Prysmian Human Rights Approach

PROTECT – RESPECT – REMEDY
Mission, Vision & Values: Committed to Sustainable Development

Committed to Human Rights

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AGENDA

Prysmian Human Rights Approach

PROTECT – RESPECT – REMEDY
Mission, Vision & Values: Committed to Sustainable Development

We are global leaders in the cable industry.

We provide our customers with superior cable solutions based on state-of-the-art technology and consistent excellence in execution, ultimately delivering sustainable growth and profit.

We believe that Energy and information help communities develop and we aim to achieve an efficient, effective and sustainable supply of energy and information. We therefore integrate sustainability into our business model, and have taken steps to implement sustainable practices throughout the entire value chain of our business activities.

We act as a partner and an enabler, accompanying the journey towards sustainability of the entire energy system and we are committed to environmental responsibility in our production processes,

the protection of the environment generally,

and the responsible management of relations with the local communities in which we work.

We’re committed to a diverse workforce and an inclusive environment, where we share ideas and bring different perspectives,

constantly focusing on safety at work

and the development of our personnel.

More information available at: https://www.prysmiangroup.com/en/sustainability
Committed to Human Rights

• Our commitment towards Sustainable Development is strengthen through our commitment to respecting and protecting the Human Rights of all our employees and those affected by our business activities.

• As a company who operates across the globe, in many different countries and with many different communities, we believe that safeguarding the dignity, freedom and equality of all human beings is at the heart of who we are as a company.

• We reject discrimination of any kind and all illegal acts and activities, such as corruption, and forced or child labour.

• With this in mind, we operate within the general reference framework of the United Nations Universal Declaration of Human Rights and of the Fundamental Conventions of the International Labor Organization (ILO) and seek to uphold their recommendations across all our locations, implementing our own approach to Human Rights.

See also: Human Rights Policy
Our Approach to Human Rights

Our approach to Human Rights consists of three pillars: Commitment, Due Diligence and Remediation.

- **Commitment**: We commit to respect and protect several Fundamental Human Rights.
- **Due Diligence**: We assess Human Rights impact and track our performance involving different actors in the process.
- **Remediation**: We provide access to remedy and take preventive actions such as training on Human Rights related topics and other different initiatives.

**Our Policies and Guidelines**

- Available at: [https://www.prysmiangroup.com/en/company/ethics-integrity](https://www.prysmiangroup.com/en/company/ethics-integrity)

**Due Diligence Process**

**Group Helpline and Our Initiatives**

- Available at: [https://www.prysmiangroup.com/en/company/ethics-integrity/helpline](https://www.prysmiangroup.com/en/company/ethics-integrity/helpline)
Our Approach to Human Rights

11% of purchasing organisation trained on sustainability and human rights

MORE THAN 1000 employees trained on ethics related subjects in 2019

ALL 5 confirmed, at least in part, human rights related reports on our helpline received remediation actions

→ See also our Sustainability Report 2019
Due Diligence Process – Our Operations

Following the principles and commitment set in our Human Rights Policy, since 2018 we implemented a due diligence process made up of 5 steps and based on recognized international standards, to clearly map out the potential human rights impacts that could occur, during and because of, our operations.

1. ASSESS
   Assessment of current and potential impact on Human Rights based on Country and Site Risk of violation, using Desk Analysys and Self-Assessment tools.

2. ACT
   Assessment of the results and performance of Audits for high-risk sites definition of the necessary actions to prevent and/or mitigate the potential impact identified.

3. MONITOR
   Monitoring of performance through Assessment and Audit activities throughout the years.

4. RESOLVE
   Resolution of breaches.

5. COMMUNICATE
   Communication of performance in our Sustainability Report.

See also our Sustainability Report 2019 page 85.
Human Rights Assessment

The first phase of our process aims to assess our operations current and potential impact on Human Rights and is carried out relying on a third part to ensure reliability of the information.

