	**20**	**76,292,200**
- Allotments and sales	(204,949)	(20,495)	-	20	(6,353,419)
- Share buy-back	5,346,935	534,694		61	328,367,652
Balance at 31 December 2024	**8,871,060**	**887,107**	**3.00%**	**45**	**398,306,433**

12. Borrowings from banks and other lenders

Details are as follows:

(Euro/million)	31.12.2024		
	Non-current	Current	Total
Borrowings from banks and other lenders	455	113	568
Sustainability-Linked Term Loan 2022	1,195	23	1,218
Mediobanca Loan	149	-	149
Unicredit Loan	149	-	149
Term Loan Encore Wire	1,022	32	1,054
Bridge Loan C2 Encore Wire	242	2	244
Bridge Loan C1 Encore Wire	228	4	232
Bond Euro 850M	845	1	846
Bond Euro 650M	644	1	645
Lease liabilities	229	81	310
Total	**5,158**	**257**	**5,415**

(Euro/million)	31.12.2023		
	Non-current	Current	Total
Borrowings from banks and other lenders	333	262	595
Sustainability-Linked Term Loan 2022	1,193	25	1,218
Mediobanca Loan	-	100	100
Intesa Loan	-	151	151
Convertible Bond 2021	728	-	728
Lease liabilities	234	70	304
Total	**2,488**	**608**	**3,096**

The following tables provide an analysis by maturity and currency of borrowings from banks and other lenders (excluding lease liabilities) at 31 December 2024 and 2023:

	31.12.2024						
(Euro/million)	Variable interest rate			Fixed interest rate			Total
	Euro	USD	Other currencies	Euro	USD	Other currencies	
Due < 1 year	110	36	3	13	11	1	174
Due 1 -2 years	228	239	-	2	-	-	469
Due 2-3 years	1,200	-	-	1	-	-	1,201
Due 3-4 years	-	-	-	845	-	-	845
Due 4-5 years	550	1,024	-	-	-	-	1,574
Due > 5 years	198	-	-	644	-	-	842
Total	**2,286**	**1,299**	**3**	**1,505**	**11**	**1**	**5,105**
Average interest rate in period, as per contract	4.3%	6.2%	13.7%	3.7%	2.2%	0.0%	4.6%
Average interest rate in period, including IRS effect(1)	3.2%	5.2%	13.7%	3.7%	2.2%	0.0%	3.9%

(1) Interest rate swaps have been put in place to hedge interest rate risk on variable rate loans in Euro and in Dollar. At 31 December 2024, the total hedged amount equates to 55.6% of Euro-denominated debt and 97.8% of USD-denominated debt at that date. Interest rate hedges consist of interest rate swaps which exchange a variable rate (Euribor 3M or 6M for loans in Euro and Term SOFR 3M and 6M for loans in USD) with an average fixed rate (fixed rate + spread) of 2.3% for Euro-denominated debt and 5.2% for USD-denominated debt. The percentages representing the average fixed rate refer to 31 December 2024.

	31.12.2023						
(Euro/million)	Variable interest rate			Fixed interest rate			Total
	Euro	USD	Other currencies	Euro	USD	Other currencies	
Due < 1 year	497	8	2	20	6	4	537
Due 1 -2 years	74	-	-	1	-	-	75
Due 2-3 years	-	-	-	729	-	-	729
Due 3-4 years	1,195	-	-	1	-	-	1,196
Due 4-5 years	-	-	-	1	-	-	1
Due > 5 years	254	-	-	-	-	-	254
Total	**2,020**	**8**	**2**	**752**	**6**	**4**	**2,792**
Average interest rate in period, as per contract	3.9%	3.4%	21.5%	1.3%	2.2%	29.6%	3.3%
Average interest rate in period, including IRS effect	2.6%	3.4%	21.5%	1.3%	2.2%	29.6%	2.3%

Risks relating to sources of finance and to financial investments/receivables are discussed in the section entitled "Risks factors" forming part of the Integrated Annual Report contained in this document.

Borrowings from banks and other lenders and Bonds are analysed as follows:

(Euro/million)	31.12.2024	31.12.2023
CDP Loans	197	297
EIB Loans	338	248
Sustainability-Linked Term Loan 2022	1,218	1,218
Term Loan Encore WIre	1,054	-
Bridge Loan C2 Encore Wire	244	-
Bridge Loan C1 Encore WIre	232	-
Mediobanca Loan	149	100
Unicredit Loan	149	-
Intesa Loan	-	151
Other borrowings	33	50
Borrowings from banks and other lenders	**3,614**	**2,064**
Convertible Bond 2021	-	728
Bond Eur 850M	846	-
Bond Eur 650M	645	-
Total	**5,105**	**2,792**

The Group's principal credit agreements in place at the reporting date are as follows:

Revolving Credit Facility 2023

A Revolving Credit Facility was contracted on 20 June 2023. The Euro 1,000 million facility may be drawn down for business and working capital needs, including the refinancing of existing facilities, and to issue guarantees. It has a five-year term, with an option to extend to six and seven years. At the date of this report, the option to extend to the sixth year has already been exercised. In addition, with the aim of making ESG factors an even more integral part of group strategy, Prysmian has elected to include important environmental and social KPIs among the parameters determining the terms of credit. The revolving credit facility is in fact Sustainability-Linked, being tied to the decarbonisation targets already set by Prysmian (annual GHG emissions from 2023 to 2030), to the ratio of female white-collar and executive hires to total Prysmian hires, and to the number of sustainability audits performed in the supply chain.
The achievement or otherwise of these indicators entails a positive or negative adjustment to the annual spread.
At 31 December 2024, this facility was not being used.

CDP Loans

On 28 October 2019, the Group entered into an agreement with Cassa Depositi e Prestiti S.p.A. (CDP) for a Euro 100 million long-term loan, which was repaid in April 2024 on the agreed maturity date.

On 28 January 2021, a second loan was agreed with CDP for Euro 75 million with a term of 4 years and 6 months, for the purpose of financing part of the Group's expenditure on purchasing the "Leonardo Da Vinci" cable-laying vessel. This loan, drawn down in full on 9 February 2021, is repayable in a lump sum at maturity on 28 July 2025. Interest rate swaps have been arranged in respect of this loan, for an overall notional value of Euro 75 million, with the objective of hedging variable rate interest flows over the period 2021-2025.

On 6 March 2023, another long-term 6-year loan with CDP was announced for Euro 120 million, for the purpose of supporting R&D programmemes in Italy and Europe (specifically in France, Germany, Spain and the Netherlands). The loan, received on 15 February 2023, is repayable in a lump sum at maturity on 15 February 2029.
At 31 December 2024, the fair value of the CDP Loans approximated their carrying amount.

EIB Loans

On 10 November 2017, Prysmian S.p.A. entered into a loan agreement with the European Investment Bank (EIB) for Euro 110 million to support the Group's R&D programmemes in Europe over the period 2017-2020. The loan was received on 29 November 2017 and repaid in a lump sum on 29 November 2024, the agreed maturity date.

On 3 February 2022, the Group announced that it had finalised a loan from the EIB for Euro 135 million to support its European R&D programmeme in the energy and telecom cable systems sector over the period 2021-2024. This loan is specifically intended to support projects developed at R&D centres in five European countries: Italy, France, Germany, Spain and the Netherlands. The loan, received on 28 January 2022, is repayable in a lump sum at maturity on 29 January 2029.

On 24 July 2024, Prysmian and the European Investment Bank (EIB) and Prysmian signed a new Euro 450 million financing agreement to facilitate electricity transmission and distribution in Europe. In order to support the growing demand for renewable energy, particularly offshore wind power, Prysmian will use the resources made available by the EIB to build new production lines for extra high voltage submarine cables, lines for high voltage onshore cables, as well as to make technical improvements to existing lines at its three flagship plants in Pikkala (Finland), Arco Felice Pozzuoli (Italy) and Gron (France).

The loan will be disbursed in tranches and is repayable in a lump sum eight years after the disbursement of each tranche. The first tranche of Euro 198 million was drawn down on 1 August 2024.
At 31 December 2024, the fair value of the EIB Loans approximated their carrying amount.

Sustainability-Linked Term Loan 2022

On 7 July 2022, the Group entered into a medium-term Sustainability-Linked loan for Euro 1,200 million with a syndicate of leading Italian and international banks. This five-year loan was drawn down in full on 14 July 2022 and primarily used to refinance the Euro 1 billion term loan obtained in 2018, which was thus repaid early on the same date. With the aim of strengthening its financial structure and making ESG factors an integral part of its strategy, Prysmian elected to include important environmental and social KPIs among the parameters determining the terms of the loan. In fact, the loan is linked to the decarbonisation targets already set by Prysmian (annual GHG emissions from 2023 to 2027), to the ratio of female white-collar and executive hires to total Prysmian hires, and to the number of sustainability audits performed in the supply chain. The achievement or otherwise of these indicators entails a positive or negative adjustment to the annual spread.

Interest rate swaps have been arranged in respect of this loan, for an overall notional value of Euro 1,200 million, with the objective of hedging variable rate interest flows.
At 31 December 2024, the fair value of the Sustainability-Linked Term Loan approximated its carrying amount.

Unicredit Loan

On 11 December 2024, Prysmian S.p.A. entered into an agreement with Unicredit for a Euro 150 million long-term loan. The loan was disbursed on 13 December 2024 and will be repaid in a lump sum on the agreed maturity date in December 2029.
At 31 December 2024, the fair value of the Unicredit loan approximated its carrying amount.

Mediobanca Loan

On 10 December 2024, Prysmian S.p.A. entered into an agreement with Mediobanca for a Euro 150 million long-term loan. The loan was disbursed on 12 December 2024 and will be repaid in a lump sum on the agreed maturity date in December 2029.
At 31 December 2024, the fair value of the Mediobanca loan approximated its carrying amount.

Intesa Loan

On 11 October 2019, Prysmian entered into an agreement with Intesa Sanpaolo for a Euro 150 million long-term loan for 5 years from the date of signing.
The loan was drawn down in full on 18 February 2019 and repaid in October 2024, on the agreed maturity date.

Financing of Encore Wire acquisition

On 2 July 2024, concurrently with the acquisition of Encore Wire, Prysmian drew down a loan divided into a number of short- and medium/long-term credit facilities as follows:

- Term Loan: a medium-long term credit facility for USD 1,070 million, whose maturity date coincides with the 5th (fifth) anniversary of the Acquisition closing date (2 July 2029);
- Bridge Loan A: a bridge credit facility for USD 481 million, which was repaid in full on 10 July 2024;
- Bridge Loan B: a bridge credit facility for Euro 925 million, which was repaid in full on 28 November 2024;
- Bridge Loan C1: a bridge credit facility for Euro 513 million, due to mature on 3 July 2026. It was partially repaid on 28 November 2024, leaving a residual debt of Euro 230 million at 31 December 2024. On 18 February 2025 the residual debt was totally repaid;
- Bridge Loan C2: a bridge credit facility for USD 548 million, due to mature on 3 July 2026. It was partially repaid on 28 November 2024, leaving a residual debt of USD 250 million at 31 December 2024. On 18 February 2025 the residual debt was totally repaid.

Interest rate swaps with an overall notional value of USD 1,070 million have been arranged against the Term Loan of USD 1,070 million, with the objective of hedging variable rate interest flows.
At 31 December 2024, the fair value of the loans approximated their carrying amount.

The following tables summarise the committed lines available to the Group at 31 December 2024 and 31 December 2023, shown at their nominal amount:

	31.12.2024		
(Euro/million)	Total lines	Drawn	Undrawn
Revolving Credit Facility 2019	1,000	-	1,000
CDP Loans	195	(195)	-
Sustainability-Linked Term Loan 2022	1,200	(1,200)	-
EIB Loans	585	(333)	252
Term Loan Encore Wire	1,000	(1,000)	-
Bridge Loan C2 Encore WIre	234	(234)	-
Bridge Loan C1 Encore WIre	230	(230)	-
Mediobanca Loan	150	(150)	-
Unicredit Loan	150	(150)	-
Total	**4,744**	**(3,492)**	**1,252**

(Euro/million)	31.12.2023		
	Total lines	Drawn	Undrawn
Revolving Credit Facility 2023	1,000	-	1,000
Sustainability-Linked Term Loan 2022	1,200	(1,200)	-
EIB Loans	245	(245)	-
CDP Loans	295	(295)	-
Intesa Loan	150	(150)	-
Mediobanca Loan	100	(100)	-
Total	**2,990**	**(1,990)**	**1,000**

Bonds

Convertible bond 2021

On 7 June 2024, the Board of Directors of Prysmian S.p.A. (the "Company") approved the exercise of the early redemption option (the "Soft Call") on the entire outstanding amount of the convertible bond known as "€750,000,000 Equity Linked Bonds due 2026" (ISIN XS2294704007) issued in February 2021.

As at 31 December 2024, the entire bond had been extinguished. It had, in fact, been fully converted into ordinary shares, except for a few bonds whose conversion was not requested and which the Company redeemed on 19 July 2024 in the amount of Euro 0.3 million.

Non-convertible bond 2024

On 21 November 2024, Prysmian announced the placement of a dual-tranche offering of unsecured senior notes for a total of Euro 1,500 million, rated BBB- by S&P Global Ratings Europe Limited (S&P). The issue consists of a four-year tranche of Euro 850 million due 28 November 2028, with a fixed annual coupon of 3.625% and an issue price of Euro 99.817, and a seven-year tranche of Euro 650 million due 28 November 2031, with a fixed annual coupon of 3.875% and an issue price of Euro 99.459. The notes have a minimum denomination of Euro 100,000, plus integral multiples of Euro 1,000 and, among other goals, they are also aimed to repay the bridge loan taken out for the acquisition of Encore Wire.

The fair value of the four-year bonds with a nominal value of Euro 850 million is Euro 858 million;

The fair value of the seven-year bonds with a nominal value of Euro 650 million is Euro 658 million.

Borrowings from banks and other lenders and Lease liabilities

The following tables report movements in Borrowings from banks and other lenders and in Lease liabilities:

(Euro/million)	CDP Loans	EIB Loans	Conv. Bond	Bond €850M rate 3.625%	Bond €650M rate 3.875%	Sustainability-Linked Term Loan	EW Loans	Unicredit and Mediobanca Loans	Intesa Loan	Other borrowings /Lease liabilities	Total
Balance at 31-Dec-2023	**297**	**248**	**728**	**-**	**-**	**1,218**	**-**	**100**	**151**	**354**	**3,096**
Business combinations	-	-	-			-		-		4	4
Currency translation differences	-	-	-	-	-	-	36	-	-	-	36
New funds	-	198	-	850	650	-	3,381	300	-	24	5,403
Repayments	(100)	(110)	-	-	-	-	(1,942)	(100)	(150)	(150)	(2,552)
Amortisation of bank and financial fees and other expenses	-	-	-	-	-	2	-	-	-	-	2
Conversion of Conv. Bond 2013	-	-	(733)	-	-	-	-	-	-	-	(733)
New IFRS 16 leases	-	-	-	-	-	-	-	-	-	111	111
Interest and other movements	-	2	5	(4)	(5)	(2)	55	(2)	(1)	-	48
Balance at 31-Dec-2024	**197**	**338**	**-**	**846**	**645**	**1,218**	**1,530**	**298**	**-**	**343**	**5,415**

(Euro/million)	CDP Loans	EIB Loans	Conv. Bond	Sustain-Ability-Linked Term Loan	Unicredit, Medio-banca and Intesa Loans	Other borrowings/ Lease liabilities	Total
Balance at 31-Dec-2022	**176**	**246**	**718**	**1,197**	**451**	**279**	**3,067**
Currency translation differences	-	-	-	-	-	(5)	(5)
New funds	120	-	-	-	-	39	159
Repayments	-	-	-	-	(200)	(112)	(312)
Amortisation of bank and financial fees and other expenses	(1)	-	1	2		-	2
New IFRS 16 leases	-	-	-	-	-	153	153
Interest and other movements	2	2	9	19	-	-	32
Balance at 31-Dec-2023	**297**	**248**	**728**	**1,218**	**251**	**354**	**3,096**

NET FINANCIAL DEBT

(Euro/million)	Note	31.12.2024	31.12.2023
CDP Loans	12	120	194
EIB Loans	12	332	135
Convertible Bond 2021	12	-	728
Sustainability-Linked Term Loan 2022	12	1,195	1,193
Non-Convertible Bond Euro 850M	12	845	-
Non-Convertible Bond Euro 650M	12	644	-
Unicredit Loan	12	149	-
Mediobanca Loan	12	149	-
EW Term Loan – USD 1,000M	12	1,022	-
Bridge Loan C2	12	242	-
Bridge Loan C1	12	228	-
Lease liabilities	12	229	234
Interest rate derivatives	8	6	-
Other financial payables	12	3	4
Total long-term financial liabilities		**5,164**	**2,488**
CDP Loans	12	77	103
EIB Loans	12	6	113
Non-Convertible Bond Euro 850M	12	1	-
Non-Convertible Bond Euro 650M	12	1	-
Sustainability-Linked Term Loan 2022	12	23	25
Mediobanca Loan	12	-	100
EW Term Loan – USD 1,000M	12	32	-
Bridge Loan C2	12	2	-
Bridge Loan C1	12	4	-
Intesa Loan	12	-	151
Lease liabilities	12	81	70
Forex derivatives on financial transactions	8	4	9
Other financial payables	12	30	46
Total short-term financial liabilities		**261**	**617**
Total financial liabilities		**5,425**	**3,105**
Long-term financial receivables	5	4	3
Long-term bank fees	5	3	4
Financial assets at amortised cost		4	3
Non-current interest rate derivatives	8	2	11
Current interest rate derivatives	8	6	20
Current forex derivatives on financial transactions	8	3	2
Short-term financial receivables	5	28	22
Short-term bank fees	5	3	2
Financial assets at FVPL	7	32	85
Financial assets at FVOCI	4	11	24
Cash and cash equivalents	9	1,033	1,741
Total financial assets		**1,129**	**1,917**
Net financial debt		**4,296**	**1,188**

The following table presents a reconciliation of the Group's net financial debt to the amount reported in accordance with the requirements of CONSOB advice notice no. 5/21 of 29 April 2021 concerning compliance with the "Guidelines on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 (reference ESMA32-382-1138):

(Euro/million)	Note	31.12.2024	31.12.2023
Net financial debt – as reported above		**4,296**	**1,188**
Adjustments to exclude:			
Long-term financial receivables	5	4	6
Long-term bank fees	5	3	4
Cash flow derivatives (assets)		8	31
Adjustments to include:			
Net non-hedging forex derivatives on commercial transactions, excluding non-current assets	8	7	1
Net non-hedging metal derivatives, excluding non-current assets	8	(7)	2
Recalculated net financial debt		**4,311**	**1,232**

13. Trade and other payables

Details are as follows:

(Euro/million)	31.12.2024		
	Non-current	Current	Total
Trade payables	-	2,462	2,462
Total trade payables	**-**	**2,462**	**2,462**
Other payables:			
Tax and social security payables	-	312	312
Advances from customers	10	2,202	2,212
Payables to employees	2	203	205
Accrued expenses	-	154	154
Other	24	195	219
Total other payables	**36**	**3,066**	**3,102**
Total	**36**	**5,528**	**5,564**

(Euro/million)	31.12.2023		
	Non-current	Current	Total
Trade payables	-	2,199	2,199
Total trade payables	**-**	**2,199**	**2,199**
Other payables:			
Tax and social security payables	1	241	242
Advances from customers	27	1,717	1,744
Payables to employees	2	193	195
Accrued expenses	-	104	104
Other	23	214	237
Total other payables	**53**	**2,469**	**2,522**
Total	**53**	**4,668**	**4,721**

Advances from customers include the liability for construction contracts, amounting to Euro 2,074 million at 31 December 2024 (Euro 1,627 million at 31 December 2023). This liability represents the excess of amounts billed by the Group over costs incurred plus accumulated profits (or losses), recognised using the percentage of completion method.

The following table breaks down trade and other payables according to the currency in which they are expressed:

(Euro/million)	31.12.2024	31.12.2023
Euro	3,425	2,988
US Dollar	852	712
British Pound	423	306
Brazilian Real	166	160
Chinese Renminbi (Yuan)	162	139
Australian Dollar	79	76
Turkish Lira	64	38
Canadian Dollar	49	25
Peruvian Sol	40	-
Philippine Peso	28	25
Omani Rial	23	5
Mexican Peso	22	9
Thai Baht	19	18
Malaysian Ringgit	17	15
Hungarian Fiorint	16	17
Romanian Leu	13	21
Other currencies	165	167
Total	**5,564**	**4,721**

14. Provisions for risks and charges

Details are as follows:

(Euro/million)	31.12.2024*		
	Non-current	Current	Total
Restructuring costs	-	53	53
Legal, contractual and other risks	41	526	567
Environmental risks	13	95	108
Tax risks	45	60	105
Total	**99**	**734**	**833**

* Provisions for risks at 31 December 2024 include Euro 112 million for potential liabilities recorded in application of IFRS 3 - Business Combinations.

(Euro/million)	31.12.2023 (*)		
	Non-current	Current	Total
Restructuring costs	1	55	56
Legal, contractual and other risks	32	496	528
Environmental risks	16	85	101
Tax risks	9	117	126
Total	**58**	**753**	**811**

(*) Provisions for risks at 31 December 2023 include Euro 118 million for potential liabilities recorded in application of IFRS 3 - Business Combinations.

The following table presents the movements in these provisions during the reporting period:

(in milioni di Euro)	Restructuring costs	Legal, contractual and other risks	Environ-mental risks	Tax risks	Total
Balance at 31 December 2023	**56**	**528**	**101**	**126**	**811**
Increases	44	130	1	12	187
Uses	(44)	(26)	(2)	(1)	(73)
Releases	(2)	(77)	-	(20)	(99)
Currency translation differences	1	(3)	2	(8)	(8)
Other	(2)	15	6	(4)	15
Balance at 31 December 2024	**53**	**567**	**108**	**105**	**833**

The value of the provision for restructuring at 31 December 2024 (Euro 53 million versus Euro 56 million at 31 December 2023) includes liabilities related to plant closure projects, as better described in “Significant events during the year” within the Directors’ Report.

The provision for contractual, legal and other risks amounts to Euro 567 million at 31 December 2024 (Euro 528 million at 31 December 2023). This provision mainly includes Euro 189 million (Euro 184 million at 31 December 2023) for antitrust investigations in progress and legal actions brought by third parties against Group companies as a result of and/or in connection with decisions adopted by the relevant authorities, as described below. The rest of this provision refers to provisions related to and arising from business combinations, for risks related to ongoing and completed contracts and for risks related to commercial disputes.

Antitrust - European Commission proceedings in the high voltage underground and submarine cables business

By way of introduction, it will be recalled that the European Commission started an investigation in late January 2009 into a number of European and Asian electrical cable manufacturers to verify the existence of alleged anti-competitive practices in the high voltage underground and submarine cables markets. This investigation was concluded with the decision adopted by the European Commission, also upheld by the European courts, which found Prysmian Cavi e Sistemi S.r.l. ("Prysmian CS") jointly liable with Pirelli & C. S.p.A. ("Pirelli") for the alleged infringement in the period from 18 February 1999 to 28 July 2005, and Prysmian Cavi e Sistemi S.r.l. jointly liable with Prysmian S.p.A. ("Prysmian") and The Goldman Sachs Group Inc. ("Goldman Sachs") for the alleged infringement in the period from 29 July 2005 to 28 January 2009. Following the conclusion of this case, Prysmian paid the European Commission its share of the related fine within the prescribed term, using provisions previously set aside.

Likewise in the case of General Cable, the European courts confirmed the contents of the European Commission's decision of April 2014, thus definitively upholding the fine levied against it under this decision. As a result, Prysmian went ahead and paid the related fine.

In November 2014 and October 2019 respectively, Pirelli filed two civil actions, since combined, against Prysmian CS and Prysmian in the Court of Milan, seeking (i) to be held harmless from any claim brought by the European Commission in enforcement of its decision and for any expenses incidental to such enforcement; (ii) to be held harmless from any third-party claims for damages relating to the conduct forming the subject of the European Commission's decision and (iii) to be compensated for the damages allegedly suffered and quantified as a result of Prysmian CS and Prysmian having requested, in certain pending legal actions, that Pirelli be held liable for the unlawful conduct found by the European Commission in the period from 1999 to 2005. As part of the same proceedings, Prysmian CS and Prysmian, in addition to requesting full dismissal of the claims brought by Pirelli, filed symmetrical and opposing counterclaims to those of Pirelli in which they sought (i) to be held harmless from any claim brought by the European Commission in enforcement of its decision and for any expenses incidental to such enforcement; (ii) to be held harmless from any third-party claims for damages relating to the conduct forming the subject of the European Commission's decision and (iii) to be compensated for damages suffered as a result of the legal actions brought by Pirelli. In a ruling dated 13 May 2024, the Court entirely dismissed all of the claims brought by Pirelli and partially upheld the claims brought by Prysmian. Pirelli has appealed against the ruling, reiterating its claims and requesting a full review.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

Antitrust - Claims for damages ensuing from the European Commission's 2014 decision

During the first few months of 2017, operators belonging to the Vattenfall Group filed claims in the High Court of London against a number of cable manufacturers, including companies in the Prysmian Group, to obtain compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. In June 2020, the Prysmian companies concerned presented their defence as well as serving a summons on another party to whom the EU decision was addressed. In July 2022, an agreement was reached for an out-of-court settlement of claims against the Prysmian companies concerned. However, the legal proceedings brought by the Prysmian companies against the other party to whom the EU decision was addressed are continuing.

On 2 April 2019, a writ of summons was served, on behalf of Terna S.p.A., on Pirelli, Nexans and companies in the Prysmian Group, demanding compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission in its April 2014 decision. This action has been brought before the Court of Milan. On 24 October 2019, the Prysmian Group companies concerned responded by presenting their preliminary defence. By an order dated 3 February 2020, the Court upheld the points raised by the defendants, giving Terna until 11 May 2020 to complete its writ of summons and scheduling a hearing for 20 October

2020. Terna duly completed its summons, which was filed within the required deadline. The proceedings are at a pre-trial stage.

On 2 April 2019, a writ of summons was served, on behalf of Electricity & Water Authority of Bahrain, GCC Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, on a number of cable manufacturers, including companies in the Prysmian Group, on Pirelli and Goldman Sachs. This action, brought in the Court of Amsterdam, once again involved a claim for compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. On 18 December 2019, the Prysmian companies concerned presented their preliminary defence, which was heard on 8 September 2020. On 25 November 2020, the Court of Amsterdam handed down a ruling under which it upheld the submissions made and declined jurisdiction over defendants not based in the Netherlands, thus excluding them from the proceedings. On 19 February 2021, the plaintiffs announced that they had filed an appeal against this ruling. The Prysmian companies concerned, together with the other third-party first-instance defendants, have taken legal action to contest the plaintiff's claims. On 25 April 2023, the Amsterdam Court of Appeal handed down a ruling under which it decided to submit to the European Court of Justice a number of questions on the interpretation of European law, which it considers instrumental to its decision. The case has therefore been stayed pending the European Court of Justice's response.

Furthermore, in February 2023, Prysmian received notification of an application by British consumer representatives requesting authorisation from the relevant local court to initiate proceedings against a number of cable manufacturers, including Prysmian S.p.A. and Prysmian Cavi e Sistemi S.r.l., and which also involved a claim for compensation for damages supposedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission in its April 2014 decision. The case is pending and the Prysmian companies concerned have submitted their preliminary defences. Under a decision dated 3 May 2024, the UK court conditionally authorised the British consumer representatives to initiate the aforementioned proceedings, which are therefore moving ahead.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

In June 2023, a writ of summons, sent on behalf of Saudi Electricity Company, was received by a number of cable manufacturers, including some Prysmian companies. This action, brought before the Court of Cologne, once again involves a claim for compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. The case is pending.

Based on the information currently available, and believing these potential liabilities unlikely to crystallise, the Directors are of the opinion not to make any provision.

Antitrust - Other investigations

In Brazil, the local antitrust authority started proceedings against a number of manufacturers of high voltage underground and submarine cables, including Prysmian, notified of such in 2011. On 15 April 2020, the CADE Tribunal issued the operative part of the decision under which it held Prysmian liable for the alleged infringement in the period from February 2001 to March 2004 and ordered it to pay a fine of BRL 10.2 million (approximately Euro 1.8 million). Using the provisions already set aside in previous years, Prysmian made these payments within the required deadline. Prysmian filed an appeal against the CADE decision. Under a ruling dated 11 July 2024, Prysmian's appeal was dismissed, therefore confirming the original decision against which the appeal had been lodged. Prysmian has appealed this ruling by reiterating its request to quash the CADE's decision.

At the end of February 2016, the Spanish antitrust authority commenced proceedings to verify the existence of anti-competitive practices by local low voltage cable manufacturers and distributors, including Prysmian's local subsidiaries. On 24 November 2017, the local antitrust authority notified Prysmian's Spanish subsidiaries of a decision under which they were held liable for the alleged infringements in the period from June 2002 to June 2015 and were jointly and severally ordered to pay a fine of Euro 15.6 million. Prysmian's Spanish subsidiaries lodged an appeal against this decision.

The appeal was partially upheld by the local court, which ruled on 19 May 2023 that the time period used by the authority to calculate the fine should be reduced, with consequent revision of the fine itself. Prysmian's Spanish subsidiaries have appealed against this ruling. The appeal has been declared inadmissible; however, the ruling is still under appeal by the Spanish Antitrust Authority and is therefore not yet final.

The decision of 24 November 2017 also held the Spanish subsidiaries of General Cable liable for breach of local antitrust law. However, they have obtained immunity from paying the related fine (quantified at about Euro 12.6 million) having filed for leniency and collaborated with the local antitrust authority in its investigations. The General Cable Spanish subsidiaries also appealed against the decision of the local antitrust authority, in both first and second instance. The appeals were ultimately dismissed in rulings by the Spanish Supreme Court, notified to the companies concerned on 19 January 2023, thus rendering the decision of the local antitrust authority against them final.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

In addition, in January 2022, an investigation was initiated by the German antitrust authority (Federal Cartel Office) concerning alleged coordination in setting the standard metal surcharges applied by the industry in Germany. Prysmian's local subsidiaries have challenged before the courts the search and seizure orders under which the German authorities carried out inspections at their offices and seized company documents.

During June 2022, the competition authorities of the Czech Republic and Slovakia conducted inspections at the offices of Prysmian's local subsidiaries with regard to alleged anti-competitive practices in setting metal surcharges. Subsequently, in August 2022 and March 2023, the competition authorities of the Czech Republic and Slovakia respectively announced the opening of an investigation into this matter involving, among others, Prysmian's local subsidiaries.

In December 2024, the Italian Antitrust Authority carried out an inspection at the offices of one of the Group's Italian subsidiaries. The inspection was conducted as part of an Italian Antitrust Authority investigation into a possible anti-competitive cartel aimed at coordinating prices and sales conditions in the Italian low-voltage copper cable market. Given the high degree of uncertainty as to the timing and outcome of these ongoing investigations, the Directors currently feel unable to estimate the related risk.

Antitrust - Claims for damages ensuing from Other investigations

In February 2020, a writ of summons was served on a number of cable manufacturers, including Prysmian's Spanish subsidiaries, under which companies belonging to the Iberdrola Group have claimed compensation for damages supposedly suffered as a result of the alleged anti-competitive practices sanctioned by the Spanish antitrust authority in its decision of 24 November 2017. The proceedings are pending before the Court of Barcelona.

In July 2020, a writ of summons was served on a number of cable manufacturers, including Prysmian's Spanish subsidiaries, under which companies belonging to the Endesa Group have claimed compensation for damages supposedly suffered as a result of the alleged anti-competitive practices sanctioned by the Spanish antitrust authority in its decision of 24 November 2017. The proceedings are pending before the Court of Barcelona.

During 2022, other third-party lawsuits were filed against certain cable manufacturers, including Prysmian's Spanish subsidiaries, to obtain compensation for damages supposedly suffered as a result of the alleged anti-competitive conduct sanctioned by the Spanish antitrust authority in its decision of 24 November 2017. The proceedings are pending before the Court of Barcelona.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel and maintaining consistency in the assessment criteria, have adjusted the related provisions for risks to a level deemed appropriate to cover the potential liabilities for the matters in question.

With reference to the above matters, a number of Prysmian companies have received various notices in which third parties have claimed compensation for damages, albeit not quantified, allegedly suffered as a result of Prysmian's involvement in the anti-competitive practices sanctioned by the European Commission and the antitrust authorities in Brazil and Spain.

Based on the information currently available, and believing it unlikely that these potential or unquantifiable liabilities will arise, the Directors have decided not to make any provision.

Despite the uncertainty of the outcome of the investigations and legal actions in progress, the amount of the provision set aside, the substance of which explained above, is considered to represent the best estimate of the liability based on the information available to date and the developments in the proceedings described above.

15. Employee benefit obligations

The Group provides a number of post-employment benefits through schemes that include defined benefit plans and defined contribution plans.

The defined contribution plans require the Group to pay, under legal or contractual obligations, contributions into public or private insurance institutions. The Group fulfils its obligations through payment of the contributions. At the financial reporting date, any amounts accrued but not yet paid to such institutions are recorded in "Other payables", while the related costs, accrued on the basis of employee service, are recognised in "Personnel costs".

The defined benefit plans mainly refer to Pension plans, Statutory severance benefit (for Italian companies), Medical benefit plans and other benefits such as seniority bonuses.

The liabilities arising under these plans, net of any assets serving such plans, are recognised in Employee benefit obligations and are measured using actuarial techniques.

Employee benefit obligations are analysed as follows:

(Euro/million)	31.12.2024	31.12.2023
Pension plans	249	271
Italian statutory severance benefit	11	12
Medical benefit plans	15	14
Termination and other benefits	35	36
Total	**310**	**333**

Pension plan amendments in 2024

There were no significant amendments to existing pension plans during 2024. The following notes provide further details about the three main types of benefit: pension plans, statutory severance benefit and medical benefit plans.

PENSION PLANS

Pension plans relate to defined benefit pension schemes that can be "Funded" or "Unfunded".
Pension plan liabilities are generally calculated according to employee length of service with the company and the remuneration paid in the period preceding cessation of employment.

Liabilities for "Funded pension plans" are funded by contributions paid by the employer and, in some cases, by employees, into a separately managed pension fund. The fund independently manages and administers the amounts received, investing in financial assets and paying benefits directly to employees. The Group's contributions to such funds are defined according to the requirements established in the individual countries.

Liabilities for "Unfunded pension plans" are managed directly by the employer who is responsible for paying the benefits to employees. These plans have no assets covering the liabilities.

Pension plan obligations and assets at 31 December 2024 and 31 December 2023 are analysed as follows:

(Euro/million)	31.12.2024					
	Germany	Great Britain	France	United States	Other countries	Total
Funded pension obligations:						
Present value of obligation	-	123	1	80	57	261
Fair value of plan assets	-	(100)	(1)	(71)	(78)	(250)
Asset ceiling	-	-	-	-	6	6
Unfunded pension obligations:						
Present value of obligations	178	-	28	3	23	232
Total	**178**	**23**	**28**	**12**	**8**	**249**

(Euro/million)	31.12.2023					
	Germany	Great Britain	France	United States	Other countries	Total
Funded pension obligations:						
Present value of obligation	-	133	1	80	58	272
Fair value of plan assets	-	(101)	(1)	(69)	(74)	(245)
Asset ceiling	-	-	-	-	5	5
Unfunded pension obligations:						
Present value of obligations	186	-	25	4	24	239
Total	**186**	**32**	**25**	**15**	**13**	**271**

At 31 December 2024, the value of funded plans in "Other countries" mainly refers to Canada, Mexico and Spain.

At 31 December 2024, unfunded plans in "Other countries" primarily refer to Sweden and Chile.

Changes during the year in pension plan obligations are analysed as follows:

(Euro/million)	2024	2023
Opening defined benefit obligation	**511**	**502**
Current service costs	5	4
Interest costs	21	22
Administrative costs and taxes	2	3
Actuarial (gains)/losses recognised in equity - experience	3	4
Actuarial (gains)/losses recognised in equity - demographic assumptions	-	(4)
Actuarial (gains)/losses recognised in equity - financial assumptions	(25)	18
Disbursements from plan assets	(20)	(20)
Disbursements paid directly by the employer	(13)	(15)
Plan settlements	-	-
Currency translation differences	9	(3)
Closing defined benefit obligation	**493**	**511**

Changes during the year in pension plan assets are analysed as follows:

(Euro/million)	2024	2023
Opening plan assets	**245**	**243**
Interest income on plan assets	11	12
Actuarial gains/(losses) recognised in equity	(5)	4
Contributions paid in by the employer	23	22
Disbursements	(34)	(35)
Plan settlements	-	-
Currency translation differences	10	(1)
Closing plan assets	**250**	**245**

At 31 December 2024, pension plan assets consisted of equities (27% versus 25% in 2023), government bonds (31% versus 31% in 2023), corporate bonds (15% versus 16% in 2023), and other assets (27% versus 28% in 2023).

The asset ceiling recorded a value of Euro 6 million at 31 December 2024 (Euro 5 million at 31 December 2023).

Pension plan costs and income recognised in the income statement are analysed as follows:

(Euro/million)	2024					
	Germany	Great Britain	France	United States	Other countries	Total
Personnel costs	1	-	1	1	4	7
Interest costs	6	6	1	4	4	21
Expected returns on plan assets	-	(5)	-	(3)	(3)	(11)
Total pension plan costs	**7**	**1**	**2**	**2**	**15**	**17**

(Euro/million)	2023					
	Germany	Great Britain	France	United States	Other countries	Total
Personnel costs	1	-	-	2	4	7
Interest costs	6	6	1	4	5	22
Expected returns on plan assets	-	(5)	-	(4)	(3)	(12)
Total pension plan costs	**7**	**1**	**1**	**2**	**6**	**17**

Further details can be found in Note 21. Personnel costs.

As evident from the preceding tables, the most significant plans at 31 December 2024 in terms of accrued employee benefit obligations are those managed in the following countries:

- Germany;
- Great Britain;
- France;
- United States.

Pension plans in these countries account for more than 80% of the related liability. The principal risks to which they are exposed are described below:

Germany

There are eight pension plans in Germany, most of which final salary plans with the retirement age generally set at 65. Although most plans are closed to new members, additional costs may need to be recognised in the future. As at 31 December 2024, the plans had an average duration of approximately 11 years, in line with the previous year. Total plan membership is made up as follows:

	31.12.2024	31.12.2023
	Number of participants	Number of participants
Active	962	1,442
Deferred	776	793
Pensioners	2,355	2,295
Total membership	**4,093**	**4,530**

The German plans do not have any assets that fund the liabilities, in line with the practice in this country; the Group pays these benefits directly.

The benefits payable in 2025 will amount to Euro 9 million (Euro 11 million at 31 December 2023 for 2024).

Changes in benefits, and so in the recorded liability and service costs, mainly depend on inflation, salary growth and the life expectancy of plan members. Another variable to consider when determining the amount of the liability and service costs is the discount rate, identified by reference to market yields of AA corporate bonds denominated in Euro.

Great Britain

Two defined benefit plans were in operation at 31 December 2024: the Draka pension fund and the Prysmian pension fund. Both are final salary plans, in which the retirement age is generally set at 65 for the majority of plan participants. Neither plan has admitted any new members or incurred any new liabilities since 2013. Currently all employees participate in defined contribution plans.

As at 31 December 2024, the plans had an average duration of approximately 14 years, in line with the previous year.

Total plan membership is made up as follows:

	31.12.2024			31.12.2023		
(Euro/million)	Draka pension fund	Prysmian pension fund	Total	Draka pension fund	Prysmian pension fund	Total
	Number of participants	Number of participants	Number of participants	Number of participants	Number of participants	Number of participants
Active	-	-	-	-	-	-
Deferred	367	409	776	367	409	776
Pensioners	517	432	949	517	432	949
Total membership	**884**	**841**	**1,725**	**884**	**841**	**1,725**

Both plans operate under trust law and are managed and administered by a Board of Trustees on behalf of members and in accordance with the terms of the Trust Deed and Rules and current legislation. The assets that fund the liabilities are held by the Trust, for both plans.

For the purposes of determining the level of funding, the Trustees appoint an actuary to value the plans every three years, with annual updates. The latest valuation of the Draka pension fund and the Prysmian pension fund was conducted at 31 December 2024 and will be finalised by 31 March 2026. The contribution levels are also set every three years when performing the valuations to determine the level of plan funding, but can be revised annually.

The Trustees decide on the investment strategy in agreement with the company. The strategies differ for both plans. In particular, the Draka pension fund has invested its assets as follows: 11% in equities, 53% in bonds and 36% in other financial instruments. The Prysmian pension fund has invested its assets as follows: 6% in equities, 72% in bonds and 22% in other financial instruments.

In Great Britain, one of the main risks for the Group is that mismatches between the expected return and the actual return on plan assets would require contribution levels to be revised.

The liabilities and service costs are sensitive to the following variables: life expectancy of plan participants and future growth in benefit levels. Another variable to consider when determining the amount of the liability is the discount rate, identified according to market yields of AA-rated corporate bonds denominated in pounds sterling.

The benefits payable in 2025 will amount to Euro 6 million (Euro 5 million at 31 December 2023 for 2024).

France

There were six pension plans in operation in France at 31 December 2024, of which five are unfunded retirement benefit plans and one is a partially funded pension plan.
All plans have a retirement age generally set between 62 and 64 according to the date of birth. They are all open to new members, except for the funded plan which does not admit new members or incur new liabilities.

As at 31 December 2024, the plans had an average duration of approximately 9 years (11 years at the end of 2023). Total plan membership is made up as follows:

	31.12.2024	31.12.2023
	Number of participants	Number of participants
Active	2,440	2,457
Deferred	-	-
Pensioners	21	21
Total membership	**2,461**	**2,478**

In France, the principal risk for the Group is salary growth, which affects the benefits that the company has to pay the employee. In the case of the retirement benefit plans, the benefits vest only upon attaining retirement age; consequently, the cost to the company will depend on the probability that an employee does not leave the company before that date. There are no life expectancy risks relating to these plans. The liabilities and service costs are sensitive to the following variables: inflation, salary growth and the discount rate, determined according to market yields of AA corporate bonds denominated in Euro.

The main risks for the funded plan are those associated with inflation and life expectancy, both of which affect contribution levels. The plan's assets are entirely invested in insurance funds, whose main risk is that a mismatch between the expected return and the actual return on plan assets would require a revision of contribution levels.

United States

There were four pension plans in operation in the United States at 31 December 2024, of which two are funded plans that pay an income upon retirement, one is a supplementary unfunded plan and another is an unfunded deferred compensation plan.

All the plans generally set the retirement age at 65. All the plans have been closed to new members since March 2024 and do not admit new members or incur new liabilities, except for the "Master Pension Plan" into which it is still possible to pay.

As at 31 December 2024, the plans had an average duration of approximately 7 years (10 years at the end of 2023).

Total plan membership is made up as follows:

	31.12.2024	31.12.2023
	numero partecipanti	numero partecipanti
Active	288	319
Deferred	507	547
Pensioners	997	1,003
Total membership	**1,792**	**1,869**

The benefits and contributions payable in 2025 will amount to Euro 3 million (Euro 3 million at 31 December 2023 for 2024).

The weighted average actuarial assumptions used to value the pension plans in the principal countries (Germany, Great Britain, France and United States) are as follows:

	31.12.2024							
	Germany		Great Britain		France		United States	
Interest rate	3.35%		5.46%		3.20%		5.50%	
Expected future salary increase	2.48%		N/A		2.06%		2.50%	
Expected increase in pensions	2.00%		3.30%		2.00%		3.00%	
Inflation rate	2.00%		N/A		N/A		2.00%	
Life expectancy at age 65:	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
People currently aged 65	20.87	24.27	19.82	22.38	25.86	29.41	19.85	21.89
People currently aged 50	22.97	25.97	20.33	23.28	27.94	31.62	21.03	23.03

	31.12.2023							
	Germany		Great Britain		France		United States	
Interest rate	3.20%		4.50%		3.20%		5.00%	
Expected future salary increase	2.87%		N/A		2.47%		2.50%	
Expected increase in pensions	2.33%		3.20%		2.20%		3.00%	
Inflation rate	2.50%		N/A		2.40%		N/A	
Life expectancy at age 65:	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
People currently aged 65	20.80	24.20	19.82	23.28	25.86	29.41	20.23	22.15
People currently aged 50	22.90	25.90	20.33	20.33	27.94	31.62	21.38	23.26

The following table presents a sensitivity analysis of the effects of an increase/decrease in the most significant actuarial assumptions used to determine the present value of benefit obligations, namely the interest rate, inflation rate and life expectancy.