IT CONSISTS OF 4 STEPS:

- **Definition of the scope of the analysis**
- **Country Risk analysis: Desk Analysis**
- **Site Risk analysis: Self Assessment**
- **SALIENT MATRIX**

DURING THE SITE RISK ANALYSIS STEP THE FOLLOWING CATEGORIES ARE ASSESSED:

- Employees
- Children
- Local Communities
- Indigenous People
- Minorities

98% of our sites received an Assessment in the last 3 years.
At the end of the Assessment Phase, by combining Country and Site Scores we obtain a salient matrix, which allows us to identify those sites with potential negative impact on salient human rights and consequently drives auditing activities priorities.

Following our Results from the Salient Matrix for 2019.

**Overall Results**

<table>
<thead>
<tr>
<th>Region</th>
<th>Plants at High Risk</th>
<th>Plants at Medium Risk</th>
<th>Plants at Low Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC</td>
<td>7</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>North America</td>
<td>3</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td>LATAM</td>
<td>2</td>
<td>12</td>
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</tr>
<tr>
<td>EMEA</td>
<td>1</td>
<td>17</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td><strong>13</strong></td>
<td><strong>55</strong></td>
<td><strong>40</strong></td>
</tr>
</tbody>
</table>

NUMBER OF PLANTS RANKED: 108
Due Diligence Process – Supply Chain

Not only in our Operations, we also monitor possible negative impacts in our Supply Chain with a 4-step process:

1. **ANALYSIS**
   - Risk analysis by supplier using a Desk Analysis & Risk Analysis tool, covering: management systems governing ethical sustainability and integrity, the environment, and human rights and workers’ rights.

2. **IDENTIFICATION**
   - Identification of potentially high-risk suppliers with regard to sustainability factors.

3. **AUDIT**
   - Selection of suppliers identified by the risk analysis as "Potentially high risk" for Sustainability Audits (carried out by an external provider).

4. **ACTION**
   - Analysis of the audit results and, if negative, activation of improvement actions.

17% of our Suppliers received an Assessment in the last 3 years. See also our Sustainability Report 2019 pages 145-147.
Sustainability and Human Rights Audit

As part of the Due Diligence Process, Sustainability and Human Rights Audits are carried out both in our Operations and in our Supply Chain for the sites and suppliers identified as high-risk.

In our Operations

In the last three years 5 on-site Audits were carried out on our assessed sites at highest-risk and other 6 Audits are scheduled to be performed in 2020 also in remote basis.

For 7% of sites potentially at high-risk the Audit outcome was non-compliant and a specific remediation process has started, including measures such as the preparation of a new Employee Manual with a clearer indication of local Human Rights policies and procedures, and improving actions related to occupational Health & Safety.

In our Supply Chain:

8 supplier audits were carried out during 2019 and, from 2017 to date, 15 sustainability audits have been carried out.

Following the audits, the Group works with the suppliers to determine the action plan needed, if applicable, in order to implement remedial actions.

In the last 3 years 4% of Suppliers had non-standard audit performances and an improvement process has started.

→ See also our Sustainability Report 2019 pages 145-147
Our Human Rights Actions

At a Group level, with the aim to address our most relevant Human Rights Issues identified in our Human Rights Policy and to prevent negative impacts on identified stakeholders and vulnerable groups, we developed through the years a number of initiatives. Here below some of the most important ones.

- **Global Diversity Recruitment Policy** to ensure equal opportunity at all stages in the selection process
- **Diversity Academy** launched in the Philippines, focused on the topic of racial and ethnic diversity
- **Involvement and consultation of unions** at all levels, from plant to international (European Works Council) and use of collective bargaining agreements
- **Health and well-being programmes** For more senior employees offered at local level
- **General and specific H&S training** to operators on the safe management of materials, equipment, and machinery, with a spotlight on personal protective equipment
- **Actions to facilitate work-life balance** such as flexi-hours and remote working
- **Global Maternity Policy** to ensure that all the new mothers in Prysmian Group have equal minimum caring standards
- **Remuneration policy** Free of discrimination
- **Under-age working ethics** special initiative addressing mica suppliers
- **Citizenship & Philanthropy activities** that can help satisfy the needs of local communities in the countries where the Group is present
Thank you