Inflation rate sensitivity includes those effects relating to assumptions about salary increases and increases in benefits.

	31.12.2024							
	Germany		Great Britain		France		United States	
Interest rate	**- 0.50%**	**+ 0.50%**	**- 0.50%**	**+0.50%**	**- 0.50%**	**+ 0.50%**	**- 0.50%**	**+ 0.50%**
Change in pension plans	5.33%	-4.88%	6.85%	-6.38%	4.62%	-4.30%	3.52%	-3.32%
Inflation rate	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**
Change in pension plans	-2.10%	2.18%	-1.78%	1.83%	-2.29%	2.34%	N/A	N/A

	31.12.2024			
	Germany	Great Britain	France	United States
1-year increase in life expectancy	5.09%	4.19%	0.53%	2.75%

	31.12.2023							
	Germany		Great Britain		France		United States	
Interest rate	**- 0.50%**	**+ 0.50%**	**- 0.50%**	**+0.50%**	**- 0.50%**	**+ 0.50%**	**- 0.50%**	**+ 0.50%**
Change in pension plans	5.56%	-5.22%	7.08%	-6.37%	5.38%	-5.09%	4.65%	-3.95%
Inflation rate	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**
Change in pension plans	-2.61%	1.31%	-1.78%	1.84%	-2.69%	2.51%	N/A	N/A

	31.12.2023			
	Germany	Great Britain	France	United States
1-year increase in life expectancy	4.76%	4.14%	0.77%	3.48%

STATUTORY SEVERANCE BENEFIT

Statutory severance benefit, which refers to Italian companies only, is analysed as follows:

(Euro/million)	2024	2023
Opening balance	**12**	**12**
Current service costs	1	1
Actuarial (gains)/losses recognised in equity	-	-
Disbursements	(2)	(1)
Closing balance	**11**	**12**

No actuarial gains or losses were recorded at 31 December 2024. Actuarial gains and losses basically reflect variations in the associated economic parameters (the discount and inflation rates).

Under Italian law, the amount due to each employee accrues with service and is paid when the employee leaves the company. The amount due upon termination of employment is calculated on the basis of the length of service and the taxable remuneration of each employee. The liability is adjusted annually for the official cost of living index and statutory interest, and is not subject to any vesting conditions or periods, or any funding obligation; there are therefore no assets that fund this liability.

The benefits are paid in the form of a lump sum, in accordance with the related rules. In certain circumstances, the benefit plan also allows the payment of partial advances against the full amount of the accrued benefit.

The main risk is the volatility of the inflation rate and the interest rate, as determined by the market yield on AA corporate bonds denominated in Euro.

The actuarial assumptions used to value statutory severance benefit are as follows:

	31.12.2024	31.12.2023
Interest rate	3.20%	3.20%
Expected future salary increase	1.80%	2.20%
Inflation rate	2.00%	2.20%

The following table presents a sensitivity analysis of the effects of an increase/decrease in the most significant actuarial assumptions used to determine the present value of benefit obligations, namely the interest rate and inflation rate:

		31.12.2024		31.12.2023
Interest rate	**- 0.50%**	**+ 0.50%**	**- 0.50%**	**+ 0.50%**
Change in statutory severance benefit	3.46%	-3.23%	4.39%	-4.19%
Inflation rate	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**
Change in statutory severance benefit	-1.03%	1.07%	-1.42%	1.43%

MEDICAL BENEFIT PLANS

Some Group companies provide medical benefit plans for retired employees. In particular, the Group funds medical benefit plans in Brazil, Canada and the United States. The US plans account for more than 90% of the total obligation for medical benefit plans.

Apart from interest rate and life expectancy risks, medical benefit plans are particularly susceptible to increases in the cost of meeting claims. None of the medical benefit plans has any assets to fund the associated obligations, with benefits paid directly by the employer.

The obligation in respect of medical benefit plans is analysed as follows:

(Euro/million)	2024	2023
Opening balance	**14**	**20**
Current service costs	(1)	1
Finance costs	1	1
Actuarial (gains)/losses recognised in equity - experience	1	(6)
Disbursements	1	(1)
Currency translation differences	(1)	(1)
Closing balance	**5**	**14**

The actuarial assumptions used to value medical benefit plans are as follows:

	31.12.2024		31.12.2023	
Interest rate	5.69%		5.26%	
Expected future salary increase	-		-	
Increase in claims	3.50%		3.50%	
Life expectancy at age 65:	**Male**	**Female**	**Male**	**Female**
People currently aged 65	20.76	22.82	20.70	22.75
People currently aged 50	21.88	23.85	21.81	23.78

The following table presents a sensitivity analysis of the effects of an increase/decrease in the most significant actuarial assumptions used to determine the present value of benefit obligations, such as the interest rate, inflation rate/growth in healthcare costs and life expectancy.

	31.12.2024		31.12.2023	
Interest rate	**-0.50%**	**0.50%**	**-0.50%**	**0.50%**
Change in medical benefit plans	5.65%	-5.19%	5.47%	-5.11%
Inflation rate	**- 0.25%**	**+ 0.25%**	**- 0.25%**	**+ 0.25%**
Change in medical benefit plans	-2.66%	2.82%	-2.40%	2.51%
	31.12.2024		31.12.2023	
1-year increase in life expectancy		3.96%		3.47%

Number of employees

Average headcount in the period is reported below, compared with closing headcount at the end of each period, expressed in full-time equivalents.

	2024			
	Average	%	Closing	%
Non-desk staff	23,237	74%	24,598	74%
Desk staff and management	8,274	26%	8,563	26%
Total	**31,511**	**100%**	**33,161**	**100%**

	2023			
	Average	%	Closing	%
Non-desk staff	22,556	74%	21,997	73%
Desk staff and management	8,048	26%	8,091	27%
Total	**30,604**	**100%**	**30,088**	**100%**

16. Deferred taxes

The balance of deferred tax assets at 31 December 2024 is Euro 328 million (Euro 299 million at 31 December 2023) while that of deferred tax liabilities is Euro 579 million (Euro 222 million at 31 December 2023).

Movements in net deferred taxes are analysed as follows:

(Euro/million)	Fixed assets	Provisions[1]	Tax losses	Other	Total
Balance at 31 December 2022	**(210)**	**189**	**6**	**32**	**16**
Business combinations	-	-	-	-	-
Currency translation differences	-	-	-	2	2
Impact on profit or loss	26	37	41	(64)	39
Impact on equity	-	2	-	19	22
Other and reclassifications	-	(1)	-	(1)	(2)
Balance at 31 December 2023	**(184)**	**227**	**47**	**(13)**	**77**
Business combinations	(375)	-	-	26	(349)
Currency translation differences	(20)	1	-	(10)	(29)
Impact on profit or loss	28	13	2	33	76
Impact on equity	-	(6)	-	(20)	(26)
Other and reclassifications	-	-	-	-	-
Balance at 31 December 2024	**(551)**	**235**	**49**	**16**	**(251)**

1. These refer to Provisions for risks and charges (current and non-current) and Employee benefit obligations.

The Group has not recognised any deferred tax assets on Euro 659 million in carryforward tax losses at 31 December 2024 (Euro 769 million at 31 December 2023). Unrecognised deferred tax assets relating to the above carryforward tax losses and to deductible temporary differences amount to Euro 157 million (Euro 186 million at 31 December 2023).

At 31 December 2024, it has however recognised deferred tax assets of Euro 49 million on carryforward tax losses of Euro 182 million (Euro 41 million at 31 December 2023).

The following table presents details of carryforward tax losses:

(Euro/million)	31.12.2024	31.12.2023
Carryforward tax losses	842	1,003
of which recognised as deferred tax assets	182	234
Carryforward expires within 1 year	8	9
Carryforward expires between 2-5 years	7	34
Carryforward expires beyond 5 years	8	10
Unlimited carryforward	818	950

17. Sales

Details are as follows:

(Euro/million)	2024	2023
Finished goods	13,656	12,455
Construction contracts	2,309	1,996
Services	135	108
Other	926	795
Total	**17,026**	**15,354**

18. Change in inventories of finished goods and work in progress

Details are as follows:

(Euro/million)	2024	2023
Finished goods	(17)	34
Work in progress	39	18
Total	**22**	**52**

19. Other income

Details are as follows:

(Euro/million)	2024	2023
Rental income	2	2
Insurance reimbursements and indemnities	45	17
Gains on disposal of property	1	1
Other revenue and income	69	50
Total	**117**	**70**

20. Raw materials, consumables and supplies

Details are as follows:

(Euro/million)	2024	2023
Raw materials	10,933	9,717
Change in inventories	(171)	(12)
Total	**10,762**	**9,705**

21. Personnel costs

Details are as follows:

(Euro/million)	2024	2023
Wages and salaries and social security	1,715	1,574
Fair value share-based payments	58	57
Pension plans	7	7
Medical benefit costs	-	-
Termination and other benefits	35	34
Business reorganisation	57	37
Other personnel costs	93	95
Total	**1,965**	**1,804**

Share-based payments

At 31 December 2024, the Group had share-based compensation plans in place for managers and employees of Group companies and for the Parent Company's executive directors and key management personnel. These plans are described below.

Employee share purchase plan – YES

The YES plan (Your Employee Shares) is based on financial instruments and reserved for employees of Prysmian S.p.A. and/or of its subsidiaries.

The plan has offered the opportunity to purchase Prysmian ordinary shares on preferential terms, i.e. with a maximum discount of 25% on the stock price, given in the form of treasury shares (so-called discount shares), except for managers for whom the discount is 15%, as well as executive directors and key management personnel, for whom the discount is 1%.

Everyone who has signed up to the plan has also received an entry bonus of eight free shares, or three free shares for employees who had already participated in at least one of the purchase cycles in the previous two years, also taken from the Company's holding of treasury shares, only on occasion of the first purchase within the same financial year. The shares purchased by participants, as well as those received by way of discount and entry bonus, are subject to a retention period, during which they cannot be sold and the length of which varies according to relevant local regulations.

In addition, there is a loyalty bonus of five shares for those who decide to extend the retention period of the shares granted in 2019, 2020 and 2021.

On 28 April 2021, the shareholders of Prysmian S.p.A. approved an extension of the share ownership plan for Group employees in the years 2022, 2023 and 2024.

Beneficiaries of the plan also include the executive directors of Prysmian S.p.A. as well as key management personnel, for whom the discount is 1%.

A maximum of 600,000 treasury shares are expected to be used to service the discount shares, entry bonus shares and loyalty bonus shares over the plan's duration (2022-2024).

Costs of Euro 3 million have been recognised as "Personnel costs" in the income statement at 31 December 2024 for the fair value of shares to be granted under this plan.

The fair value of the shares has been determined using the Montecarlo binomial pricing model, based on the following assumptions:

	Windows
Grant date	12 April 2022
Share purchase date	from 16 June 2022 to 16 December 2024
End of retention period	from 16 June 2025 to 16 December 2027
Residual life (in years)	-
Share price at grant date (Euro)	€ 30.87
Risk-free interest rate	from 0.32% to 0.54%
Expected dividend %	1.80%
Share fair value at grant date (Euro)	from €23.94 to €19.27

The information memorandum, prepared under art. 114-bis of Legislative Decree 58/98 and describing the features of the above plan, is publicly available on the Company's website http://www.prysmian.com/ as well as at its registered office and at Borsa Italiana S.p.A.

"Grow" 2023-2025 long-term incentive plan

On 19 April 2023, the shareholders' meeting of Prysmian S.p.A. approved a long-term incentive plan (2023-2025) that will cover approximately 1,100 recipients among management and other key Group resources, including Prysmian S.p.A.'s Executive Directors and Key Management Personnel. The Plan involves the grant of new-issue ordinary shares obtained from a bonus issue funded by profits or retained earnings in accordance with art. 2349 of the Italian Civil Code, or a combination of new-issue shares and treasury shares. By means of this plan, Prysmian intends to strengthen the Company's and management's commitment to creating sustainable value over time for all stakeholders, including by involving a wide range of key people in over 40 countries who play an important role in the Group's sustainable success. The plan spans a three-year period and provides for the award of performance shares upon achievement of economic and financial performance conditions, Total Shareholders Return and ESG targets. The plan also allows 50% of the annual bonus, where due, for the years 2023, 2024, 2025 to be deferred in the form of deferred shares. The annual bonus is also linked to the achievement of ESG targets, as well as to economic-financial targets. The deferral of the annual bonus also entails an additional award of 0.5 matching shares for every deferred share which, in the case of the Group's some 50 top managers, is also dependent on the achievement of ESG targets by 2025. The plan has the following objectives:

- to motivate participants to achieve long-term results geared towards sustainable value creation over time;
- to align the interests of management with those of shareholders through the use of share-based incentive instruments;
- to foster stable management ownership of the Company's share capital;
- to ensure the long-term sustainability of the Group's annual performance, by boosting staff engagement and retention, including through the mechanism of deferring part of the annual bonus in shares.

The shareholders of Prysmian S.p.A. also authorised a bonus share capital increase to be reserved for Group employees in execution of the plan. This capital increase may reach a maximum nominal amount of Euro 950,000 through apportionment, pursuant to art. 2349 of the Italian Civil Code, of a corresponding amount from profits or retained earnings, with the issue of no more than 9,500,000 ordinary shares of nominal value Euro 0.10 each.

The actual award of shares, in particular with reference to the Performance Shares, is subject to the level of achievement of the following performance conditions: cumulative Adjusted EBITDA, cumulative Free Cash Flow, average ROCE, relative TSR measured against an 11-member peer group and ESG, measured by a set of indicators.

The following table provides details about movements in the plan:

	31.12.2024 Number of shares
Shares vested at start of year	1,479,462
Change in expected participations	(168,548)
Shares vesting in period	1,717,916
Total shares vested at end of year	3,028,831

Costs of Euro 46 million have been recognised as "Personnel costs" in the income statement at 31 December 2024 for the fair value of shares to be granted under this plan.
In accordance with IFRS 2, the shares to be granted have been measured at their grant date fair value. The fair value of the performance shares, for the entire period of the plan, and of the deferred and matching shares vesting in 2023 has been calculated using the following assumptions:

Grant date	19 April 2023
Residual life at grant date (in years)	1.32
Exercise price (Euro)	€ 38.25
Risk-free interest rate	2.73%
Expected dividend %	2.00%
Share fair value (not market based) at grant date	€ 28.43
Share fair value (market based) at grant date	€ 21.99

As regards deferred and matching shares vesting in 2024, their fair value has been calculated using the following assumptions:

Grant date	18 April 2024
Residual life at grant date (in years)	1.32
Exercise price (Euro)	€ 50.22
Risk-free interest rate	2.73%
Expected dividend %	2.00%
Share fair value (market based) at grant date	€ 40.73

The the information memorandum, prepared under art. 114-bis of Legislative Decree 58/98 and describing the features of the above plan, is publicly available on the Company's website http://www.prysmian.com/ as well as at its registered office and at Borsa Italiana S.p.A..

BE-IN employee stock grant plan

On 12 April 2022, the shareholders of Prysmian S.p.A. approved a stock grant plan for employees of Prysmian S.p.A. and Group companies, except for employees already covered by individual incentive schemes; the plan aims to foster wide participation in future value creation and to strengthen the level of employee engagement; the plan is subject to local consultation with the relevant trade union representatives, where required.

The plan, participation in which is voluntary, envisages three allotment cycles for 2022, 2023 and 2024 and provides for the award of a maximum of 3,000,000 shares.

By voluntarily joining the plan, the employee agrees to receive, in lieu of payment of part of their monetary bonus, or in some cases even without converting a monetary bonus, a value equating to a number of shares, to be calculated on the basis of the award value, defined as the average share price over the 30 trading days preceding definition of the incentive's value. The number of shares awarded may be increased by an additional number of shares, up to a maximum of 50% of the shares awarded.

The number of shares received by each participant is determined according to the amount of the incentive's value.

The shares awarded are freely transferable as from the grant date. If these shares are held for the entire holding period of twelve months from the grant date, the employee is entitled to receive an additional number of shares. If, during the holding period, the employee sells all or part of the shares received, they will no longer be entitled to receive additional shares.

The shares are awarded to participants annually within specific time frames, identified on a local basis when rolling out the plan.

Shares credited to participants in 2023, 2024 and 2025 relate to performance in 2022, 2023 and 2024, respectively, while the respective additional shares will be credited to participants in 2024, 2025 and 2026.

During the plan's rollout, some of these provisions may be adjusted not only to ensure that the plan nonetheless complies with applicable local rules, legislation and tax and social security regulations but also to facilitate its implementation for the sake of wider participation.

Costs of Euro 9 million have been recognised as "Personnel costs" in the income statement at 31 December 2024 for the fair value of shares granted under this plan.

The fair value of shares under this plan has been determined using the following assumptions:

Award cycle 2022	
Grant date of conversion and premium shares	12 aprile 2022
Grant date of loyalty shares	30 aprile 2023
Residual life at grant date of conversion and premium shares (in years)	-
Residual life at grant date of loyalty shares (in years)	-
Exercise price (Euro)	€ 34.66
Risk-free interest rate	2.14%-2.52%
Expected dividend %	1.80%
Share fair value at grant date of conversion and premium shares	€ 32.93
Share fair value at grant date of loyalty shares	€ 28.38

Award cycle 2023	
Grant date of conversion and premium shares	30 aprile 2023
Grant date of loyalty shares	30 aprile 2024
Residual life at grant date of conversion and premium shares (in years)	-
Residual life at grant date of loyalty shares (in years)	0.33
Exercise price (Euro)	€ 37.07
Risk-free interest rate	2.73%
Expected dividend %	2.00%
Share fair value at grant date of conversion and premium shares	€ 30.10
Share fair value at grant date of loyalty shares	€ 23.45

Award cycle 2024	
Grant date of conversion and premium shares	30 aprile 2024
Grant date of loyalty shares	30 aprile 2025
Residual life at grant date of conversion and premium shares (in years)	0.33
Residual life at grant date of loyalty shares (in years)	1.35
Exercise price (Euro)	€ 57.82
Risk-free interest rate	2.73%
Expected dividend %	1.20%
Share fair value at grant date of conversion and premium shares	€ 46.27
Share fair value at grant date of loyalty shares	€ 35.05

The information memorandum, prepared under art. 114-bis of Legislative Decree 58/98 and describing the features of the above plan, is publicly available on the Company's website http://www.prysmian.com/ as well as at its registered office and at Borsa Italiana S.p.A..

22. Amortisation, depreciation, impairment and impairment reversals

Details are as follows:

(Euro/million)	2024	2023
Depreciation of buildings, plant, machinery and equipment	224	196
Depreciation of other property, plant and equipment	24	18
Amortisation of intangible assets	102	78
Depreciation and impairment of right-of-use assets (IFRS 16)	115	68
Impairment of property, plant and equipment	44	46
Impairment of equity-accounted investments	-	168
Total	**509**	**574**

23. Other expenses

Details are as follows:

(Euro/million)	2024	2023
Professional services	150	135
Insurance	100	74
Maintenance costs	174	164
Selling costs	96	42
Utilities	258	311
Travel costs	59	51
Rentals and vessel charter	72	68
Increases in/(releases of) provisions for risks	54	113
Losses on disposal of fixed assets	-	1
Sundry expenses	156	158
Other costs	1,639	1,454
Business reorganisation	25	1
Total	**2,783**	**2,572**

Other costs mainly refer to those incurred for project execution.

The Group expensed Euro 114 million in research and development costs in 2024 (Euro 107 million in 2023), insofar as there were no qualifying conditions to justify their capitalisation.

24. Share of net profit/(loss) of equity-accounted companies

Details are as follows:

(Euro/million)	2024	2023
Share of net profit/(loss) of associates	41	33
Total	**41**	**33**

Further information can be found in Note 3. Equity-accounted investments.

25. Finance costs

Details are as follows:

(Euro/million)	2024	2023
Interest on loans	156	85
Interest on Non-Convertible Bond 2024	5	-
Interest on Convertible Bond 2021 - non-monetary component	5	9
Interest on lease liabilities	15	11
Amortisation of bank and financial fees and other expenses	16	5
Employee benefit interest costs net of interest on plan assets	12	13
Other bank interest	21	6
Costs for undrawn credit lines	3	3
Sundry bank fees	24	25
Other	15	9
Finance costs	**272**	**166**
Net losses on forex derivatives	14	-
Losses on derivatives	**14**	**-**
Forex losses	750	927
Forex losses	**750**	**927**
Total finance costs	**1,036**	**1,093**

26. Finance income

Details are as follows:

(Euro/million)	2024	2023
Interest income from banks and other financial institutions	44	36
Interest Rate Swaps	36	26
Non-recurring finance income	-	2
Finance income related to hyperinflation	10	18
Other finance income	11	1
Finance income	**101**	**83**
Forex gains	710	914
Total finance income	**811**	**997**

27. Taxes

Details are as follows:

(Euro/million)	2024	2023
Current income taxes	309	256
Deferred income taxes	(76)	(39)
Total taxes	**233**	**217**

The following table reconciles the effective tax rate with the Parent Company's theoretical tax rate:

(Euro/million)	2024	Tax rate	2023	Tax rate
Profit/(loss) before taxes	981		764	
Theoretical tax expense	230	23.4%	183	24.0%
Differences in nominal tax rates of foreign subsidiaries	-	-	-	-
Taxes on distributable reserves and dividends	4	0.5%	66	8.6%
Accrual (Release) of Antitrust provision	(4)	-0.4%	1	0.1%
Taxes on equity investment valuation	(9)	-0.9%	(3)	-0.4%
Asset impairment	-	-	(2)	-0.3%
WHT expensed/corporate income tax branch	6	0.6%	4	0.5%
IRAP (Italian regional business tax) and US State tax	25	2.5%	25	3.3%
Prior year current taxes	3	0.3%	(11)	-1.4%
Deferred tax effect on carryforward tax losses	(19)	-2.0%	(41)	-5.4%
Non-deductible costs/ (non-taxable income) and other	(3)	-0.4%	(5)	0.8%
Effective income taxes	**233**	**23.8%**	**217**	**28.4%**

"Deferred tax effect on carryforward tax losses" includes deferred tax assets recognised by companies located in countries that, according to a multi-year business plan, will be able to utilise the benefit in future years against positive future earnings.

28. Earnings/(loss) and dividends per share

Both basic and diluted earnings (loss) per share have been calculated by dividing the net result for the period attributable to the Group by the average number of the Company's outstanding shares. Diluted earnings/(loss) per share have been affected by the options under the Convertible Bond, having been converted in July 2024, and the effects of the YES employee share purchase plan, the 2023 incentives in the form of Deferred and Matching Shares vesting under the 2023-2025 long-term incentive plan, and the 2023 shares vesting under the BE IN long-term incentive plan. However, diluted earnings/(loss) have not been affected by Deferred and Matching Shares for 2024 or by Performance Shares under the 2023-2025 long-term incentive plan, since not vested based on the targets achieved up to 31 December 2024 or by BE IN loyalty shares, which had also not vested.

(Euro/million)	2024	2023
Net profit/(loss) attributable to owners of the parent	729	529
Weighted average number of ordinary shares (thousands)	281,540	272,679
Basic earnings per share (in Euro)	**2.59**	**1.94**
Net profit/(loss) attributable to owners of the parent for purposes of diluted earnings per share*	733	537
Weighted average number of ordinary shares (thousands)	281,540	272,679
Adjustments for:		
New shares from conversion of bonds into shares (thousands)	8,700	18,640
Dilution from incremental shares arising from exercise of share-based payment plans and employee share purchase plans (thousands)	407	69
Weighted average number of ordinary shares to calculate diluted earnings per share (thousands)	290,647	291,388
Diluted earnings per share (in Euro)	**2.52**	**1.84**

(*) This figure has been adjusted for interest accruing on the Convertible Bond, net of the related tax effect

The dividend paid in 2024 amounted to approximately Euro 191 million (Euro 0.70 per share). With reference to the year ended 31 December 2024, a recommendation to pay a dividend of Euro 0.80 per share, totalling approximately Euro 229 million, based on the number of outstanding shares, will be presented to the shareholders for approval in the meeting convened in single call for 16 April 2025.

29. Contingent liabilities

Operating globally, the Group is exposed to legal risks, including, but not limited to, those concerning product liability, and environmental, antitrust and tax legislation. The outcome of pending legal action and proceedings cannot be predicted with certainty. An adverse outcome in one or more of these proceedings could result in the payment of costs that are not covered, or only partially covered, by insurance, which could impact the Group's financial position and results.

As at 31 December 2024, contingent liabilities for which the Group has not recognised any provision for risks and charges, on the grounds that an outflow of resources is considered unlikely, but for which reliable estimates are available, amount to approximately Euro 32 million and mainly refer to legal and tax issues.

30. Commitments to purchase property, plant and equipment and intangible assets

Contractual commitments already entered into with third parties as at 31 December 2024 and not yet reflected in the financial statements amounted to Euro 473 million for investments in property, plant and equipment (Euro 566 million at 31 December 2023); commitments to third parties for investments in intangible assets amounted to Euro 6 million at 31 December 2024 (Euro 2 million at 31 December 2023).

31. Receivables factoring

The Group has factored some of its trade receivables on a non-recourse basis. Receivables factored but not yet paid by customers amounted to Euro 62 million at 31 December 2024 (Euro 157 million at 31 December 2023).

32. Financial covenants

The credit agreements in place at 31 December 2024, details of which are presented in Note 12. Borrowings from banks and other lenders, require the Group to comply with a series of covenants on a consolidated basis. The main covenants, classified by type, are listed below:

a) Financial covenants

- Ratio between EBITDA and Net finance costs (as defined in the relevant agreements excluding the Revolving Credit Facility 2023 and all other loans taken out after June 2023, described in Note 12., for which this requirement does not apply as long as Prysmian S.p.A. maintains a long-term "Investment Grade" credit rating);
- Ratio between Net Financial Debt and EBITDA (as defined in the relevant agreements).

The covenants contained in the relevant credit agreements are as follows:

	EBITDA/ Net finance costs [1] not less than:	Net financial debt/ EBITDA [1] not more than:
	4.00x	3.00x

1. The ratios are calculated on the basis of the definitions contained in the relevant credit agreements. The Net Financial Debt/EBITDA ratio can go as high as 3.5 following extraordinary transactions like acquisitions, no more than three times, including on non-consecutive occasions.

b) Non-financial covenants

A number of non-financial covenants have been established in line with market practice applying to transactions of a similar nature and size. These covenants involve restrictions on the grant of secured guarantees to third parties and on amendments to the Company's by-laws.

Events of default

The main events of default are as follows:

- default on loan repayment obligations;
- breach of financial covenants;
- breach of some of the non-financial covenants;
- declaration of bankruptcy by certain major Group companies or their involvement in other insolvency proceedings;
- issuance of particularly significant court orders;
- occurrence of events that may adversely and materially affect the business, the assets or the financial conditions of the Group.

Should an event of default occur, the lenders are entitled to demand full or partial repayment of the amounts lent and not yet repaid, together with interest and any other amount due. No collateral security is required.

Actual financial ratios reported at 31 December 2024 and 31 December 2023 are as follows:

(Euro/million)	31.12.2024	31.12.2023
EBITDA / Net finance costs [1][2]	16.06x	26.90x
Net financial debt / EBITDA [1]	1.93x	0.56x

1. The ratios are calculated on the basis of the definitions contained in the relevant credit agreements.
2. This covenant does not apply to the Revolving Credit Facility 2023 and all other loans taken out after June 2023 for which this requirement does not apply as long as Prysmian S.p.A. maintains a long-term "Investment Grade" credit rating.

The above financial ratios comply with both covenants contained in the relevant credit agreements and there are no instances of non-compliance with the financial and non-financial covenants indicated above.

33. Related party transactions

Transactions by Prysmian S.p.A. and its subsidiaries with associates mainly refer to:

- trade relations involving purchases and sales of raw materials and finished goods;
- services (technical, organisational and general) provided by head office for the benefit of Group companies;
- recharge of royalties for the use of trademarks, patents and technological know-how by Group companies.

The related party disclosures also include the compensation paid to Directors, Statutory Auditors and Key Management Personnel.

All the above transactions form part of the Group's continuing operations.

The following tables provide a summary of related party transactions and balances for the years ended 31 December 2024 and 31 December 2023:

	31.12.2024				
Euro/million)	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Equity-accounted investments	248		**248**	248	100.0%
Trade receivables	1		**1**	2,433	0.0%
Other receivables	-		**-**	1,236	0.0%
Trade payables	9		**9**	2,462	0.4%
Other payables	-	2	**2**	3,102	0.1%
Provisions for risks and charges	-	11	**11**	833	1.3%

	31.12.2023				
Euro/million)	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Equity-accounted investments	218	-	**218**	218	100.0%
Trade receivables	3	-	**3**	1,987	0.2%
Other receivables	2	-	**2**	1,090	0.2%
Trade payables	4	-	**4**	2,199	0.2%
Other payables	-	5	**5**	2,522	0.2%
Provisions for risks and charges	-	5	**5**	811	0.6%

Euro/million)	2024				
	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Sales	-	-	-	17,026	0.0%
Other income	-	-	-	117	0.0%
Raw materials, consumables and supplies	-	-	-	(10,762)	0.0%
Personnel costs	-	(14)	**(14)**	(1,965)	0.7%
Other expenses	(6)	-	**(6)**	(2,783)	0.2%
Share of net profit/(loss) of equity-accounted companies	41	-	**41**	41	100.0%

Euro/million)	2023				
	Equity-accounted companies	Compensation of directors, statutory auditors and key management personnel	Total related parties	Total reported amount	Related party % of total
Other income	6	-	**6**	70	8.6%
Personnel costs	-	(13)	**(13)**	(1,804)	0.7%
Other expenses	(6)	(1)	**(7)**	(2,572)	0.3%
Share of net profit/(loss) of equity-accounted companies	33	-	**33**	33	100.0%

Transactions with associates

Trade and other payables refer to services provided in relation to the Group's ordinary business. Trade and other receivables refer to transactions carried out in the ordinary course of the Group's business.

Top management compensation

Top management compensation is analysed as follows:

(in migliaia di Euro)	2024	2023
Salaries and other short-term benefits - fixed part	4,359	4,482
Salaries and other short-term benefits - variable part	2,671	2,161
Other benefits	2,835	2,141
Share-based payments	3,813	3,937
Other costs	345	1,300
Total	**14,023**	**14,021**
of which Directors	8,587	6,965

The amounts shown in the table are the costs recognised in profit or loss for the year.

At 31 December 2024, employee benefit obligations pertaining to top managers amounted to Euro 11 million.

34. Compensation of directors and statutory auditors

The compensation of the executive and non-executive Directors of Prysmian S.p.A. came to Euro 8.6 million in 2024 (Euro 6.96 million in 2023). The compensation of the Statutory Auditors of Prysmian S.p.A. came to Euro 0.2 million in 2024, the same as the year before. Compensation includes emoluments, and any other types of remuneration, pension and medical benefits, received for their service as Directors or Statutory Auditors of Prysmian S.p.A. and other companies included in the scope of consolidation, and that have constituted an expense for Prysmian.

35. Atypical and/or unusual transactions

In accordance with the disclosures required by Consob Communication DEM/6064293 dated 28 July 2006, it is reported that no atypical and/or unusual transactions took place during 2024.

36. Significant non-recurring events and transactions

As required by Consob Communication DEM/6064293 dated 28 July 2006 and in accordance with the ESMA Guidelines/2015/1415, the following table presents the effects of non-recurring events and transactions on profit or loss:

(Euro/million)	2024	2023
Non-recurring other income/(expenses)		
Antitrust	(11)	(9)
Non-recurring other finance income/(costs)		
Non-recurring other finance income/(costs)	-	2
Total	**(11)**	**(7)**

37. Statement of cash flows

The decrease in net working capital provided Euro 465 million in cash flow. After Euro 261 million in tax payments and Euro 16 million in dividend receipts, operating activities in 2024 therefore generated a net cash inflow of Euro 1,933 million, which included Euro 5 million in outlays for antitrust matters.

The acquisition of Encore Wire resulted in a net cash outflow of Euro 4,089 million, while that of Warren & Brown involved a net cash outflow of Euro 37 million.

Net operating capital expenditure used Euro 793 million in cash in 2024, a large part of which relating to projects to increase and rationalise production capacity and to develop new products. More details can be found in Note 1. Property, plant and equipment of these Explanatory Notes.

Cash flow from financing activities was mainly influenced by new loans and the repayment of loans made during 2024, as well as the distribution of dividends amounting to EUR 202 million. Finance costs paid, net of finance income received, totaled EUR 142 million. Among these, there was a net cash inflow of EUR 34 million related to Interest Rate Swap (IRS) flows. Specifically, finance costs included gross disbursements of EUR 24 million, while finance income included gross cash inflows of EUR 58 million, both related to IRS.

38. Information pursuant to art.149-duodecies of the consob issuer regulations

Pursuant to art. 149-duodecies of the Consob Issuer Regulations, the following table shows the fees in 2024 for audit work and other services provided by the independent auditors EY S.p.A. and companies in the EY network:

	Recipient	Provider of services	Fees for 2024	Fees for 2023
Audit services	Parent Company - Prysmian S.p.A.	EY S.p.A	1,434	821
	Italian subsidiaries	EY S.p.A	513	496
	Foreign subsidiaries	EY S.p.A	1,505	1,315
	Foreign subsidiaries	EY network	2,578	2,000
Certification services	Parent Company - Prysmian S.p.A.	EY S.p.A	729	230
	Italian subsidiaries	EY S.p.A	37	12
	Foreign subsidiaries	EY network	38	47
Other services	Parent Company - Prysmian S.p.A.	EY S.p.A	280	60
	Italian subsidiaries	EY S.p.A	20	-
	Foreign subsidiaries [1]	EY network	109	125
Total			**7,243**	**5,106**

1. Tax and other services.

39. Basis of consolidation and accounting policies

The financial statements of the Group's consolidated operating companies have been prepared for the financial years ended 31 December 2024 and 31 December 2023, and have been specifically and appropriately adjusted, where necessary, to bring them into line with the Group's accounting policies and principles.

Subsidiaries

The Group consolidated financial statements include the financial statements of Prysmian S.p.A. (the Parent Company) and the subsidiaries over which the Parent Company exercises direct or indirect control. Subsidiaries are consolidated from the date control is acquired until the date such control ceases. Specifically, control exists when the parent Prysmian S.p.A. has all of the following:

- decision-making power, meaning the ability to direct the investee's relevant activities, i.e. the activities that significantly affect the investee's returns;
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power.

The existence of potential voting rights exercisable at the reporting date is also taken into consideration for the purposes of determining control.

Subsidiaries are consolidated on a line-by-line basis commencing from the date control is effectively obtained by the Group; at the date of obtaining control, the carrying amount of an investment is eliminated against the corresponding portion of the investee's equity by allocating its fair value to individual assets, liabilities and contingent liabilities.

Any residual difference, if positive, is recognised as "Goodwill". If the acquisition is achieved in stages, the entire investment is remeasured at fair value on the date control is obtained; after this date, any additional acquisitions or disposals of equity interests, without a change of control, are treated as transactions between owners recognised in equity. Costs incurred for the acquisition are always expensed immediately to profit or loss; changes in contingent consideration are recognised in profit or loss. The share of equity and share of the result for the period attributable to non-controlling interests are presented separately within the financial statements. Subsidiaries cease to be consolidated from the date control is transferred to third parties; the disposal of an equity interest involving a loss of control results in recognising in profit or loss (i) the gain or loss arising on the difference between the consideration received and the respective share of equity transferred to third parties, (ii) any amounts relating to the subsidiary recognised in other comprehensive income that may be reclassified to profit or loss and (iii) the gain or loss from adjusting any non-controlling interest retained by the Group to its fair value calculated at the date control is lost.

Associates and joint arrangements: joint ventures and joint operations

Associates are those entities over which the Group has significant influence. Investments in associates are accounted for using the equity method and are initially recorded at cost.

Other investments in joint ventures, over which significant influence is exercised but which do not qualify as joint operations, are accounted for using the equity method.

Like in the 2023 consolidated financial statements, the Indian company Ravin Cables Limited is not under the Group's control for the reasons described in more detail below.

Ravin Cables Limited

In January 2010, Prysmian acquired a 51% interest in the Indian company Ravin Cables Limited ("Ravin"), with the remaining 49% held by other shareholders directly or indirectly associated with the Karia family (the "Local Shareholders"). Under the agreements signed with the Local Shareholders, after a limited transition period, management of Ravin would be transferred to a Chief Executive Officer appointed by Prysmian. However, this failed to happen and, in breach of the agreements, Ravin's management remained in the hands of the Local Shareholders and their representatives. Consequently, having now lost control, the Group ceased to consolidate Ravin and its subsidiary Power Plus Cable Co. LLC. with effect from 1 April 2012. In February 2012, Prysmian found itself forced to initiate arbitration proceedings before the London Court of International Arbitration (LCIA), requesting that the Local Shareholders be declared in breach of contract and ordered to sell the shares representing 49% of Ravin's share capital to Prysmian. In a ruling handed down in April 2017, the LCIA upheld Prysmian's claims and ordered the Local Shareholders to sell the shares representing 49% of Ravin's share capital to Prysmian. However, the Local Shareholders did not voluntarily enforce the arbitration award and so Prysmian had to initiate proceedings in the Indian courts in order to have the arbitration award recognised in India. Having gone through two levels of the court system, these proceedings were finally concluded on 13 February 2020 with the pronouncement of a ruling by the Indian Supreme Court under which the latter definitively declared the arbitration award enforceable in India. In view of the continuing failure of the Local Shareholders to comply voluntarily, Prysmian has requested the Mumbai court to enforce the arbitration award so as to purchase the shares representing 49% of Ravin's share capital as soon as possible. This case is currently still in progress and so control of the company is deemed to have not yet been acquired.

Translation of foreign operation financial statements

The assets and liabilities of consolidated foreign operations expressed in currencies other than the Euro are translated using the closing exchange rate on the reporting date; revenues and expenses are translated at the average exchange rate prevailing in the reporting period. The resulting translation differences are presented in equity, specifically in the "Currency translation reserve" included in other comprehensive income, until disposal of the related foreign operation. The assets and liabilities of foreign operations control of which is acquired during the reporting period are translated on first-time consolidation at the exchange rates prevailing at the acquisition accounting reference date. The resulting translation differences between the exchange rates at the date of acquisition and the exchange rates at the reporting date are recognised through other comprehensive income and accumulated in equity within the "Currency translation reserve", until such time as the foreign operation is disposed of.

Foreign currency transactions are recorded at the exchange rate prevailing on the transaction date. Monetary assets and liabilities are translated at the closing exchange rate on the reporting date. Exchange differences arising on translation and those realised on the settlement of transactions are recorded in finance income and costs.

The exchange rates applied are as follows:

	Closing rates at		Period average rates	
	31.12.2024	31.12.2023	2024	2023
Europe				
British Pound	0.829	0.869	0.847	0.870
Swiss Franc	0.941	0.926	0.953	0.972
Hungarian Forint	411.35	382.80	395.30	381.85
Norwegian Krone	11.795	11.241	11.629	11.425
Swedish Krona	11.459	11.096	11.433	11.479
Czech Koruna	25.185	24.724	25.120	24.004
Danish Krone	7.458	7.453	7.459	7.451
Romanian Leu	4.974	4.976	4.975	4.947
Turkish Lira	36.809	32.633	35.542	25.732
Polish Zloty	4.275	4.340	4.306	4.542
Russian Rouble	106.103	99.192	100.262	92.241
North America				
US Dollar	1.039	1.105	1.082	1.081
Canadian Dollar	1.495	1.464	1.482	1.459
South America				
Colombian Peso	4,578	4,268	4,407	4,675
Brazilian Real	6.433	5.350	5.836	5.401
Argentine Peso	N/A	893.337	N/A	319.536
Chilean Peso	1,033.760	977.070	1,020.658	908.197
Costa Rican Colón	529.133	575.561	558.351	586.940
Mexican Peso	21.550	18.723	19.831	19.183
Peruvian Sol	3.905	4.082	14.062	4.047
Oceania				
Australian Dollar	1.677	1.626	1.640	1.629
New Zealand Dollar	1.853	1.750	1.788	1.762
Africa				
CFA Franc	655.957	655.957	655.957	655.957
Angolan Kwanza	954.824	920.402	949.637	746.207
Tunisian Dinar	3.308	3.394	3.366	3.356
South African Rand	19.619	20.348	19.830	19.955
Asia				
Chinese Renminbi (Yuan)	7.583	7.851	7.787	7.660
United Arab Emirates Dirham	3.815	4.058	3.975	3.971
Bahraini Dinar	0.391	0.415	0.407	0.407
Hong Kong Dollar	8.069	8.631	8.445	8.465
Singapore Dollar	1.416	1.459	1.446	1.452
Indian Rupee	88.934	91.905	90.556	89.300
Indonesian Rupiah	16,821	17,080	17,158	16,480
Japanese Yen	163.060	156.330	163.852	151.990
Thai Baht	35.676	37.973	38.181	37.631
Philippine Peso	60.301	61.283	62.007	60.163
Omani Rial	0.400	0.425	0.416	0.416
Malaysian Ringgit	4.645	5.078	4.950	4.932
Qatari Riyal	3.782	4.022	3.940	3.936
Saudi Riyal	3.896	4.144	4.059	4.055

Hyperinflationary economies

IAS 29 - Financial Reporting in Hyperinflationary Economies establishes that if a foreign entity operates in a hyperinflationary economy, revenues and expenses are translated using the exchange rate current at the reporting date; accordingly, all amounts in the income statement are restated by applying the change in the general price index between the date when income and expenses were initially recorded in the financial statements and the reporting date.

The Group controls companies based in Turkey, a country that has qualified since 2022 for treatment as a hyperinflationary economic environment in accordance with international accounting standards. Cumulative consumer price inflation over the past 3 years reached 291% in December 2024.

In accordance with IAS 29, the restatement of financial statements as a whole requires the application of specific procedures as well as judgement. With reference to the income statement, income and expenses have been restated by applying the change in the general price index. The income statement thus restated has been translated into Euro at the closing rate on 31 December 2024 instead of at the reporting period's average rate. The application of the standard to the Turkish subsidiaries has had a positive impact of Euro 38 million on net sales and a negative impact of Euro 11 million on net profit.

With reference to the statement of financial position, monetary items have not been restated because they are already expressed in terms of the monetary unit current at the end of the reporting period; non-monetary assets and liabilities have been revalued from the date the assets and liabilities were originally recorded through until the reporting date. This has resulted in the recognition of an overall expense of Euro 8 million, reported in the income statement under net Finance income (costs).

It is pointed out that Argentina, despite being in a country falling under IAS29, having the dollar as its functional currency does not fall under the treatment of hyperinflationary economies.

39.1 Translation of transactions in currencies other than the functional currency

Transactions in currencies other than the functional currency of the company which undertakes the transaction are translated using the exchange rate applicable at the transaction date.

Draka NK Cables (Asia) Pte Ltd (Singapore), Draka Philippines Inc. (Philippines), Draka Durango S. de R.L. de C.V., Draka Mexico Holdings S.A. de C.V., Prysmian Cables y Sistemas de Mexico S. de R.L. de C.V., Cobre Cerrillos S.A. (Chile) and Prysmian Energia Cables y Sistemas de Argentina S.A. present their financial statements in a currency other than that of the country they operate in, as their main transactions are not conducted in the local currency but in their reporting currency.

Foreign currency exchange gains and losses arising on completion of transactions or on the year-end translation of assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Exchange differences arising on any loans between group companies that form part of the reporting entity's net investment in a foreign operation are recognised in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

39.2 Property, plant and equipment

Property, plant and equipment are stated at the cost of acquisition or production, net of accumulated depreciation and any impairment. Cost includes expenditure directly incurred to prepare the assets for use, as well as any costs for their dismantling and removal which will be incurred as a consequence of contractual or legal obligations requiring the asset to be restored to its original condition.

Depreciation is charged on a straight-line, monthly basis using rates that allow assets to be depreciated until the end of their useful lives. When assets consist of different identifiable components, whose useful lives differ significantly from each other, each component is depreciated separately using the component approach.

The indicative useful lives estimated by the Group for the various categories of property, plant and equipment are as follows:

Land	Not depreciated
Buildings	25-50 years
Plant	10-25 years
Machinery	10-25 years
Equipment and Other assets	3-40 years

The residual values and useful lives of property, plant and equipment are reviewed and adjusted, if appropriate, at least at the end of each annual reporting period.

From time to time the Group is required to dry dock its cable-laying vessels in order to carry out inspections and maintenance. Dry-docking costs include the replacement of parts and major repairs and maintenance. These costs are incurred as part of periodically scheduled inspections and result in future economic benefits. For this reason, the Group capitalises dry-docking costs as they occur and depreciates them on a straight-line basis over a period of 3 to 5 years, which is generally the period until the next scheduled dry-docking.

If the period until the next scheduled dry-docking is shorter than expected, any undepreciated dry-docking costs are immediately expensed to profit or loss before the next scheduled dry-docking.

Right-of-use assets under IFRS 16

A lease is a contract that guarantees the right to use an asset (the leased asset) for a period of time in exchange for a payment or a series of payments.

At the date leased assets become available for use, lessees shall recognise the rights of use as non-current assets and a corresponding financial liability.

Lease payments are divided into interest expense, recognised in profit or loss, and repayment of principal, accounted for as a reduction in the financial liability. Right-of-use assets are depreciated a straight-line monthly basis over the shorter of the lease term and the estimated useful lives of the assets.

Right-of-use assets and lease liabilities are initially measured at the present value of future lease payments.
The present value of lease liabilities includes the following payments:

- fixed payments;
- variable lease payments that depend on an index or a rate;
- exercise price of a purchase option reasonably certain to be exercised;
- payments of penalties for terminating the lease if the termination option is reasonably certain to be exercised;
- optional payments after the non-cancellable period, if the lease is reasonably certain to be extended beyond the non-cancellable period.

Future lease payments are discounted using the incremental borrowing rate. This is based on the risk-free rate of the country in which the contract is negotiated and on the term of the lease, and is also adjusted for the Group's credit spread.

Lease extension options are considered for the purposes of determining the lease term, if reasonably certain to be exercised.

Right-of-use assets are measured at cost, whose initial amount is equal to the lease liability.

For certain contracts, which are not considered to be material, the Group applies the short-term lease exemption as the impact of applying IFRS 16 to such short-term leases is not considered material.
The financial liability recognised under IFRS 16, amounting to Euro 310 million, is analysed by maturity as follows:

	31.12.2024			
(Euro/million)	Less than 1 year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Lease liabilities	81	50	106	73

The following table reports movements in right-of-use assets recognised in Property, plant and equipment in accordance with IFRS 16:

(Euro/million)	Land	Buildings	Plant and machinery	Equipment	Other assets	Total
Balance at 31-Dec-2023	**15**	**115**	**15**	**6**	**132**	**283**
Movements 2024:						
- Investments	1	20	1	5	84	111
- Depreciation and impairment	-	(29)	(2)	(4)	(80)	(115)
- Currency translation differences	-	2	(2)	-	1	1
Business combinations	-	-	-	-	4	4
Other	-	-	-	-	-	-
Balance at 31-Dec-2024	**16**	**108**	**12**	**7**	**141**	**284**
Of which:						
- Historical cost	19	199	21	17	256	512
- Accumulated depreciation	(3)	(91)	(9)	(10)	(115)	(228)
Net book value	**16**	**108**	**12**	**7**	**141**	**284**

(Euro/million)	Land	Buildings	Plant and machinery	Equipment	Other assets	Total
Balance at 31-Dec-2022	**14**	**106**	**14**	**9**	**55**	**198**
Movements 2023:						
- Investments	2	37	1	2	111	153
- Depreciation and impairment	(1)	(27)	(2)	(5)	(33)	(68)
- Currency translation differences	-	(1)	2	-	(1)	-
- Other	-	-	-	-	-	-
Balance at 31-Dec-2023	**15**	**115**	**15**	**6**	**132**	**283**
Of which:						
- Historical cost	18	182	21	19	219	459
- Accumulated depreciation	(3)	(67)	(6)	(13)	(87)	(176)
Net book value	**15**	**115**	**15**	**6**	**132**	**283**

39.3 Goodwill and other intangible assets

Goodwill

Goodwill represents the difference between the cost incurred for acquiring a controlling interest (in a business) and the fair value of the assets and liabilities identified at the acquisition date. Goodwill is not amortised, but is tested for impairment at least annually to identify any impairment losses. This test is carried out with reference to the cash-generating unit ("CGU") or group of CGUs to which goodwill is allocated and at which level it is monitored. More information can be found in Note 2. Goodwill and Other intangible assets.

Other intangible assets
Other intangible assets are recognised in the financial statements at acquisition cost and/or production cost, including all costs directly attributable to make the assets available for use, net of accumulated amortisation and any impairment. Amortisation commences when the asset is available for use and is calculated on a straight-line basis over the asset's estimated useful life. Other intangible assets have a finite useful life.

Other intangible assets include Patents, concessions, licences, trademarks and similar rights and Software. These assets are recognised at acquisition cost and amortised on a straight-line basis over their useful lives.

39.4 Impairment of property, plant and equipment and finite-life intangible assets

Property, plant and equipment, rights to use such assets and finite-life intangible assets are analysed at each reporting date for any evidence of impairment. If such evidence is identified, the recoverable amount of these assets is estimated and any impairment loss relative to carrying amount is recognised in profit or loss. The recoverable amount is the higher of the fair value of an asset, less costs to sell, and its value in use, where the latter is the present value of the estimated future cash flows of the asset, also taking into account the issues described in the paragraph on "Risks related to climate change". The recoverable amount of an asset which does not generate largely independent cash flows is determined in relation to the cash-generating unit to which the asset belongs. In calculating an asset's value in use, the expected future cash flows are discounted using a discount rate reflecting current market assessments of the time value of money, in relation to the period of the investment and the specific risks associated with the asset. Additional information about the measurement of cash-generating units can be found in Note 40. Estimates and assumptions.

39.5 Financial assets

In accordance with IFRS 9 - Financial instruments, financial assets are initially recorded at fair value and classified in one of the following categories on the basis of their nature and the purpose for which they were acquired:

a) Financial assets at amortised cost;
b) Financial assets at fair value through profit or loss (FVPL);
c) Financial assets at fair value through other comprehensive income (FVOCI).

Financial assets are derecognised when the right to receive cash flows from the instrument expires and the Group has substantially transferred all the risks and rewards of ownership of the instrument and the related control.

(a) Financial assets at amortised cost
The Group classifies in this category receivables and securities that it expects to hold to maturity, meaning that it receives payments of interest and principal from such assets on specified due dates. Assets at amortised cost are classified in the statement of financial position under "Financial assets at amortised cost" and presented as current or non-current assets depending on whether their contractual maturity is less or more than twelve months from the reporting date.

These assets are stated at amortised cost and written down if any impairment is identified.

(b) Financial assets at fair value through profit or loss (FVPL)
Financial assets classified in this category are represented by instruments held for trading, having been acquired for the purpose of selling in the near term and/or complex instruments whose cash flows cannot be identified simply as principal and interest.

Financial assets at fair value through profit or loss are measured at fair value, with gains and losses from changes in fair value reported in the income statement under "Finance income" and "Finance costs", in the period in which they arise.

Assets in this category are classified as current assets.

(c) Financial assets at fair value through other comprehensive income (FVOCI)
The Group uses this category to record equity investments it does not expect to dispose of in the near term and with which it has no controlling relationship, classified as non-current assets, and financial assets in which it invests its liquidity and whose disposal date is not known, classified as current assets.

The above equity investments are measured at fair value through OCI. Dividends from such investments are recognised in finance income.

Financial assets classified in this category are measured at fair value through OCI. Interest from financial assets classified as at fair value through OCI is recognised in finance income. When these instruments are sold, the related equity reserve is recycled to profit or loss.

39.6 Derivatives

Metal derivatives
Metal derivatives not designated as hedging instruments are recognised at fair value through profit or loss. The related income and expenses are classified in operating income and expenses. They are recognised as current assets or liabilities in the statement of financial position if they mature within twelve months, otherwise they are classified as non-current assets or liabilities.

The Group has designated certain derivatives denominated in EUR, GBP, USD and RMB, entered into with financial institutions with the intent of mitigating the risk of fluctuations in the price of certain metals, as hedging instruments associated with highly probable transactions (cash flow hedges). All derivatives designated as cash flow hedges are recognised at fair value through equity, and therefore designated as hedging instruments. These derivative financial instruments, which qualify for recognition as hedging instruments, are designed to hedge the price risk of commodities that are the subject of highly probable future purchase transactions (hedged items). A derivative that sets the commodity's purchase price is designated as a hedging instrument, since it relates to a physical commodity purchase that will be made. When the physical purchase is made, the Group unwinds the buy derivatives with sell derivatives. The effectiveness of the hedging relationships is assessed from the inception of each derivative instrument until it is closed out. The fair values of the various derivative financial instruments used as hedging instruments and movements in the "Cash flow hedge reserve" forming part of equity are presented in Note 8. Derivatives.

Interest rate derivatives
Interest rate derivatives not designated as hedging instruments are recognised at fair value through profit or loss. The related income and expenses are classified in finance income and costs. They are recorded as current assets or liabilities in the statement of financial position if they mature within twelve months, otherwise they are classified as non-current assets or liabilities.

Interest rate derivatives designated as hedging instruments are recognised at fair value through other comprehensive income. When the derivative matures, the related reserve is recycled to profit or loss as finance income and costs.
The relationship between the hedged item and the designated interest rate hedge must be documented. The effectiveness of each hedge is reviewed both at the derivative's inception and during its life cycle. In particular, interest rate derivatives designated as hedging instruments are intended to hedge the risk of cash flow volatility linked to finance costs originating from variable rate debt.

Forex derivatives
Forex derivatives not designated as hedging instruments are recognised at fair value through profit or loss. The related income and expenses are classified in finance income and costs. They are recorded as current assets or liabilities in the statement of financial position if they mature within twelve months, otherwise they are classified as non-current assets or liabilities.

Forex derivatives designated as hedging instruments are recognised at fair value through other comprehensive income. When the derivative matures, the related reserve is recycled to profit or loss.

The relationship between the hedged item and the designated forex hedge must be documented. The effectiveness of each hedge is reviewed both at the derivative's inception and during its life cycle. In particular, forex derivatives designated as hedging instruments are intended to hedge exchange rate risk on contracts or orders. These hedging relationships aim to reduce cash flow volatility due to exchange rate fluctuations affecting future transactions. In particular, the hedged item is the value in the company's unit of account of a cash flow expressed in another currency that is expected to be received/paid under a contract or an order whose amount exceeds the minimum thresholds set by the Group: all cash flows thus identified are therefore designated as hedged items in the hedging relationship. The reserve originating from changes in the fair value of derivative instruments is transferred to profit or loss, where it is classified as revenue/costs.

39.7 Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost, net of the allowance for doubtful accounts. Impairment of receivables is recognised on the basis of Expected Credit Loss (ECL). ECLs are based on the difference between the cash flows due by contract and all the cash flows that the Group expects to receive, discounted at an original effective interest rate.

The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages.

- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL).
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group adopts a simplified approach to calculating ECLs for trade receivables and contract assets: it does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group makes use of non-recourse factoring of trade receivables. These receivables are derecognised because such transactions transfer substantially all the related risks and rewards of the receivables to the factor.

39.8 Inventories

Inventories are recorded at the lower of purchase or production cost and net realisable value, defined as the amount the Group expects to obtain from their sale in the normal course of business, net of selling costs. The cost of inventories of raw materials, ancillaries and consumables, as well as finished products and goods is determined using the FIFO (first-in, first-out) method.

The exception is inventories of non-ferrous metals (copper, aluminium and lead) and quantities of such metals contained in semi-finished and finished products, which are valued using the weighted average cost method.
The cost of finished and semi-finished products includes design costs, raw materials, direct labour costs and other production costs (calculated on the basis of normal operating capacity).

39.9 Construction contracts

Construction contracts (hereafter also “contracts”), mainly referred to Transmission segment, are recognised at the value agreed in the contract, in accordance with the percentage of completion method, taking into account the progress of the project and the expected contractual risks. The progress of a project is measured by reference to the contract costs incurred at the reporting date in relation to the total estimated costs for each contract. When the outcome of a contract cannot be estimated reliably, the contract revenue is recognised only to the extent that the costs incurred are likely to be recovered. When the outcome of a contract can be estimated reliably, and it is probable that the contract will be profitable, contract revenue is recognised over the term of the contract. When it is probable that total contract costs will exceed total contract revenue, the potential loss is recognised immediately as an expense.

If the contract contains a warranty other than those used in standard market practice, this warranty is recognised separately.

The Group reports as assets the gross amount due from customers for construction contracts, where the costs incurred, plus recognised profits (less recognised losses), exceed the billing of work-in-progress; such assets are recorded in “Other receivables”. Amounts billed but not yet paid by customers are recorded in “Trade receivables”.
The Group records as liabilities the gross amount due to customers for all construction contracts where billing exceeds the costs incurred plus recognised profits (less recognised losses). Such liabilities are recorded in “Other payables”.

39.10 Cash and cash equivalents

Cash and cash equivalents comprise cash, demand bank deposits and other short-term investments, with a maturity of three months or less. Current account overdrafts are classified as financial payables under current liabilities in the statement of financial position.

39.11 Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost.

39.12 Borrowings from banks and other lenders

Borrowings from banks and other lenders are initially recognised at fair value, less directly attributable costs. Subsequently, they are measured at amortised cost, using the effective interest method. If the estimated expected cash flows should change, the value of the liabilities is recalculated to reflect this change using the present value of the expected new cash flows and the effective internal rate originally established. Borrowings from banks and other lenders are classified as current liabilities, unless the Group has an unconditional right to defer their payment for at least twelve months after the reporting date.

Borrowings from banks and other lenders are derecognised when they are extinguished and when the Group has transferred all the risks and expense relating to such instruments.

39.13 Employee benefits

The Group operates both defined contribution plans and defined benefit plans.

Defined contribution plans

A defined contribution plan is a plan under which the Group pays fixed contributions to third-party fund managers and to which there are no legal or other obligations to pay further contributions should the fund not have sufficient assets to meet the obligations to employees for current and prior periods. In the case of defined contribution plans, the Group pays contributions, voluntarily or as established by contract, to public and private pension insurance funds. The Group has no obligations subsequent to payment of such contributions, which are recognised as personnel costs on an accrual basis. Prepaid contributions are recognised as an asset which will be repaid or used to offset future payments, if due.

Defined benefit plans
In defined benefit plans, the total benefit payable to the employee can be quantified only after the employment relationship ceases, and is linked to one or more factors, such as age, years of service and remuneration; the related cost is therefore charged to the period's income statement on the basis of an actuarial calculation. The liability recognised for defined benefit plans corresponds to the present value of the obligation at the reporting date, less the fair value of the plan assets, where applicable. Obligations for defined benefit plans are determined annually by an independent actuary using the projected unit credit method. The present value of a defined benefit plan is determined by discounting the future cash flows at an interest rate equal to that of high-quality corporate bonds issued in the liability's settlement currency and which reflects the duration of the related pension plan. Actuarial gains and losses arising from the above adjustments and changes in actuarial assumptions are recorded among the components of other comprehensive income.

Past service costs resulting from a plan amendment are recognised immediately as an expense in the period the plan amendment occurs.

Other post-employment obligations
Some Group companies provide medical benefit plans for retired employees. The expected cost of these benefits is accrued over the period of employment using the same accounting method as for defined benefit plans. Actuarial gains and losses arising from the valuation and the effects of changes in the actuarial assumptions are accounted for in equity. These liabilities are valued annually by a qualified independent actuary.

Termination benefits
The Group recognises termination benefits when it can be shown that the termination of employment complies with a formal plan communicated to the parties concerned that establishes termination of employment, or when payment of the benefit is the result of voluntary redundancy incentives. Termination benefits payable more than twelve months after the reporting date are discounted to present value.

39.14 Provisions for risks and charges

Provisions for risks and charges are recognised for losses and charges of a definite nature, whose existence is certain or probable, but the amount and/or timing of which cannot be determined reliably. A provision is recognised only when there is a current (legal or constructive) obligation for a future outflow of economic resources as the result of past events and it is likely that this outflow is required to settle the obligation. Such amount is the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is material and the obligation settlement date can be estimated reliably, the provisions are stated at the present value of the expected outlay, using a rate that reflects market conditions, the variation in the time value of money, and risks specific to the obligation.

Increases in the provision due to changes in the time value of money are accounted for as interest expense.

Risks for which the emergence of a liability is only possible but not remote are reported in the disclosures about commitments and contingencies and no provision is recognised.

Any contingent liabilities accounted for separately when allocating the cost of a business combination, are measured at the higher of the amount obtained under the method described above for calculating provisions for risks and charges and the liability's original present value.

Additional details can be found in Note 29. Contingent liabilities.

Provisions for risks and charges include an estimate of legal costs to be incurred if such costs are incidental to the discharge of the provision to which they refer.

39.15 Revenue recognition

Revenues, for the Transmission segment recognized primarily using the contract work in progress method while for revenues related to the other segments recognized “at a point time”, are recognised at the fair value of the consideration received for the sale of goods and services in the ordinary course of the Group’s business. Revenue is recognised net of value-added tax, rebates, discounts and expected returns.

Revenue is accounted for as follows:

Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, normally coinciding with shipment or delivery of the goods and acceptance by the customer. The Group checks whether there are conditions in the contract that represent separate performance obligations to which a portion of the transaction price must be allocated (e.g., warranties), as well as the effects arising from the presence of any variable consideration, significant financing components or non-cash consideration payable to the customer. In the case of variable consideration, this is estimated based on the amount to which the Group will be entitled when the goods are transferred to the customer; such consideration is estimated at contract inception and is recognised only when it is highly probable. The Group grants discounts to certain customers when the quantity of products purchased during the period exceeds a threshold specified in the contract. Discounts are offset against amounts payable by the customer. To estimate the variable consideration for expected discounts, the Group applies the “most likely amount” method for contracts with a single-volume discount threshold and the “expected value” method for contracts with multiple thresholds. Generally, the Group receives short-term advances from its customers and the agreed amount of consideration is not adjusted for the effects of a significant financing component if it expects, at contract inception, that the period between transfer of the promised good or service to the customer and related customer payment will not exceed one year.

Construction contracts

The method of recognising revenue for construction contracts is outlined in Note 39.9 Construction contracts.

39.16 Government grants

Government grants are recognised on an accrual basis in direct relation to the costs incurred when there is a formal resolution approving the grant and, when the right to the grant is assured since it is reasonably certain that the Group will comply with the conditions for its receipt and that the grant will be received.

(a) Grants related to assets

Government grants for property, plant and equipment are recorded as deferred income under “Other payables”, classified as current or non-current liabilities for the respective long-term and short-term portion of such grants. Deferred income is recognised in “Other income” in the income statement on a straight-line basis over the useful life of the asset to which the grant refers.

(b) Grants related to income

Grants other than those related to assets are credited to the income statement as “Other income”.

39.17 Cost recognition

Costs are recognised for goods and services acquired or consumed during the reporting period or to make a systematic allocation to match costs with revenues.

39.18 Taxes

Current taxes are calculated on the basis of taxable income for the year, applying the tax rates in force at the reporting date.

Deferred taxes are calculated on all differences arising between the tax base of an asset or liability and the carrying amount, except for goodwill and differences arising from investments in subsidiaries, where the timing of the reversal of such differences is controlled by the Group and they are unlikely to reverse in a reasonably foreseeable future. Deferred tax assets, including those relating to past tax losses, not offset by deferred tax liabilities, are recognised to the extent it is likely that future taxable profit will be available against which they can be recovered.

Deferred taxes are determined using tax rates that are expected to apply in the years when the differences are realised or extinguished, on the basis of tax rates that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognised in profit or loss with the exception of those relating to items recognised directly in equity, in which case the tax effect is accounted for directly in equity. Income taxes are offset if they are levied by the same taxation authority, if there is a legally enforceable right to offset them and if the net balance is expected to be settled.

Other taxes not related to income, such as property tax, are accounted for in "Other expenses".

39.19 Earnings per share

(a) Basic earnings per share
Basic earnings per share are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the reporting period, excluding treasury shares.

(b) Diluted earnings per share
Diluted earnings per share are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the reporting period, excluding treasury shares. For the purposes of calculating diluted earnings per share, the weighted average number of outstanding shares is adjusted so as to include the exercise, by all those entitled, of existing rights with a potentially dilutive effect, while the profit attributable to owners of the parent is adjusted to account for any post-tax effects of exercising such rights.

39.20 Treasury shares

Treasury shares are reported as a deduction from equity. The original cost of treasury shares and revenue arising from any subsequent sales are treated as movements in equity.

39.21 Finance income and costs

For all financial assets and liabilities measured at amortised cost and interest-bearing financial assets classified as at fair value through other comprehensive income, interest income and interest expense are recognised using the effective interest rate method. Interest income is recognised to the extent that it is probable that the economic benefits will flow to the Group and its amount can be reliably measured.

40. Estimates and assumptions

The preparation of financial statements requires Management to apply accounting policies and methods which, at times, rely on judgements and estimates based on past experience and assumptions deemed to be reasonable and realistic under the circumstances. The application of these estimates and assumptions affects the amounts reported in the financial statements, meaning the statement of financial position, the income statement, the statement of comprehensive income and the statement of cash flows, as well as the accompanying disclosures. Final amounts, previously reported on the basis of estimates and assumptions, may differ from original estimates because of uncertainty surrounding the assumptions and conditions on which the estimates were based.

The following is a brief description of the accounting policies that require the Group's Management to exercise greater subjectivity of judgement in making estimates and a change in whose underlying assumptions could have a material impact on the consolidated financial statements.

(a) Provisions for risks and charges

Provisions are recognised for legal and tax risks to reflect the risk of an adverse outcome. The value of the provisions recorded in the financial statements against such risks represents the best estimate by Management at the reporting date. This estimate requires the use of assumptions that depend on factors which may change over time and which could, therefore, materially impact the current estimates made by Management when preparing the Group consolidated financial statements.

(b) Impairment of assets

Goodwill

The Group's activities have been organised since 1 January 2024 in four business segments: Transmission, Power Grid, Electrification and Digital Solutions. The Transmission segment consists of the High Voltage, Submarine Power, Submarine Telecom, Offshore Specialties and EOSS High Voltage CGUs; the Power Grid segment consists of a number of CGUs corresponding to the Regions or Countries in keeping with the specific organisation structure; the Electrification segment consists of a number of CGUs corresponding to the Regions or Countries in keeping with the specific organisation structure; lastly, the Digital Solutions segment consists of a single CGU that coincides with the operating segment itself.

In accordance with the accounting standards adopted and related impairment testing procedures, the Group tests annually whether Goodwill has suffered any impairment loss. The recoverable amount is determined by calculating value in use, which requires the use of estimates.

More details about the Goodwill impairment test can be found in Note 2. Goodwill and Other intangible assets.

Property, plant and equipment and finite-life intangible assets

In accordance with the Group's accounting policies and impairment testing procedures, property, plant and equipment and intangible assets with finite useful lives are tested for impairment, recognised through write-down, when there are indicators that their carrying amount may be difficult to recover through use. To verify the existence of these indicators Management has to make subjective judgements based on information available within the Group and from the market, as well as on past experience. If an impairment loss is identified, the Group will determine the amount of the loss using suitable valuation techniques. Correct identification of indicators of potential impairment, as well as its very measurement, depend on factors that may vary over time, thus influencing the judgements and estimates made by Management.

Prysmian has assessed during the course of 2024 whether there was any evidence that its CGUs might be impaired. Further information can be found in Note 1. Property, plant and equipment.

(c) Climate change

The estimates and assumptions impacted by climate change are discussed in the relevant section of the Directors' Report. The opportunities and impacts arising from climate change are also considered in the impairment tests.

(d) Depreciation and amortisation

The cost of property, plant and equipment and intangible assets is depreciated/amortised on a straight-line basis over the estimated useful lives of the assets concerned. The useful economic life of Group property, plant and equipment and intangible assets is determined by Management when the asset is acquired. This is based on past experience for similar assets, market conditions and expectations regarding future events that could impact useful life, including developments in technology. Therefore, actual economic life may differ from estimated useful life. The Group periodically reviews technological and industry developments to update residual useful lives. This periodic review may result in a revision of the depreciation/amortisation period and consequently of the depreciation/amortisation charge for future years.

(e) Recognition of revenues and costs from construction contracts

The Group uses the percentage of completion method to account for long-term contracts. The margins recognised in profit or loss depend on the progress of the contract and its estimated margins upon completion. This means that if work-in-progress and margins on as yet incomplete work are to be correctly recognised, Management must have correctly estimated contract revenue and completion costs, including any contract variations and any cost overruns and penalties that might reduce the expected margin. The percentage of completion method requires the Group to estimate contract completion costs and involves making estimates dependent on factors that could potentially change over time and could therefore have a significant impact on the recognition of revenue and margins in the pipeline.

(f) Taxes
Consolidated companies are subject to different tax jurisdictions. A high level of judgement is needed to establish the estimated global tax charge, also because of uncertain tax treatments. There are many transactions for which the relevant tax liability is difficult to estimate at year end. The Group recognises liabilities for ongoing tax risks on the basis of estimates, possibly made with the assistance of outside experts.

(g) Inventory valuation
Inventories are recorded at the lower of purchase cost (measured using the weighted average cost formula for non-ferrous metals and the FIFO formula for all others) and net realisable value, net of selling costs. Net realisable value is in turn represented by the value of firm sales orders in the order book, or failing that by the replacement cost of the goods or raw materials. If significant reductions in the price of non-ferrous metals were to be followed by order cancellations, the loss in the value of inventories might not be fully offset by the penalties charged to customers for cancelling their orders.

(h) Employee benefit obligations
The present value of the pension plans reported in the financial statements depends on an independent actuarial calculation and on a number of different assumptions. Any changes in assumptions and in the discount rate used are duly reflected in the present value calculation and may have a significant impact on the consolidated figures. The assumptions used for the actuarial calculation are examined by the Group annually.

Present value is calculated by discounting future cash flows at an interest rate equal to that on high-quality corporate bonds issued in the currency in which the liability will be settled and which takes account of the duration of the related pension plan.

Further information can be found in Note 15. Employee benefit obligations and Note 21. Personnel costs.

(i) Incentive and share purchase plans
The employee share purchase plan, open to almost all the Group's employees, offers them an opportunity to obtain shares under preferential terms and conditions. The operation of this plan is described in Note 21. Personnel costs. The grant of shares is subject to continued employment with the Group in the months between signing up to one of the plan's purchase windows and the purchase of the shares themselves on the equity market. The plan's financial and economic impact has therefore been estimated on the basis of the best possible estimates and information currently available.

The 2023-2025 incentive plan involves the allocation of a number of shares calculated according to the achievement of operational, economic and financial performance conditions. The plan's financial and economic impact has therefore been estimated on the basis of the best possible estimates and information available at the valuation date. More details can be found in Note 21. Personnel costs.

The "BE IN" incentive plan provides for the grant of a number of shares. In some cases, this number is determined on the basis of the achievement of performance targets, as well as on the basis of employee participation. The plan's financial and economic impact has therefore been estimated on the basis of the best possible estimates and information available at the valuation date. More details can be found in Note 21. Personnel costs.

41. Events after the reporting period

There have been no events after the end of the reporting period that impact the financial statements.

Milan, 26 February 2025

ON BEHALF OF THE BOARD OF DIRECTORS
THE CHAIRMAN
Francesco Gori

Scope of Consolidation – Appendix A

The following companies have been consolidated line-by-line:

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Europe					
Austria					
Prysmian OEKW GmbH	Wien	Euro	2,053,008	100.00%	Prysmian Cavi e Sistemi S.r.l.
Belgium					
Draka Belgium N.V.	Leuven	Euro	61,973	98.52%	Draka Holding B.V.
				1.48%	Draka Kabel B.V.
Denmark					
Prysmian Group Denmark A/S	Albertslund	Corona danese	40,001,000	100.00%	Draka Holding B.V.
Estonia					
Prysmian Group Baltics AS	Keila	Euro	1,664,000	100.00%	Prysmian Group Finland OY
Finland					
Prysmian Group Finland OY	Kirkkonummi	Euro	100,000	77.7972%	Prysmian Cavi e Sistemi S.r.l.
				19.9301%	Draka Holding B.V.
				2.2727%	Draka Comteq B.V.
France					
Prysmian Cables et Systèmes France S.A.S.	Sens	Euro	136,800,000	100.00%	Draka France S.A.S.
Draka Comteq France S.A.S.	Paron	Euro	246,554,316	100.00%	Draka France S.A.S.
Draka Fileca S.A.S.	Sainte Geneviève	Euro	5,439,700	100.00%	Draka France S.A.S.
Draka Paricable S.A.S.	Montreau-Fault-Yonne	Euro	5,177,985	100.00%	Draka France S.A.S.
Draka France S.A.S.	Montreau-Fault-Yonne	Euro	482,952,210	54.16%	Draka Holding B.V.
				45.84%	Prysmian Cavi e Sistemi s.r.l.
P.O.R. S.A.S.	Montreau-Fault-Yonne	Euro	100,000	100.00%	Draka France S.A.S.
Silec Cable, S. A. S.	Montreau-Fault-Yonne	Euro	60,037,000	100.00%	Draka Holding B.V.
EHC France s.a.r.l.	Sainte Geneviève	Euro	310,717	100.00%	EHC Global Inc.
Germany					
Prysmian Kabel und Systeme GmbH	Berlin	Euro	15,000,000	93.75%	Draka Deutschland GmbH
				6.25%	Prysmian S.p.A.
Prysmian Cable Industrial GmbH	Berlin	Euro	25,000	100.00%	Prysmian Cavi e Sistemi s.r.l.
Prysmian Unterstuetzungseinrichtung Lynen GmbH	Eschweiler	Deutsche Mark	50,000	100.00%	Prysmian Kabel und Systeme GmbH

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Draka Comteq Berlin GmbH & Co. KG	Berlin	Deutsche Mark	46,000,000	50.10%	Prysmian Netherlands B.V.
		Euro	1	49.90%	Draka Deutschland GmbH
Draka Comteq Germany Verwaltungs GmbH	Koln	Euro	25,000	100.00%	Draka Comteq B.V.
Draka Comteq Germany GmbH & Co. KG	Koln	Euro	5,000,000	100.00%	Draka Comteq B.V.
Draka Deutschland Erste Beteiligungs GmbH	Wuppertal	Euro	25,000	100.00%	Draka Holding B.V.
Draka Deutschland GmbH	Wuppertal	Euro	25,000	90.00%	Draka Deutschland Erste Beteiligungs GmbH
				10.00%	Draka Deutschland Zweite Beteiligungs GmbH
Draka Deutschland Verwaltungs GmbH	Wuppertal	Deutsche Mark	50,000	100.00%	Prysmian Kabel und Systeme GmbH
Draka Deutschland Zweite Beteiligungs GmbH	Wuppertal	Euro	25,000	100.00%	Prysmian Netherlands B.V.
Prysmian Projects Germany GmbH	Nordenham	Euro	25,000	100.00%	Draka Deutschland GmbH
Höhn GmbH	Wuppertal	Deutsche Mark	1,000,000	100.00%	Draka Deutschland GmbH
Kaiser Kabel GmbH	Wuppertal	Deutsche Mark	9,000,000	100.00%	Draka Deutschland GmbH
NKF Holding (Deutschland) GmbH i.L	Wuppertal	Euro	25,000	100.00%	Prysmian Netherlands B.V.
Norddeutsche Seekabelwerke GmbH	Nordenham	Euro	50,025,000	100.00%	Grupo General Cable Sistemas, S.L.
EHC Germany GmbH	Baesweiler	Euro	25,200	100.00%	EHC Global Inc
U.K.					
Prysmian Cables & Systems Ltd.	Eastleigh	British Pound	113,901,120	100.00%	Prysmian UK Group Ltd.
Prysmian Construction Company Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian Cables & Systems Ltd.
Prysmian Cables (2000) Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian Cables & Systems Ltd.
Cable Makers Properties & Services Ltd.	Esher	British Pound	39.08	63.84%	Prysmian Cables & Systems Ltd.
				36.16%	Terzi
Comergy Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian Cavi e Sistemi S.r.l.
Prysmian Pension Scheme Trustee Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian S.p.A.
Prysmian UK Group Ltd.	Eastleigh	British Pound	70,011,000	100.00%	Draka Holding B.V.
Draka Comteq UK Ltd.	Eastleigh	British Pound	14,000,002	100.00%	Prysmian UK Group Ltd.
Draka UK Ltd.	Eastleigh	British Pound	1	100.00%	Prysmian UK Group Ltd.
Prysmian PowerLink Services Ltd.	Eastleigh	British Pound	46,000,100	100.00%	Prysmian UK Group Ltd.
Escalator Handrail (UK) Ltd.	Eastleigh	British Pound	2	100.00%	EHC Global Inc.
Italy					
Prysmian Cavi e Sistemi S.r.l.	Milan	Euro	50,000,000	100.00%	Prysmian S.p.A.

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Prysmian Cavi e Sistemi Italia S.r.l.	Milan	Euro	77,143,249	100.00%	Prysmian S.p.A.
Prysmian Treasury S.r.l.	Milan	Euro	80,000,000	100.00%	Prysmian S.p.A.
Prysmian PowerLink S.r.l.	Milan	Euro	100,000,000	100.00%	Prysmian S.p.A.
Fibre Ottiche Sud - F.O.S. S.r.l.	Battipaglia	Euro	47,700,000	100.00%	Prysmian S.p.A.
Electronic and Optical Sensing Solutions S.r.l.	Milano	Euro	5,000,000	100.00%	Prysmian S.p.A.
Prysmian Riassicurazioni S.p.A.	Milano	Euro	30,000,000	100.00%	Prysmian S.p.A.
Norway					
Prysmian Group Norge AS	Drammen	Norwegian Krone	22,500,000	100.00%	Draka Holding B.V.
The Netherlands					
Draka Comteq B.V.	Amsterdam	Euro	1,000,000	100.00%	Draka Holding B.V.
Draka Comteq Fibre B.V.	Eindhoven	Euro	18,000	100.00%	Prysmian Netherlands B.V.
Draka Holding B.V.	Amsterdam	Euro	52,229,320.50	100.00%	Prysmian S.p.A.
Draka Kabel B.V.	Amsterdam	Euro	2,277,976.68	100.00%	Prysmian Netherlands B.V.
Donne Draad B.V.	Nieuw Bergen	Euro	28,134.37	100.00%	Prysmian Netherlands B.V.
NKF Vastgoed I B.V.	Delft	Euro	18,151.21	99.00%	Draka Holding B.V.
				1.00%	Prysmian Netherlands B.V.
NKF Vastgoed III B.V.	Delft	Euro	18,151.21	99.00%	Draka Deutschland GmbH
				1.00%	Prysmian Netherlands B.V.
Prysmian Netherlands B.V.	Delft	Euro	1	100.00%	Draka Holding B.V.
Poland					
Prysmian Poland sp. z o.o.	Sokolów	Polish Zloty	394,000	100.00%	Draka Holding B.V.
Portugal					
General Cable Investments, SGPS, Sociedade Unipessoal, S.A.	Funchal	Euro	8,500,020	100.00%	Draka Holding B.V.
General Cable Celcat, Energia e Telecomunicaçoes SA	Pero Pinheiro	Euro	13,500,000	100.00%	General Cable Investments, SGPS, Sociedade Unipessoal, S.A.
Czech Republic					
Prysmian Kabely, s.r.o.	Velké Meziříčí	Czech Koruna	255,000,000	100.00%	Draka Holding B.V.
Romania					
Prysmian Cabluri Si Sisteme S.A.	Slatina	Leu rumeno	403,850,920	99.99987%	Draka Holding B.V.
				0.00013%	Prysmian Cavi e Sistemi S.r.l.
Russia					
Limited Liability Company Prysmian RUS	Rybinsk city	Russian Rouble	230,000,000	99.00%	Draka Holding B.V.
				1.00%	Prysmian Cavi e Sistemi S.r.l.
Limited Liability Company "Rybinskelektrokabel"	Rybinsk city	Russian Rouble	90,312,000	100.00%	Limited Liability Company Prysmian RUS

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Slovakia					
Prysmian Kablo s.r.o.	Bratislava	Euro	21,246,001	99.995%	Prysmian Cavi e Sistemi S.r.l.
				0.005%	Prysmian S.p.A.
Spain					
Prysmian Cables Spain, S.A. (Sociedad Unipersonal)	Vilanova I la Geltrù	Euro	58,178,234	100.00%	Draka Holding B.V.
GC Latin America Holdings, S.L.	Abrera	Euro	151,042,030	100.00%	General Cable Holdings (Spain), S.L.
General Cable Holdings (Spain), S.L.	Abrera	Euro	138,304,698	100.00%	Prysmian Cables and Systems USA, LLC
Grupo General Cable Sistemas, S.L.	Abrera	Euro	22,116,019	100.00%	Draka Holding B.V.
EHC Spain and Portugal, S.L.	Sevilla	Euro	3,897,315	100.00%	EHC Global Inc.
Sweden					
Prysmian Group Sverige AB	Nässjö	Swedish Krona	100,000	100.00%	Draka Holding B.V.
Switzerland					
Omnisens S.A.	Morges	Swiss Franc	11,811,719	100.00%	Electronic and Optical Sensing Solutions S.r.l.
Turkey					
Turk Prysmian Kablo Ve Sistemleri A.S.	Mudanya	Turkish new Lira	216,733,652	83.7464%	Draka Holding B.V.
				0.4614%	Turk Prysmian Kablo Ve Sistemleri A.S.
				15.7922%	Terzi
Hungary					
Prysmian MKM Magyar Kabel Muvek Kft.	Budapest	Hungarian Forint	5,000,000,000	100.00%	Prysmian Cavi e Sistemi S.r.l.
North America					
Canada					
Prysmian Cables and Systems Canada Ltd.	New Brunswick	Canadian Dollar	1,000,000	100.00%	Draka Holding B.V.
Draka Elevator Products Incorporated	New Brunswick	Canadian Dollar	n/a	100.00%	Prysmian Cables and Systems USA, LLC
General Cable Company Ltd.	Halifax	Canadian Dollar	295,768	100.00%	Prysmian Cables and Systems USA, LLC
EHC Global Inc.	Oshawa	Canadian Dollar	1,511,769	100.00%	Prysmian Cables and Systems Canada Ltd.
EHC Canada Inc.	Oshawa	Canadian Dollar	39,409	100.00%	EHC Global Inc.
Dominican Repuplic					
General Cable Caribbean, S.R.L	Santa Domingo Oeste	Dominican Peso	2,100,000	100.000%	Prysmian Cables and Systems USA, LLC
U.S.A.					
Prysmian Cables and Systems (US) Inc.	Carson City	US Dollar	330,517,608	100.00%	Draka Holding B.V.

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Prysmian Cables and Systems USA, LLC	Wilmington	US Dollar	10	100.00%	Prysmian Cables and Systems (US) Inc.
Prysmian Construction Services Inc.	Wilmington	US Dollar	1,000	100.00%	Prysmian Cables and Systems USA, LLC
Draka Elevator Products, Inc.	Boston	US Dollar	1	100.00%	Prysmian Cables and Systems USA, LLC
Draka Transport USA, LLC	Boston	US Dollar	0	100.00%	Prysmian Cables and Systems USA, LLC
General Cable Technologies Corporation	Wilmington	US Dollar	1,884	100.00%	Prysmian Cables and Systems USA, LLC
Phelps Dodge Enfield Corporation	Wilmington	US Dollar	800,000	100.00%	Prysmian Cables and Systems USA, LLC
Phelps Dodge National Cables Corporation	Wilmington	US Dollar	10	100.00%	Prysmian Cables and Systems USA, LLC
EHC USA Inc.	New York	US Dollar	1	100.00%	EHC Global Inc.
Prysmian Group Speciality Cables, LLC	Wilmington	US Dollar		100.00%	Prysmian Cables and Systems USA, LLC
Prysmian Projects North America, LLC	Wilmington	US Dollar		100.00%	Prysmian Cables and Systems USA, LLC
Encore Wire Corporation	Wilmington	US Dollar	1	100.00%	Prysmian Cables and Systems USA, LLC
Central/South America					
Argentina					
Prysmian Energia Cables y Sistemas de Argentina S.A.	Buenos Aires	Argentine Peso	993,992,914	97.75%	Draka Holding B.V.
				2.01%	Prysmian Cavi e Sistemi S.r.l.
				0.13%	Terzi
				0.11%	Prysmian Cabos e Sistemas do Brasil S.A.
Brazil					
Prysmian Cabos e Sistemas do Brasil S.A.	Sorocaba	Brazilian Real	910,044,391	94.543%	Prysmian Cavi e Sistemi S.r.l.
				0.027%	Prysmian S.p.A.
				1.129%	Draka Holding B.V.
				4.301%	Draka Comteq B.V.
Draka Comteq Cabos Brasil S.A.	Santa Catarina	Brazilian Real	27,467,522	49.352%	Draka Comteq B.V.
				50.65%	Prysmian Cabos e Sistemas do Brasil S.A.
Chile					
Cobre Cerrillos S.A.	Cerrillos	US Dollar	74,574,400	99.80%	General Cable Holdings (Spain), S.L.
				0.20%	Terzi
Colombia					
Productora de Cables Procables S.A.S.	Bogotà	Colombian Peso	1,902,964,285	99.96%	GC Latin America Holdings, S.L.
Costa Rica					
Conducen, S.R.L.	Heredia	Costa Rican Colón	1,845,117,800	100.00%	GC Latin America Holdings, SL

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Ecuador					
Cables Electricos Ecuatorianos C.A. CABLEC	Quito	US Dollar	243,957	67.17%	General Cable Holdings (Spain), S.L.
				32.43%	Cables Electricos Ecuatorianos C.A. CABLEC
				0.40%	Terzi
Honduras					
Electroconductores de Honduras, S.A. de C.V.	Tegucigalpa	Lempira honduregna	3,436,400	59.39%	General Cable Holdings (Spain), S.L.
				40.61%	GC Latin America Holdings, S.L.
Mexico					
Draka Durango S. de R.L. de C.V.	Durango	Mexican Peso	163,471,787	99.996%	Draka Mexico Holdings S.A. de C.V.
				0.004%	Draka Holding B.V.
Draka Mexico Holdings S.A. de C.V.	Durango	Mexican Peso	57,036,501	99.999998%	Draka Holding B.V.
				0.000002%	Draka Comteq B.V.
Prysmian Cables y Sistemas de Mexico S. de R. L. de C. V.	Durango	Mexican Peso	173,050,500	99.9983%	Draka Holding B.V.
				0.0017%	Draka Mexico Holdings S.A. de C.V.
General Cable de Mexico, S.A de C.V.	Tetla	Mexican Peso	1,329,621,471	80.41733609%	Prysmian Cables and Systems USA, LLC
				19.58266361%	Conducen, S.R.L.
				0.00000030%	General Cable Technologies Corporation
General de Cable de Mexico del Norte, S.A. de C.V.	Piedras Negras	Mexican Peso	10,000	99.80%	General Cable Technologies Corporation
				0.20%	Prysmian Cables and Systems USA, LLC
Prestolite de Mexico, S.A. de C.V.	Sonora	Mexican Peso	50,000	99.80%	Prysmian Cables and Systems USA, LLC
				0.20%	General Cable Technologies Corporation
Servicios Latinoamericanos GC, S.A. de C.V.	Puebla	Mexican Peso	50,000	99.998%	General Cable de Mexico, S.A de C.V.
				0.002%	General Cable Technologies Corporation
Perù					
General Cable Peru S.A.C.	"Santiago de Surco (Lima)"	Nuevo sol peruviano	90,327,867.50	99.99999%	GC Latin America Holdings, S.L.
				0.00001%	Cobre Cerrillos S.A.
Africa					
Angola					
General Cable Condel, Cabos de Energia e Telecomunicaçoes SA	Luanda	Kwanza angolano	20,000,000	99.80%	General Cable Celcat, Energia e Telecomunicaçoes SA
				0.20%	Terzi

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
Ivory Coast					
SICABLE - Sociète Ivoirienne de Cables S.A.	Abidjan	CFA Franc	740,000,000	51.00%	Prysmian Cables et Systèmes France S.A.S.
				49.00%	Terzi
Tunisia					
Auto Cables Tunisie S.A.	Grombalia	Tunisian Dinar	4,050,000	50.998%	Prysmian Cables et Systèmes France S.A.S.
				49.002%	Terzi
Prysmian Cables and Systems Tunisia S.A.	Menzel Bouzelfa	Tunisian Dinar	2,700,000	99.9741%	Prysmian Cables et Systemes France S.A.S.
				0.0037%	Draka France S.A.S.
				0.0037%	Prysmian Cavi e Sistemi S.r.l.
				0.0185%	Terzi
Oceania					
Australia					
Prysmian Australia Pty Ltd.	Liverpool	Australian Dollar	56,485,736	100.00%	Prysmian Cavi e Sistemi S.r.l.
New Zeland					
Prysmian New Zealand Ltd.	Auckland	New Zeland Dollar	10,000	100.00%	Prysmian Australia Pty Ltd.
Asia					
Saudi Arabia					
Prysmian Powerlink Saudi LLC	Al Khoabar	"Saudi Arabian Riyal"	500,000	95.00%	Prysmian PowerLink S.r.l.
				5.00%	Terzi
China					
Prysmian Tianjin Cables Co. Ltd.	Tianjin	US Dollar	36,790,000	67.00%	Prysmian (China) Investment Company Ltd.
				33.00%	Terzi
Prysmian Cable (Shanghai) Co. Ltd.	Shanghai	Chinese Renminbi (Yuan)	34,867,510	100.00%	Prysmian (China) Investment Company Ltd.
Prysmian Wuxi Cable Co. Ltd.	Yixing (Jiangsu Province)	Chinese Renminbi (Yuan)	240,863,720	100.00%	Prysmian (China) Investment Company Ltd.
Prysmian Hong Kong Holding Ltd.	Hong Kong	Euro	72,000,000	100.00%	Prysmian Cavi e Sistemi S.r.l.
Prysmian (China) Investment Company Ltd.	Pechino	Euro	74,152,961	100.00%	Prysmian Hong Kong Holding Ltd.
Nantong Haixun Draka Elevator Products Co. LTD	Nantong	US Dollar	2,400,000	75.00%	Draka Elevator Products, Inc.
				25.00%	Terzi
Nantong Zhongyao Draka Elevator Products Co. LTD	Nantong	US Dollar	2,000,000	60.00%	Draka Elevator Products, Inc.
				40.00%	Terzi
Suzhou Draka Cable Co. Ltd.	Suzhou	Chinese Renminbi (Yuan)	304,500,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Prysmian Technology Jiangsu Co. Ltd.	Yixing	Chinese Renminbi (Yuan)	495,323,466	100.00%	Prysmian (China) Investment Company Ltd.

Legal name	Office	Currency	Share Capital	% ownership	Direct parent company
EHC Escalator Handrail (Shanghai) Co. Ltd.	Shanghai	Dollaro statunitense	2,100,000	100.00%	EHC Global Inc.
EHC Engineered Polymer (Shanghai) Co. Ltd.	Shanghai	Dollaro statunitense	1,600,000	100.00%	EHC Global Inc.
EHC Lift Components (Shanghai) Co. Ltd.	Shanghai	Dollaro statunitense	200,000	100.00%	EHC Global Inc.
Philippines					
Draka Philippines Inc.	Cebu	Peso filippine	253,652,000	99.9999975%	Draka Holding B.V.
				0.0000025%	Terzi
Prysmian Philippines, Incorporated	Makati City	Peso filippine	11,800,000	99.9999746%	Draka Holding B.V.
				0.0000254%	Terzi
India					
Associated Cables Pvt. Ltd.	Mumbai	Rupia Indiana	183,785,700	99.999946%	Oman Cables Industry (SAOG)
				0.000054%	Terzi
Jaguar Communication Consultancy Services Private Ltd.	Mumbai	Rupia Indiana	157,388,218	99.99999%	Prysmian Cavi e Sistemi S.r.l.
				0.000001%	Prysmian S.p.A.
Indonesia					
PT.Prysmian Cables Indonesia	Cikampek	US Dollar	67,300,000	99.48%	Draka Holding B.V.
				0.52%	Prysmian Cavi e Sistemi S.r.l.
Malaysia					
Sindutch Cable Manufacturer Sdn Bhd	Malacca	"Malaysian Ringgit"	500,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Draka (Malaysia) Sdn Bhd	Malacca	"Malaysian Ringgit"	8,000,002	100.00%	Cable Supply and Consulting Company Pte Ltd.
Oman					
Oman Cables Industry (SAOG)	Al Rusayl	Omani Riyal	8,970,000	51.17%	Draka Holding B.V.
				48.83%	Terzi
Oman Aluminium Processing Industries (SPC)	Sohar	Omani Riyal	4,366,000	100.00%	Oman Cables Industry (SAOG)
Singapore					
Prysmian Cables Asia-Pacific Pte Ltd.	Singapore	Singapore Dollar	174,324,290	100.00%	Draka Holding B.V.
Draka Cableteq Asia Pacific Holding Pte Ltd.	Singapore	Singapore Dollar	28,630,503.70	100.00%	Draka Holding B.V.
Singapore Cables Manufacturers Pte Ltd.	Singapore	Singapore Dollar	1,500,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Cable Supply and Consulting Company Private Limited	Singapore	Singapore Dollar	50,000	100.00%	Draka Cableteq Asia Pacific Holding Pte Ltd.
Thailand					
MCI-Draka Cable Co. Ltd.	Bangkok	Thai Baht	435,900,000	99.999931%	Draka Cableteq Asia Pacific Holding Pte Ltd.
				0.000023%	Draka (Malaysia) Sdn Bhd
				0.000023%	Sindutch Cable Manufacturer Sdn Bhd
				0.000023%	Singapore Cables Manufacturers Pte Ltd.

The following companies have been accounted for using the equity method:

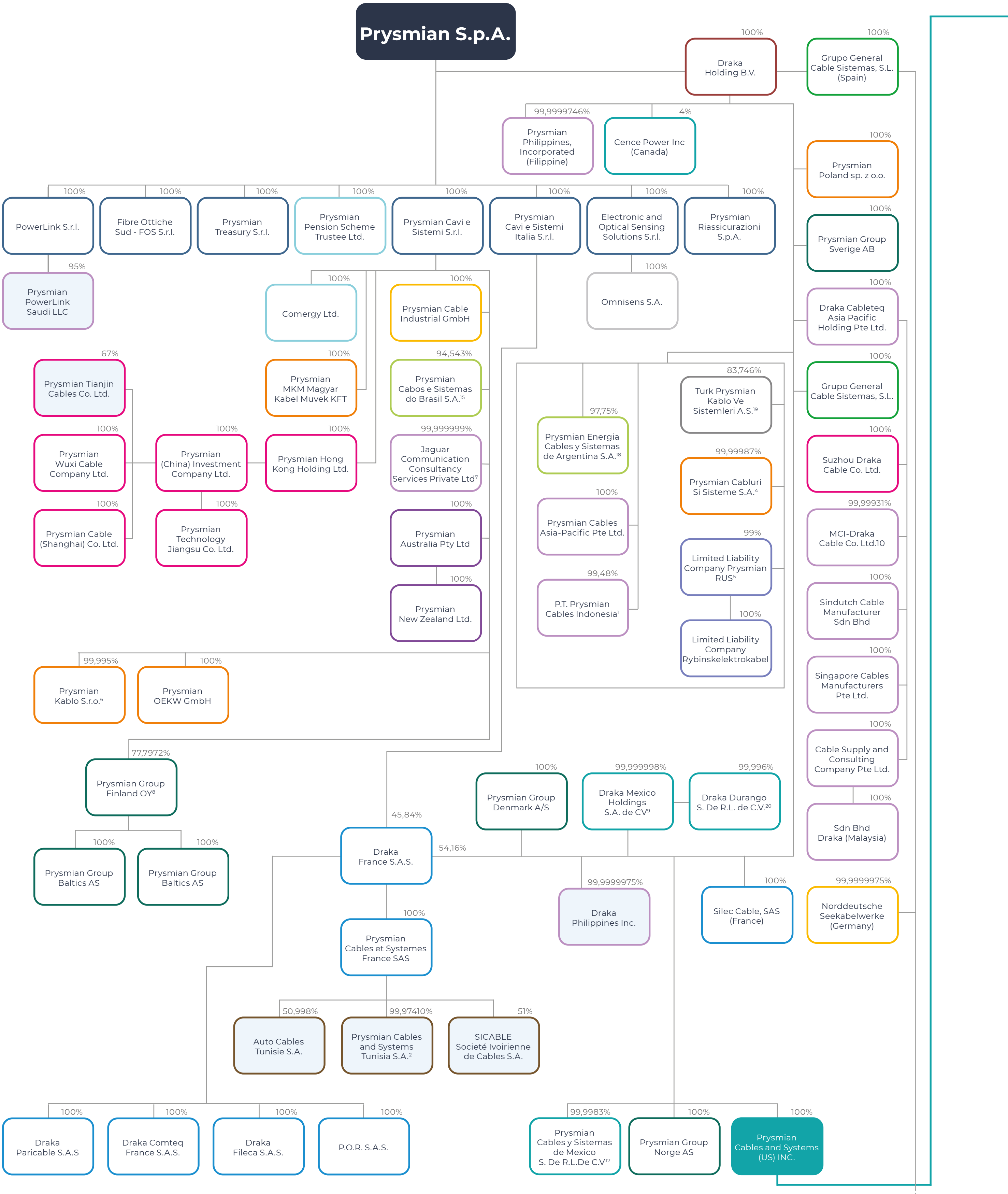
Denominazione	Sede	Valuta	Capitale sociale	% partecip.	Possedute da
Europe					
Germany					
Kabeltrommel GmbH & Co.KG	Troisdorf	Euro	10,225,837.65	43.18%	Prysmian Kabel und Systeme GmbH
				1.75%	Norddeutsche Seekabelwerke GmbH
				55.07%	Third parties
Kabeltrommel GmbH	Troisdorf	Deutsche Mark	51,000	41.18%	Prysmian Kabel und Systeme GmbH
				5.82%	Norddeutsche Seekabelwerke GmbH
				53.00%	Terzi
Nostag GmbH & Co. KG	Oldenburg	Euro	540,000	33.00%	Norddeutsche Seekabelwerke GmbH
				67.00%	Third parties
U.K.					
Rodco Ltd.	Woking	British Pound	5	40.00%	Prysmian Cables & Systems Ltd.
				60.00%	Terzi
Russia					
Elkat Ltd.	Mosca	Russian Rouble	10,000	40.00%	Prysmian Group Finland OY
				60.00%	Terzi
Central/South America					
Chile					
Colada Continua Chilena S.A.	Quilicura (Santiago)	Chile Peso	100	41.00%	Cobre Cerrillos S.A.
				59.00%	Third parties
Asia					
Cina					
Yangtze Optical Fibre and Cable Joint Stock Limited Co.	Wuhan	Chinese Renminbi (Yuan)	757,905,108	23.73%	Draka Comteq B.V.
				76.27%	Terzi
Yangtze Optical Fibre and Cable (Shanghai) Co. Ltd.	Shanghai	Chinese Renminbi (Yuan)	100,300,000	75.00%	Yangtze Optical Fibre and Cable Joint Stock Limited Co.
				25.00%	Draka Comteq B.V.
Malaysia					
Power Cables Malaysia Sdn Bhd	Selangor Darul Eshan	"Malaysian Ringgit"	18,000,000	40.00%	Draka Holding B.V.
				60.00%	Terzi

List of other investments not consolidated pursuant to IFRS 10:

Legal name	% ownership	Direct parent company
India		
Ravin Cables Limited	51.00%	Prysmian Cavi e Sistemi S.r.l.
	49.00%	Terzi
United Arab Emirates		
Power Plus Cable CO. LLC	49.00%	Ravin Cables Limited
	51.00%	Terzi

Corporate Structure – Appendix B

The companies consolidated on a line-by-line basis at 31 December 2024 are shown below.



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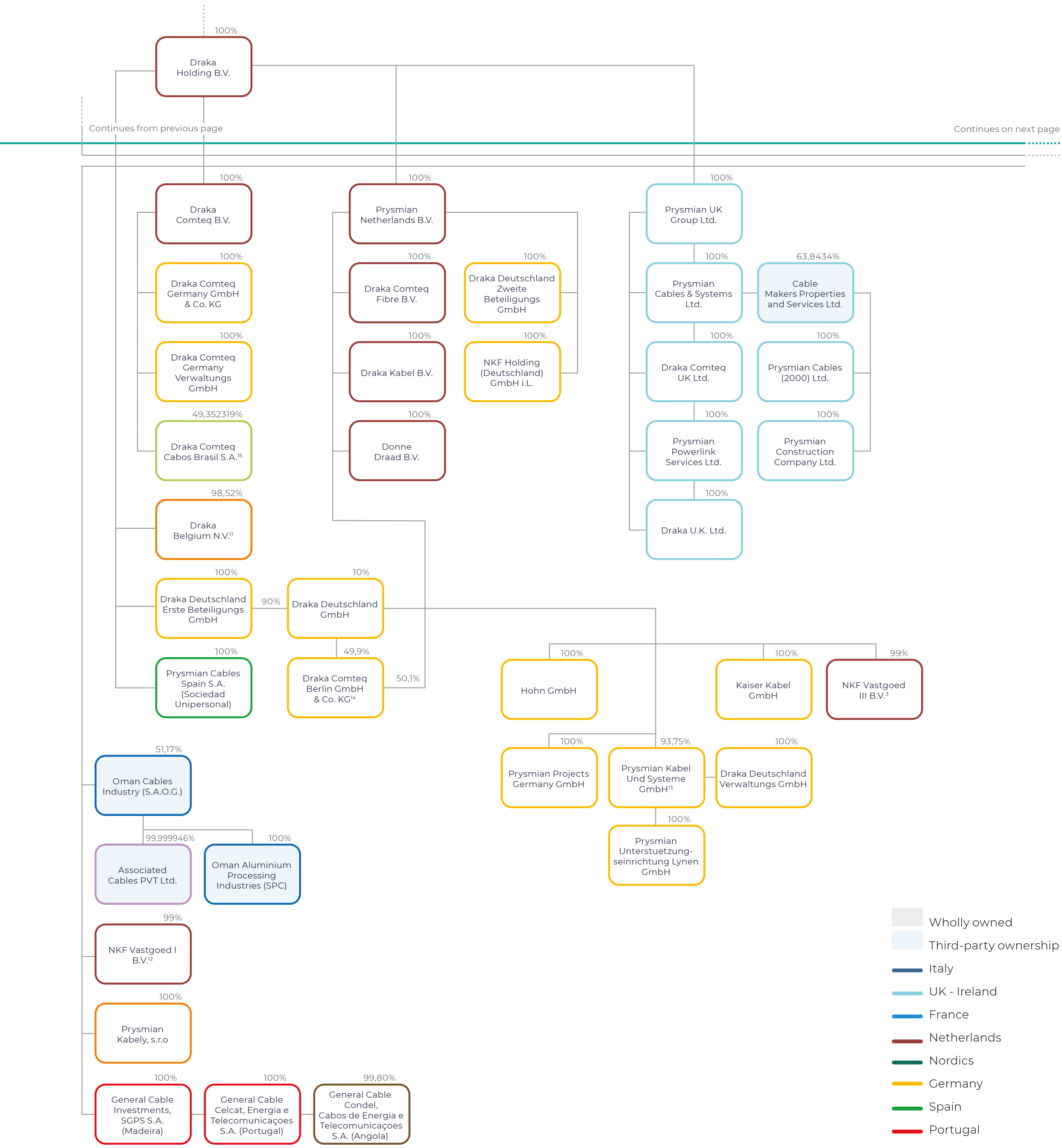
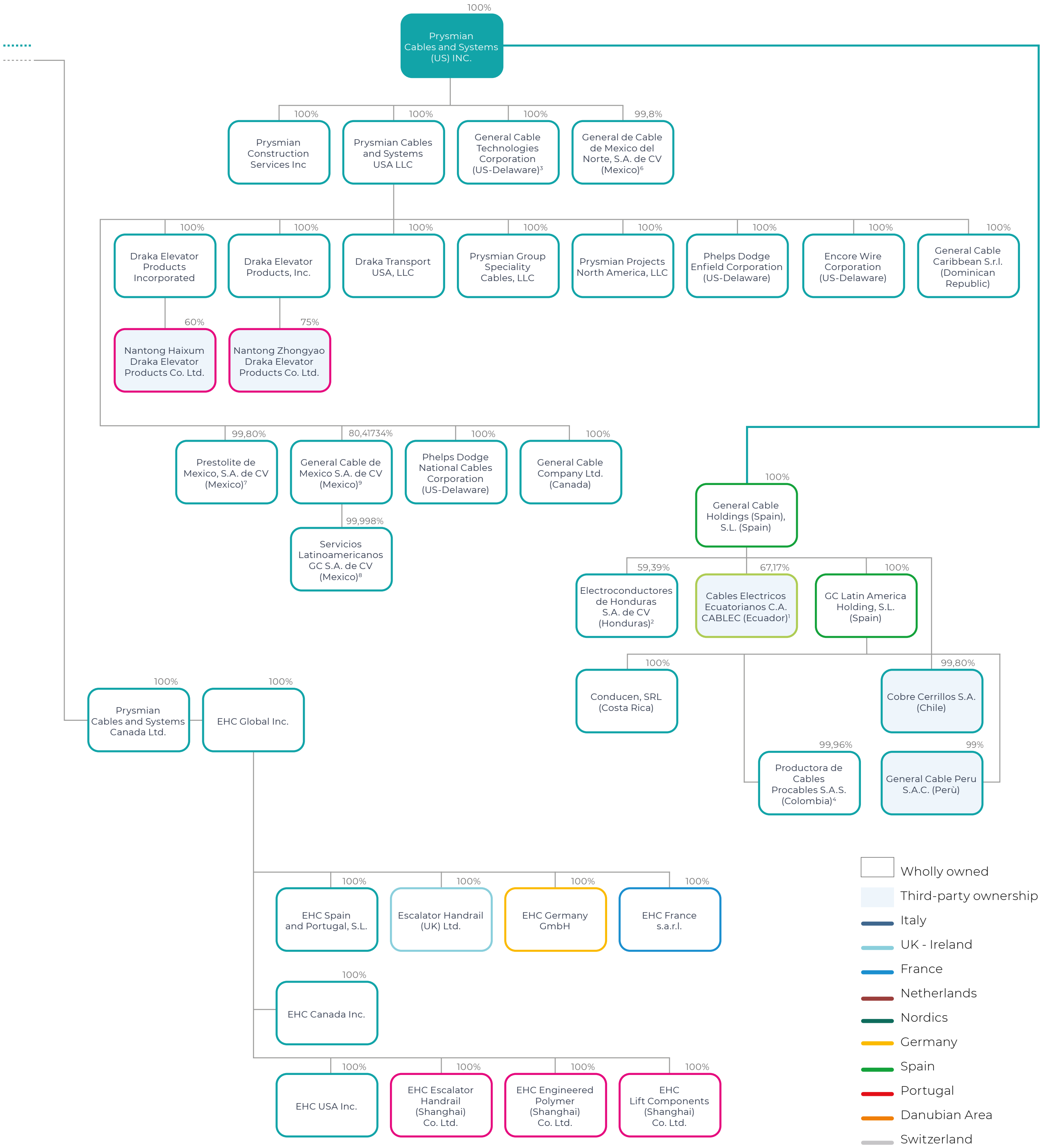
prysmian



- Wholly owned
- Third-party ownership
- Italy
- UK - Ireland
- France
- Netherlands
- Nordics
- Germany
- Spain
- Portugal
- Danubian Area
- Switzerland
- Oceania
- ASEAN
- China
- Russia
- South America
- North America
- Turkey
- Africa
- Oman

1. Prysmian Cavi e Sistemi S.r.l. 0,52%
   Prysmian (French) Holdings S.A.S. 0,005%
2. 0,0037% Draka France S.A.S.
   0,037% Prysmian Cavi e Sistemi S.r.l.
3. Prysmian Netherland B.V. 1%; cancellare Prysmian Cavi e Sistemi
4. Prysmian Cavi e Sistemi S.r.l. 0,00013%
5. Prysmian Cavi and Sistemi S.r.l. 1%
6. Prysmian Cables and Systems USA, LLC 0,2%
7. General Cable Technologies Corporation 0,2%
8. Draka Comteq B.V. 2,2727%
   General Cable Technologies Corporation
9. Conducen Srl 19,583%
   0,00000030% General Cable Technologies
10. Draka (Malaysia) Sdn Bhd 0,000023%,
    Sindutch Cable Manufacturer Sdn Bhd 0,000023%
    Singapore Cables Manufacturers Pte Ltd 0,000023%
11. Draka Kabel B.V. 1,48%
12. Prysmian Netherlands B.V. 1%
13. Prysmian S.p.A. 6,25%
14. Prysmian Netherlands B.V. 50,10%
15. Prysmian S.p.A. 0,026882%
    Draka Holding B.V. 1,129032%
    Draka Comteq B.V. 4,301075%
16. Prysmian Cabos and Sistemas do Brasil S.A. 50,647681%
17. Draka Mexico Holdings S.A. de CV 0.0017%
18. Prysmian Cabos and Sistemas do Brasil S.A. 0,11%
    Prysmian Consultora Conductores e Instalaciones SAIC 40,01%
19. Turk Prysmian Kablo Ve Sistemleri A.S 0,4614%
20. Draka Holding B.V. 0,004%
21. Prysmian Netherlands B.V. 1,00%



1. Cables Electricos Ecuatorianos C.A. CABLEC 32,43%
2. Cobre Cerrillos S.A. 0,00001%
3. General Cable Overseas Holdings, LLC 0,6510%
4. Prysmian Cables and Systemes USA, LLC 0,04%
5. Prysmian Cables and Systemes USA, LLC 0,005%
6. Prysmian Cables and Systems USA, LLC 0,2%
7. GK Technologies, Incorporated 0,20%
8. General Cable Technologies Corporation (US-Delaware) 0,002%
9. General Cable Technologies Corporation 0,00000015%
   GK Technologies, Incorporated 0,00000015%
   Conducen, S.R.L. 19,58266361%

3. Certification of the Consolidated Financial Statements pursuant to art. 81-ter of Consob Regulation 11971 dated 14 May 1999 as amended

1. The undersigned Massimo Battaini, as Chief Executive Officer, and Stefano Invernici and Alessandro Brunetti, as managers responsible for preparing the financial reports of Prysmian S.p.A., certify, also taking account of the provisions of paragraphs 3 and 4, art. 154-bis of Italian Legislative Decree 58 dated 24 February 1998, that during 2024 the accounting and administrative processes for preparing the consolidated financial statements:

   - have been adequate in relation to the business's characteristics and
   - have been effectively applied.

2. The adequacy of the accounting and administrative processes for preparing the consolidated financial statements at 31 December 2024 has been assessed on the basis of a procedure established by Prysmian in compliance with the internal control framework established by the Committee of Sponsoring Organizations of the Treadway Commission, which serves as a generally accepted standard model internationally.

It is nonetheless reported that:

- during 2024, several of the Group's companies were involved in the information system changeover project. The process of fine-tuning the new system's operating and accounting functions is still in progress for some of them; in any case, the system of controls in place ensures uniformity with the Group's system of procedures and controls.

3. It is also certified that:

   3.1 The consolidated financial statements at 31 December 2024:

   a) have been prepared in accordance with applicable international accounting standards recognised by the European Union under Regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;
   b) correspond to the underlying accounting records and books of account;
   c) are able to provide a true and fair view of the issuer's statement of financial position and results of operations and of the group of companies included in the consolidation.

   3.2 The directors' report contains a fair review of performance and the results of operations, and of the situation of the issuer and the group of companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Milan, 26 February 2025

Massimo Battaini	**Stefano Invernici, Alessandro Brunetti**
Chief Executive Officer	Managers responsible for preparing company financial reports

4. Auditors' Report

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EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the shareholders of
Prysmian S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Prysmian Group (the Group), which comprise the consolidated statement of financial position as of 31 December 2024, and the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and illustrative notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Prysmian S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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We identified the following key audit matters:

Key Audit Matters	Audit Responses
Recognition of revenues and margins from construction contracts and risks related to ongoing and completed contracts	
The consolidated financial statements include revenues related to the "Transmission" segment for Euro 2,481 million. These revenues, and the related margins, are mainly derived from construction contracts and are recognized in the income statement considering the progress of the projects, in accordance with the percentage of completion method, which is determined on the basis of actual costs, as compared to expected costs. Processes and method of revenue recognition and evaluation of construction contracts and the valuation of liabilities related to ongoing and completed contracts are based on assumptions, sometimes complex, which imply, by their nature, estimates by Directors, especially with regard to forecasted costs to complete each project, including the estimate of risks and penalties where applicable and for warranty repairs on completed projects, as well as to contract modifications either expected or under negotiation as well as to changes in estimates from prior periods. Considering the complexity of assumptions adopted in forecasting costs to complete the projects, in accounting for contract modifications under negotiation and in the valuation of risks related to ongoing and completed contracts as well as the potential significant impact of changes in estimates on the net result of the fiscal year we assessed this matter as a key audit matter. Financial statements disclosures related to this matter are reported in the notes "14. Provisions for risks and charges", "39.9 Construction contracts" and "40. Estimates and assumptions" of the consolidated financial statements.	Our audit procedures related to the key audit matter included, among the others, the analysis of the accounting treatment adopted by Prysmian Group, as well as the analysis of the procedures and key controls implemented by management to assess the criteria for recognition of revenues and margins from construction contracts. We performed a detailed analysis of assumptions involving a significant judgment by Directors, in particular with regard to the estimate of costs to complete significant projects, including expected risks and penalties and contract modifications expected or under negotiation. This analysis included also the valuation of liabilities related to completed contracts and the expected costs for warranty repairs. The analysis has been performed through the analysis of the contracts and project documentation, the inquiries with project managers and the analysis of significant events occurred after the reporting period. We performed a comparative analysis of material variances of projects results in comparison with the original budget, and, where applicable, with prior period. As part of our procedures, we also performed substantive testing on a sample of costs recognized in the fiscal year. We also requested external confirmations to a sample of contractors, in order to test the existence and completeness of specific contract clauses. Finally, we analyzed the disclosures provided in the consolidated financial statements of Prysmian Group as of 31 December 2024.

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Business Combination	
On 2 July 2024, Prysmian Group finalized the acquisition of Encore Wire Corporation. Following the transaction's closing through the merger of Encore Wire Corporation with a company (Applause Merger Sub Inc.) fully owned by Prysmian S.p.A., all the Encore Wire Corporation shares outstanding as of 2 July 2024 were cancelled and converted into a right of their respective holders to receive a cash consideration of USD 290.00 per share. The total consideration paid for the acquisition is approximately Euro 4,355 million. Processes and methods of accounting for business combinations are based on assumptions, sometimes complex, which imply, by their nature, estimates by Directors, especially with regard to the identification and subsequent measurement of the fair value of the assets and liabilities acquired as part of the purchase price allocation process. Considering the judgment and the complexity of assumptions adopted in the abovementioned process, we assessed this matter as a key audit matter. The excess of the consideration paid over the fair value of the equity acquired has been recognised as goodwill, amounting to Euro 1,703 million. The Directors state that such goodwill is primarily justified by the expected future income from integrating Encore Wire Corporation into Prysmian Group, including the benefits of run-rate synergies. As at the date of the approval of the consolidated financial statements as of 31 December 2024, the allocation of the acquisition purchase price has been finalized. Financial statements disclosures related to this matter are reported in the notes "D. Business combinations" and "2. Intangible assets" of the consolidated financial statements.	Our audit procedures related to the key audit matter included, among the others, the analysis of the agreements executed for the acquisition of Encore Wire Corporation, as well as the analysis of the accounting treatment adopted by Prysmian Group. In addition, with the support of our valuation techniques experts, we analyzed the documents prepared by the experts engaged by management who supported Prysmian S.p.A. in the valuation of the fair value of assets and liabilities acquired as part of the purchase price allocation process, and we analyzed the key assumptions used by the Directors while performing the abovementioned process. Finally, we analyzed the disclosures provided in the consolidated financial statements of Prysmian Group as of 31 December 2024.

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Recoverability of goodwill

The goodwill recognized in the consolidated financial statements of Prysmian Group as of 31 December 2024 amounts to Euro 3,499 million.
Goodwill has been allocated to groups of Cash Generating Units ("CGUs"), corresponding to the operating segments (Transmission, Power Grid, Electrification, Digital Solutions), which are expected to benefit from the synergies of business combinations and which represent the lowest level at which management monitors segment business performance.
The processes as well as the methods of evaluation and calculation of the recoverable amount of each operating segment are based on assumptions, sometimes complex, which imply, by their nature, estimates by the directors, especially with regard to the forecast of future results, to the identification of long-term growth and discount rates applied on forecasted future cash flows.
Considering the complexity of assumptions adopted in the estimation of the recoverable amount of goodwill we assessed this matter as a key audit matter.
Financial statements disclosures related to this matter are reported in the notes "2. Goodwill and other intangible assets" of the consolidated financial statements.

Our audit procedures related to the key audit matter included, among the others, the analysis of the policy adopted by the Company with regard to the impairment testing, the analysis of the adequacy of the allocation to each CGU of the assets and liabilities and the analysis of future cash flows, taking into account the impairment testing procedure approved by the Board of Directors.
In addition, our procedures included the reconciliation of forecasted cash flows per each segment with the Group budget prepared for the 2025 fiscal year, the analysis of the reasonableness of the total cash flows for the years 2026-2028 developed for the purposes of the impairment test, the analysis of the quality of the forecasts taking into account the historical accuracy of the previous forecasts and the analysis of the calculation of long-term growth and discount rates.
Our procedures were performed with the support of our valuation techniques experts who performed independent calculation and sensitivity analyses on the key assumptions in order to identify the change in the assumptions that could have a significant impact on the valuation of the recoverable amount.
Finally, we analyzed the disclosures provided in the consolidated financial statements of Prysmian Group as of 31 December 2024.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Prysmian S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Prysmian S.p.A., in the general meeting held on 16 April 2015, engaged us to perform the audits of the consolidated financial statements for each of the years ending 31 December 2016 to 31 December 2024.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Group in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Prysmian S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Delegated Regulation") to the consolidated financial statements as of 31 December 2024, to be included in the annual financial report.

We have performed the procedures required under auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the consolidated financial statements as of 31 December 2024 with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2024 have been prepared in the XHTML format and have been marked-up, in all material aspects, in compliance with the provisions of the Delegated Regulation.

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Due to certain technical limitations, some information included in the illustrative notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML.

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-*bis*) and e-*ter*) of Legislative Decree n. 39 dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Prysmian S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Prysmian Group as of 31 December 2024, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under auditing standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations, excluding the section related to the consolidated sustainability information, and the abovementioned specific information included in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the Report on Operations and in certain specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998.

In our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, are consistent with the consolidated financial statements of Prysmian Group as of 31 December 2024.

Furthermore, in our opinion, the Report on Operations, excluding the section related to the consolidated sustainability information, and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-*ter*), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Our opinion on compliance with applicable laws and regulations does not extend to the section of the Report on Operations related to consolidated sustainability information. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of (EU) Regulation 2020/852 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree No. 39 dated 27 January 2010.

Milan, 10 March 2025

EY S.p.A.
Signed by: Massimo Meloni, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

C
Parent Company Financial Statement

1. Directors' Report

Significant events during the year

Acquisition of Encore Wire Corporation

On 15 April 2024, Prysmian announced that it had entered into a merger agreement to acquire Encore Wire for USD 290.00 per share in cash. The price of USD 290.00 per share represents a premium of approximately 20% over the 30-day volume weighted average share price (VWAP) on Friday, 12 April 2024 and approximately 29% over the 90-day VWAP on the same date.

On 28 May 2024, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act for the acquisition of Encore Wire Corporation expired, meaning that this acquisition was cleared for US antitrust purposes. On 26 June 2024, shareholders representing a majority of Encore Wire's outstanding common shares voted at a special meeting to approve the merger agreement under which Prysmian would acquire Encore Wire for USD 290.00 per share. On 2 July 2024, Prysmian announced that it had completed the acquisition of Encore Wire Corporation by purchasing all of the outstanding common shares of Encore Wire for USD 290.00 per share in cash, for total net consideration of approximately Euro 4,089 million.

Encore Wire is a leading manufacturer of a wide range of copper and aluminium electrical wire and cables, supplying power generation and distribution solutions. With its diversified product portfolio and low production costs, Encore Wire plays a key role in the transition to a more sustainable and reliable energy infrastructure model. In 2023, Encore Wire generated revenue of approximately USD 2.6 billion and EBITDA of USD 517 million[74].

Financing of Encore Wire acquisition

On 2 July 2024, in conjunction with the acquisition of Encore Wire, Prysmian activated a loan, split into several short and medium/long-term credit facilities:

- Term Loan: USD 1,070 million, maturing on 2 July 2029.
- Bridge Loan A: USD 481 million, fully repaid on 10 July 2024.
- Bridge Loan B: EUR 925 million, fully repaid on 28 November 2024.
- Bridge Loan C1: EUR 513 million, maturing on 3 July 2026. Partially repaid on 28 November 2024, leaving EUR 230 million outstanding as at 31 December 2024.
- Bridge Loan C2: USD 548 million, maturing on 3 July 2026. Partially repaid on 28 November 2024, leaving USD 234 million outstanding as at 31 December 2024.

On 18 February 2025, all the outstanding bridge loans were repaid in advance.

Interest rate swaps with a notional value of USD 1,070 million have been arranged against the Term Loan to hedge the variable interest rate risk of the related cash flows.

Other finance activities

Prysmian's Board of Directors approves the exercise of the soft call on the Euro 750 million convertible bond and a share buy-back programmeme

On 7 June 2024, the Board of Directors of Prysmian S.p.A. (the "Company") approved the exercise of the early redemption option (the "Soft Call") on the entire outstanding amount of the convertible bond known as "€750,000,000 Equity Linked Bonds due 2026" (ISIN XS2294704007) issued in February 2021 (the "Bond"). The Board of Directors also approved the start of a share buy-back programmeme (the "Programmeme"), in implementation of the shareholder resolution adopted at the meeting held on 18 April 2024. The Programmeme, which runs from 10 June 2024 and until 10 March 2025, covers up to 8 million of the Company's shares (equal to approximately 3% of share capital) for a maximum value of Euro 375 million.

74. Encore Wire financials in accordance with US GAAP.

With reference to the Soft Call, a total of 18,632,759 new shares have been issued in execution of conversion requests. As at 31 December 2024, the convertible bond had been extinguished, having been almost entirely converted into shares except for a few bonds whose conversion was not requested and which were redeemed on 19 July 2024 for an amount of Euro 300,000. The Bond was delisted from the Vienna Stock Exchange on the same date.

As for the share buy-back programmeme, consistent with the aforementioned shareholders' resolution, its purpose is:

1. to provide the Company with a portfolio of treasury shares (a so-called "stock of shares") that can be used in any extraordinary transactions (e.g. mergers, demergers, spin-offs, acquisition of equity investments) and to implement the shareholder-approved remuneration policies applied to Prysmian Group;
2. to use treasury shares to service the exercise of rights arising from convertible debt instruments or instruments exchangeable for financial instruments issued by the Company, its subsidiaries or third parties (e.g. in takeovers bids and/or stock swaps);
3. to use treasury shares to satisfy share-based incentive plans or stock grant/subsidised purchase plans reserved for Prysmian Group directors and/or employees;
4. to manage the Company's capital effectively, by creating an investment opportunity, also in view of its available liquidity.

The purchase price may not be more than 10% above or below the official market price of the share as quoted on Euronext Milan on the day preceding the execution of each transaction and, in any case, it may not exceed the higher of the price of the last independent transaction and the price of the highest current independent bid on the trading platform on which the purchase is made.

Purchases shall be made in the manner set out in art. 144-bis, par. 1,b), of CONSOB Regulation No. 11971 of 14 May 1999, i.e. on regulated markets or multilateral trading systems, through an authorised intermediary specifically appointed for this purpose who shall carry out the purchases in the name and on behalf of the Company, completely independently and without any influence from the latter, subject to pre-determined quantitative price and volume limits in accordance with the shareholders' authorisation and in compliance with legal and regulatory requirements. All transactions must be disclosed to the market in accordance with the conditions and procedures established by applicable legal and regulatory requirements.

As at 31 December 2024, a total of 5,345,935 treasury shares had been purchased in implementation of the above programmeme for a total outlay of Euro 328 million.

New EIB Loan

On 24 July 2024, the European Investment Bank (EIB) and Prysmian signed a new Euro 450 million loan agreement to finance investments facilitating electricity transmission and distribution in Europe.

The loan will be disbursed in tranches and is repayable in a lump sum eight years after the disbursement of each tranche. The first tranche of Euro 198 million was drawn down on 1 August 2024 and no further tranches had been disbursed as of 31 December 2024.

Approval of financial policy

On 30 October 2024, the Board of Directors of Prysmian S.p.A. approved the Group Financial Policy. The Policy is fully aligned with Prysmian's priority of maintaining its current investment grade rating, with the Company committed to maintaining this rating throughout the economic cycle. The Policy sets a target maximum net leverage ratio of 1.5x, below which the Company will be managed in the normal course of business. This level could temporarily rise to around 2x (in the event of acquisitions), but the Company would clearly focus on deleveraging over the following eighteen to twenty-four months. Prysmian will also maintain a clear dividend policy, with a maximum payout of 25-30% of the free cash flow forecast over the four-year planning period.

Prysmian establishes EMTN programmeme to refinance existing debt

On 14 November 2024, the Board of Directors of Prysmian S.p.A. authorised the establishment of a Euro Medium Term Notes (EMTN) programmeme amounting to Euro 3 billion. The EMTN programmeme will be listed on the regulated market of the Luxembourg Stock Exchange and is valid for 12 months.

The Board of Directors also authorised the issuance under the EMTN programmeme of one or more senior unsecured non-convertible bonds, for a maximum total nominal amount of Euro 3 billion. The individual bond issues (each of which may be issued up to an amount of Euro 2 billion, in one or more tranches) will be targeted at institutional investors in Italy and abroad, excluding the United States of America pursuant to Regulation S of the United Securities

Act of 1933. The bonds issued will be listed on the regulated market of the Luxembourg Stock Exchange.

The purpose of the Programmeme is to refinance existing debt, strengthen the financial structure by extending maturities and thus support Prysmian's growth strategy as well as the Group's normal activities.

Prysmian places a dual-tranche bond of Euro 1,500 million under its EMTN programmeme

As part of the above EMTN Programmeme, Prysmian S.p.A. successfully placed a dual-tranche offering of unsecured senior notes on 21 November 2024 for a total of Euro 1,500 million, rated BBB- by S&P Global Ratings Europe Limited (S&P). The issue consisted of a four-year tranche of Euro 850 million (due 28 November 2028), with a fixed annual coupon of 3.625% and an issue price of Euro 99.817, and a seven-year tranche of Euro 650 million (due 28 November 2031), with a fixed annual coupon of 3.875% and an issue price of Euro 99.459. The notes have a minimum denomination of Euro 100,000, plus integral multiples of Euro 1,000. The settlement date of the notes was on 28 November 2024.

Prysmian used the net proceeds of the transaction to repay the bridge loan incurred for the acquisition of Encore Wire.

In fact, on 28 November 2024 Prysmian repaid:

- Bridge Loan B, in full for Euro 925 million;
- Bridge Loan C1, partially for Euro 283 million, leaving a residual debt of Euro 230 million at 31 December 2024;
- Bridge Loan C2, partially for USD 298 million, leaving a residual debt of USD 234 million at 31 December 2024.

Approval of the Annual Financial Statements at 31 December 2023, distribution of dividends and appointment of the Prysmian S.p.A. Board of Directors

On 18 April 2024, the shareholders' meeting of Prysmian S.p.A. approved the 2023 financial statements and the distribution of a gross dividend of Euro 0.70 per share, for a total of some Euro 191 million. The dividend was paid out from 24 April 2024, with record date 23 April 2024 and ex-div date 22 April 2024. The same shareholders' meeting also appointed the new members of the Prysmian S.p.A. Board of Directors.

Massimo Battaini is Prysmian's new Chief Executive Officer and General Manager

On 18 April 2024, the Board of Directors appointed Massimo Battaini as Prysmian's new Chief Executive Officer and General Manager. With this appointment, the new organisational structure, aimed at supporting the Group's strategic plan and value creation, has entered its operational phase.

Financial performance of Prysmian S.p.A.

The financial information presented and discussed below has been prepared by reclassifying the accompanying financial statements for the year ended 31 December 2024, which in turn have been drawn up in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and with the implementation guidance for art. 9 of Italian Legislative Decree 38/2005.

In addition to the standard financial reporting formats and indicators required under IFRS, a number of reclassified statements and alternative performance indicators have also been presented with the intention of helping users of the financial statements better evaluate the Company's economic and financial performance. Such reclassified statements and performance indicators should not however be treated as substitutes for the accepted ones required by IFRS.

INCOME STATEMENT

(Euro/thousand)	2024	2023
Revenues and other income	265,209	246,323
Operating costs	(90,394)	(75,729)
Other expenses	(155,780)	(130,425)
Amortisation, depreciation and impairment	(39,701)	(41,151)
Operating income	**(20,666)**	**(982)**
Net finance income/(costs)	(110,757)	(49,805)
Net income from investments	378,806	304,761
Profit/(loss) before taxes	**247,383**	**253,974**
Taxes	13,005	10,292
Net profit/(loss)	**260,389**	**264,266**

In addition to the comments presented below, the more significant changes in individual items within the Prysmian S.p.A. income statement are discussed in the Explanatory Notes to its financial statements, to which reference should be made.

The Parent Company's income statement for 2024 reports Euro 260,389 thousand in net profit, down Euro 3,877 thousand from the previous year.

Revenues and other income of Euro 265,209 thousand (Euro 246,323 thousand in 2023) include the income of Prysmian S.p.A. from ordinary operations; the increase of Euro 18,886 thousand is mainly due to non-recurring income relating to the recharging of costs in connection with the Encore Wire acquisition. In accordance with IFRS 15, revenues and other income also include the net margin on buying strategic metals and selling them to other Group companies.

Revenues and other income also include amounts charged by Prysmian S.p.A. to Group companies for coordination and other services provided by head office functions and for royalties on patents, know-how and trademarks licensed to Group companies.

Operating costs of Euro 90,394 thousand in 2024 (Euro 75,729 thousand in 2023) mainly comprise personnel costs (Euro 81,003 thousand in 2024 versus Euro 68,690 thousand in 2023), with the remainder referring to purchases of other consumables (Euro 9,049 thousand in 2024 versus Euro 7,012 thousand in 2023) and the fair value change in metal derivatives (Euro 342 thousand negative in 2024 versus Euro 27 thousand negative in 2023).

In particular, the increase in personnel costs on 2023 is mainly related to the cost recorded for the second year of the share-based incentive plan. Further details can be found in Note 15. Personnel costs of the Explanatory Notes to the financial statements.

Other expenses of Euro 155,780 thousand in 2024 (Euro 130,425 thousand in 2023) have been affected by higher non-recurring costs mainly arising from the acquisition of Encore Wire.

Further details can be found in the Explanatory Notes to the financial statements under Note 17. Other expenses.

Net finance costs of Euro 110,757 thousand (Euro 49,805 thousand in 2023) consist of interest expense on bonds and loans and foreign currency derivative hedge costs, net of finance income earned mostly from fees for guarantees issued on behalf of Group companies. The increase is mainly due to interest expense on new loans.

Net income from investments amounts to Euro 378,806 thousand, compared with Euro 304,761 thousand in the previous year, and mostly comprises a total of Euro 353,900 in dividends paid by the subsidiaries Draka Holding B.V. and Prysmian Treasury S.r.l., minus Euro 43,422 thousand in impairment of the investment in Fibre Ottiche Sud – F.O.S. S.r.l., plus Euro 68,328 thousand for the increase since the grant date in the fair market value of stock grants under the new 2023-2025 long-term incentive (LTI) plan and the BE IN incentive plan, both of which recharged to group companies.

Income taxes report Euro 13,005 thousand in income (versus net income of Euro 10,292 thousand in 2023), of which Euro 10,238 thousand in current tax income and Euro 2,767 thousand for deferred tax assets. More specifically, current taxes reflect the net effect of the tax charge for the period and net income from Italian companies arising from the election by the Company and its Italian subsidiaries for a group tax consolidation. Further information can be found in Note 20. Taxes of the Explanatory Notes to the financial statements.

Research costs are fully expensed to income, while development costs are capitalised if they meet the required qualifying conditions.

R&D costs, fully expensed to profit or loss for the period, amounted to Euro 32,201 thousand in 2024 (Euro 29,352 thousand in 2023); more details can be found in Note 31. Research and development of the Explanatory Notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

The Parent Company's statement of financial position is summarised as follows:

(Euro/thousand)	31 December 2024	31 December 2023
Net fixed assets	7,381,705	5,922,800
- of which Investments in subsidiaries	*7,168,695*	*5,719,702*
Net working capital	(33,291)	(130,865)
Provisions	(39,181)	(46,122)
Net capital employed	**7,309,233**	**5,745,813**
Employee benefit obligations	6,024	6,218
Total equity	3,108,775	2,586,850
Net financial debt	4,194,433	3,152,745
Total equity and sources of funds	**7,309,233**	**5,745,813**

Note: Information about the composition and method of calculating the above indicators can be found in the Group's Integrated Annual Report.

In addition to the comments presented below, the more significant changes in individual items within the Prysmian S.p.A. statement of financial position are discussed in the Explanatory Notes to its financial statements, to which reference should be made.

Net fixed assets basically comprise the controlling interests in Prysmian Cavi e Sistemi S.r.l., Draka Holding B.V. and the Group's other Italian companies.

The increase of Euro 1,448,993 thousand in the value of investments in subsidiaries since 2023 is mainly attributable to the net effect of capital contributions paid to the subsidiaries Draka Holding B.V. Prysmian Riassicurazioni S.p.A. (formerly Prysmian Servizi S.p.A.) and Fibre Ottiche Sud – F.O.S. S.r.l., minus impairment recognised against the value of the investment in Fibre Ottiche Sud – F.O.S. S.r.l.. The value of investments has also been impacted by the remuneration-related component of share-based payment plans, with underlying Prysmian S.p.A. shares, for employees of other Group companies.

Capital expenditure on "Property, plant and equipment" and "Intangible assets" totalled Euro 35,970 thousand in 2024 (Euro 29,502 thousand in 2023). Expenditure on property, plant and equipment amounted to Euro 19,440 thousand, relating to the purchase of machinery to be used in research and development activities at the Prysmian Group headquarters and its site in Quattordio (Italy). Expenditure on intangible assets, totalling Euro 21,295 thousand, related to the ongoing upgrade of IT systems and Digital Transformation projects, as well as the purchase of new software. More details can be found in Note 1. Property, plant and equipment and Note 2. Intangible assets of the Explanatory Notes to the financial statements.

In addition to the above, the closing balance of net fixed assets in 2024 includes net increases of Euro 13,641 thousand to account for leases in accordance with IFRS 16.

Net working capital is a negative Euro 33,291 thousand and comprises:

- Euro 320,693 thousand as the net negative balance between trade receivables and trade payables (see Notes 5 and 10 to the financial statements);
- Euro 287,402 thousand as the net positive balance of other receivables/payables and financial receivables/payables (see Notes 5 and 10 to the financial statements).

Provisions, including deferred tax assets, amount to Euro 39,181 thousand at 31 December 2024 (see Notes 4 and 11 to the financial statements), compared with Euro 46,122 thousand at 31 December 2023. The difference mainly reflects adjustments to deferred taxes. Further information can be found in Note 4. Deferred tax assets in the Explanatory Notes.

Equity amounts to Euro 3,108,775 thousand at 31 December 2024, reporting a net increase of Euro 521,925 thousand since 31 December 2023, mostly reflecting the net profit for 2024, net of the dividend distribution during the year, adjustments to the share-based payments reserve, the increase in share capital and the conversion of the Convertible Bond 2021. A more detailed analysis of the changes in equity can be found in the Statement of Changes in Equity forming part of the Financial Statements presented in the following pages.

The Group's consolidated equity at 31 December 2024 and consolidated net profit for 2024 are reconciled with the corresponding figures for the Parent Company Prysmian S.p.A. in a table presented in the Group's Integrated Annual Report.

Net financial debt amounts to Euro 4,194,433 thousand at 31 December 2024, versus Euro 3,152,745 thousand at 31 December 2023.

The following table presents a detailed breakdown of net financial debt.

(Euro/thousand)	31 December 2024	of which related parties (Note 23)	31 December 2023	of which related parties (Note 23)
Non-current financial liabilities				
CDP Loans	119,562		194,350	
Mediobanca Loan	149,480		-	
EW Term & Bridge Loans	1,491,636		-	
EIB Loans	332,318		134,870	
Sustainability-Linked Term Loan 2022	1,195,246		1,193,356	
Convertible Bond 2021	-		727,830	
Non-Convertible Bond (€850M+ €650M)	1,488,608			
Unicredit Loan	149,257		-	
Interest rate derivatives on financial transactions	6,004		-	
Lease liabilities	18,210		11,444	
Other borrowings	1,937		1,937	
Total non-current financial liabilities	**4,952,259**		**2,263,787**	
Current financial liabilities				
CDP Loans	77,419		103,470	
Mediobanca Loan	285		100,483	
Intesa Loan	-		151,342	
EW Term & Bridge Loans	38,157		-	
EIB Loans	6,215		113,085	
Sustainability-Linked Term Loan 2022	22,739		24,972	
Non-Convertible Bond (€850M+ €650M)	2,583			
Unicredit Loan	267		-	
Lease liabilities	5,505		5,418	
Short-term loans from Group companies	711,171	*711,171*	440,303	*440,303*
Other borrowings	613		76	
Total current financial liabilities	**864,953**		**939,149**	
Total financial liabilities	**5,817,212**		**3,202,935**	
Long-term financial receivables	(307)		(235)	
Short-term financial receivables	(15,298)		(12,758)	
Long-term bank fees	(3,291)		(3,621)	
Short-term bank fees	(1,202)		(1,092)	
Non-current interest rate derivatives	(2,391)		(10,508)	
Current interest rate derivatives	(6,058)		(20,115)	
Long-term financial receivables from Group companies	(1,542,891)	*(1,542,891)*	-	-
Short-term financial receivables from Group companies	(86)	*(86)*	(1,454)	*(1,454)*
Assets for currency measurement differences	(49,718)		-	
Cash and cash equivalents	(1,537)		(405)	
Net financial debt	**4,194,433**		**3,152,745**	

Note 9 of the Explanatory Notes to the financial statements contains a reconciliation of the Company's net financial debt to the amount reported in accordance with the requirements of CONSOB communication no. 5/21 of 29 April 2021 concerning compliance with the "Guidelines on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 (reference ESMA32-382-1138).

A more detailed analysis of cash flows can be found in the Statement of Cash Flows, forming part of the Financial Statements presented in the following pages.

Human resources, safety and environment

Prysmian S.p.A. had a total of 464 employees at 31 December 2024 (440 at 31 December 2023), of whom 422 management/desk staff (397 at 31 December 2023) and 42 non-desk staff (43 at 31 December 2023).

The Company has taken systematic, ongoing steps to implement all the fundamental measures required to manage issues concerning the environment, and the health and safety of its employees.

More details can be found in the Consolidated Non-Financial Statement forming part of the Group's Integrated Annual Report.

Direction and coordination

Prysmian S.p.A. is not under the direction and coordination of other companies or entities but decides its general and operational strategy in complete autonomy. Pursuant to art. 2497-bis of the Italian Civil Code, the direct and indirect subsidiaries of Prysmian S.p.A. have identified it as the entity which exercises direction and coordination for them. Such direction and coordination entails identifying general and operational strategies for the Group as a whole and defining and implementing internal control systems, models of governance and corporate structure.

Intercompany and related party transactions

Information about related party transactions, including that required by the Consob Communication dated 28 July 2006, is presented in Note 23 to the Parent Company Financial Statements.

Secondary locations

The Company does not have any secondary locations.

Share capital and corporate governance

Share capital amounts to Euro 29,578 thousand at 31 December 2024, consisting of 295,785,489 ordinary shares (including 8,860,391 treasury shares), with a nominal value of Euro 0.10 each. The total number of outstanding voting shares is 286,926,098, net of the 10,669 treasury shares held indirectly.

Information about Corporate Governance can be found in Prysmian Group's Integrated Annual Report.

Atypical and/or unusual transactions

In accordance with the disclosures required by Consob Communication DEM/6064293 dated 28 July 2006, it is reported that no atypical and/or unusual transactions took place during 2024.

Risk factors

Prysmian S.p.A. is exposed in the normal conduct of its business to a number of financial and non-financial risk factors which, were they to arise, could have a potentially material impact on its results of operations and financial condition. Prysmian S.p.A. adopts specific procedures to manage the risk factors that might influence its business results. These procedures are the result of corporate policy which has always been directed at maximising value for shareholders by taking all necessary steps to prevent the risks inherent in the Company's business.

Based on its financial performance and cash generation in recent years, as well as its financial resources available at 31 December 2024 and committed undrawn credit lines at that date, the Company believes that, barring any extraordinary events, there are no material uncertainties that could cast significant doubt upon the business's ability to continue to operate on a going concern basis.

More details about risk factors and the system of internal controls can be found in Prysmian Group's Integrated Annual Report.

Financial risk management policies

Financial risk management policies are discussed in Section C of the Explanatory Notes to the financial statements.

Business outlook

With regard to business outlook, please refer to Prysmian Group's Integrated Annual Report.

2. Financial statements

Statement of financial position

(Euro)	Note	31.12.2024	of which related parties (Note 23)	31.12.2023	of which related parties (Note 23)
Non-current assets					
Property, plant and equipment	1	107,568,209		90,327,812	
Intangible assets	2	105,441,494		112,770,729	
Investments in subsidiaries	3	7,168,695,166	7,168,695,166	5,719,701,514	5,719,701,514
Derivatives	6	2,391,195		10,508,194	
Deferred tax assets	4	10,057,296		575,490	
Other receivables	5	1,793,789,478	1,789,994,375	87,907,198	84,233,856
Total non-current assets		**9,187,942,838**		**6,021,790,937**	
Current assets					
Trade receivables	5	331,446,764	317,024,117	274,671,900	266,735,183
Other receivables	5	140,667,128	51,195,711	136,469,129	45,707,254
Derivatives	6	7,800,646	1,742,786	21,650,196	1,495,567
Cash and cash equivalents	7	1,536,956		404,507	
Total current assets		**481,451,494**		**433,195,732**	
Total assets		**9,669,394,332**		**6,454,986,669**	
Capital and reserves:					
Share capital	8	29,578,549		27,653,445	
Reserves	8	2,818,807,641		2,294,930,452	
Net profit/(loss)	8	260,388,520		264,265,777	
Total equity		**3,108,774,710**		**2,586,849,674**	
Non-current liabilities					
Borrowings from banks and other lenders	9	4,946,254,633		2,263,786,516	
Employee benefit obligations	12	6,024,001	138,872	6,217,788	259,680
Derivatives	6	6,003,976		-	
Other payables	10	438,750		219,375	
Total non-current liabilities		**4,958,721,360**		**2,270,223,679**	
Current liabilities					
Borrowings from banks and other lenders	9	153,795,018		498,843,643	
Provisions for risks and charges	11	49,238,411	7,637,500	46,697,529	6,390,590
Derivatives	6	2,996,378	2,996,378	1,409,785	1,409,785
Trade payables	10	653,000,722	31,724,448	574,105,794	27,365,736
Other payables	10	742,867,733	675,078,759	476,856,565	446,287,239
Total current liabilities		**1,601,898,262**		**1,597,913,316**	
Total liabilities		**6,560,619,622**		**3,868,136,995**	
Total equity and liabilities		**9,669,394,332**		**6,454,986,669**	

Income statement

(Euro)	Note	2024	of which related parties (Note 23)	2023	of which related parties (Note 23)
Revenues and other income	13	265,208,587	237,846,074	246,323,323	233,109,617
Total revenues and other income		**265,208,587**		**246,323,323**	
Raw materials, consumables and supplies	14	(9,049,120)	(1,428,202)	(7,011,799)	(1,439,734)
Fair value change in metal derivatives		(341,687)	(341,687)	(27,074)	(27,074)
Personnel costs	15	(81,003,397)	4,535,901	(68,689,951)	(5,847,938)
Amortisation, depreciation, impairment and impairment reversals	16	(39,700,760)		(41,150,888)	
Other expenses	17	(155,779,562)	(34,907,176)	(130,425,377)	(38,717,870)
Operating income		**(20,665,939)**		**(981,766)**	
Finance costs	18	(344,474,643)	(54,037,593)	(164,332,705)	(42,978,604)
Finance income	18	233,717,353	53,350,127	114,527,357	69,289,702
Dividends from subsidiaries	19	422,228,244	422,228,244	340,210,884	340,210,884
(Impairment)/revaluation of investments	3	(43,421,871)	(43,421,871)	(35,449,980)	(35,449,980)
Profit before taxes		**247,383,144**		**253,973,790**	
Taxes	20	13,005,376	21,344,010	10,291,987	20,716,356
Net profit/(loss)		**260,388,520**		**264,265,777**	

Statement of comprehensive income

(Euro)	Note	2024	2023
Net profit/(loss)		**260,388,520**	**264,265,777**
Other comprehensive income:			
A) Change in cash flow hedge reserve:		**(21,218,043)**	**(31,440,646)**
- Profit/(loss) for the year	8	(27,918,477)	(41,369,271)
- Taxes	8	6,700,434	9,928,625
B) Actuarial gains/(losses) on employee benefits (*)		**(44,080)**	**(134,520)**
- Profit/(loss) for the year	8	(58,000)	(177,000)
- Taxes	8	13,920	42,480
Total other comprehensive income (A+B)		**(21,262,123)**	**(31,575,166)**
Total comprehensive income/(loss)		**239,126,398**	**232,690,611**

(*) Components of comprehensive income that will not be reclassified to profit or loss in subsequent periods.

Statement of changes in equity

(Euro/thousand)	Share capital	Share premium reserve	Capital increase costs	Legal reserve	Treasury shares reserve	Extraord-inary reserve	IAS/IFRS first-time adoption reserve
Balance at 31 December 2022	26,814,425	1,281,071,451	(14,476,493)	5,362,885	91,647,652	52,687,628	30,176,921
Dividend distribution							
Share-based payments	839,020				(17,586,301)		
Allocation of prior year net profit							
Total comprehensive income/(loss) for the year							
Balance at 31 December 2023	27,653,445	1,281,071,451	(14,476,493)	5,362,885	74,061,351	52,687,628	30,176,921
Dividend distribution							
Share-based payments	61,828				(6,419,082)		
Allocation of prior year net profit				167,804			
Conversion of bond	1,863,276	731,311,968					
Share buy-back					328,367,161		
Total comprehensive income/(loss) for the year							
Saldo al 31 dicembre 2024	**29,578,549**	**2,012,383,419**	**(14,476,493)**	**5,530,689**	**396,009,429**	**52,687,628**	**30,176,921**

(*) At 31 December 2024, the number of treasury shares held came to 8,860,391 with a total nominal value of Euro 886,039.

Capital contri-bution reserve	Actuarial gains/ (losses) on employee benefits	Convert-ible bond reserve	Share-based payments reserve	Cash flow hedge reserve	Treasury shares (*)	Share issue reserve	Retained earnings	Net profit/ (loss) for the year	Total
6,113,579	(1,394,600)	49,549,956	166,558,720	54,474,147	(91,647,652)	1,100,000	659,137,532	143,767,869	2,460,944,020
							(15,403,235)	(142,817,869)	(158,221,104)
			(85,765,520)		17,586,301	110,980	137,201,666	(950,000)	51,436,146
									-
	(134,520)			(31,440,646)				264,265,777	232,690,611
6,113,579	(1,529,120)	49,549,956	80,793,200	23,033,501	(74,061,351)	1,210,980	780,935,963	264,265,777	2,586,849,674
								(191,032,983)	(191,032,983)
			67,800,127		6,419,082	(61,828)	1,243,243		69,043,370
							73,064,990	(73,232,794)	-
		(49,549,956)					49,530,136		733,155,424
					(328,367,161)		(328,366,903)		(328,366,903)
	(44,349)			(21,216,043)				260,388,520	239,126,128
6,113,579	(1,573,469)	-	148,593,327	1,817,458	(396,009,429)	1,149,152	576,407,429	260,388,520	3,108,774,710

Statement of cash flows

	(Euro)	2024	of which related parties (Note 23)	2023	of which related parties (Note 23)
	Profit before taxes	247,382,760		253,973,790	
	Amortisation, depreciation and impairment	39,700,760		41,150,888	
	Impairment/(revaluation) of investments	43,421,871	43,421,871	35,449,980	35,449,980
	Dividends	(422,228,244)	(422,228,244)	(340,210,884)	(340,210,884)
	Share-based payments	12,131,213		6,300,220	
	Fair value change in metal derivatives	341,687	341,687	27,074	27,074
	Net finance costs	110,757,671	687,466	49,805,348	(26,311,098)
	Change in trade receivables/payables	22,120,154	(45,930,222)	(84,730,917)	6,307,653
	Change in other receivables/payables	(10,334,847)	(1,135,558,378)	184,010,798	125,531,141
	Change in employee benefit obligations	(436,611)	138,872	(258,895)	130,533
	Change in provisions for risks and other movements	2,540,470	-	3,356,720	-
	Taxes collected/(paid)	10,055,462	10,055,462	(10,985,680)	(10,985,680)
A.	**Cash flow from operating activities**	**55,452,346**		**137,888,442**	
	Investments in property, plant and equipment	(14,675,609)	(4,765,380)	(11,374,442)	(4,765,380)
	Investments in intangible assets	(21,294,838)		(18,157,542)	
	Investments in financial assets at fair value through profit or loss	-		197,768,000	
	Investments to recapitalise subsidiaries	(1,480,500,080)	(1,480,500,080)	(41,430,110)	(41,430,110)
	Dividends received	353,898,244	353,898,244	327,381,884	327,381,884
B.	**Cash flow from investing activities**	**(1,162,572,283)**		**454,187,790**	
	Dividend distribution	(191,032,983)		(159,782,301)	
	Sale/(purchase) of treasury shares	(327,144,232)		1,341,150	
	Proceeds of new loans	4,942,067,529		121,936,924	
	Repayment of loans	(1,950,355,044)		(200,000,000)	
	Redemption of bonds	-		-	
	Changes in other net financial receivables/ payables	(1,294,753,311)	(306,114,200)	(328,303,204)	(306,114,200)
	Finance costs paid	(227,584,359)	(47,431,032)	(129,114,408)	(42,710,382)
	Finance income received	157,054,787	71,102,380	101,314,724	55,425,357
C.	**Cash flow from financing activities**	**1,108,252,387**		**(592,607,116)**	
D.	**Net cash flow for the year (A+B+C)**	**1,132,449**		**(530,884)**	
E.	**Cash and cash equivalents at beginning of year**	**404,507**		**935,390**	
F	**Cash and cash equivalents at end of year (D+E)**	**1,536,956**		**404,507**	

3. Explanatory notes

A. General information

Prysmian S.p.A. ("the Company") is a company incorporated and domiciled in Italy and organised under the laws of the Italian Republic. The Company was formed on 12 May 2005 and as from 1 March 2017 has its registered office in Via Chiese 6, Milan (Italy).

Through its controlling interests in Italian companies and the sub-holding companies Prysmian Cavi e Sistemi S.r.l. and Draka Holding B.V., the Company indirectly owns equity interests in the Prysmian Group's operating companies. The Company and its subsidiaries produce cables and systems and related accessories for the energy and telecommunications industries, and distribute and sell them around the globe.

Prysmian S.p.A. was listed on the Italian Stock Exchange on 3 May 2007 and since September 2007 has been included in the FTSE MIB index, which comprises the top 40 Italian companies by market capitalisation and stock liquidity.

The financial statements contained herein were approved on 26 February 2025 by the Board of Directors of Prysmian S.p.A., which also authorised their publication in accordance with the law.

B. Accounting policies

The accounting policies and standards adopted are the same as those used for preparing the consolidated financial statements, to which reference should be made, except as described in Note 32.

B.1 Basis of preparation

The financial statements at 31 December 2024 represent the Separate Financial Statements of Prysmian S.p.A., Parent Company of the Prysmian Group.

The present financial statements have been prepared on a going concern basis, with the Directors having assessed that there are no financial, operating or other kind of indicators that might provide evidence of material uncertainties as to the Company's ability to meet its obligations in the foreseeable future and particularly in the next 12 months. Section C. Financial risk management and Section C.1 Capital risk management of these Explanatory Notes contain a description of how the Company manages financial risks, including liquidity and capital risks.

Under Italian Legislative Decree 38 of 28 February 2005 "Exercise of the options envisaged by art. 5 of European Regulation 1606/2002 on international accounting standards", issuers are required to prepare not only consolidated financial statements but also separate financial statements for the Parent Company in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and published in the Official Journal of the European Union.

Reporting formats and disclosures

The Company has elected to present its income statement according to the nature of expenses, whereas assets and liabilities in the statement of financial position have been classified as either current or non-current. The statement of cash flows has been prepared using the indirect method.

The Company has also applied the provisions of Consob Resolution 15519 dated 27 July 2006 concerning financial statement formats and the requirements of Consob Communication 6064293 dated 28 July 2006 regarding disclosures.

All the amounts shown in the tables in the following Notes are expressed in thousands of Euro, unless otherwise stated.

B.2 Newly adopted accounting standards and principles

The accounting principles and policies used to prepare the current financial statements are consistent with those used for the 2023 separate financial statements. This means there are no new standards or interpretations that have been applied for the first time in these financial statements and that have had an impact on them. Full details can be found in the Explanatory Notes to the Consolidated Financial Statements.

The following is a list of new standards, interpretations and amendments whose application became mandatory from 1 January 2024 but which, based on the assessments performed, have not had a material impact on the financial statements at 31 December 2024:

- *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements*. In particular, the aim of the disclosures covered by the IAS 7 amendment is to enable users of financial statements to assess the effects of supplier finance arrangements on an entity's liabilities and cash flows and on its exposure to liquidity risk. Based on the analysis performed, Prysmian has not identified any significant cases of this type of arrangement, meaning the amendment has not resulted in any disclosure requirement in the current financial statements;
- *Amendments to IAS 1: Presentation of Financial Statements:*
  - *Classification of Liabilities as Current or Non-current;*
  - *Classification of Liabilities as Current or Non-current: Deferral of Effective Date;*
  - *Non-current Liabilities with Covenants*.
- *Amendments to IFRS 16 Leases: Lease Liability in a Sale as Leaseback*.

There are no accounting standards, amendments and interpretations applicable to annual reporting periods after 2024 that have already completed the EU endorsement process.

B.3 Accounting standards, amendments and interpretations not yet applicable and not adopted early by the company

The following new accounting standards, amendments and interpretations had been issued at the date of preparing the present document but are not yet applicable and have not been adopted early by the Company.

New accounting standards, amendments and interpretations	Mandatory application as from
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	1 January 2025

Preliminary review has indicated that the new accounting standards, amendments and interpretations listed above are not expected to have a material impact on the Company's financial statements.

C. Financial risk management

Prysmian S.p.A. measures and manages its exposure to financial risks in accordance with the Group's policies.

The main financial risks are centrally coordinated and monitored by the Group Finance Department. Risk management policies are approved by the Group Finance, Administration and Control Department, which provides written guidelines on managing the different kinds of risks and on using financial instruments.

The financial risks to which Prysmian S.p.A. is exposed, directly or indirectly through its subsidiaries, are the same as those of the companies of which it is the parent. Reference should therefore be made to Section C. Financial risk management of the Explanatory Notes to the Group's Consolidated Financial Statements.

The principal types of risks to which the Company is exposed are discussed below:

(a) Exchange rate risk

This arises from foreign currency commercial or financial transactions not yet completed and from foreign currency assets and liabilities already recognised in the accounts. The Company mitigates this risk by using forward contracts entered into with the Group's central treasury company (Prysmian Treasury S.r.l.), which manages the various currency positions.

The principal exchange rates affecting the Company are:

- Euro/US Dollar: in relation to commercial transactions in US dollars;
- Euro/British Pound: in relation to commercial transactions on the British market and vice versa;

In 2024, flows exposed to the above exchange rates accounted for approximately 99% of the exposure to exchange rate risk arising from commercial transactions (11%) and financial transactions (88%).

It is the Company's policy to hedge, where possible, exposures in currencies other than its unit of account. In particular, the Company hedges:

- firm cash flows: invoiced commercial flows and exposures arising from loans receivable and payable;
- projected cash flows: commercial and financial flows arising from firm or highly probable contractual commitments.

The following sensitivity analysis shows the effects on net profit of a 5% and 10% increase/decrease in exchange rates versus closing exchange rates at 31 December 2024:

(Euro/thousand)	2024		2023	
	-5%	+5%	-5%	+5%
British Pound	(4)	3	(13)	12
US Dollar	(30)	27	(3)	3
Australian Dollar	(2)	2	(15)	14
Chinese Renminbi	(7)	6	(80)	73
Other currencies	(10)	10	(31)	28
Total	**(53)**	**48**	**(142)**	**129**

(Euro/thousand)	2024		2023	
	-10%	+10%	-10%	+10%
British Pound	(8)	6	(28)	23
US Dollar	(63)	52	(6)	5
Australian Dollar	(4)	4	(33)	27
Chinese Renminbi	(14)	12	(170)	139
Other currencies	(22)	19	(64)	53
Total	**(111)**	**91**	**(301)**	**246**

When assessing the potential impact of the above, the assets and liabilities in currencies other than their unit of account were considered, net of any derivatives hedging the above-stated cash flows.

The following sensitivity analysis shows the effects on equity reserves of an increase/decrease in the fair value of designated cash flow hedges following a 5% and 10% increase/decrease in exchange rates versus closing exchange rates at 31 December 2024:

(Euro/thousand)	2024		2023	
	-5%	+5%	-5%	+5%
British Pound	(800)	724	(625)	565
Total	**(800)**	**724**	**(625)**	**565**

(Euro/thousand)	2024		2023	
	-10%	10%	-10%	10%
British Pound	(1,689)	1,382	(1,318)	1,079
Total	**(1,689)**	**1,382**	**(1,318)**	**1,079**

(b) Interest rate risk

The interest rate risk to which the Company is exposed is mainly due to long-term financial liabilities, carrying both fixed and variable rates.

Fixed rate debt exposes the Company to a fair value risk. The Company does not operate any particular hedging policies in relation to the risk arising from such contracts.

The Group Finance Department monitors the exposure to interest rate risk and adopts appropriate hedging strategies to keep the exposure within the limits defined by the Group Administration, Finance and Control Department, arranging derivative contracts, if necessary.

The net liabilities considered for sensitivity analysis include variable rate financial receivables and payables and cash and cash equivalents whose value is influenced by rate volatility. The Company calculates the pre-tax impact of changes in interest rates on profit or loss.

Based on the simulations carried out for balances at 31 December 2024, the impact of a 25 bp increase/decrease in interest rates, with all other variables remaining equal, would have resulted in a decrease of Euro 3,467 thousand in financial payables (Euro 2,375 thousand decrease at 31 December 2023) or an increase of Euro 3,467 thousand in financial payables (an increase of Euro 2,375 thousand at 31 December 2023). This simulation exercise is carried out on a regular basis to ensure that the maximum potential loss remains within the limits set by Management.

(c) Price risk

This risk relates to the possibility of fluctuations in the price of strategic materials, whose purchase price is subject to market volatility and whose procurement from third-party suppliers is managed centrally by the Company, which then sells them on to Group operating companies. The Company is exposed to a residual price risk on those purchasing positions that have not been promptly recharged to Group operating companies. More information about metal derivatives can be found in Note 6. Derivatives.

(d) Credit risk

The Company does not have excessive concentrations of credit risk insofar as almost all its customers are companies belonging to the Group. In addition, there are no material unimpaired past due receivables.

(e) Liquidity risk

Prudent management of the liquidity risk arising from the Company's normal operations involves having adequate levels of cash and cash equivalents and short-term securities and access to funds from a sufficient amount of committed credit lines. The Company's Finance Department favours flexible forms of funding in the form of committed credit lines.

At 31 December 2024, cash and cash equivalents stood at Euro 1,537 thousand, compared with Euro 405 thousand at 31 December 2023. The Company is able to draw down on the credit lines granted to the Group in the form of the Revolving Credit Facility 2023 (Euro 1,000 million). More details can be found in the Explanatory Notes to the Consolidated Financial Statements (Section C. Financial risk management).

The following table presents an analysis, by due date, of the payables and liabilities settled on a net basis. The various due date categories refer to the period between the reporting date and the contractual maturity of the obligations.

(Euro/thousand)	31 December 2024			
	Due within 1 year	Due between 1 - 2 years	Due between 2 - 5 years	Due after 5 years
Borrowings from banks and other lenders	144,181	465,610	3,613,841	839,539
Lease liabilities	4,643	4,332	9,038	1,631
Derivatives	1,410	-	-	-
Trade and other payables	1,395,868	-	-	-
Total	**1,546,102**	**469,942**	**3,622,879**	**841,170**

(Euro/thousand)	31 December 2023			
	Due within 1 year	Due between 1 - 2 years	Due between 2 - 5 years	Due after 5 years
Borrowings from banks and other lenders	489,602	74,765	1,933,603	252,166
Lease liabilities	4,963	2,023	3,220	2,288
Derivatives	1,410	-	-	-
Trade and other payables	1,050,962	-	-	-
Total	**1,546,937**	**76,788**	**1,936,823**	**254,454**

In completion of the disclosures about financial risks, the following is a reconciliation between the classes of financial assets and liabilities reported in the Company's statement of financial position and the categories used by IFRS 7 to identify financial assets and liabilities:

	31 December 2024				
(Euro/thousand)	Financial assets at FVPL	Receivables and other assets at amortised cost	Financial liabilities at FVPL	Financial liabilities at amortised cost	CFH derivatives
Financial assets at FVPL	-	-	-	3,619,658	838,882
Trade receivables	-	331,447	-	3,220	2,288
Other receivables	-	1,934,457	-	-	-
Derivatives (assets)	20,431	-	-	-	30,623
Cash and cash equivalents	-	1,537	-	-	-
Borrowings from banks and other lenders	-	-	-	5,100,050	-
Trade payables	-	-	-	653,001	-
Other payables	-	-	-	743,306	-
Derivatives (liabilities)	-	-	2,665	-	331

	31 December 2023				
(Euro/thousand)	Financial assets at FVPL	Receivables and other assets at amortised cost	Financial liabilities at FVPL	Financial liabilities at amortised cost	CFH derivatives
Financial assets at FVPL	-	-	-	-	-
Trade receivables	-	274,672	-	-	-
Other receivables	-	224,376	-	-	-
Derivatives (assets)	1,535	-	-	-	30,623
Cash and cash equivalents	-	404.507	-	-	-
Borrowings from banks and other lenders	-	-	-	2,762,630	-
Trade payables	-	-	-	574,106	-
Other payables	-	-	-	477,076	-
Derivatives (liabilities)	-	-	1,298	-	112

C.1 Capital risk management

The Company's objective in capital risk management is primarily to safeguard business continuity in order to guarantee returns for shareholders and benefits for other stakeholders. The Company also aims to maintain an optimal capital structure in order to reduce the cost of debt and to comply with a series of covenants under the various credit agreements (Note 9. Borrowings from banks and other lenders and Note 27. Financial covenants).

The Company also monitors capital on the basis of its gearing ratio (ie. the ratio between net financial debt and capital). Details of the composition of net financial debt can be found in Note 9. Borrowings from banks and other lenders. Capital is defined as the sum of equity and net financial debt.

The gearing ratios at 31 December 2024 and 31 December 2023 are shown below:

(Euro/thousand)	31 December 2024	31 December 2023
Net financial debt	4,194,433	3,152,745
Equity	3,108,775	2,586,850
Total Capital	**7,303,208**	**5,739,595**
Gearing ratio	**57%**	**55%**

C.2 Fair value measurement of financial instruments

IFRS 13 requires assets and liabilities recognised in the statement of financial position at fair value to be classified according to a hierarchy that reflects the significance of the inputs used in measuring fair value.

Financial instruments are classified according to the following fair value measurement hierarchy:

Level 1: Fair value is determined with reference to quoted prices (unadjusted) in active markets for identical financial instruments. Therefore, the emphasis within Level 1 is on determining both of the following:

(a) the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; and
(b) whether the entity can enter into a transaction for the asset or liability at the price in that market at the measurement date.

Level 2: Fair value is determined using valuation techniques where the input is based on observable market data. The inputs for this level include:

(a) quoted prices for similar assets or liabilities in active markets;
(b) quoted prices for identical or similar assets or liabilities in markets that are not active;
(c) inputs other than quoted prices that are observable for the asset or liability, for example:
   i. interest rate and yield curves observable at commonly quoted intervals;
   ii. implied volatilities;
   iii. credit spreads;
(d) market-corroborated inputs.

Level 3: Fair value is determined using valuation techniques where the input is not based on observable market data.

The following tables present the assets and liabilities that are recurrently measured at fair value:

(Euro/thousand)	31 December 2024			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
Derivatives through profit or loss	-	20,431	-	20,431
Hedging derivatives	-	30,623	-	30,623
Total assets	**-**	**10,192**	**-**	**10,192**
Liabilities				
Financial liabilities at fair value:				
Derivatives through profit or loss	-	2,665	-	2,665
Hedging derivatives	-	331	-	331
Total liabilities	**-**	**2,996**	**-**	**2,996**

(Euro/thousand)	31 December 2023			
	Livello 1	Livello 2	Livello 3	Totale
Assets				
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
Derivatives through profit or loss	-	1,535	-	1,535
Hedging derivatives	-	30,623	-	30,623
Total assets	**-**	**32,158**	**-**	**32,158**
Liabilities				
Financial liabilities at fair value:				
Derivatives through profit or loss	-	1,298	-	1,298
Hedging derivatives	-	112	-	112
Total liabilities	**-**	**1,410**	**-**	**1,410**

All outstanding derivatives have been entered into with the subsidiary Prysmian Treasury S.r.l. and all belong to Level 2 of the fair value hierarchy.

1. Property, plant and equipment

Details of this line item and related movements are as follows:

(Euro/thousand)	Land and buildings	Plant and machinery	Equipment	Other assets	Assets under construction and advances	Total
Balance at 31 December 2023	**50,956**	**13,383**	**2,475**	**11,033**	**12,480**	**90,328**
Movements 2024						
- Investments	2,018	-	131	12,869	13,300	28,318
- Depreciation	(2,920)	(730)	(912)	(6,898)	-	(11,460)
- Reclassifications	1,186	-	656	386	(1,844)	384
Total movements	**284**	**(730)**	**(125)**	**6,357**	**11,456**	**17,242**
Balance at 31 December 2024	**51,240**	**12,653**	**2,350**	**17,390**	**23,936**	**107,568**
Of which:						
- Historical cost	81,545	23,527	12,857	52,656	23,936	194,521
- Accumulated depreciation and impairment	(30,305)	(10,874)	(10,507)	(35,266)	-	(86,951)
Net book value	**51,240**	**12,653**	**2,350**	**17,390**	**23,936**	**107,568**

(Euro/thousand)	Land and buildings	Plant and machinery	Equipment	Other assets	Assets under construction and advances	Total
Balance at 31 December 2022	**51,939**	**14,116**	**2,732**	**13,690**	**3,878**	**86,356**
Movements 2023:						
- Investments	1,400	-	336	1,604	10,564	13,904
- Depreciation	(2,864)	(733)	(837)	(5,770)	-	(10,204)
- Reclassifications	481	-	244	1,509	(1,962)	272
Total movements	**(983)**	**(733)**	**(257)**	**(2,657)**	**8,602**	**3,972**
Balance at 31 December 2023	**50,956**	**13,383**	**2,475**	**11,033**	**12,480**	**90,328**
Of which:						
- Historical cost	78,341	23,527	12,070	39,401	12,480	165,819
- Accumulated depreciation and impairment	(27,385)	(10,144)	(9,595)	(28,368)	-	(75,491)
Net book value	**50,956**	**13,383**	**2,475**	**11,033**	**12,480**	**90,328**

"Land and buildings", with a net book value of Euro 51,240 thousand, have recorded a net increase of Euro 284 thousand in 2024, reflecting the combined effect of investments in the period and the application of IFRS 16 (Euro 2,018 thousand), asset depreciation (Euro 2,920 thousand) and capitalizations (Euro 1,186 thousand).

"Plant and machinery" (Euro 12,653 thousand) and "Equipment" (Euro 2,350 thousand) mostly refer to instrumentation used for R&D activities and to various fixed installations within Prysmian Group's headquarters.

"Other assets" (Euro 17,390 thousand) mainly consist of office furniture and equipment, computer equipment and capitalisations under IFRS 16.

"Assets under construction and advances" (Euro 23,936 thousand) mostly refer to expenditure on plant and machinery for use in R&D and on other equipment intended for the Prysmian headquarters and the new site in Quattordio (Italy).

2. Intangible assets

Details of this line item and related movements are as follows:

(Euro/thousand)	Patents	Concessions, licences, trademarks and similar rights	Software	Other intangible assets	Intangibles in progress and advances	Total
Balance at 31 December 2023	**32**	**32,222**	**70,504**	**-**	**10,013**	**112,770**
Movements 2024:						
- Investments	-	487	8,031	-	12,777	21,295
- Amortisation	(5)	(6,309)	(20,392)	-	-	(26,706)
- Impairment	-	(1,534)	-	-	-	(1,534)
- Reclassifications	-	423	6,807	-	(7,614)	(384)
Total movements	**(5)**	**(6,933)**	**(5,554)**	**-**	**5,163**	**(7,329)**
Balance at 31 December 2024	**27**	**25,289**	**64,950**	**-**	**15,176**	**105,441**
Of which:						
- Historical cost	11,455	74,956	216,011	787	15,176	318,384
- Accumulated amortisation and impairment	(11,428)	(49,667)	(151,061)	(787)	-	(212,944)
Net book value	**27**	**25,289**	**64,950**	**-**	**15,176**	**105,441**

(Euro/thousand)	Patents	Concessions, licences, trademarks and similar rights	Software	Other intangible assets	Intangibles in progress and advances	Total
Balance at 31 December 2022	**37**	**35,732**	**75,274**	**-**	**14,790**	**125,832**
Movements 2023:						
- Investments	-	881	8,101	-	9,175	18,157
- Amortisation	(5)	(6,016)	(24,926)	-	-	(30,947)
- Reclassifications	-	1,625	12,055	-	(13,952)	(272)
Total movements	**(5)**	**(3,510)**	**(4,770)**	**-**	**(4,777)**	**(13,062)**
Balance at 31 December 2023	**32**	**32,222**	**70,504**	**-**	**10,013**	**112,770**
Of which:						
- Historical cost	11,455	74,046	201,173	787	10,013	297,473
- Accumulated amortisation and impairment	(11,423)	(41,824)	(130,669)	(787)	-	(184,703)
Net book value	**32**	**32,222**	**70,504**	**-**	**10,013**	**112,770**

In 2024, the value of gross investments in intangible assets came to Euro 21,295 thousand, most of which attributable to ongoing enhancement of information systems and Digital Transformation projects. In 2024, as part of Prysmian Group's integration strategy, the migration of the ERP system to the new SAP RISE was completed, bringing the total number of plants to 82, plus 6 corresponding distribution centres, that are managed using the single SAP platform present in over 30 countries.

"Concessions, licences, trademarks and similar rights" amount to Euro 25,289 thousand at 31 December 2024, with the change since the previous year attributable to amortisation (Euro 6,309 thousand), capitalisations in the year (Euro 423 thousand) and new investments (Euro 487 thousand). An impairment loss of Euro 1,534 thousand was recognised in this category in respect of the licences used for the previous SAP system, which have become obsolete and no longer usable following migration to the new system mentioned above and the associated contractual changes.

"Software" amounts to Euro 64,950 thousand at 31 December 2024, with the change since the previous year mainly reflecting amortisation (Euro 20,392 thousand), capitalisations in the year (Euro 6,807 thousand) and new investments (Euro 8,031 thousand).

"Intangibles in progress and advances" of Euro 15,176 thousand mostly refer to software development costs.

3. Investments in subsidiaries

These present a balance of Euro 7,168,695 thousand at 31 December 2024, having recorded the following movements over the year:

(Euro/thousand)	31.12.2023	Capital contributions	Investment (impairment)/ revaluation	Capital contributions for stock grants	31.12.2024
Prysmian Cavi e Sistemi S.r.l.	409,485	-	-	2,111	411,596
Draka Holding B.V.	4,803,349	1,437,500	-	9,242	6,250,091
Prysmian Cavi e Sistemi Italia S.r.l.	116,371	-	-	207	116,578
Prysmian PowerLink S.r.l.	219,936	-	-	266	220,202
Fibre Ottiche Sud - F.O.S. S.r.l.	33,338	10,000	(43,422)	84	-
Prysmian Riassicurazioni S.p.A. [1]	4,430	33,000	-	-	37,430
Prysmian Treasury S.r.l.	83,555	-	-	6	83,561
Prysmian Kabel und Systeme GmbH	3,434	-	-	-	3,434
Draka Kabely SRO	1	-	-	-	1
Electronic and Optical Sensing Solutions S.r.l.	45,803	-	-	-	45,803
Balance at 31 December 2024	**5,719,702**	**1,480,500**	**(43,422)**	**11,916**	**7,168,695**

1. The company changed its name during 2024 from Prysmian Servizi S.p.A. to Prysmian Riassicurazioni S.p.A.

The net change of Euro 1,448,993 thousand in the value of Investments in subsidiaries consists of increases of Euro 1,492,416 thousand and decreases of Euro 43,422 thousand for impairment.

The increases are attributable to:

- capital contributions paid to Draka Holding B.V. (as part of the Encore Wire acquisition), Fibre Ottiche Sud - F.O.S. S.r.l. and Prysmian Riassicurazioni S.p.A.
- increases related to the remuneration-related component of share-based payment plans, with underlying Prysmian S.p.A. shares, for employees of other Group companies, as further explained in Note 15. Personnel costs. Since it is not recharged, this component has been treated like a capital contribution and so reported as an increase in the value of the investments in the subsidiaries in which the plan beneficiaries are directly or indirectly employed. These increases are matched by a corresponding movement in the specific equity reserve. Further information can be found in Note 8. Share capital and reserves.

At the end of the financial year, the Company reviewed whether there was any evidence of impairment. This review identified the following companies, the investments in which needed to be tested for recoverability: Prysmian Cavi e Sistemi S.r.l., Draka Holding B.V., Fibre Ottiche Sud – F.O.S. S.r.l., Prysmian PowerLink S.r.l. and Electronic and Optical Sensing Solutions S.r.l.. The carrying amount of the investments in these subsidiaries was compared with their recoverable amount, defined as the higher of value in use and fair value less costs to sell.

The cash flow projections used to calculate value in use took the post-tax cash flow in the 2025 budget for year one, projecting this to 2026-2027, in line with the five-year strategic plans, using growth rates ranging between 0.76% and 2.75% depending on the individual company's country of operation. The WACC (Weighted Average Cost of Capital) used to discount cash flows for calculating value in use was also determined according to company country of operation. The values of WACC thus determined were in a range of 8.09% to 8.62%. The perpetuity growth rate for projections after 2025 was 2%.

It should also be noted that any reasonably possible change in the relevant assumptions used to determine recoverable amount (+/-0.5% change in the growth rate, and +/-0.5% change in the discount rate) would not produce significantly different results.

Fair value, on the other hand, was calculated on the basis of market inputs, in particular using the multiples method, with reference to companies in the same sector.

These impairment tests revealed the need for a write-down of Euro 43,422 thousand against the value of the investment in Fibre Ottiche Sud - F.O.S. S.r.l., reducing its carrying amount to zero.

The following table summarises key information about investments held in subsidiaries:

Company name	Registered office	Share capital	% owned 2024	% owned 2023
Prysmian Cavi e Sistemi S.r.l.	Milan	Euro 50,000,000	100	100
Draka Holding B.V.	Amsterdam	Euro 52,229,321	100	100
Prysmian Cavi e Sistemi Italia S.r.l.	Milan	Euro 77,143,249	100	100
Prysmian PowerLink S.r.l.	Milan	Euro 100,000,000	100	100
Fibre Ottiche Sud - F.O.S. S.r.l.	Battipaglia	Euro 47,700,000	100	100
Prysmian Riassicurazioni S.p.A [1]	Milan	Euro 30,000,000	100	100
Prysmian Treasury S.r.l.	Milan	Euro 80,000,000	100	100
Prysmian Kabel Und Systeme GmbH	Berlin	Euro 15,000,000	6.25	6.25
Prysmian Pension Scheme Trustee Ltd	Hampshire	GBP 1	100	100
Prysmian Kablo SRO	Bratislava	Euro 21,246,001	0.005	0.005
Electronic and Optical Sensing Solutions S.r.l.	Milan	Euro 5,000,000	100	100
Jaguar Communication Consultancy Services Private Ltd.[2]	Mumbai	Rupie Indiane 157,388,218	0.000001	0.000001
Prysmian Cabos e Sistemas do Brasil S.A.[2]	Sorocaba	Reais Brasiliane 910,044,391	0.040177	0.040177

1. The company changed its name during 2024 from Prysmian Servizi S.p.A. to Prysmian Riassicurazioni S.p.A.
2. Controlled indirectly

4. Deferred tax assets

Deferred tax assets amount to Euro 10,057 thousand at 31 December 2024 (Euro 575 thousand at 31 December 2023), recording an increase of Euro 9,482 thousand primarily due to recognition of the tax effect of the change in fair value of interest rate swaps used to hedge interest rate volatility affecting outstanding loans.

Details are as follows:

(Euro/thousand)	31 December 2024	31 December 2023
Deferred taxes:		
- Deferred tax assets recoverable beyond 12 months	9,738	378
- Deferred tax assets recoverable within 12 months	320	197
Total deferred tax assets (liabilities)	**10,057**	**575**

Movements in deferred taxes are analysed as follows:

(Euro/thousand)	Employee benefit obligations	Provisions for risks	Other	Total
Balance at 31 December 2023	**482**	**5,474**	**(5,381)**	**575**
Impact on profit or loss	-	221	2,546	2,767
Impact on equity	14	-	6,700	6,714
Balance at 31 December 2024	**496**	**5,695**	**3,866**	**10,057**

“Other” includes the tax effect deferred in:

- equity, arising on the hedge accounting treatment of interest rate swaps
- profit or loss, relating to interest not deducted in the Group tax consolidation, which is expected to be deducted in subsequent years.

5. Trade and other receivables

Details are as follows:

(Euro/thousand)	31.12.2024		
	Non-current	Current	Total
Trade receivables	-	331,632	331,632
Allowance for doubtful accounts	-	(185)	(185)
Total trade receivables	**-**	**331,447**	**331,447**
Other receivables:			
Tax receivables	-	53,097	53,097
Financial receivables	1,592,738	15,386	1,608,123
Prepaid finance costs	3,291	1,202	4,493
Receivables from employees	396	2,391	2,787
Pension plan receivables	-	164	164
Advances to suppliers	-	54	54
Other	197,365	68,374	265,739
Total other receivables	**1,793,789**	**140,667**	**1,934,457**
Total	**1,793,789**	**472,114**	**2,265,903**

(Euro/thousand)	31.12.2023		
	Non-current	Current	Total
Trade receivables	-	274,779	274,779
Allowance for doubtful accounts	-	(107)	(107)
Total trade receivables	**-**	**274,672**	**274,672**
Other receivables:			
Tax receivables	-	54,433	54,433
Financial receivables	235	14,213	14,448
Prepaid finance costs	3,621	1,092	4,713
Receivables from employees	16	3,213	3,229
Pension plan receivables	-	143	143
Advances to suppliers	-	12	12
Other	84,035	63,363	147,398
Total other receivables	**87,907**	**136,469**	**224,376**
Total	**87,907**	**411,141**	**499,048**

The following table breaks down trade and other receivables according to the currency in which they are expressed:

(Euro/thousand)	31 December 2024	31 December 2023
Euro	526,283	393,380
British Pound	28,669	22,269
US Dollar	1,661,174	51,164
Other currencies	49,777	32,235
Total	**2,265,903**	**499,048**

“Trade receivables” at 31 December 2024 mainly refer to amounts charged by Prysmian S.p.A. to its subsidiaries for head office services and the resale of strategic materials.

The carrying amount of trade receivables approximates their fair value.

Trade receivables are all due within the next year and do not include any material past due balances.
“Tax receivables” of Euro 53,097 thousand mainly refer to:

- foreign tax credits (Euro 10,092 thousand);
- VAT credits (Euro 14,415 thousand);
- R&D tax credits (Euro 7,541 thousand);
- corporate income tax (IRES) credit for Italian companies participating in the national and world tax consolidation group (Euro 5,891 thousand);
- regional business tax (IRAP) credit (Euro 3,327 thousand);
- other tax receivables (Euro 11,831 thousand).

The increase in “Financial receivables” refers to a loan granted to Prysmian Cables and Systems (US) Inc. as part of the acquisition of Encore Wire.

“Prepaid finance costs”, amounting to Euro 4,493 thousand, mainly refer to the Company’s portion of the costs incurred to arrange the new revolving credit facility, which are being spread over the term of such facilities.

“Receivables from employees”, amounting to Euro 2,787 thousand, refer to employee loans for taxes advanced by the Company.

At 31 December 2024, “Other” receivables of Euro 265,739 thousand mainly comprise:

- Euro 67,846 thousand in receivables from Group companies for recharges of the long-term BE IN 2022-2024 incentive plan;
- Euro 128,080 thousand in receivables from Group companies for recharges of the 2023-2025 GROW long-term incentive plan;
- Euro 26,777 thousand in receivables from Group companies mainly for the billing of patent and know-how licences;
- Euro 20,843 thousand in receivables from Italian Group companies for the transfer of IRES (Italian corporate income tax) under the national tax consolidation (art. 117 et seq of the Italian Income Tax Code);
- Euro 16,234 thousand in prepayments.

The carrying amount of financial receivables and other current receivables approximates the respective fair value.

6. Derivatives

Details of these balances are presented below:

(Euro/thousand)	31 December 2024	
	Asset	Liability
Non-current		
Interest rate derivatives (CFH)	2,391	6,004
Total cash flow hedges	**2,391**	**6,004**
Total non-current	**2,391**	**6,004**
Current		
Interest rate derivatives (CFH)	6,058	-
Forex derivatives on commercial transactions (CFH)	2	-
Total cash flow hedges	**6,060**	**-**
Forex derivatives on commercial transactions	1,726	2,665
Metal derivatives	17	331
Total other derivatives	**1,743**	**2,996**
Total current derivatives	**7,802**	**2,996**
Total	**10,193**	**9,000**

(Euro/thousand)	31 December 2023	
	Asset	Liability
Non-current		
Interest rate derivatives (CFH)	10,508	-
Total cash flow hedges	**10,508**	**-**
Total non-current	**10,508**	**-**
Current		
Interest rate derivatives (CFH)	20,115	-
Forex derivatives on commercial transactions (CFH)	112	-
Total cash flow hedges	**20,227**	**-**
Forex derivatives on commercial transactions	1,383	1,397
Metal derivatives	40	13
Total other derivatives	**1,423**	**1,410**
Total current derivatives	**21,650**	**1,410**
Total	**32,158**	**1,410**

The above derivatives are mostly arranged with Prysmian Treasury S.r.l., the Group's central treasury company, except for Interest Rates Swaps (IRS) intended to transform the interest rates on certain loans from floating into fixed and which are arranged directly with leading financial institutions.

Forex derivatives have a notional value of Euro 329,938 thousand at 31 December 2024, of which Euro 17,352 thousand designated as cash flow hedges relating to a service agreement and to currency hedges of metal purchase and sale transactions.

Metal derivatives have a notional value of Euro 10,650 thousand.

Information about the notional value of Interest Rate Swaps can be found in Note 8. Share capital and reserves - Cash flow hedge reserve.

7. Cash and cash equivalents

These amount to Euro 1,537 thousand at 31 December 2024, versus Euro 405 thousand at 31 December 2023, and relate to the cash held on Euro and foreign currency bank current accounts repayable on demand.
The credit risk associated with cash and cash equivalents is limited insofar as the counterparties are major national and international banks.

8. Share capital and reserves

Equity amounts to Euro 3,108,775 thousand at 31 December 2024, reporting an increase of Euro 521,925 thousand since 31 December 2023. The changes over the year are discussed in the following paragraphs on the individual components of equity.

Share capital

Share capital amounts to Euro 29,578 thousand at 31 December 2024, consisting of 295,785,483 ordinary shares (including 8,860,391 treasury shares), with a nominal value of Euro 0.10 each. The total number of outstanding voting shares is 286,925,092, net of the 10,669 treasury shares held indirectly.

Share capital at 31 December 2024 is Euro 1,925 thousand higher than at 31 December 2023 following capital increases in implementation of the BE IN plans, and conversion of the Convertible Bond 2021.

The following table reconciles the number of outstanding shares as at 31 December 2022, 31 December 2023 and 31 December 2024:

	Ordinary shares	Treasury shares	Total
Balance at 31 December 2022	**268,144,246**	**(4,601,362)**	**263,542,884**
Capital increase (1)	8,390,202		8,390,202
Share buy-back			
Allotments and sales (2)		882,957	882,957
Balance at 31 December 2023	**276,534,448**	**(3,718,405)**	**272,816,043**
Capital increase (3)	19,251,035		19,251,035
Share buy-back		(5,346,927)	(5,346,927)
Allotments and sales (4)		204,941	204,941
Balance at 31 December 2024	**295,785,483**	**(8,860,391)**	**286,925,092**

1. Issue of new shares serving the long-term incentive plan for Group employees (8,000,000 shares) and the BE IN plan (390,202 shares).
2. Allotment and/or sale of treasury shares under Group employee incentive and share purchase plans.
3. Issue of 618,282 new shares under the BE IN plan and 18,632,753 new shares upon conversion of the Convertible Bond 2021.
4. Allotment and/or sale of treasury shares under the YES share purchase plan for Group employees.

More details about treasury shares can be found in the subsequent note on “Treasury shares”.

Share premium reserve

This reserve amounts to Euro 2,012,383 thousand at 31 December 2024, up from Euro 731 thousand at 31 December 2023. The increase is due to the conversion into shares of the Convertible Bond 2021, extinguished in 2024, net of the purchase of treasury shares.

Capital increase costs

This reserve, which reports a negative balance of Euro 14,476 thousand at 31 December 2024 (the same as at 31 December 2023), mainly relates to the costs incurred for the capital increase serving the public mixed exchange and cash offer for the ordinary shares of Draka Holding B.V., announced on 22 November 2010 and formalised on 5 January 2011, and the costs incurred for the capital increase resolved and approved in 2018.

Legal reserve

This reserve amounts to Euro 5,531 thousand at 31 December 2024, recording an increase of Euro 168 thousand since 31 December 2023 due to the apportionment of the previous year's net profit.

Treasury shares reserve

This reserve, which amounts to Euro 396,010 thousand at 31 December 2024 (Euro 74,062 thousand at 31 December 2023), complies with statutory requirements (art. 2357-ter of the Italian Civil Code).

Treasury shares

The carrying amount of treasury shares is a negative Euro 396,010 thousand at 31 December 2024 and refers to 8,860,391 ordinary shares with a total nominal value of Euro 886,039.

Movements in treasury shares have been as follows:

	Number of shares	Total nominal value (in Euro)	% of share capital	Average unit value (in Euro)	Total carrying value (in Euro)
At 31 December 2022	**4,601,362**	**460,136**	**1.72%**	**20**	**91,647,652**
- Share buy-back					
- Sales/allotments	(882,957)	(88,296)		20	(17,586,301)
At 31 December 2023	**3,718,405**	**371,841**	**1.34%**	**20**	**74,061,351**
- Share buy-back	5,345,927	534,693		61	328,367,161
- Sales/allotments	(204,941)	(20,494)		31	(6,419,082)
At 31 December 2024	**8,860,391**	**886,039**	**3.00%**	**44**	**396,009,430**

During 2024, the number of treasury shares increased by a total of 5,141,986. During 2024, 204,941 treasury shares were allotted to employees who had signed up to the YES share purchase and BE IN incentive plans; during the same period 5,346,927 shares were purchased through the share buy-back programmeme.

Extraordinary reserve

This reserve amounts to Euro 52,688 thousand at 31 December 2024 (the same as at 31 December 2023), and was formed through the apportionment of net profit for 2006, approved by the shareholders on 28 February 2007.

IAS/IFRS first-time adoption reserve

This reserve was created in accordance with IFRS 1 and reflects the differences arising on first-time adoption of IAS/IFRS. It amounts to Euro 30,177 thousand at 31 December 2024, the same as at 31 December 2023.

Capital contribution reserve

This reserve amounts to Euro 6,113 thousand at 31 December 2024, the same as at 31 December 2023.

Actuarial gains/(losses) on employee benefits

The reserve for remeasuring employee benefit plans reports a negative balance of Euro 1,574 thousand at 31 December 2024, reflecting post-tax actuarial losses recognised through other comprehensive income, in accordance with IAS 19.

Convertible bond reserve

This reserve reports a nil balance at 31 December 2024 (Euro 49,550 thousand at 31 December 2023) after the convertible bond's conversion during 2024.

Share-based payments reserve

This reserve amounts to Euro 148,594 thousand at 31 December 2024 (Euro 80,793 thousand at 31 December 2023), reporting a net increase of Euro 67,800 thousand mainly due to:

- the transfer of Euro 311 thousand in costs to profit or loss for the period (Euro 134 thousand in 2023) in connection with the YES plan, a share-based plan involving Prysmian S.p.A. shares;
- an increase of Euro 2,544 thousand in the carrying amount of investments in subsidiaries, in which beneficiaries of the YES Plan involving Prysmian S.p.A. shares are directly or indirectly employed;
- an increase of Euro 55,845 thousand for the 2023-2025 LTI plan. Of this total, Euro 11,511 thousand relates to Prysmian S.p.A. personnel, while Euro 44,334 thousand refers to the grant date fair value of shares allotted to LTI plan beneficiaries employed in other Group companies, of which Euro 8,974 thousand not recharged to the subsidiaries;
- an increase of Euro 9,099 thousand for the BE IN incentive plan, more details about which can be found in Note 15. Personnel costs. Of this total, Euro 199 thousand relates to Prysmian S.p.A. personnel, while Euro 8,900 thousand refers to the grant date fair value of shares allotted to LTI plan beneficiaries employed in other Group companies, of which Euro 398 thousand not recharged to the subsidiaries.

Further information can be found in Note 15. Personnel costs.

Cash flow hedge reserve

The cash flow hedge reserve, presenting a post-tax balance of Euro 1,817 thousand at 31 December 2024 (Euro 23,033 thousand at 31 December 2023), reports hedging derivatives that qualify for hedge accounting under IFRS 9.

This reserve refers to the hedging of the Euro 1,200 million Sustainability-Linked Term Loan contracted with a syndicate of leading Italian and international banks on 7 July 2022 and maturing on 7 July 2027 and the hedging of the EW Term and Bridge loans for USD 1,344 million, both of which disbursed on 3 July 2024 and maturing between July 2026 and July 2029. The maturities and amortisation schedule of these derivatives are consistent with the terms of the loans.

The notional value of the interest rate swaps at 31 December 2024 is Euro 1,385,000 thousand and USD 1,343,600 thousand.

Share issue reserve

The share issue reserve amounts to Euro 1,149 thousand at 31 December 2024 (Euro 1,211 thousand at 31 December 2023).

Retained earnings

Retained earnings amount to Euro 576,404 thousand at 31 December 2024, recording a decrease of Euro 204,531 thousand since 31 December 2023, of which positive variations equal to Euro 73,064 thousand due to apportionment of the previous year's net profit, Euro 49,530 thousand due to the effects of converting the bond and Euro 1,243 thousand from selling YES shares to employees of a subsidiary and negative variation equal to Euro 328,368 due to the conversion of the bond 2021.

The following table analyses each component of equity, indicating its origin, permitted use and availability for distribution, as well as how it has been used in previous years.

(Euro/thousand)	Nature/description	Amount	Permitted use (A,B,C)	Amount available for distribution	Uses in three previous years	
					to cover losses	other purposes
Share capital		**29,578**				
Capital reserves:						
.	Capital contribution reserve	6,113	A.B.C	6,113		
.	Share premium reserve	2,012,383	A.B.C	2,012,383		
.	Capital increase costs	(14,476)		(14,476)		
Earnings reserves:						
.	Extraordinary reserve	52,688	A.B.C	52,688		
.	IAS/IFRS first-time adoption reserve	30,177	A.B.C	30,177		
.	Legal reserve	5,531	B			
.	Share issue reserve	1,149	A.B.C	1,149		
.	Retained earnings	576,404	A.B.C	576,404		73,064
Measurement reserves*:						
.	Share-based payments reserve	148,594				
.	Cash flow hedge reserve	1,817				
.	Actuarial gains and losses on employee benefits	(1,574)				
Total reserves		**2,818,827**			-	-
Undistributable amount				154,369		
Distributable amount				**2,664,458**		

Key:
A: to increase capital.
B: to cover losses.
C: distribution to shareholders.
* These reserves are not available for distribution under art. 6 of Italian Legislative Decree 38/05.

Dividend distribution

On 18 April 2024, the shareholders of Prysmian S.p.A. approved the financial statements for 2023 and the distribution of a gross dividend of Euro 0.70 per share, for a total of approximately Euro 191 million. The dividend was paid out from 24 April 2024 to shares outstanding on the record date of 23 April 2024, with the shares going ex-dividend on 22 April 2024.

A recommendation to pay a dividend of Euro 0.80 per share, for a total of approximately Euro 229 million in respect of the year ended 31 December 2024, will be presented to shareholders in the meeting convened in single call for 16 April 2025.

9. Borrowings from banks and other lenders

These amount to Euro 5,100,050 thousand at 31 December 2024, compared with Euro 2,762,630 thousand at 31 December 2023.

(Euro/thousand)	31 December 2024		
	Non-current	Current	Total
Long-term financial liabilities			
Unicredit Loan	149,257	267	149,524
Mediobanca Loan	149,480	285	149,766
EW Term & Bridge Loans	1,491,636	38,157	1,529,793
CDP Loans	119,562	77,419	196,982
EIB Loans	332,318	6,215	338,532
Sustainability-Linked Term Loan 2022	1,195,246	22,739	1,217,985
Non-Convertible Bond (€850M+€650M)	1,488,608	2,583	1,491,191
Lease liabilities	18,210	5,505	23,715
Other payables to banks and other lenders	1,937	626	2,562
Total	**4,946,255**	**153,795**	**5,100,050**

(Euro/thousand)	31 December 2023		
	Non-current	Current	Total
Long-term financial liabilities			
Mediobanca Loan	-	100,483	100,483
Intesa Loan	-	151,342	151,342
CDP Loans	194,350	103,494	297,844
EIB Loans	134,870	113,085	247,955
Sustainability-Linked Term Loan 2022	1,193,356	24,972	1,218,328
Convertible Bond 2021	727,830	-	727,830
Lease liabilities	11,444	5,418	16,861
Other payables to banks and other lenders	1,937	51	1,988
Total	**2,263,787**	**498,844**	**2,762,630**

Credit Agreements:
Prysmian S.p.A. had the following Credit Agreements in place during the course of 2024:

Revolving Credit Facility 2023

A Revolving Credit Facility was contracted on 20 June 2023. The Euro 1,000 million facility may be drawn down for business and working capital needs, including the refinancing of existing facilities, and to issue guarantees. It has a five-year term, with an option to extend to six and seven years. At the date of this report, the option to extend to the sixth year has already been exercised. In addition, with the aim of making ESG factors an even more integral part of group strategy, Prysmian has elected to include important environmental and social KPIs among the parameters determining the terms of credit. The revolving credit facility is in fact Sustainability-Linked, being tied to the decarbonisation targets already set by Prysmian (annual GHG emissions from 2023 to 2030), to the ratio of female white-collar and executive hires to total Prysmian hires, and to the number of sustainability audits performed in the supply chain. The achievement or otherwise of these indicators entails a positive or negative adjustment to the annual spread.
At 31 December 2024, this facility was not being used.

CDP Loans

On 28 October 2019, the Company entered into an agreement with Cassa Depositi e Prestiti S.p.A. (CDP) for a Euro 100 million long-term loan, which was repaid in April 2024 on the agreed maturity date.

On 28 January 2021, a second loan was agreed with CDP for Euro 75 million with a term of 4 years and 6 months, for the purpose of financing part of the Group's expenditure on purchasing the "Leonardo Da Vinci" cable-laying vessel. This loan, drawn down in full on 9 February 2021, is repayable in a lump sum at maturity on 28 July 2025. Interest rate swaps have been arranged in respect of this loan, for an overall notional value of Euro 75 million, with the objective of hedging variable rate interest flows over the period 2021-2025.

On 6 March 2023, another long-term 6-year loan with CDP was announced for Euro 120 million, for the purpose of supporting R&D programmemes in Italy and Europe (specifically in France, Germany, Spain and the Netherlands). The loan, received on 15 February 2023, is repayable in a lump sum at maturity on 15 February 2029.
At 31 December 2024, the fair value of the CDP Loans approximated their carrying amount.

EIB Loans

On 10 November 2017, Prysmian S.p.A. entered into a loan agreement with the European Investment Bank (EIB) for Euro 110 million to support the Group's R&D programmemes in Europe over the period 2017-2020. The loan was received on 29 November 2017 and repaid in a lump sum on 29 November 2024, the agreed maturity date.

On 3 February 2022, the Group announced that it had finalised a loan from the EIB for Euro 135 million to support its European R&D programmeme in the energy and telecom cable systems sector over the period 2021-2024. This loan is specifically intended to support projects developed at R&D centres in five European countries: Italy, France, Germany, Spain and the Netherlands. The loan, received on 28 January 2022, is repayable in a lump sum at maturity on 29 January 2029.

On 24 July 2024, Prysmian and the European Investment Bank (EIB) and Prysmian signed a new Euro 450 million financing agreement to facilitate electricity transmission and distribution in Europe. In order to support the growing demand for renewable energy, particularly offshore wind power, Prysmian will use the resources made available by the EIB to build new production lines for extra high voltage submarine cables, lines for high voltage onshore cables, as well as to make technical improvements to existing lines at its three flagship plants in Pikkala (Finland), Arco Felice Pozzuoli (Italy) and Gron (France).

The loan will be disbursed in tranches and is repayable in a lump sum eight years after the disbursement of each tranche. The first tranche of Euro 198 million was drawn down on 1 August 2024.
At 31 December 2024, the fair value of the EIB Loans approximated their carrying amount.

Sustainability-Linked Term Loan 2022

On 7 July 2022, the Company entered into a medium-term Sustainability-Linked loan for Euro 1,200 million with a syndicate of leading Italian and international banks. This five-year loan was drawn down in full on 14 July 2022 and primarily used to refinance the Euro 1 billion term loan obtained in 2018, which was thus repaid early on the same date. With the aim of strengthening its financial structure and making ESG factors an integral part of its strategy, Prysmian elected to include important environmental and social KPIs among the parameters determining the terms of the loan. In fact, the loan is linked to the decarbonisation targets already set by the Group (annual GHG emissions from 2023 to 2030), to the ratio of female white-collar and executive hires to total Group hires, and to the number of sustainability audits performed in the supply chain. The achievement or otherwise of these indicators entails a positive or negative adjustment to the annual spread.

Interest rate swaps have been arranged in respect of this loan, for an overall notional value of Euro 1,200 million, with the objective of hedging variable rate interest flows.
At 31 December 2024, the fair value of the Sustainability-Linked Term Loan approximated its carrying amount.

Unicredit Loan

On 13 December 2024, Prysmian S.p.A. entered into an agreement with Unicredit for a Euro 150 million long-term loan. The loan was disbursed on 31 December 2024 and will be repaid in a lump sum on the agreed maturity date in December 2029.
At 31 December 2024, the fair value of the Unicredit loan approximated its carrying amount.

Mediobanca Loan

On 12 December 2024, Prysmian S.p.A. entered into an agreement with Mediobanca for a Euro 150 million long-term loan. The loan was disbursed on 31 December 2024 and will be repaid in a lump sum on the agreed maturity date in December 2029.
At 31 December 2024, the fair value of the Mediobanca loan approximated its carrying amount.

Intesa Loan

On 11 October 2019, Prysmian S.p.A. entered into an agreement with Intesa Sanpaolo for a Euro 150 million long-term loan for 5 years from the date of signing.
The loan was drawn down in full on 18 February 2019 and repaid in October 2024, on the agreed maturity date.

Financing of Encore Wire acquisition

On 2 July 2024, concurrently with the acquisition of Encore Wire, Prysmian S.p.A. drew down a loan divided into a number of short- and medium/long-term credit facilities as follows:

- Term Loan: a medium-long term credit facility for USD 1,070 million, whose maturity date coincides with the 5th (fifth) anniversary of the Acquisition closing date (2 July 2029);
- Bridge Loan A: a bridge credit facility for USD 481 million, which was repaid in full on 10 July 2024;
- Bridge Loan B: a bridge credit facility for Euro 925 million, which was repaid in full on 28 November 2024;
- Bridge Loan C1: a bridge credit facility for Euro 513 million, due to mature on 3 July 2026. It was partially repaid on 28 November 2024, leaving a residual debt of Euro 230 million at 31 December 2024, which was subsequently repaid in full on 18 February 2025;
- Bridge Loan C2: a bridge credit facility for USD 548 million, due to mature on 3 July 2026. It was partially repaid on 28 November 2024, leaving a residual debt of Euro 250 million at 31 December 2024, which was subsequently repaid in full on 18 February 2025.

Interest rate swaps with an overall notional value of USD 1,320 million have been arranged against the Term Loan of USD 1,070 million and Bridge Loan C2 of USD 548 million, with the objective of hedging variable rate interest flows.
At 31 December 2024, the fair value of the loans approximated their carrying amount.

The following tables summarise the committed lines available to the Company at 31 December 2024 and 31 December 2023, shown at their nominal amount:

(Euro/thousand)	31 December 2024		
	Total lines	Drawn	Undrawn
Revolving Credit Facility 2023	1,000,000	-	1,000,000
CDP Loans	195,000	(195,000)	
Sustainability-Linked Term Loan 2022	1,200,000	(1,200,000)	
EIB Loans	585,000	(333,000)	252,000
EW Term & Bridge Loans	1,480,000	(1,480,000)	
Mediobanca Loan	150,000	(150,000)	
Unicredit Loan	150,000	(150,000)	
Total	**4,760,000**	**(3,508,000)**	**1,252,000**

(Euro/thousand)	31 December 2023		
	Total lines	Drawn	Undrawn
Revolving Credit Facility 2023	1,000,000	-	1,000,000
CDP Loans	295,000	(295,000)	
Intesa Loan	150,000	(150,000)	
Mediobanca Loan	100,000	(100,000)	
Sustainability-Linked Term Loan 2022	1,200,000	(1,200,000)	
EIB Loans	245,000	(245,000)	
Total	**2,990,000**	**(1,990,000)**	**1,000,000**

Bonds

Convertible bond 2021

On 7 June 2024, the Board of Directors of Prysmian S.p.A. approved the exercise of the early redemption option (the "Soft Call") on the entire outstanding amount of the convertible bond known as "€750,000,000 Equity Linked Bonds due 2026" (ISIN XS2294704007) issued in February 2021. As at 31 December 2024, the entire bond had been extinguished. It had, in fact, been fully converted into ordinary shares, except for a few bonds whose conversion was not requested and which the Company redeemed on 19 July 2024 in the amount of approximately Euro 300 thousand.

Non-convertible bond 2024

On 21 November 2024, Prysmian announced the placement of a dual-tranche offering of unsecured senior notes for a total of Euro 1,500 million, rated BBB- by S&P Global Ratings Europe Limited (S&P). The issue consists of a four-year tranche of Euro 850 million due on 28 November 2028, with a fixed annual coupon of 3.625% and an issue price of Euro 99.817 and a second seven-year tranche of Euro 650 million due on 28 November 2031, with a fixed annual coupon of 3.875% and an issue price of Euro 99.459. The notes have a minimum denomination of Euro 100,000, plus integral multiples of Euro 1,000. Among other objectives of this issuance is to repay the bridging loans taken out in connection with the Encore Wire acquisition.

The fair value of the four-year bonds with a nominal value of Euro 850 million is Euro 858 million;
the fair value of the seven-year bonds with a nominal value of Euro 650 million is Euro 658 million.

Borrowings from banks and other lenders and Lease liabilities

The following table reports movements in Borrowings from banks and other lenders and in Lease liabilities:

(Euro/thousand)	CDP	EIB	Unicredit, Mediobanca, EW Term & Bridge Loans	Non-conv. Bond €850M+ €650M	Conv. bond 2021	Sustainability-Linked Term Loan 2022	Other borrowings and lease liabilities	Total
Balance 31.12.2023	**297,847**	**247,955**	**251,825**	**(0)**	**727,830**	**1,218,328**	**18,850**	**2,762,630**
New funds		198,000	3,244,068	1,500,000				4,942,068
Repayments/ Conversions	(100,000)	(110,000)	(1,695,041)	-	(703,070)			(2,608,111)
Amortisation of bank and financial fees and other expenses	212	(379)	(8,333)	(13,872)	2,170	1,890		(18,313)
IFRS 16 leases							7,410	7,410
Interest and other movements	(1,078)	2,957	36,564	5,063	(26,930)	(2,232)	17	14,361
Total movements	**(100,866)**	**90,578**	**1,577,258**	**1,491,191**	**(727,830)**	**(342)**	**7,427**	**2,337,415**
Balance 31.12.2024	**196,981**	**338,533**	**1,829,083**	**1,491,190**	**0**	**1,217,985**	**26,277**	**5,100,050**

The following tables provide an analysis by maturity and currency of borrowings from banks and other lenders (excluding lease liabilities) at 31 December 2024 and 31 December 2023:

(Euro/thousand)	31 December 2024				
	Variable rate Euro	Variable rat USD	Fixed rate Euro	Fixed rate USD	Total
Due < 1 year	137,643	35,599	11,181	-	148,824
Due 1 -2 years	468,458	239,361	1,484	-	469,942
Due 2-3 years	1,200,768	-	453	-	1,201,221
Due 3-4 years	-	-	845,031	-	845,031
Due 4-5 years	1,576,627	1.023.603	-	-	1.576,627
Due > 5 years	197,594	-	643,576	-	841,170
Total	**2,282,527**	**1.298.563**	**1,501,725**	**-**	**5,082,815**
Average interest rate in period, as per contract	4.3%	6.2%	3.7%	0.0%	4.6%
Average interest rate in period, including IRS effect (a)	3.2%	5.2%	3.7%	0.0%	3.9%

(Euro/thousand)	31 December 2023				
	Variable rate Euro	Variable rat USD	Fixed rate Euro	Fixed rate USD	Total
Due < 1 year	488,471	-	5,493	-	493,964
Due 1 -2 years	75,269	-	688	-	75,957
Due 2-3 years	426	-	728,626	-	729,052
Due 3-4 years	1,198,876	-	453	-	1,199,329
Due 4-5 years	-	-	-	-	-
Due > 5 years	254,470	-	-	-	254,470
Total	**2,017,512**	**-**	**735,260**	**-**	**2,752,772**
Average interest rate in period, as per contract	3.9%		1.3%		3.3%
Average interest rate in period, including IRS effect(1)	2.6%		1.3%		2.3%

(1) Interest rate swaps have been put in place to hedge interest rate risk on variable rate loans in Euro. At 31 December 2024, the total hedged amount equates to 73.4% of Euro-denominated variable-rate debt at that date. Interest rate hedges consist of interest rate swaps which exchange a variable rate (Euribor 3M or 6M for loans in Euro) with an average fixed rate (fixed rate + spread) of 2.1% for Euro-denominated debt. The percentages representing the average fixed rate refer to 31 December 2024.

Net financial debt

(Euro/thousand)	31 December 2024	of which related parties (Note 23)	31 December 2023	of which related parties (Note 23)
Non-current financial liabilities				
CDP Loans	119,562		194,350	
Mediobanca Loan	149,480		-	
EW Term & Bridge Loans	1,491,636		-	
EIB Loans	332,318		134,870	
Sustainability-Linked Term Loan 2022	1,195,246		1,193,356	
Convertible Bond 2021	-		727,830	
Non-Convertible Bond (€850M+€650M)	1,488,608			
Unicredit Loan	149,257		-	
Interest rate derivatives on financial transactions	6,004		-	
Lease liabilities	18,210		11,444	
Other borrowings	1,937		1,937	
Total non-current financial liabilities	**4,952,259**		**2,263,787**	
Current financial liabilities				
CDP Loans	77,419		103,470	
Mediobanca Loan	285		100,483	
EW Term & Bridge Loans	38,157		-	
Intesa Loan	-		151,342	
EIB Loans	6,215		113,085	
Sustainability-Linked Term Loan	22,739		24,972	
Non-Convertible Bond (€850M+€650M)	2,583			
Unicredit Loan	267		-	
Lease liabilities	5,505		5,418	
Short-term loans from Group companies	711,171	711,171	440,303	440,303
Other borrowings	613		76	
Total current financial liabilities	**864,953**		**939,149**	
Total financial liabilities	**5,817,212**		**3,202,935**	
Long-term financial receivables	(307)		(235)	
Short-term financial receivables	(15,298)		(12,758)	
Long-term bank fees	(3,291)		(3,621)	
Short-term bank fees	(1,202)		(1,092)	
Non-current interest rate derivatives	(2,391)		(10,508)	
Current interest rate derivatives	(6,058)		(20,115)	
Long-term financial receivables from Group companies	(1,542,891)	(1,542,891)	-	-
Short-term financial receivables from Group companies	(86)	(86)	(1,454)	(1,454)
Assets for currency measurement differences	(49,718)		–	
Cash and cash equivalents	(1,537)		(405)	
Net financial debt	**4,194,433**		**3,152,745**	

The following table presents a reconciliation of the Company's net financial debt to the amount reported in accordance with the requirements of Consob Communication no. 5/21 of 29 April 2021 concerning compliance with the "Guidelines on disclosure requirements under the Prospectus Regulation" published by ESMA on 4 March 2021 (reference ESMA32-382-1138):

(Euro/thousand)	31 December 2024	of which related parties (Note 23)	31 December 2023	of which related parties (Note 23)
Net financial debt - as reported above	**4,194,433**		**3,152,745**	
Adjustments to exclude:				
Long-term financial receivables and other assets	3,291		3,621	
Long-term bank fees	307		235	
CFH derivatives (assets)	1,191		30,623	
Adjustments to include:				
Net non-CFH forex derivatives on commercial transactions, excluding non-current assets	939	939	13	13
Net non-CFH metal derivatives, excluding non-current assets	315	315	(27)	(27)
Recalculated net financial debt	**4,200,476**		**3,187,210**	

10. Trade and other payables

Details are as follows:

(Euro/thousand)	31 December 2024		
	Non-current	Current	Total
Trade payables	-	653,001	653,001
Total trade payables	**-**	**653,001**	**653,001**
Other payables:			
Tax and social security payables	100	35,971	36,071
Advances from customers	-	-	-
Payables to employees	338	9,511	9,849
Accrued expenses	-	225	225
Other	-	7,050	7,050
Financial payables	-	690,111	690,111
Total other payables	**438**	**742,868**	**743,306**
Total	**438**	**1,395,869**	**1,396,307**

(Euro/thousand)	31 December 2023		
	Non-current	Current	Total
Trade payables	-	574,106	574,106
Total trade payables	**-**	**574,106**	**574,106**
Other payables:			
Tax and social security payables	50	16,910	16,960
Advances from customers	-	-	-
Payables to employees	169	12,458	12,627
Accrued expenses	-	402	402
Other	-	6,784	6,784
Financial payables		440,303	440,303
Total other payables	**219**	**476,857**	**477,076**
Total	**219**	**1,050,963**	**1,051,182**

Trade payables mainly comprise invoices received from suppliers of strategic metals and only to a minor extent those received from suppliers of other goods and outside professional services involving organisational, legal and IT advice.

Other payables, totalling Euro 743,306 thousand, mainly comprise:

- social security payables for contributions on employee wages and salaries and amounts payable into supplementary pension funds;
- tax payables mainly for tax withheld from employees and not yet paid to the tax authorities;
- payables to employees for accrued wages and salaries not yet paid;
- other payables, mainly referring to amounts owed to Group companies for various reasons;
- financial payables of Euro 690,111 thousand, mainly relating to the intercompany current accounts with Prysmian Treasury S.r.l. in Euro and US dollars.

The following table breaks down trade and other payables according to the currency in which they are expressed:

(Euro/thousand)	31 December 2024	31 December 2023
Euro	1,357,878	1,018,092
US Dollar	28,817	23,313
British Pound	1,468	1,249
Other currencies	8,145	8,528
Total	**1,396,308**	**1,051,182**

11. Provisions for risks and charges

The following table reports movements in these provisions during the reporting period:

(Euro/thousand)	Legal and contractual risks	Other risks and charges	Total
Balance at 31 December 2023	**37,174**	**9,523**	**46,697**
Movements 2024:			
- Increases	7,677	-	7,676
- Uses	(3,749)	(1,387)	(5,136)
- Releases	-	-	-
- Other	-	-	-
Total movements	**3,928**	**(1,387)**	**2,541**
Balance at 31 December 2024	**41,101**	**8,135**	**49,237**

The provisions for risks, amounting to Euro 49,237 thousand at 31 December 2024, report a net increase of Euro 2,541 thousand since 31 December 2023 after adjusting them to an appropriate level to cover the potential liabilities concerned.

These provisions include the provision for the antitrust investigations discussed in the following paragraphs.

Antitrust - European Commission proceedings in the high voltage underground and submarine cables business
By way of introduction, it will be recalled that the European Commission started an investigation in late January 2009 into a number of European and Asian electrical cable manufacturers to verify the existence of alleged anti-competitive practices in the high voltage underground and submarine cables markets. This investigation was concluded with the decision adopted by the European Commission, also upheld by the European courts, which found Prysmian Cavi e Sistemi S.r.l. ("Prysmian CS") jointly liable with Pirelli & C. S.p.A. ("Pirelli") for the alleged infringement in the period from 18 February 1999 to 28 July 2005, and Prysmian Cavi e Sistemi S.r.l. jointly liable with Prysmian S.p.A. ("Prysmian") and The Goldman Sachs Group Inc. ("Goldman Sachs") for the alleged infringement in the period from 29 July 2005 to 28 January 2009. Following the conclusion of this case, Prysmian paid the European Commission its share of the related fine within the prescribed term, using provisions previously set aside.

Likewise in the case of General Cable, the European courts confirmed the contents of the European Commission's decision of April 2014, thus definitively upholding the fine levied against it under this decision. As a result, Prysmian went ahead and paid the related fine.

In November 2014 and October 2019 respectively, Pirelli filed two civil actions, since combined, against Prysmian CS and Prysmian in the Court of Milan, seeking (i) to be held harmless from any claim brought by the European Commission in enforcement of its decision and for any expenses incidental to such enforcement; (ii) to be held harmless from any third-party claims for damages relating to the conduct forming the subject of the European Commission's decision and (iii) to be compensated for the damages allegedly suffered and quantified as a result of Prysmian CS and Prysmian having requested, in certain pending legal actions, that Pirelli be held liable for the unlawful conduct found by the European Commission in the period from 1999 to 2005. As part of the same proceedings, Prysmian CS and Prysmian, in addition to requesting full dismissal of the claims brought by Pirelli, filed symmetrical and opposing counterclaims to those of Pirelli in which they sought (i) to be held harmless from any claim brought by the European Commission in enforcement of its decision and for any expenses incidental to such enforcement; (ii) to be held harmless from any third-party claims for damages relating to the conduct forming the subject of the European Commission's decision and (iii) to be compensated for damages suffered as a result of the legal actions brought by Pirelli. In a ruling dated 13 May 2024, the Court entirely dismissed all of the claims brought by Pirelli and partially upheld the claims brought by Prysmian. Pirelli has appealed against the ruling, reiterating its claims and requesting a full review.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

Antitrust - Claims for damages ensuing from the European Commission's 2014 decision
During the first few months of 2017, operators belonging to the Vattenfall Group filed claims in the High Court of London against a number of cable manufacturers, including companies in the Prysmian Group, to obtain compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. In June 2020, the Prysmian companies concerned presented their defence as well as serving a summons on another party to whom the EU decision was addressed. In July 2022, an agreement was reached for an out-of-court settlement of claims against the Prysmian companies concerned. However, the legal proceedings brought by the Prysmian companies against the other party to whom the EU decision was addressed are continuing.

On 2 April 2019, a writ of summons was served, on behalf of Terna S.p.A., on Pirelli, Nexans and companies in the Prysmian Group, demanding compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission in its April 2014 decision. This action has been brought before the Court of Milan. On 24 October 2019, the Prysmian Group companies concerned responded by presenting their preliminary defence. By an order dated 3 February 2020, the Court upheld the points raised by the defendants, giving Terna until 11 May 2020 to complete its writ of summons and scheduling a hearing for 20 October 2020. Terna duly completed its summons, which was filed within the required deadline. The proceedings are at a pre-trial stage.

On 2 April 2019, a writ of summons was served, on behalf of Electricity & Water Authority of Bahrain, GCC Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, on a number of cable manufacturers, including companies in the Prysmian Group, on Pirelli and Goldman Sachs. This action, brought in the Court of Amsterdam, once again involved a claim for compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. On 18 December 2019, the Prysmian companies concerned presented their preliminary defence, which was heard on 8 September 2020. On 25 November 2020, the Court of Amsterdam handed down a ruling under which it upheld the submissions made and declined jurisdiction over defendants not based in the Netherlands, thus excluding them from the proceedings. On 19 February 2021, the plaintiffs announced that they had filed an appeal against this ruling. The Prysmian companies concerned, together with the other third-party first-instance defendants, have taken legal action to contest the plaintiff's claims. On 25 April 2023, the Amsterdam Court of Appeal handed down a ruling under which it decided to submit to the European Court of Justice a number of questions on the interpretation of European law, which it considers instrumental to its decision. The case has therefore been stayed pending the European Court of Justice's response.

Furthermore, in February 2023, Prysmian received notification of an application by British consumer representatives requesting authorisation from the relevant local court to initiate proceedings against a number of cable manufacturers, including Prysmian S.p.A. and Prysmian Cavi e Sistemi S.r.l., and which also involved a claim for compensation for damages supposedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission in its April 2014 decision. The case is pending and the Prysmian companies concerned have submitted their preliminary defences. Under a decision dated 3 May 2024, the UK court conditionally authorised the British consumer representatives to initiate the aforementioned proceedings, which are therefore moving ahead.

In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

In June 2023, a writ of summons, sent on behalf of Saudi Electricity Company, was received by a number of cable manufacturers, including some Prysmian companies. This action, brought before the Court of Cologne, once again involves a claim for compensation for damages purportedly suffered as a result of the alleged anti-competitive practices sanctioned by the European Commission. The case is pending.

Based on the information currently available, and believing these potential liabilities unlikely to crystallise, the Directors are of the opinion not to make any provision.

Antitrust - Other investigations
In Brazil, the local antitrust authority started proceedings against a number of manufacturers of high voltage underground and submarine cables, including Prysmian, notified of such in 2011. On 15 April 2020, the CADE Tribunal issued the operative part of the decision under which it held Prysmian liable for the alleged infringement in the period from February 2001 to March 2004 and ordered it to pay a fine of BRL 10.2 million (approximately Euro 1.8 million). Using the provisions already set aside in previous years, Prysmian made these payments within the required deadline. Prysmian filed an appeal against the CADE decision. Under a ruling dated 11 July 2024, Prysmian's appeal was dismissed, therefore confirming the original decision against which the appeal had been lodged. Prysmian has appealed this ruling by reiterating its request to quash the CADE's decision.

At the end of February 2016, the Spanish antitrust authority commenced proceedings to verify the existence of anti-competitive practices by local low voltage cable manufacturers and distributors, including Prysmian's local subsidiaries. On 24 November 2017, the local antitrust authority notified Prysmian's Spanish subsidiaries of a decision under which they were held liable for the alleged infringements in the period from June 2002 to June 2015 and were jointly and severally ordered to pay a fine of Euro 15.6 million. Prysmian's Spanish subsidiaries lodged an appeal against this decision.

The appeal was partially upheld by the local court, which ruled on 19 May 2023 that the time period used by the authority to calculate the fine should be reduced, with consequent revision of the fine itself. Prysmian's Spanish subsidiaries have appealed against this ruling. The appeal has been declared inadmissible; however, the ruling is still under appeal by the Spanish Antitrust Authority and is therefore not yet final.

The decision of 24 November 2017 also held the Spanish subsidiaries of General Cable liable for breach of local antitrust law. However, they have obtained immunity from paying the related fine (quantified at about Euro 12.6 million) having filed for leniency and collaborated with the local antitrust authority in its investigations. The General Cable Spanish subsidiaries also appealed against the decision of the local antitrust authority, in both first and second instance. The appeals were ultimately dismissed in rulings by the Spanish Supreme Court, notified to the companies concerned on 19 January 2023, thus rendering the decision of the local antitrust authority against them final.
In view of the circumstances described and the developments in the proceedings, the Directors, assisted also by legal counsel, have recognised what they consider to be an adequate level of provisions to cover the potential liabilities related to the matters in question.

In addition, in January 2022, an investigation was initiated by the German antitrust authority (Federal Cartel Office) concerning alleged coordination in setting the standard metal surcharges applied by the industry in Germany. Prysmian's local subsidiaries have challenged before the courts the search and seizure orders under which the German authorities carried out inspections at their offices and seized company documents.

During June 2022, the competition authorities of the Czech Republic and Slovakia conducted inspections at the offices of Prysmian's local subsidiaries with regard to alleged anti-competitive practices in setting metal surcharges. Subsequently, in August 2022 and March 2023, the competition authorities of the Czech Republic and Slovakia respectively announced the opening of an investigation into this matter involving, among others, Prysmian's local subsidiaries.

In December 2024, the Italian Antitrust Authority carried out an inspection at the offices of one of the Group's Italian subsidiaries. The inspection was conducted as part of an Italian Antitrust Authority investigation into a possible anti-competitive cartel aimed at coordinating prices and sales conditions in the Italian low-voltage copper cable market.

Given the high degree of uncertainty as to the timing and outcome of these ongoing investigations, the Directors currently feel unable to estimate the related risk.

Although the outcome of the ongoing investigations and legal actions is uncertain, the amount provided against the matters described above is considered to represent the best estimate of the liability based on the information to date.

12. Employee benefit obligations

Prysmian S.p.A. provides post-employment benefits through schemes that include defined benefit plans, like the statutory severance benefit and seniority bonuses.
Employee benefit obligations amount to Euro 6,024 thousand at 31 December 2024 (Euro 6,218 thousand at 31 December 2023) and are detailed as follows:

(Euro/thousand)	31 December 2024	31 December 2023
Statutory severance benefit	4,318	4,442
Termination and other benefits	1,706	1,776
Total	**6,024**	**6,218**

Employee benefit obligations have had the following impact on the income statement:

(Euro/thousand)	31 December 2024	31 December 2023
Statutory severance benefit	414	444
Termination and other benefits	33	210
Total	**447**	**654**

Statutory severance benefit

Details are as follows:

(Euro/thousand)	31 December 2024	31 December 2023
Opening balance	**4,442**	**4,418**
Current service costs	285	292
Interest costs	129	152
Actuarial (gains)/losses recognised in equity	58	177
Disbursements	(596)	(597)
Total movements	**(124)**	**24**
Closing balance	**4,318**	**4,442**

The actuarial losses recognised at 31 December 2024 (Euro 58 thousand) mainly relate to the change in the associated economic parameters (the discount and inflation rates).

Under Italian law, the amount due to each employee accrues with service and is paid when the employee leaves the company. The amount due upon termination of employment is calculated on the basis of the length of service and the taxable remuneration of each employee. The liability is adjusted annually for the official cost of living index and statutory interest, and is not subject to any vesting conditions or periods, or any funding obligation; there are therefore no assets that fund this liability.

The rules governing this liability were revised by Legislative Decree 252/2005 and Law 296/2006 (Finance Act 2007): amounts accrued since 2007 by companies with at least 50 employees now have to be paid into the INPS Treasury Fund or to supplementary pension schemes, as decided by employees, which now take the form of "defined contribution plans". All companies nonetheless still account for revaluations of amounts accrued before 2007, while those companies with fewer than 50 employees continue to accrue amounts for this liability not allocated to supplementary pension schemes.

The benefits relating to this plan are paid to participants in the form of capital, in accordance with the related rules. In certain circumstances, the benefit plan also allows the payment of partial advances against the full amount of the accrued benefit.

The main risk is the volatility of the inflation rate and the discount rate, as determined by the market yield on AA-rated corporate bonds denominated in Euro. Another risk factor is the possibility that members leave the plan earlier than expected or that higher advance payments than expected are requested, resulting in an actuarial loss for the plan, due to an acceleration of cash flows.
The actuarial assumptions used to value statutory severance benefit are as follows:

	31 December 2024	31 December 2023
Discount rate	3.20%	3.20%
Expected future salary increase	2.00%	2.20%
Inflation rate	2.00%	2.20%

The following table presents a sensitivity analysis of the effects of an increase/decrease in the most significant actuarial assumptions used to determine the present value of statutory severance benefit, namely the discount rate and inflation rate:

		31 December 2024
Change in inflation rate	**-0.25%**	**+0.25%**
Effects on obligation	-1.17%	+1.22%
Change in discount rate	**-0.50%**	**+0.50%**
Effects on obligation	4.03%	-3.73%

Average headcount in the period is reported below, compared with closing headcount at the end of each period.

	2024			
	Average	%	Closing	
Desk staff and management	418	91%	422	91%
Non-desk staff	43	9%	42	9%
Total	**459**	**100%**	**464**	**100%**

	2023			
	Average	%	Closing	
Desk staff and management	397	91%	397	90%
Non-desk staff	42	10%	43	10%
Total	**439**	**100%**	**440**	**100%**

13. Revenues and other income

This line item reports Euro 265,209 thousand, versus Euro 246,323 thousand in 2023, and is detailed as follows:

(Euro/thousand)	2024	2023
Royalties	113,997	120,470
Head office services	95,777	93,365
Other revenues and sundry income	55,435	32,488
Total	**265,209**	**246,323**

Royalties mostly refer to amounts charged to Prysmian Group subsidiaries for the use of patents, know-how and trademarks; they amount to Euro 113,997 thousand at 31 December 2024 (Euro 120,470 thousand in the previous year).

Head office services of Euro 95,777 thousand (Euro 93,365 thousand in the previous year), refer to charges invoiced by Prysmian S.p.A., under specific contracts, for coordination and other services provided by head office functions to Group companies.

Other revenues and sundry income of Euro 55,435 thousand consist of proceeds received under legal settlements, non-recurring income mainly related to costs recharged in connection with the Encore Wire acquisition, and other miscellaneous income.

14. Raw materials, consumables and supplies

Consumables amount to Euro 9,049 thousand, versus Euro 7,012 thousand in 2023.

15. Personnel costs

Details are as follows:

(Euro/thousand)	2024	2023
Wages and salaries	60,597	50,157
of which Fair value share-based payments	*12,131*	*6,300*
Social security	12,369	11,316
Retirement pension costs	2,655	2,489
Statutory severance benefit	285	292
Personnel costs for business reorganisation	5,039	1,637
Other personnel costs	58	2,799
Total	**81,003**	**68,690**

Personnel costs report an increase of Euro 12,313 thousand from the previous year, mainly due to changes in the fair value of share-based payments.

Share-based payments

At 31 December 2024, Prysmian S.p.A. had share-based compensation plans in place for managers and employees of Group companies and for the Company's executive directors and key management personnel. These plans are described below.

Employee share purchase plan – YES

The YES plan (Your Employee Shares) is based on financial instruments and reserved for employees of Prysmian S.p.A. and/or of its subsidiaries.

The plan has offered the opportunity to purchase Prysmian ordinary shares on preferential terms, i.e. with a maximum discount of 25% on the stock price, given in the form of treasury shares (so-called discount shares), except for certain managers for whom the discount is 15%, as well as executive directors and key management personnel, for whom the discount is 1% on the stock price.

Everyone who has signed up to the plan has also received an entry bonus of eight free shares, or three free shares for employees who had already participated in at least one of the purchase cycles in the previous two years, also taken from the Company's holding of treasury shares, only on occasion of the first purchase within the same financial year. If an employee had already participated in the 2013 plan, they have received eight shares as an entry bonus, while for those purchasing shares in a 2017 purchase window, the entry bonus was three shares.

The shares purchased by participants, as well as those received by way of discount and entry bonus, are subject to a retention period, during which they cannot be sold and the length of which varies according to relevant local regulations.

In addition, there is a loyalty bonus of five shares for those who decide to extend the retention period of the shares granted in 2019, 2020 and 2021.

On 28 April 2021, the shareholders of Prysmian S.p.A. approved an extension of the share ownership plan for Group employees.

In line with past practice, the extension provides the opportunity to purchase Prysmian's ordinary shares on preferential terms, with a maximum discount of 25% on the stock price, given in the form of treasury shares. The shares purchased are subject to a retention period, during which they cannot be sold. The extension has added new purchase windows in the years 2022, 2023 and 2024.

Beneficiaries of the plan also include the executive directors of Prysmian S.p.A. as well as key management personnel, for whom the discount is 1%.

A maximum of 600,000 treasury shares are expected to be used to service the discount shares, entry bonus shares and loyalty bonus shares over the plan's duration (2022-2024).

Costs of Euro 311 thousand have been recognised as "Personnel costs" in the income statement at 31 December 2024 for the fair value of shares to be granted under this plan.

The fair value of the shares has been determined using the Montecarlo binomial pricing model, based on the following assumptions:

	Windows
Grant date	12 April 2022
Share purchase date	from 16 June 2022 to 16 December 2024
End of retention period	from 16 June 2025 to 16 December 2027
Residual life (in years)	-
Share price at grant date (Euro)	€30.87
Risk-free interest rate	from 0.32% to 0.54%
Expected dividend %	1.80%
Share fair value at grant date (Euro)	from €23.94 to €19.27

The report on remuneration policy and compensation paid and the information memorandum, prepared under art. 114-bis of Legislative Decree 58/98 and describing the features of the above plan, are publicly available on the Company's website http://www.prysmian.com/ as well as at its registered office and at Borsa Italiana S.p.A..

"Grow" 2023-2025 long-term incentive plan

On 19 April 2023, the shareholders' meeting of Prysmian S.p.A. approved a long-term incentive plan (2023-2025) that will cover approximately 1,100 recipients among management and other key Group resources, including Prysmian S.p.A.'s Executive Directors and Key Management Personnel. The Plan involves the grant of new-issue ordinary shares obtained from a bonus issue funded by profits or retained earnings in accordance with art. 2349 of the Italian Civil Code, or a combination of new-issue shares and treasury shares. By means of this plan, Prysmian intends to strengthen the Company's and management's commitment to creating sustainable value over time for all stakeholders, including by involving a wide range of key people in over 40 countries who play an important role in the Group's sustainable success. The plan spans a three-year period and provides for the award of performance shares upon achievement of economic and financial performance conditions, Total Shareholders Return and ESG targets. The plan also allows 50% of the annual bonus, where due, for the years 2023, 2024, 2025 to be deferred in the form of deferred shares. The annual bonus is also linked to the achievement of ESG targets, as well as to economic-financial targets. The deferral of the annual bonus also entails an additional award of 0.5 matching shares for every deferred share which, in the case of the Group's some 50 top managers, is also dependent on the achievement of ESG targets by 2025. The plan has the following objectives:

- to motivate participants to achieve long-term results geared towards sustainable value creation over time;
- to align the interests of management with those of shareholders through the use of share-based incentive instruments;
- to foster stable management ownership of the Company's share capital;
- to ensure the long-term sustainability of the Group's annual performance, by boosting staff engagement and retention, including through the mechanism of deferring part of the annual bonus in shares.

The shareholders of Prysmian S.p.A. also authorised a bonus share capital increase to be reserved for Group employees in execution of the plan. This capital increase may reach a maximum nominal amount of Euro 950,000 through apportionment, pursuant to art. 2349 of the Italian Civil Code, of a corresponding amount from profits or retained earnings, with the issue of no more than 9,500,000 ordinary shares of nominal value Euro 0.10 each.
The actual award of shares, in particular with reference to the Performance Shares, is subject to the level of achievement of the following performance conditions: cumulative Adjusted EBITDA, cumulative Free Cash Flow, average ROCE, relative TSR measured against an 11-member peer group and ESG, measured by a set of indicators.

The following table provides details about movements in the plan:

	31.12.2024
	Number of shares
Shares vested at start of year	1,479,462
Change in expected participations	(168,548)
Shares vesting in period	1,717,916
Total shares vested at end of year	3,028,831

Costs of Euro 11,511 thousand have been recognised as "Personnel costs" in the income statement at 31 December 2024 for the fair value of shares granted under this plan to company employees.

In accordance with IFRS 2, the shares to be granted have been measured at their grant date fair value. The fair value of the performance shares, for the entire period of the plan, and of the deferred and matching shares vesting in 2023 has been calculated using the following assumptions:

Grant date	19 April 2023
Residual life at grant date (in years)	1.32
Exercise price (Euro)	€38.25
Risk-free interest rate	2.73%
Expected dividend %	2.00%
Share fair value (not market based) at grant date	€28.43
Share fair value (market based) at grant date	€21.99

As regards deferred and matching shares vesting in 2024, their fair value has been calculated using the following assumptions:

Grant date	18 April 2024
Residual life at grant date (in years)	1.32
Exercise price (Euro)	€50.22
Risk-free interest rate	2.73%
Expected dividend %	2.00%
Share fair value (market based) at grant date	€40.73

The report on remuneration policy and compensation paid and the information memorandum, prepared under art. 114-bis of Legislative Decree 58/98 and describing the features of the above plan, are publicly available on the Company's website http://www.prysmian.com/ as well as at its registered office and at Borsa Italiana S.p.A..

BE-IN employee stock grant plan

On 12 April 2022, the shareholders of Prysmian S.p.A. approved a stock grant plan for employees of Prysmian S.p.A. and Group companies, except for managers already covered by individual incentive schemes; the plan aims to foster wide participation in future value creation and to strengthen the level of employee engagement; the plan is subject to local consultation with the relevant trade union representatives, where required.

The plan, participation in which is voluntary, envisages three allotment cycles for 2022, 2023 and 2024 and provides for the award of a maximum of 3,000,000 shares.

By voluntarily joining the plan, the employee agrees to receive, in lieu of payment of part of their monetary bonus, or in some cases even without converting a monetary bonus, a value equating to a number of shares, to be calculated on the basis of the award value, defined as the average share price over the 30 trading days preceding definition of the incentive's value. The number of shares awarded may be increased by an additional number of shares, up to a maximum of 50% of the shares awarded.

The number of shares received by each participant is determined according to the amount of the incentive's value. The shares awarded shares are freely transferable as from the grant date. If these shares are held for the entire holding period of twelve months from the grant date, the employee is entitled to receive an additional number of shares. If, during the holding period, the employee sells all or part of the shares received, they will no longer be entitled to receive additional shares.

The shares are awarded to participants annually within specific time frames, identified on a local basis when rolling out the plan.

Shares credited to participants in 2023, 2024 and 2025 relate to performance in 2022, 2023 and 2024, respectively, while the respective additional shares will be credited to participants in 2024, 2025 and 2026.

During the plan's rollout, some of these provisions may be adjusted not only to ensure that the plan nonetheless complies with applicable local rules, legislation and tax and social security regulations but also to facilitate its implementation for the sake of wider participation.

Costs of Euro 199 thousand have been recognised as "Personnel costs" in the income statement at 31 December 2024 for the fair value of shares granted under this plan.

The fair value of shares under this plan has been determined using the following assumptions:

Award cycle 2022	
Grant date of conversion and premium shares	12 aprile 2022
Grant date of loyalty shares	30 aprile 2023
Residual life at grant date of conversion and premium shares (in years)	-
Residual life at grant date of loyalty shares (in years)	-
Exercise price (Euro)	€ 34.66
Risk-free interest rate	2.14%-2.52%
Expected dividend %	1.80%
Share fair value at grant date of conversion and premium shares	€ 32.93
Share fair value at grant date of loyalty shares	€ 28.38

Award cycle 2023	
Grant date of conversion and premium shares	30 aprile 2023
Grant date of loyalty shares	30 aprile 2024
Residual life at grant date of conversion and premium shares (in years)	-
Residual life at grant date of loyalty shares (in years)	0.33
Exercise price (Euro)	€ 37.07
Risk-free interest rate	2.73%
Expected dividend %	2.00%
Share fair value at grant date of conversion and premium shares	€ 30.10
Share fair value at grant date of loyalty shares	€ 23.45

Award cycle 2024	
Grant date of conversion and premium shares	30 aprile 2024
Grant date of loyalty shares	30 aprile 2025
Residual life at grant date of conversion and premium shares (in years)	0.33
Residual life at grant date of loyalty shares (in years)	1.35
Exercise price (Euro)	€ 57.82
Risk-free interest rate	2.73%
Expected dividend %	1.20%
Share fair value at grant date of conversion and premium shares	€ 46.27
Share fair value at grant date of loyalty shares	€ 35.05

16. Amortisation, depreciation and impairment

Details are as follows:

(Euro/thousand)	2024	2023
Depreciation of buildings, plant, machinery and equipment	3,115	3,020
Depreciation of other property, plant and equipment	1,813	1,976
Amortisation of intangible assets	26,706	30,947
Depreciation and impairment of right-of-use assets (IFRS 16)	6,532	5,208
Impairment of intangible assets	1,534	-
Total	**39,700**	**41,151**

Amortisation and depreciation charges amount to Euro 39,700 thousand in 2024, posting a net decrease of Euro 1,451 thousand on the previous, mainly due to a decrease in the amortisation charge against intangible assets. See Note 2. Intangible assets for more information on the change during the year.

17. Other expenses

Other expenses amount to Euro 155,780 thousand in 2024, versus Euro 130,425 thousand in the previous year, analysed as follows:

(Euro/thousand)	2024	2023
IT costs	44,815	38,054
Professional services	34,398	37,124
Travel costs	5,350	4,350
Insurance	4,627	3,652
Increases in provisions for risks	4,374	2,687
Electricity and utilities	1,508	1,225
Other operating costs	42,700	38,124
Non-recurring expenses	18,009	5,208
Total	**155,780**	**130,425**

Operating and other expenses mainly relate to costs for technical assistance provided to group companies and costs incurred for promotional activities and participation in exhibitions and trade fairs.

Non-recurring expenses mostly refer to costs incurred for the acquisition of Encore Wire.

For information about “Increases in provisions for risks”, see the note on Provisions for risks.

18. Finance income and costs

Finance costs are detailed as follows:

(Euro/thousand)	2024	2023
Interest on loans	130,906	62,733
Interest on non-convertible bond	5,063	-
Interest on convertible bond 2021- non-monetary component	5,066	9,368
Amortisation of bank and financial fees and other expenses	14,534	5,559
Interest on lease liabilities	511	183
Employee benefit interest costs	185	216
Other bank interest	68,961	55,740
Costs for undrawn credit lines	2,583	2,559
Sundry bank fees	1,226	2,399
Other	2,049	(4,042)
Interest Rate Swaps	24,074	14,951
Finance costs	**255,158**	**149,666**
Foreign currency exchange losses	89,317	14,667
Total finance costs	**344,475**	**164,333**

Amortisation of bank and financial fees and other expenses mainly reflects the portion of loan arrangement costs amortised in the reporting period.

Other bank interest mainly refers to the EIB Loans (Euro 14,195 thousand), the CDP Loans (Euro 11,377 thousand) and interest on the intercompany current account with Prysmian Treasury S.r.l. (Euro 43,052 thousand).

Finance income is detailed as follows:

(Euro/thousand)	2024	2023
Interest income from banks and other financial institutions	47,060	82
Other finance income	110,553	101,069
Finance income	**157,613**	**101,151**
Foreign currency exchange gains	76,104	13,376
Total finance income	**233,717**	**114,527**

Interest income from banks and other financial institutions mainly refers to interest on intercompany loans granted during the year.

Other finance income mainly consists of fees charged to Group companies for guarantees issued by the Company in their favour.

19. Dividends from subsidiaries

During 2024, Prysmian S.p.A. earned a total of Euro 422,228 thousand in dividends. These included dividends of Euro 353,900 thousand from the subsidiaries Draka Holding B.V. and Prysmian Treasury S.r.l., as well as income of Euro 68,328 thousand to account for share-based payments, reflecting the difference between the grant date fair value of shares and their fair value at the reporting date. For more details, see Note 32. Share-based payments.

20. Taxes

Details are as follows:

(Euro/thousand)	2024	2023
Current income taxes	(10,238)	(9,682)
Deferred income taxes	(2,767)	(610)
Total	**(13,005)**	**(10,292)**

Current income taxes report a net positive Euro 13,005 thousand in 2024 (Euro 10,292 thousand in 2023). Information about deferred taxes can be found in Note 4. Deferred tax assets.

Taxes charged on profit before taxes differ from those calculated using the theoretical tax rate applying to the Company for the following reasons:

(Euro/thousand)	2024	Tax rate	2023	Tax rate
Profit before taxes	247,383		253,974	
Theoretical tax expense at nominal tax rate	59,372	24.0%	60,954	24.0%
Dividends from subsidiaries	(80,689)	(32.6%)	(74,643)	(29.4%)
Impairment/(Revaluation) of investments in subsidiaries	10,421	4.2%	8,508	3.3%
Other permanent differences	18,496	7.5%	12,977	5.1%
IRAP for the year	-	0.0%	-	0.0%
Prior year taxes	6,597	2.7%	1,557	0.6%
Other	129	0.1%	(5,670)	(2.2%)
Net effect of group tax consolidation for the year	(27,331)	(11.0%)	(13,975)	(5.5%)
Effective income taxes	**(13,005)**	**(5.3%)**	**(10,292)**	**(4.1%)**

The Company, together with all its Italian resident subsidiaries, has opted, as head of the tax group, for group tax consolidation, pursuant to art. 117 et seq of the Italian Income Tax Code (Italian Presidential Decree 917/1986). The tax consolidation option last three years, is irrevocable and is tacitly renewed. The new National Tax Consolidation Regulations were approved by the Board of Directors on 28 February 2024.

The following companies are members of the tax group:

- Fibre Ottiche Sud – F.O.S. S.r.l.
- Prysmian Cavi e Sistemi S.r.l.
- Prysmian Cavi e Sistemi Italia S.r.l.
- Prysmian Treasury S.r.l.
- Electronic and Optical Sensing Solutions S.r.l.
- Prysmian PowerLink S.r.l.
- Prysmian Riassicurazioni S.p.A.

The rate used to calculate the tax charge is 24% for IRES (Italian corporate income tax), and 5.57% for IRAP (Italian regional business tax).

21. Contingent liabilities

As a global operator, the Company is exposed to legal risks primarily, by way of example, in the areas of product liability, and environmental, antitrust and tax rules and regulations. The outcome of existing or future legal disputes and proceedings cannot be predicted with certainty. The outcome of such proceedings could result in the payment of costs that are not covered, or not fully covered, by insurance, which would therefore have a direct effect on the Company's financial condition and results.

As at 31 December 2024, there were no contingent liabilities against which the Company had not set aside provisions for risks and charges and for which the related legal and tax proceedings are not believed to give rise to significant liabilities.

22. Commitments

The Company had the following types of commitments at 31 December 2024:

a) Commitments to purchase property, plant and equipment and intangible assets
Contractual commitments, already given to third parties at 31 December 2024 and not yet reflected in the financial statements, amount to Euro 7,041 thousand (Euro 3,501 thousand at 31 December 2023).

b) Comfort letters in support of bank guarantees given to Group companies
Comfort letters in support of bank guarantees given in the interest of Group companies amount to Euro 70 thousand at 31 December 2024, all of which relating to P.T. Prysmian Cables Indonesia (Euro 65 thousand at 31 December 2023).

c) Other guarantees given in the interest of Group companies
These amount to Euro 11,218,352 thousand at 31 December 2024 (Euro 9,196,577 thousand at 31 December 2023), analysed as follows:

(Euro/thousand)	2024	2023
Prysmian Cavi e Sistemi S.r.l.	-	14,577
Prysmian Netherlands B.V.	40,293	40,293
Prysmian PowerLink S.r.l.	8,433,697	6,458,428
Prysmian Cables & Systems Limited	23,879	22,915
Prysmian Cables and Systems USA, LLC	2,667,735	2,508,154
Fibre Ottiche Sud - F.O.S. S.r.l.	-	3,931
Prysmian Cables Spain SA	52,748	49,593
Other companies	-	98,685,14
Total	**11,218,352**	**9,196,577**

The comfort letters and guarantees given in the interest of Group companies in (b) and (c) mainly refer to projects and supply contracts and to the offsetting of VAT credits under the Group VAT settlement.

d) Comfort letters in support of bank guarantees given in the interest of the Company
These amount to Euro 11,179 thousand, versus Euro 20,064 thousand in the previous year.

As required by art. 2427 point 22-ter, it is reported that, in addition to the above disclosures about commitments, there are no other agreements that are not reflected in the statement of financial position that carry material risks or rewards and which are critical for assessing the Company's assets and liabilities, financial position and results of operations.

23. Related party transactions

Transactions between Prysmian S.p.A. and its subsidiaries mainly refer to:

- services (technical, organisational and general) provided by head office to subsidiaries;
- charging of royalties for the use of patents to the Group companies that benefit from them;
- financial transactions entered into by the Parent Company on behalf of, and with, Group companies.

All the above transactions fall within the ordinary course of business of the Parent Company and its subsidiaries.

The related party disclosures also include the compensation paid to Directors, Statutory Auditors and Key Management Personnel.
More details about related party transactions are provided in the table of "Intercompany and related party transactions (disclosure under art. 2428 of the Italian Civil Code)" appended to the present Explanatory Notes.
The following tables summarise related party transactions in the years ended 31 December 2024 and 31 December 2023:

	31 dicembre 2024			
(Euro/thousand)	Investments in subsidiaries	Trade and other receivables and derivatives	Trade and other payables and derivatives	Employee benefit obligations and other provisions
Subsidiaries	7,168,695	369,963	708,553	
Other related parties:				
Compensation of directors, statutory auditors and key management personnel	-	-	1,247	7,776
Total	**7,168,695**	**369,963**	**709,800**	**7,776**

	31 dicembre 2023			
(Euro/thousand)	Investments in subsidiaries	Trade and other receivables and derivatives	Trade and other payables and derivatives	Employee benefit obligations and other provisions
Subsidiaries	5,719,702	313,938	473,653	
Other related parties:				
Compensation of directors, statutory auditors and key management personnel	-	-	1,410	3,780
Total	**5,719,702**	**313,938**	**475,063**	**3,780**

(Euro/thousand)	2024							
	Revenues and other income	Raw materials, consum-ables and supplies	Other expenses	Fair value change in metal derivatives	Personnel costs	Finance income/ (costs)	Dividends/ (Impairment) of investments	Taxes
Subsidiaries	237,846	1,428	34,388	342	-	(687)	378,806	21,344
Other related parties:								
Compensation of directors, statutory auditors and key management personnel	-	-	520	-	4,536	-	-	-
Total	**237,846**	**1,428**	**37,495**	**342**	**4,536**	**(687)**	**378,806**	**21,344**

(Euro/thousand)	2023							
	Revenues and other income	Raw materials, consum-ables and supplies	Other expenses	Fair value change in metal derivatives	Personnel costs	Finance income/ (costs)	Dividends/ (Impairment) of investments	Taxes
Subsidiaries	233,110	1,440	37,426	27	-	26,311	304,761	20,716
Other related parties:								
Compensation of directors, statutory auditors and key management personnel	-	-	1,291	-	5,848	-	-	-
Total	**233,110**	**1,440**	**38,717**	**27**	**5,848**	**26,311**	**304,761**	**20,716**

Transactions with subsidiaries

These refer to services supplied to and received from Group companies and to current account transactions with the Group's central treasury company.

Top management compensation

Top management compensation is analysed as follows:

(Euro/thousand)	2024	2023
Salaries and other short-term benefits - fixed part	3,157	2,036
Salaries and other short-term benefits - variable part	1,399	1,316
Other benefits	2,835	156
Share-based payments	2,632	2,340
Other costs	520	1,116
Total	**10,542**	**6,964**
of which Directors	4,881	6,964

24. Significant non-recurring events and transactions

As required by Consob Communication DEM/6064293 dated 28 July 2006, the effects of non-recurring events and transactions on the Company's income statement are shown below, involving net non-recurring expenses totalling Euro 5,834 thousand in 2024 and net non-recurring expenses of Euro 2,583 thousand in 2023.

(Euro/thousand)	2024	2023
Non-recurring other income	24,522	-
Non-recurring other expenses	(30,356)	(2,583)
Total	**(5,834)**	**(2,583)**

The statement of financial position and net financial debt contain no material amounts in connection with non-recurring events.

25. Compensation of directors and statutory auditors

Directors' compensation amounts to Euro 4,881 thousand in 2024 (Euro 6,964 thousand in 2023). Statutory auditors' compensation for duties performed in Prysmian S.p.A. amounts to Euro 175 thousand in 2024 (Euro 175 thousand in 2023). Compensation includes emoluments, and any other types of remuneration, pension and medical benefits, received for their service as directors or statutory auditors of Prysmian S.p.A.. Further details can be found in the Remuneration Report.

26. Atypical or unusual transactions

In accordance with the disclosures required by Consob Communication DEM/6064293 dated 28 July 2006, it is reported that no atypical and/or unusual transactions took place during the year.

27. Financial covenants

The credit agreements in place at 31 December 2024, details of which are presented in Note 9. Borrowings from banks and other lenders, require the Group to comply with a series of covenants on a consolidated basis. The main covenants, classified by type, are listed below:

a) Financial covenants

- Ratio between EBITDA and Net finance costs (as defined in the relevant agreements. This covenant does not apply to the Revolving Credit Facility 2023 as long as Prysmian S.p.A. maintains a long-term "Investment Grade" credit rating);
- Ratio between Net Financial Debt and EBITDA (as defined in the relevant agreements).

The covenants contained in the relevant credit agreements are as follows:

	EBITDA/ Net finance costs [1] not less than:	Net financial debt/ EBITDA [1] not more than:
	4.00x	3.00x

1. The ratios are calculated on the basis of the definitions contained in the relevant credit agreements. The Net Financial Debt/EBITDA ratio can go as high as 3.5 following extraordinary transactions like acquisitions, no more than three times, including on non-consecutive occasions.

Non-financial covenants

A number of non-financial covenants have been established in line with market practice applying to transactions of a similar nature and size. These covenants involve restrictions on the grant of secured guarantees to third parties and on amendments to the Company's by-laws.

Events of default

The main events of default are as follows:

- default on loan repayment obligations;
- breach of financial covenants;
- breach of some of the non-financial covenants;
- declaration of bankruptcy by certain major Group companies or their involvement in other insolvency proceedings;
- issuance of particularly significant court orders;
- occurrence of events that may adversely and materially affect the business, the assets or the financial conditions of the Group.

Should an event of default occur, the lenders are entitled to demand full or partial repayment of the amounts lent and not yet repaid, together with interest and any other amount due. No collateral security is required.

Actual financial ratios reported at 31 December 2024 and 31 December 2023 are as follows:

	31.12.2024	31.12.2023
EBITDA / Net finance costs (1) (2)	16.06x	26,90x
Net financial debt / EBITDA (1)	1.92x	0,56x

1. The ratios are calculated on the basis of the definitions contained in the relevant credit agreements.
2. This covenant does not apply to the Revolving Credit Facility 2023.

The above financial ratios comply with both covenants contained in the relevant credit agreements and there are no instances of non-compliance with the financial and non-financial covenants indicated above.

28. Statement of cash flows

Operating activities generated a net cash inflow of Euro 55,452 thousand in 2024, inclusive of Euro 10,055 thousand as the difference between net taxes paid to tax authorities and those collected from the Group's Italian companies for IRES (Italian corporate income tax) transferred under the national tax consolidation (art. 117 et seq of the Italian Income Tax Code).

Investing activities generated a net cash outflow of Euro 1,162,572 thousand, of which Euro 1,480,500 in outflows in connection with the acquisition of Encore Wire and Euro 353,898 thousand in dividend receipts.

Financing activities provided a net inflow of Euro 1,108,252 thousand. This included a total of Euro 1,950,355 thousand in loan repayments. Funds raised in the period in the form of new financing came to Euro 4,942,068 thousand.

Net finance costs charged to the income statement amounted to Euro 110,757 thousand, including non-cash items; excluding these items, net cash finance costs reported in the statement of cash flows were Euro 70,530 thousand. Non-cash items included in net finance costs mostly related to non-cash interest expense on bonds and to loan arrangement costs.

After all these effects the Company's overall net cash inflow for 2024 was Euro 1,132 thousand.

29. Information pursuant to art.149-duodecies of the consob issuer regulations

Pursuant to art. 149-duodecies of the Consob Issuer Regulations, the following table shows the fees in 2024 for audit work and other services provided by the independent auditors EY S.p.A:

(Euro/thousand)	Provider of services	Fees for 2024	Fees for 2023
Audit services	EY S.p.A.	1,303	821
Certification services	EY S.p.A.	845	310
Total		**2,148**	**1,131**

30. State aid

With regard to the transparency rules on state aid contained in art. 1, par. 125-129 of Italian Law 124/2017, as amended by art. 35 of Legislative Decree 34/2019 (the so-called "Growth Decree"), published in Italy's Official Journal no. 100 dated 30 April 2019, reference should be made to the National Register of State Aid for details of the state aid and de minimis aid reported therein.

31. Research and development

The Group's research and development activities are mostly concentrated within Prysmian S.p.A.. The central team, in coordination with R&D and engineering centres in the various countries, has developed numerous projects over the year in the field of both energy and telecom cables; significant advances have been made in the area of materials and optical fibre technology.
R&D costs incurred in 2024 have been expensed in full to income and amounted to Euro 32,201 thousand versus Euro 29,352 thousand in 2023.

32. Accounting policies

The accounting policies and standards adopted are the same as those used for preparing the consolidated financial statements, to which reference should be made, except as described below.

Dividends

Dividend income is recognised in the income statement when the right to receive the dividends is established, normally coinciding with the shareholders' resolution declaring the same, irrespective of whether such dividends are paid out of an investee company's pre- or post-acquisition earnings.

The distribution of dividends to shareholders is recognised as a liability in the Company's financial statements at the time the distribution of such dividends is approved.

Share-based payments

Stock grants are measured at the fair value determined on their grant date. This value is charged to the income statement on a straight-line basis over the entitlement vesting period with a matching entry in equity. This recognition is based on the estimated number of stock grants that will effectively vest in favour of eligible employees, taking into consideration any conditions applying to their enjoyment, irrespective of the market value of the shares.

This value is recognised:

a) as an expense in the income statement, with a matching credit to an equity reserve, for entitlements vesting in favour of the Company's employees;
b) if the related cost is recharged, the part relating to the grant date fair value is recognised in equity, while the difference between the grant date fair value and the vesting date fair value or reporting date fair value is recognised in the income statement as a dividend;
c) as an increase in the value of investments in subsidiaries, with a matching credit to an equity reserve, for entitlements vesting in favour of employees of Group companies.

Investments in subsidiaries

Investments in subsidiaries are measured at cost, less any impairment losses.

If there is specific evidence of impairment, the value of investments in subsidiaries, determined on the basis of cost, is tested for impairment. This involves comparing the carrying amount of investments with their recoverable amount, defined as the higher of fair value less costs to sell and value in use.

The value of investments is tested for impairment in at least one of the following circumstances:

- the carrying amount of the investment in the separate financial statements exceeds the carrying amount of the investee's net assets, including any associated goodwill, reflected in the consolidated financial statements;
- the investee's reported EBITDA is less than 50% of that projected in the business plan, if this performance indicator is relevant to the company in question;
- the dividend distributed by the investee exceeds the total comprehensive income of the investee in the period to which the dividend refers.

If the recoverable amount of an investment is less than its carrying amount, then the latter is reduced to such recoverable amount. This reduction represents an impairment loss, which is recognised through profit or loss.

For the purposes of impairment testing, the fair value of investments in listed companies is determined with reference to market value, regardless of the size of holding. The fair value of investments in unlisted companies is determined using valuation techniques, amongst which the market multiples approach.

Value in use is determined using the "Discounted Cash Flow - equity side" method, which involves calculating the present value of estimated future cash flows generated by a subsidiary, including cash flows from operating activities and consideration arising from the investment's ultimate sale, net of its cash position at the valuation date.

If the reasons for a previously recognised impairment loss cease to apply, the carrying amount of the investment is reinstated but to no more than its original cost, with the related revaluation recognised through profit or loss.

Treasury shares

Treasury shares are reported as a deduction from equity. The original cost of treasury shares and revenue arising from any subsequent sales are treated as movements in equity.

33. Estimates and assumptions

The preparation of financial statements requires Management to apply accounting policies and methods which, at times, rely on subjective judgements and estimates based on past experience and assumptions deemed to be reasonable and realistic according to the circumstances. The application of these estimates and assumptions influences the amounts reported in the financial statements, meaning the statement of financial position, the income statement, the statement of comprehensive income and the statement of cash flows, as well as the accompanying disclosures. Final amounts, previously reported on the basis of estimates and assumptions, may differ from original estimates because of uncertainty surrounding the assumptions and conditions on which the estimates were based.

The following is a brief description of the accounting policies that require the Management of Prysmian S.p.A. to exercise greater subjectivity of judgement when preparing estimates and a change in whose underlying assumptions could have a material impact on the financial statements.

a) Provisions for risks and charges

Provisions are recognised for legal and tax risks to reflect the risk of an adverse outcome. The value of the provisions recorded in the financial statements against such risks represents the best estimate by Management at the reporting date. This estimate requires the use of assumptions depending on factors that may change over time and which could, therefore, have a material impact on the current estimates made by Management to prepare the Company's financial statements.

b) Impairment of assets

In accordance with the accounting policies applied by the Group, property, plant and equipment and intangible assets with finite useful lives and equity investments are tested for impairment when indicators suggest it will be difficult to realise recoverable value through use of the assets, which are written down accordingly. Verification of the existence of these indicators requires Management to make subjective judgements based on information available within the Company and from the market, as well as on past experience. In addition, if a potential impairment loss is identified, the Company determines the amount of such impairment using suitable valuation techniques. Correct identification of indicators of potential impairment, as well as the estimates for determining its amount, depend on factors which can vary over time, thus influencing judgements and estimates made by Management.
Irrespective of the existence of indicators of potential impairment or otherwise, all intangible assets not yet ready for use must be tested for impairment once a year.
The Company has no intangible assets with an indefinite useful life recorded in its financial statements.

c) Climate change

As more fully explained in the Directors' Report accompanying the consolidated financial statements and in the Consolidated Non-Financial Statement, the Company, together with the entire Prysmian Group, has embarked on an ambitious "Net Zero" strategy, aligned with the requirements of the Paris Agreement. In this context, the Prysmian Group analyses and assesses the risks and opportunities of climate change and has set targets for the reduction of greenhouse gas emissions classified as Scope 1 and 2 (direct and indirect emissions generated by its own activities) and as Scope 3 (generated by the value chain).

The consequences in terms of investments, costs and other cash flow impacts have been considered when preparing financial forecasts, consistent with the progress of this process. The replacement programmeme for certain assets, aimed at achieving the "Net Zero" strategy, involves reviewing the useful lives of these assets, with a consequent acceleration of their depreciation process. The 2024 impairment tests have taken into account the impacts on investment flows, as far as they can be currently estimated, without any significant effects on the test results. It is also possible that in the future the carrying amount of assets or liabilities recognised in the Company's financial statements may be subject to different impacts as the strategy of managing climate change evolves.

d) Depreciation and amortisation

The cost of property, plant and equipment and intangible assets is depreciated/amortised on a straight-line basis over the estimated useful lives of the assets concerned. The useful economic life of the Company's property, plant and equipment and intangible assets is determined by Management when assets are acquired. This is based on past experience for similar assets, market conditions and expectations regarding future events that could impact useful life, including developments in technology. Therefore, actual economic life may differ from estimated useful life. The Company periodically reviews technological and industry developments to update residual useful lives. This periodic review may result in a revision of the depreciation/amortisation period and consequently of the depreciation/amortisation charge for future years.

e) Taxes
Current taxes are calculated on the basis of taxable income for the year, applying the tax rates in force at the reporting date.

Deferred tax assets are recognised to the extent there is likely to be sufficient future taxable income against which they can be recovered.

f) Employee benefit obligations
The present value of the pension plans reported in the financial statements depends on an independent actuarial calculation and on a number of different assumptions. Any changes in assumptions and in the discount rate used are duly reflected in the present value calculation and may have a significant impact on the figures reported in the financial statements. The assumptions used for the actuarial calculation are examined by the Company annually.
Present value is calculated by discounting future cash flows at an interest rate equal to that on high-quality corporate bonds issued in the currency in which the liability will be settled and which takes account of the duration of the related pension plan.

Further information can be found in Note 12. Employee benefit obligations and Note 15. Personnel costs.

g) Incentive and share purchase plans
The employee share purchase plan, open to almost all the Group's employees, offers them an opportunity to obtain shares under preferential terms and conditions. The operation of this plan is described in Note 15. Personnel costs.
The grant of shares is subject to continued employment with the Group in the months between signing up to one of the plan's purchase windows and the purchase of the shares themselves on the equity market. The plan's financial and economic impact has therefore been estimated on the basis of the best possible estimates and information currently available. The 2023-2025 incentive plan involves the allocation of a number of shares calculated according to the achievement of operational, economic and financial performance conditions. The plan's financial and economic impact has therefore been estimated on the basis of the best possible estimates and information available at the valuation date. More details can be found in Note 15. Personnel costs.

The "BE IN" incentive plan provides for the grant of a number of shares. In some cases, this number is determined on the basis of the achievement of performance targets, as well as on the basis of employee participation. The plan's financial and economic impact has therefore been estimated on the basis of the best possible estimates and information available at the valuation date. More details can be found in Note 15. Personnel costs.

34. Events after the reporting period

There are no subsequent events to report that could have an impact on the values reported in these financial statements.

35. Filing of financial statements

The financial statements of Prysmian S.p.A. at 31 December 2024 will be filed within the legally required term at its registered office and will be available for viewing on the websites of the company at www.prysmian.com, the central storage mechanism at www.emarketstorage.com and the Italian Stock Exchange at www.borsaitaliana.it.

The financial statements of the sub-holding company Prysmian Cavi e Sistemi S.r.l. will be filed at the registered office in Via Chiese 6, Milan; the financial statements of the sub-holding company Draka Holding B.V. will not be presented, as permitted by Dutch law.

Milan, 26 February 2025

ON BEHALF OF THE BOARD OF DIRECTORS
THE CHAIRMAN
Francesco Gori

List of investments in subsidiaries at 31 december 2024

(Euro/thousand)	Registered office	Net carrying amount	% owned	Share capital in Euro	Total equity	Prysmian share of equity	Net profit/ (loss) for the year
Italian subsidiaries							
Prysmian Cavi e Sistemi S.r.l.	Milan, Via Chiese, 6	411,596	100	50,000	353,418	353,418	2,904
Prysmian Cavi e Sistemi Italia S.r.l.	Milan, Via Chiese, 6	116,578	100	77,143	814,478	814,478	9,779
Prysmian PowerLink S.r.l.	Milan, Via Chiese, 6	220,202	100	100,000	117,579	117,579	(11,382)
Fibre Ottiche Sud - F.O.S. S.r.l.	Battipaglia, Strada Provinciale 135	-	100	47,700	33,338	33,338	(32,284)
Prysmian Treasury S.r.l.	Milan, Via Chiese, 6	83,561	100	80,000	108,165	108,165	11,826
Electronic and Optical Sensing Solutions S.r.l.	Milan, Via Chiese, 6	45,803	100	5,000	32,114	32,114	(1,493)
Prysmian Riassicurazioni S.p.A.	Milan, Via Chiese, 6	37,430	100	30,000	3,511	3,511	(918)
Total Italian subsidiaries		**915,170**					
Foreign subsidiaries							
Draka Holding B.V.	Amsterdam, Netherlands	6,250,090	100	52,229	4,689,644	4,689,644	340,911
Prysmian Kabel und Systeme GmbH	Berlin, Germany	3,434	6.25	15,000	102,558	6,410	16,427
Prysmian Kablo SRO	Bratislava, Slovakia	1	0.005	21,246	13,360	-	450
Jaguar Communication Consultancy Services Private Ltd.	Mumbai, India	-	0.000001	1,986	396	-	(258)
Prysmian Cabos e Sistemas do Brasil S.A.	Sorocaba, Brazil	-	0.040177	170,136	232,660	93	37,034
Total foreign subsidiaries		**6,253,525**					
Grand total		**7,168,695**					

Intercompany and related party transactions (disclosure under art. 2428 of the italian civil code)

(In Euro Millions)	Equity investments	Trade receivables	Trade payables	Costs		Revenues			
				Purchased goods and services	Financial charges	Goods and services	Financial income	Dividends and (write-downs)	Income and (expenses) from tax consolidation
Associated Cables Pvt. Ltd	-	2	-	-	-	-	-	-	-
Auto Cable Tunisie	-	-	-	-	-	-	-	-	-
Cobre Cerrillos S.A.	-	635	(114)	87	-	(1,242)	-	-	-
Conducen, SRL	-	1,158	-	66	-	(1,132)	-	-	-
Draka Belgium N.V.	-	2	-	-	-	(3)	-	-	-
Draka Comteq Berlin GmbH & Co KG	-	413	-	-	-	(982)	-	-	-
Draka Comteq Cabos Brasil S.A	-	-	(22)	-	-	-	-	-	-
Draka Comteq Fibre BV	-	921	(177)	395	-	(1,144)	-	-	-
Draka Comteq France SAS	-	1,810	(39)	39	-	(3,537)	-	-	-
Draka Comteq Germany GmbH & Co.KG	-	3,202	-	87	-	(38,921)	-	-	-
Draka Comteq UK Limited	-	386	(36)	59	-	(561)	-	-	-
Draka Durango S. de R.L. de C.V.	-	40	(26)	-	-	(1)	-	-	-
Draka Elevator Products INC	-	2,049	(15)	-	-	(2,191)	-	-	-
Draka Elevator Products, Inc.	-	93	-	-	-	(70)	-	-	-
Draka Fileca S.A.S.	-	806	-	-	-	(1,307)	-	-	-
Draka Holding B.V.	4,803,349	2,221	(331)	591	-	(1,615)	-	(317,505)	-
Draka Kabely SRO	-	6,836	(155)	244	-	(140,088)	-	-	-
Draka Paricable SAS	-	1	-	-	-	(16)	-	-	-
Draka Philippines Inc.	-	3,383	(12)	-	-	(28,532)	-	-	-
Draka Transport USA LLC	-	912	-	-	-	(3,387)	-	-	-
EHC Canada Inc.	-	382	-	-	-	(76)	-	-	-
EHC Engineered Polymer (Shanghai) Co. Ltd.	-	(1)	-	-	-	-	-	-	-
EHC Escalator Handrail (Shanghai) Co. Ltd.	-	(2)	(51)	51	-	-	-	-	-
EHC Germany GmbH	-	71	-	-	-	(25)	-	-	-
EHC Lift Components (Shanghai) Co. Ltd.	-	(1)	-	-	-	-	-	-	-
EHC USA Inc.	-	7	-	-	-	(2)	-	-	-
Electronic and Optical Sensing Solutions S.r.l.	45,803	446	(14)	14	-	(244)	-	(50)	(6)

(In Euro Millions)	Equity investments	Trade receivables	Trade payables	Costs		Revenues			
				Purchased goods and services	Financial charges	Goods and services	Financial income	Dividends and (write-downs)	Income and (expenses) from tax consolidation
EURELECTRIC TUNISIE S.A.	-	110	(8)	8	-	-	-	-	-
Fibre Ottiche Sud - F.O.S. S.r.l.	33,338	1,083	(839)	865	-	(814)	-	35,361	-
General Cable Celcat, Energia e Telecomunicacoes SA	-	4,824	(35)	23	-	(71,091)	-	-	-
General Cable Company Ltd.	-	2,882	-	-	-	(3,084)	-	-	-
General Cable Corporation	-	21	-	-	-	(22)	-	-	-
General Cable de Mexico, S.A de C.V.	-	684	14-	62	-	(962)	-	-	-
Grupo General Cable Sistemas, S.L.	-	(15)	-	138	-	(37,296)	-	-	-
Jaguar Communication Consultancy Services Private Ltd.	-	452	-	-	-	-	-	-	-
LLC Prysmian RUS	-	616	(69)	812	-	(57)	-	-	-
LLC Rybinskelektrokabel	-	-	(110)	243	-	-	-	-	-
MCI-Draka Cable Co. Ltd	-	4,442	(111)	67	-	(987)	-	-	-
Nantong Zhongyao Draka Elevator Products Co. LTD	-	0			-		-	-	-
Norddeutsche Seekabelwerke GmbH	-	1,608	(162)	720	-	(1,336)	-	-	-
Oman Aluminium Processing Industries LLC	-	3	(8,252)	-	-	45,412	-	-	-
Oman Cables Industry (SAOG)	-	753	(341)	722	-	(1,046)	-	-	-
Omnisens SA	-	171	-	-	-	(38)	-	-	-
P.O.R. S.A.S.	-	-	(2,136)	2,136	-	-	-	-	-
P.T. Prysmian Cables Indonesia	-	609	(44)	48	-	(1,453)	-	-	-
Power Cables Malaysia SND – BHD	-	(190)	-	-	-	-	-	-	-
Prestolite de Mexico, S.A. de C.V.	-	3	(39)	39	-	-	-	-	-
Productora de Cables Procables S.A.S.	-	893	(8)	7	-	(954)	-	-	-
Projects Germany GmbH	-	268	(129)	193	-	(201)	-	-	-
Prysmian - OEKW GmbH	-	27	-	-	-	(43)	-	-	-
Prysmian (CHINA) Investment Company Ltd	-	206	(26)	-	-	(13)	-	-	-
Prysmian Australia PTY Ltd	-	3,591	(215)	292	-	(6,733)	-	-	-
Prysmian Cable (Shanghai) Trading Co Ltd - Suzhou Branch	-	(1)	-	-	-	-	-	-	-
Prysmian Cables & Systems Limited	-	19,085	(1,407)	2.016	-	(212,617)	(256)	-	-
Prysmian Cables (Shangai) Trading CO. Ltd	-	363	(42)	-	-	(162)	-	-	-
PRYSMIAN CABLES AND SYSTEMS (US) INC.	-	1,060	-	-	-	-	-	-	-

(In Euro Millions)	Equity investments	Trade receivables	Trade payables	Costs		Revenues			
				Purchased goods and services	Financial charges	Goods and services	Financial income	Dividends and (write-downs)	Income and (expenses) from tax consolidation
Prysmian Cables and Systems Canada LTD	-	2,179	(20)	73	-	(4,200)	-	-	-
Prysmian Cables and Systems USA, LLC	-	34,636	(5,499)	18,954	-	(31,492)	(14,984)	3	-
Prysmian Cables et Systèmes France SAS	-	20,862	(1,024)	1.544	-	(255,752)	(406)	-	-
Prysmian Cables Spain, S.A. (Sociedad Unipersonal).	-	28,800	(692)	997	-	(178,709)	(257)	-	-
Prysmian Cables y Sistemas de Mexico S. de R.L. de C.V.	-	43	26	12	-	(38)	-	-	-
Prysmian Cabluri Si Sisteme S.A.	-	7,307	(1,152)	1,843	-	(51,933)	-	-	-
Prysmian Cabos e Sistemas do Brasil S.A.	-	2,039	(534)	469	-	(3,816)	-	-	-
Prysmian Cavi e Sistemi Italia S.r.l.	116,372	10,256	(625)	1,085	-	(37,388)	-	(384)	(2,810)
Prysmian Cavi e Sistemi S.r.l.	409,484	24,717	(264)	270	-	(40,983)	-	(818)	(600)
Prysmian Construction Services Inc.	-	131	-	-	-	-	-	-	-
Prysmian Energia Cables y Sistemas de Argentina S.A.	-	47	(69)	339	-	(187)	-	-	-
Prysmian Group Baltics AS	-	8,857	(76)	76	-	(66,579)	-	-	-
Prysmian Group Denmark A/S	-	257	-	-	-	(91)	-	-	-
Prysmian Group Finland OY	-	21,699	(129)	189	-	(143,026)	-	-	-
Prysmian Group Norge AS	-	1,029	(81)	131	-	(975)	-	-	-
Prysmian Group North Europe AB	-	9,319	(64)	106	-	(45,006)	-	-	-
Prysmian Group Specialty Cables LLC	-	758	-	-	-	(860)	-	-	-
Prysmian Hong Kong Holding Limited	-	23	-	-	-	(110)	-	-	-
Prysmian Kabel und Systeme GmbH	3,434	12,243	(152)	480	-	(47,803)	-	-	-
Prysmian Kablo SRO	1	1,206	-	10	-	(2,823)	-	-	-
Prysmian Kablo SRO - Branch Czech Republic					-	(0)	-	-	-
Prysmian MKM Magyar Kabel Muvek Kft	-	17,631	(118)	178	-	(305,179)	-	-	-
Prysmian Netherlands B.V.	-	12,946	(306)	545	-	(144,146)	(604)	-	-
Prysmian New Zealand Ltd.	-	172	(23)	23	-	(125)	-	-	-
Prysmian Pension Scheme Trustee Limited	-				-		-	-	-
Prysmian Poland SP. ZOO	-	333	(27)	64	-	(72)	-	-	-
Prysmian Power Link Srl	219,936	37,137	(5,394)	747	-	(115,061)	(39,927)	(1,355)	(12,553)
Prysmian Powerlink Services Ltd.	-	191	-	-	-	(137)	-	-	-
Prysmian RE Company Designated Activity Company	-	5,132	-	-	-	(5,132)	-	-	-

(In Euro Millions)	Equity investments	Trade receivables	Trade payables	Costs: Purchased goods and services	Costs: Financial charges	Revenues: Goods and services	Revenues: Financial income	Revenues: Dividends and (write-downs)	Revenues: Income and (expenses) from tax consolidation
Prysmian Servizi S.p.A.	4,430	86	-	-	-	(86)	-	-	-
Prysmian Spain SA EPC-Branch South Africa	-	-	(63)	64	-	-	-	-	-
Prysmian Technology Jiangsu Co. Ltd.	-	607	-	-	-	(154)	-	-	-
Prysmian Tianjin Cables Co. Ltd.	-	(2)	(11)	11	-	-	-	-	-
Prysmian Treasury Srl	83,555	8,565	(441,389)	46	42,979	(808)	(12,856)	(20,014)	(4,748)
Prysmian Wuxi Cable Company Ltd	-	1,660	(18)	18	-	(1,062)	-	-	-
RAVIN CABLES LIMITED (India)	-	25	-	-	-	-	-	-	-
SILEC Cable, S.A.S.	-	7,499	-	-	-	(68,050)	-	-	-
Sindutch Cable Manufacturer Sdn Bhd	-	1,707	(26)	42	-	(1,324)	-	-	-
Singapore Cables Manufacturers Pte Ltd	-	943	(46)	59	-	(608)	-	-	-
Société Ivoirienne De Cables S.A.	-	188	-	-	-	(113)	-	-	-
Suzhou Draka Cable Co. Ltd	-	1,945	(392)	393	-	(519)	-	-	-
Turk Prysmian Kablo Ve Sistemleri A.S.	-	45,598	(70)	101	-	(35,696)	-	-	-
General de Cable de Mexico del Norte, S.A. de C.V.	-	24	-	-	-	-	-	-	-
EHC Spain & Portugal, SL	-	32	-	-	-	-	-	-	-
Yangtze Optical Fibre and Cable Joint Stock Limited Co.	-	28	-	-	-	-	-	-	-
TOTALE	**5,719,702**	**398,174**	**(473,188)**	**38,893**	**42,979**	**(2,108,617)**	**(69,290)**	**(304,761)**	**(20,716)**

4. Certification of the separate Financial Statements pursuant to art. 81-ter of consob regulation 11971 dated 14 may 1999 as amended

1. The undersigned Massimo Battaini, as Chief Executive Officer, and Stefano Invernici and Alessandro Brunetti, as managers responsible for preparing the financial reports of Prysmian S.p.A., certify, also taking account of the provisions of paragraphs 3 and 4, art. 154-bis of Italian Legislative Decree 58 dated 24 February 1998, that during 2024 the accounting and administrative processes for preparing the separate financial statements:

- have been adequate in relation to the business's characteristics and
- have been effectively applied.

2. The adequacy of the accounting and administrative processes for preparing the separate financial statements at 31 December 2024 has been evaluated on the basis of a procedure established by Prysmian in compliance with the internal control framework published by the Committee of Sponsoring Organizations of the Treadway Commission, which represents the generally accepted standard model internationally.

3. It is also certified that:

3.1 The separate financial statements at 31 December 2024:

a) have been prepared in accordance with applicable international accounting standards recognised by the European Union under Regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;
b) correspond to the underlying accounting records and books of account;
c) are able to provide a true and fair view of the issuer's statement of financial position and results of operations.

3.2 The directors' report contains a fair review of performance and the results of operations, and of the issuer's situation, together with a description of the principal risks and uncertainties to which it is exposed.

Milan, 26 February 2025

Massimo Battaini
Chief Executive Officer

Stefano Invernici, Alessandro Brunetti
Managers responsible for preparing company financial reports

Proposal to approve the financial statements and to allocate net profit for 2024

Shareholders,
We are submitting the financial statements for the year ended 31 December 2024 for your approval and recommend that you adopt the following:

RESOLUTION
The Shareholders' Meeting:

- acknowledges the report by the Board of Directors,
- acknowledges the reports by the Board of Statutory Auditors and by the independent auditors,
- has examined the financial statements at 31 December 2024, which close with a net profit of Euro 260,388,520 and

RESOLVES
a) to approve:

- the report on operations by the Board of Directors;
- the financial statements at 31 December 2024;
- as presented by the Board of Directors - as a whole and in their individual parts, along with the proposed provisions - which show a net profit of Euro 260,388,520;

b) to allocate the net profit for the year as follows:

- Euro 385,021 to the Legal Reserve, thereby reaching one-fifth of share capital at 31 December 2024, as required by art. 2430 of the Italian Civil Code;
- Euro 240,000 to the "Reserve for the issue of shares pursuant to Article 2349 of the Italian Civil Code", subject to the approval of today's Shareholders' Meeting of the shareholding and share allocation plans, which also provide for the possibility of assigning newly issued shares, and of the capital increases to service these plans;
- approximately Euro 229,256,066 million to pay a gross unit dividend of Euro 0.80 to each ordinary voting share (taking account of directly held treasury shares);
- the remainder of Euro 30,507,433 to Retained Earnings.

Any change in the number of treasury shares held by the Company at the time of distribution will not affect the amount of the dividend per share, as established above, but will increase or decrease the amount allocated to Retained Earnings.

The dividend will be paid out from 24 April 2025, with record date 23 April 2025 and ex-div date 22 April 2025.

Milan, 26 February 2025

ON BEHALF OF THE BOARD OF DIRECTORS
THE CHAIRMAN
Francesco Gori

5. Auditors' Report

EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the shareholders of
Prysmian S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Prysmian S.p.A. (the Company), which comprise the statement of financial position as of 31 December 2024, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and illustrative notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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We identified the following key audit matter:

Key Audit Matter	Audit Responses
Recoverability of the book value of investments in subsidiaries	
As of 31 December 2024, the investments in subsidiaries recorded in the Company's financial statements amount to Euro 6,179 million. Processes and valuation methods to determine the recoverable amount of investments in subsidiaries, based alternatively on the fair value or the value in use, also supplemented by specific management's considerations, include assumptions, sometimes complex, which imply, by their nature, estimates by the Directors, especially with regard to the forecast of their future profitability and to the determination of long term growth and discount rates applied to forecasted future cash flows. Considering the required judgment and the complexity of the assumptions adopted in estimating the recoverable amount of the investments in subsidiaries, we assessed this matter as a key audit matter. Financial statements disclosures related to the valuation of investments in subsidiaries are reported in note "3. Investments in subsidiaries".	Our audit procedures related to the key audit matter included, among the others, the analysis of the procedure implemented by the Company regarding the valuation of investments in subsidiaries, the reconciliation of forecasted future cash flows of subsidiaries with the Group budget prepared for the 2025, the analysis of total future cash flows developed until 2028 for the purposes of the impairment test, taking into account the impairment testing procedure approved by the Board of Directors. In addition, our procedures included the analysis of the quality of the forecasts taking into account the historical accuracy of the previous forecasts and the analysis of the calculation of long-term growth and discount rates. In our procedures we analyzed the models applied to determine the fair value and the value in use, taking into account the Directors' supplementary specific considerations, also involving our valuation techniques experts, who performed independent calculation and sensitivity analyses on the key assumptions in order to identify the change in assumptions that could have a significant impact on the valuation of the recoverable amount. Finally, we analyzed the disclosure provided in the financial statements of the Company as of 31 December 2024.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Prysmian S.p.A., in the general meeting held on 16 April 2015, engaged us to perform the audits of the financial statements for each of the years ending 31 December 2016 to 31 December 2024.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Prysmian S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the "Delegated Regulation") to the financial statements as of 31 December 2024, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the financial statements as of 31 December 2024 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as of 31 December 2024 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.

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Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-*bis*) and e-*ter*) of Legislative Decree n. 39 dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Prysmian S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Prysmian S.p.A. as of 31 December 2024, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under auditing standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations and the abovementioned specific information included in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the Report on Operations and in certain specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998.

In our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, are consistent with the financial statements of Prysmian S.p.A. as of 31 December 2024.

Furthermore, in our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-*ter*), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, 10 March 2025

EY S.p.A.
Signed by: Massimo Meloni, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

6. Report of the board of statutory auditors

REPORT BY THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS OF PRYSMIAN S.P.A. PURSUANT TO ART. 153 ITALIAN LEGISLATIVE DECREE 58/1998 AND ART. 2429, PARA. 2, ITALIAN CIVIL CODE

Shareholders,

This report describes the activities carried out by the Board of Statutory Auditors of Prysmian S.p.A. (the "Company" and, together with its subsidiaries, the "Group") during the year ended 31 December 2024.

Prysmian S.p.A. is the holding company at the head of a Group that is one of the world's leading operators in the cable industry, active in the development, design, production, supply and installation of a wide range of land and submarine cables for various applications in the energy and telecommunications sectors.

On 2 July 2024, Prysmian completed the acquisition and simultaneous merger of Encore Wire, a leading manufacturer of a wide range of copper and aluminium electrical wire and cables for power generation and distribution in the North American market, as detailed in the Directors' Report, to which you are referred.

During the year ended 31 December 2024, the Company's Board of Statutory Auditors carried out the supervisory activities required by law, also taking into account the Standards contained in the Rules of Conduct for Boards of Statutory Auditors, recommended by the Italian accounting profession (*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*), and the communications issued by Consob (*Commissione Nazionale per le Società e la Borsa* – Italy's Securities and Exchange Commission) on company oversight and activities by the Board of Statutory Auditors.

The Board of Statutory Auditors therefore reports that, during the year ended 31 December 2024, it systematically obtained the information required to carry out its duties by attending the general meeting of shareholders and meetings of the Board of Directors, the Control and Risks Committee, the Remuneration and Nominations Committee and the Sustainability Committee, by conducting interviews with managers and representatives of company structures, and by analysing documents and conducting verifications.

During the year, the Board of Statutory Auditors met with the Monitoring Board established under Italian Legislative Decree 231/2001 for a mutual exchange of information.

The governing bodies have reported to us at least once every quarter on their activities, on transactions of major financial and economic significance, on any transactions involving a potential conflict of interest, as well as on any atypical or unusual transactions and on any other activity or transaction considered necessary to bring to our attention.

****

1. The Board of Statutory Auditors confirms that, in the course of its supervisory and audit activities, it has verified that the main economic and financial transactions approved and carried out comply with the law and the Company's by-laws and are not manifestly imprudent, risky, in potential conflict of interest, contrary to the resolutions adopted by the shareholders in general meetings, or such as to compromise the integrity of the Company's net assets.
   Furthermore, it is confirmed that no atypical and/or unusual transactions with Group companies, third parties or related parties have been identified, nor has any information been received in this regard from the Board of Directors, the Independent Auditors, or the director responsible for maintaining the internal control and risk management system. The Board of Directors has provided adequate information in its Report about the effects of the main ordinary financial and economic transactions, entered into with subsidiaries on an arm's length basis.

2. The Directors have identified and described the main related party and intercompany transactions in the notes to the separate and consolidated financial statements (hereinafter also referred to as the "financial statements" for brevity); reference should be made to these notes, also for a description of the characteristics of such transactions and their effects on profit or loss.
   With regard to related party transactions, the Board of Statutory Auditors reports that, in compliance with the provisions of Consob Resolution 17221 of 12 March 2010 (and subsequent amendments and additions thereto), the Company has adopted a specific procedure, which is summarised in the "Report on Corporate Governance and Ownership Structure of Prysmian S.p.A. - 2024", to which you are therefore referred. This procedure, which has been revised and updated over time, can be consulted on the Company's website www.prysmian.com in the "Company/Governance" section.
   The Board of Statutory Auditors has monitored the compliance of the procedures adopted with the principles recommended by Consob and their actual observance, and has no observations to report regarding the fairness of related party transactions and their alignment with the Company's interests.

3. The Board of Statutory Auditors considers that the disclosures regarding related party transactions made by the Directors in the Explanatory Notes to the financial statements of Prysmian S.p.A. are adequate.

4. The audit firm EY S.p.A. (also referred to as EY) has issued unqualified Audit Reports, dated today, on the separate and consolidated financial statements for the year ended 31 December 2024, pursuant to art. 14 of Italian Legislative Decree 39 dated 27 January 2010

and art. 10 of Regulation (EU) 537/2014.

The Audit Reports contain the following opinions and representations:

i. the opinion that the separate financial statements and consolidated financial statements of Prysmian S.p.A. give a true and fair view of the statement of financial position of the Company and the Group at 31 December 2024, of their results of operations and cash flows for the year then ended, in compliance with the International Financial Reporting Standards adopted by the European Union, and with the provisions that implement art. 9 of Italian Legislative Decree 38 dated 28 February 2005.

   The Reports do not contain any emphases of matter and, as required by the regulations, indicate the key audit matters, as identified below.

   - In the separate financial statements: recoverability of the carrying amount of investments in subsidiaries.
   - In the consolidated financial statements: the recognition of revenues and margins from construction contracts and risks related to ongoing and completed contracts; the business combination; and the recoverability of the carrying amount of goodwill;

ii. a compliance opinion that the separate and consolidated financial statements have been prepared in XHTML format, in accordance with the provisions of the European Commission Delegated Regulation;

iii. an opinion that the Directors' Reports, which accompany the separate financial statements and the consolidated financial statements at 31 December 2024 and certain specific information contained in the "Report on Corporate Governance and Ownership Structure" indicated in art. 123-bis, para. 4, of Italy's Consolidated Law on Finance, are consistent with the financial statements themselves;

iv. an opinion that the Directors' Report accompanying the separate financial statements has been prepared in compliance with the law;

v. an opinion that the Directors' Report accompanying the consolidated financial statements, excluding the section containing the Consolidated Sustainability Report, has been prepared in compliance with the law;

vi. a statement that, based on the knowledge and understanding of the business and related environment gained during the audit, there are no material misstatements to be reported in the Directors' Reports (accompanying the separate and consolidated financial statements).

EY S.p.A. has also issued today the following additional reports:

- the Additional Report to the Board of Statutory Auditors, in its capacity as the Audit Committee, prepared in accordance with art. 11 of Regulation (EU) 537/2014, which will be submitted by the Board of Statutory Auditors to the Board of Directors as required by current regulations.

- the Report on the Consolidated Sustainability Report, prepared in accordance with art. 14-bis of Italian Legislative Decree 39 dated 27 January 2010, in which it certifies that, based on the audit firm's work, no matters have come to its attention that would indicate that:
  i. Prysmian Group's Consolidated Sustainability Report for the year ended 31 December 2024 has not been prepared, in all material respects, in accordance with the reporting standards adopted by the European Commission pursuant to Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, hereinafter also referred to as "ESRS").
  ii. The information contained in the "European Taxonomy" section of the Consolidated Sustainability Report has not been prepared, in all material respects, in accordance with art. 8 of Regulation (EU) 852 of 18 June 2020 (hereinafter also referred to as the "Taxonomy Regulation").
- the voluntary "reasonable assurance" report requested by the Prysmian Group on a selection of indicators presented in the Consolidated Sustainability Report, carried out in accordance with the criteria set out in ISAE 3000 (Revised), certifying that five selected indicators (Scope 1 gross GHG emissions; Scope 2 gross GHG emissions; Total Scope 3 indirect gross GHG emissions; Percentage of female desk workers hired; Percentage of women in executive positions) have been prepared, in all material aspects, in accordance with the reporting criteria established by ESRS and identified in the Methodological Note to the Consolidated Sustainability Report.

EY S.p.A. has also issued today their Statement of Independence, as required by art. 6 of Regulation (EU) 537/2014 and pursuant to para. 17 of Italian International Audit Standard 260 (*ISA Italia 260*), from which no evidence emerges that could compromise their independence.
Lastly, the Board of Statutory Auditors has taken note of the Transparency Report prepared by EY S.p.A. for the year ended 30 June 2024 and published on its website in accordance with the provisions of art. 13 of Regulation (EU) 537/2014 of the European Parliament and of the Council dated 16 April 2014 and Italian Legislative Decree 39 dated 27 January 2010.

5. During 2024, and up to the date of preparing this Report, the Board of Statutory Auditors has not received any complaints under art. 2408 of the Italian Civil Code or any other grievances. Furthermore, during the course of its activities and based on the information obtained, the Board of Statutory Auditors has not observed any omissions, misconduct, irregularities or any other circumstances requiring notification to the external Supervisory Authority or disclosure in the present report.

6. In addition to the duties required by law in respect of listed companies, EY S.p.A. and firms within the EY network have been engaged to perform additional services other than the statutory audit, the fees for which have been disclosed in the notes to the consolidated financial statements as required by art. 149-duodecies of the Italian market Issuer Regulations, to which you are referred. The permitted non-audit services have been approved in advance on a case-by-case basis in accordance with the procedure adopted by the Board of Statutory Auditors, which has reviewed their reasonableness and relevance with reference to the criteria contained in Regulation (EU) 537/2014.

7. The Board of Statutory Auditors has monitored the independence of the audit firm, which has issued, today, the annual statement confirming its independence, pursuant to art. 6, para. 2 (a), of Regulation (EU) 537/2014 and para. 17 of Italian International Audit Standard 260 (*ISA Italia 260*). Having reviewed the statement of independence issued by EY S.p.A. and its transparency report, as well as the engagements awarded to EY S.p.A. and firms in its network, the Board of Statutory Auditors considers that there are no critical issues concerning the independence of EY S.p.A.

8. At the Shareholders' Meeting of 18 April 2024, the Company awarded PricewaterhouseCoopers (PwC) the statutory audit engagement for the period 2025-2033, pursuant to art. 16 of Regulation (EU) 537/2014 of the European Parliament and of the Council dated 16 April 2014 and Italian Legislative Decree 39 dated 27 January 2010.
The Board of Statutory Auditors met with representatives of PwC in the first few months of the current year to monitor the new auditor's induction process - organised by the Administration Department - and to be informed about the activities carried out in this respect, mainly related to understanding of Prysmian Group's activities, processes and systems. The Board of Statutory Auditors has agreed with PwC the need for a systematic exchange of information, which is essential to ensure the correct and effective performance of their respective duties and responsibilities.

9. On 31 July 2024, the Board of Statutory Auditors issued a favourable opinion on the amendment to the MBO incentive target for executive directors proposed to the Board of Directors by the Remuneration and Nominations Committee to reflect the change in scope occurring in 2024 as a result of completing the Encore Wire acquisition. On 26 February 2025, the Board of Statutory Auditors also issued a favourable opinion on the amendment proposed to the Board of Directors by the Remuneration and Nominations Committee, in agreement with the Sustainability Committee, to revise the targets included in the LTI GROW Plan 2023-2025 in order to reflect the effects of the Encore Wire acquisition.
In accordance with Italy's Corporate Governance Code (the "Corporate Governance Code"), the Board of Statutory Auditors was consulted when setting the parameters underlying the

achievement of functional objectives for the variable remuneration of the Chief Internal Audit Officer.

10. As disclosed in the "Report on Corporate Governance and Ownership Structure of Prysmian S.p.A. - 2024", the Company's Board of Directors held 14 meetings during 2024; the Control and Risks Committee held 15 meetings (of which two in its capacity as the Related Parties Committees); the Remuneration and Nominations Committee held 9 meetings; the Sustainability Committee held 9 meetings. In addition, one meeting of the Independent Directors was held in 2024.
The Board of Statutory Auditors met 20 times (of which 7 entirely or in part jointly with the Control and Risks Committee and once jointly with both the Control and Risks Committee and the Sustainability Committee).
In addition, the Board of Statutory Auditors was present in 2024 at:
(i) the annual general meeting of shareholders on 18 April 2024;
(ii) every meeting of the Board of Directors;
(iii) every meeting of the Control and Risks Committee (also in its capacity as the Related Parties Committee), the Remuneration and Nominations Committee and the Sustainability Committee.
There is also a Monitoring Board, a collegial body established in accordance with art. 6, para. 1 (b) of Italian Legislative Decree 231/2001; the current Monitoring Board has been in office since 18 April 2024 and will remain so until approval of the financial statements for the year ended 31 December 2026.
The Board of Statutory Auditors met with the Monitoring Board during the course of the year for a mutual exchange of information. The Monitoring Board reported on its activities during the year and did not bring any significant matters to the attention of the Board of Statutory Auditors.

11. The Board of Statutory Auditors has examined and monitored, to the extent of its remit, the observance of good management practices, by attending the meetings of the Board of Directors and the various Committees, by gathering information from the Chief Executive Officer and the Company's management, the Chief Internal Audit Officer, the Managers responsible for preparing financial reports, the Compliance and Risk Management structure in the person of the Group Chief Compliance & Risk Officer and the other second-tier control functions, as well as through interviews with the aforementioned persons and representatives of the independent audit firm EY S.p.A., for the purpose of mutual exchange of relevant data and information; as a result of the aforementioned activities, the Board of Statutory Auditors has no observations to make in this regard.
The Board of Statutory Auditors has monitored compliance with the law and the Company's by-laws. In particular, with regard to the decision-making processes of the Board of

Directors, the Board of Statutory Auditors has verified, also through direct participation in Directors' meetings, that the management decisions taken by the Directors complied with the law and the Company's by-laws and that the related resolutions were adequately supported by processes of information, analysis, verification and debate, including, where deemed necessary, by consulting committees and external experts for advice. The Board of Statutory Auditors has also verified that the Directors have, where necessary, made the declarations pursuant to art. 2391 of the Italian Civil Code.

No critical issues have emerged as a result of meetings with the Boards of Statutory Auditors and sole Statutory Auditors of the Group's Italian subsidiaries.

12. The Board of Directors performs a role of strategic guidance and supervision, in that it is responsible, among other things, for defining the strategies of the Company and the Group, as well as overseeing their implementation. The Board pursues the Company's interests, with a view to creating long-term value for the benefit of shareholders, as well as taking into account the interests of other stakeholders relevant to the Company.

    To execute its resolutions and to manage the business, the Board of Directors may, in compliance with legal and statutory limits, delegate appropriate powers to one or more directors, who must report to the Board of Directors and the Board of Statutory Auditors - promptly and in any case at least on a quarterly basis - on the activities carried out, on the Company's general performance and outlook and on its transactions with the most significant financial and economic impact.

    The Company is currently managed by a Board of Directors consisting of twelve members. The three-year term of office of the current Board of Directors began on 18 April 2024 and will end on the date the shareholders meet to approve the financial statements for the year ended 31.12.2026.

    From the start of the Board's mandate through to the current date, the office of Chairman has been held by Francesco Gori, responsible for representing the Company legally and judicially; in the event of his incapacity or absence, such representation is also the responsibility of Deputy Chairman Valerio Battista and Chief Executive Officer & General Manager Massimo Battaini.

    The Chief Executive Officer is considered the principal person responsible for managing the Company, after the Board of Directors, in its meeting of 18 April 2024, vested him with powers to represent the Company legally and judicially, and with all ordinary management powers and authority necessary or useful for the conduct of the Company's business in its various forms, with no exceptions other than those otherwise attributed by law and/or regulation or by the By-laws, to be exercised as a sole signatory, unless otherwise specified, and with the right to sub-delegate.

    The Chief Executive Officer is responsible for establishing and maintaining - in execution of the guidelines established by the Board of Directors - the internal control and risk management system, pursuant to recommendations 32b) and 34 of the Corporate Governance Code.

The Board of Directors has granted executive powers to director Pier Francesco Facchini (CFO), who, together with the CEO, is therefore an executive director.

The Company has adopted an organisational model that envisages governance of the main activities necessary for the management, control and development of its business. Under this model, as at the date of this Report, the following functions report to the Chief Executive Officer:

- Corporate Affairs;
- Risks & Compliance;
- Chief Operating Officer;
- Finance, Administration & Control & IT;
- HR & Organisation;
- Strategy & M&A;
- Innovation & R&D;
- Sustainability, Investor Relations & Communication;
- Transmission Division;
- Power Grid Division;
- Electrification Division;
- Digital Solutions Division;
- Regional CEOs.

The role of Manager responsible for preparing financial reports is entrusted jointly - taking into account the Company's organisational structure - to the head of Group Administration & Tax, in the person of Stefano Invernici, and to the head of Group Planning & Control, in the person of Alessandro Brunetti.

The Board of Statutory Auditors has, to the extent of its remit, become acquainted with the organisational structure chosen by the Company and its implementation and evolution; it has thus monitored the adequacy of the organisational structure and its operation, taking into account the Company's objectives, and, as a result of these activities, has no observations to make in this regard.

13. The Board of Statutory Auditors has monitored the implementation and proper operation of the Company's internal control and risk management system (hereinafter, for the sake of brevity: the internal control system), assessing its adequacy, with a view to continuous improvement, including through: (*i*) meetings with the Control and Risks Committee; (*ii*) periodic meetings with the Chief Internal Audit Officer; (iii) periodic meetings with the Chief Risk & Compliance Officer and with the Managers responsible for preparing the Company's financial reports; (*iii*) periodic meetings with the heads of other corporate functions, with

particular reference to those functions entrusted with second-tier control activities; and (*iv*) obtaining documentation.

The purpose of these periodic meetings was, among other things, to review the activities carried out by these functions and related reports, risk mapping and audit programmes, also in light of the Company's growth in size and changes in its procedures and organisation. The Board of Statutory Auditors has also examined the periodic reports of the Control and Risks Committee and of the Chief Internal Audit Officer concerning, in particular, audits of the operation of the internal control system in the various business areas.

The Board of Statutory Auditors has also systematically met with the appointed Independent Auditors for a periodic exchange of information between the various audit bodies.

The internal control system is currently structured and operates according to the principles and criteria of the Corporate Governance Code. It is an integral part of the Company's general organisational structure and involves a number of players acting in a coordinated manner according to the respective responsibilities of: (i) the Board of Directors, for strategic guidance and supervision; (ii) the CEO and management, with particular reference to the functions responsible for performing second-tier controls, for supervision and management; (iii) the Control and Risks Committee and the Chief Internal Audit Officer, for monitoring and providing support to the Board of Directors; and (iv) the Board of Statutory Auditors, for supervision.

The establishment and maintenance of the internal control system is currently entrusted to the Chief Executive Officer and, within their area of responsibility, to the Managers responsible for preparing the Company's financial reports, so as to ensure the overall adequacy of the system and its actual operation, in a risk-based perspective, which is also taken into account when setting the agenda of Directors' meetings.

In exercising its responsibility for the internal control and risk management system, the Board of Directors also relies on the Internal Audit function, which is organisationally independent and has adequate and sufficient resources to carry out its activities. In particular, during 2024 the Internal Audit function also enlisted the support of independent advisory firms, where necessary, to carry out its activities.

The Board of Directors has adopted its own Organisation, Management and Control Model (the "231 Organisational Model"), which is periodically reviewed and updated. The Group's other Italian companies have in turn adopted their own 231 Organisational Models in line with the specific nature and different businesses of each. On 31 July 2024, the Board of Directors approved the latest revision of the Company's Organisational Model; among other things, this revision reflected changes in the organisational and legislative framework and, following risk assessment, updated processes and sensitive activities potentially exposed to the risk of offences, also in order to bring them into line with current operating practices, as well as certain key controls, in accordance with the regulations currently in force.

Further information about the internal control system can be found in the "Report on Corporate Governance and Ownership Structure of Prysmian S.p.A. - 2024".

The Board of Statutory Auditors has examined the overall assessment of the internal control and risk management system by the Chief Internal Audit Officer and the Control and Risks Committee.

The Board of Statutory Auditors considers the internal control and risk management system to be adequate overall. In particular, it has monitored the actions taken by the Company to continuously strengthen the internal control system and, where deemed necessary, has made suggestions and proposals for improvements.

14. The Board of Statutory Auditors - also in its capacity as the Audit Committee - has assessed and monitored the adequacy of the administrative and accounting system and its reliability in correctly representing business operations, by obtaining information from the heads of the relevant company departments, by examining documents and by monitoring the activities and analysing the results of the work carried out by EY S.p.A., and has no observations to make as a result of these activities.

    The Board of Statutory Auditors has acknowledged the certifications issued by the Chief Executive Officer and the Managers responsible for preparing the Company's financial reports regarding the adequacy - in relation to the characteristics of the business - and the effective application during 2024 of the administrative and accounting procedures for the preparation of the statutory financial statements.

    With reference to the procedure of impairment testing in application of international accounting standards, the Board of Statutory Auditors has overseen (i) the adoption - and periodic updating - by the Board of Directors of a specific procedure and, subsequently, (ii) the results of the related tests carried out by management, which have confirmed the recoverability of the value of the assets concerned.

    The Board of Statutory Auditors has overseen the Company's preparation of the Consolidated Sustainability Report included in the Integrated Annual Report for 2024. EY S.p.A. was engaged to perform a limited assurance audit of this report, as a result of which it has issued today its report in accordance with art. 14-bis of Italian Legislative Decree 39 dated 27 January 2010. In this report, the Independent Auditors have concluded, based on the work performed, that no matters have come to their attention that would suggest that the Consolidated Sustainability Report has not been prepared, in all material respects, in accordance with the reporting standards adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("ESRS") and that the information contained in the "European Taxonomy" section of the Consolidated Sustainability Report has not been prepared, in all material respects, in compliance with art. 8 of Regulation (EU) 852 of 18 June 2020 ("Taxonomy Regulation"). The Board of Statutory Auditors has reviewed the related report by EY S.p.A. and has overseen compliance with the provisions established by Italian

Legislative Decree 254/2016.

15. The Board of Statutory Auditors has confirmed, also through meetings with the Managers responsible for preparing financial reports and the Independent Auditors, compliance with the requirement of art. 114, para. 2, of Italian Legislative Decree 58/1998, for subsidiaries to provide all the information necessary to fulfil the disclosure obligations required by law and Regulation (EU) 596/2014. Subsidiaries submit the required information in a timely manner. The Board of Statutory Auditors has also found that the information provided by subsidiaries located outside the European Union is sufficient to carry out the audit of the annual and interim financial reports, as required by art. 15 of the Market Regulations adopted under Consob Resolution 20249 dated 28 December 2017.

16. The Board of Statutory Auditors has confirmed, through direct examination and information obtained from EY S.p.A., that the separate financial statements and directors' report comply with the rules and laws concerning preparation and layout.

17. The Company has complied with Italy's Corporate Governance Code (2020 edition), issued by the Corporate Governance Committee of the Italian Stock Exchange. The Board of Statutory Auditors confirms that it has monitored the arrangements for implementing the Corporate Governance Code for Listed Companies adopted by the Company, as described in the "Report on Corporate Governance and Ownership Structure of Prysmian S.p.A. - 2024" approved by the Board of Directors on 26 February 2025.
    In addition, the Board of Statutory Auditors confirms that it has attended induction sessions aimed at deepening its knowledge of company and group organisation, also in terms of its evolution, business sectors and strategies, in line with the recommendations of the Corporate Governance Codee.

18. The Board of Statutory Auditors has overseen the activities to confirm the requirements and correct application of the criteria for directors' independence. The Board of Statutory Auditors has also verified that its own members meet the independence requirements, pursuant to art. 148, para. 3, of Italian Legislative Decree 58/1998, and has once again this carried out the self-assessment process, concluded on 3 February 2025, which concerned, among other things, the operation of the board itself. The Board of Statutory Auditors also decided to seek the assistance of an external consultant, as is best practice, in order to enhance the independence and professionalism of the process, which it also considers helpful in view of the renewal of the Board of Statutory Auditors scheduled for the shareholders' meeting in April 2025.
    Furthermore, it has been verified that, pursuant to art. 19 of Italian Legislative Decree 39/2010, the members of the Board of Statutory Auditors possess as a whole the skills necessary for

the performance of their duties in the sector in which the Company operates.

Further information about the Company's corporate governance can be found in the specific section of the "Report on Corporate Governance and Ownership Structure of Prysmian S.p.A. - 2024".

The Board of Statutory Auditors has monitored that the aforementioned Report provides full disclosure about how the Company has adopted and implemented the recommendations of the Corporate Governance Code.

In addition, the Board of Statutory Auditors has reviewed the draft Report on Remuneration Policy and Compensation Paid, prepared in accordance with art. 123-ter of Italian Legislative Decree 58/1998, which will be the subject of approval by a forthcoming meeting of the Board of Directors.

19. The supervisory and audit activities carried out by the Board of Statutory Auditors have not revealed any significant facts that need to be disclosed or mentioned in this Report.

20. Given the results of the specific work carried out by the Independent Auditors to audit the accounts and verify the reliability of the separate financial statements, as well as our own supervisory activities, the Board of Statutory Auditors expresses a favourable opinion on the approval of the financial statements for 2024, together with the Directors' Report, and has no objections to the Board of Directors' proposal for the allocation of the net profit for the year, and for the distribution of a dividend from the net profit for the year.

You are reminded that with the approval of the 2024 financial statements, the three-year term of office of the current Board of Statutory Auditors will expire, and therefore, while thanking you for the trust placed in us, we invite you to proceed with the appointment of the Board of Statutory Auditors for the next three-year term.

Milan, 10 March 2025

The Board of Statutory Auditors

Stefano Sarubbi
Chairman

Laura Gualtieri
Standing statutory auditor

Roberto Capone
Standing statutory auditor


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