

Enhancement of personnel

People are the most important resource for creating, within a global company such as Prysmian, the cohesion needed to compete at the highest level in the business sectors addressed, while also pursuing the objective of generating lasting and sustainable value.

Within the social dimension of our business, Prysmian recognises its commitment and responsibility towards the people who work for the Group, as well as those who form the local communities in the territories in which we are active. Over more than 140 years, the Group has built its history and successes on the abilities of its employees. Individuals who have been leading actors in the achievement of these results, thanks to their ability to transmit to younger colleagues, generation after generation, their values, experience and attachment to the firm.

The “human capital strategy”, launched at the end of 2011 to integrate the distinct realities found within Prysmian and Draka, seeks to continue along this road: fire the passion, motivation and skills of employees, so they become a true and lasting source of sustainable value, guaranteeing the best ideas, products and performance available in the marketplace and satisfying the needs of the most demanding customers. To this end, the Group's human resources strategy is founded on the following pillars:

- Develop and spread a shared common identity: all individuals must feel part of a joint Prysmian project in which they believe;
- Inspirational leadership model: managers of high moral and professional standing are essential when aspiring to make major progress and obtain consistent results over the long term;
- Attract individuals of value available on the market, presenting a professional, intellectual and career alternative that is challenging and dynamic, but capable of offering long-term prospects;
- Develop and manage talent: in order to prepare the Group for future challenges, it is necessary to define a way to train, stimulate and make best use of the most qualified individuals;
- International and multi-cultural working environment, consistent with the Group's industrial and commercial presence throughout the world.

NEW MILESTONES

To maintain its commitments from last year, in 2015 the Prysmian Group launched a series of initiatives address to its employees, which are described below :

- Recognising the importance of equal opportunities within the Group's multiple realities, Prysmian has adopted a Diversity and Inclusion Policy that states the principles applying to all employees.
- An Engagement Survey was launched to evaluate the link between Prysmian and its personnel, the employees' sense of commitment towards the company and the degree of satisfaction in their work. Globally, the survey covered 5,000 white-collar staff, and a pilot survey was carried out on 2,200 blue-collar staff. The areas evaluated included the working environment, staff management practices and internal communications. The data was collected in December 2015 and the results were shared with staff in the first quarter of this year. Prysmian will consider the benefits of making the Engagement Survey a regular practice.

- The global mobility policy and processes were reviewed and became operational on 1 January 2016. The purpose of this review is to align Prysmian's policy with the most advanced market practices, in order to facilitate expatriation even outside of the Group's headquarters, align the conditions and segment the various types of assignment.
- At the end of 2015 a new section of the Academy was created, for Manufacturing professionals. This involved the setting up of a practical training programme at the Mudanya plant in Turkey.
- With regard to transparency on pay issues, the Group has implemented a job weighting system, which is designed to enable a quick analysis of fairness and alignment with market pay practices. It has also issued guidelines in accordance with local laws, to link pay measures to all levels of the organisation, while variable pay schemes will be linked to individual performance appraisal.

COMMITMENTS FOR THE FUTURE

In 2016 the Prysmian Group expects to launch a further series of initiatives for its employees and external stakeholders.

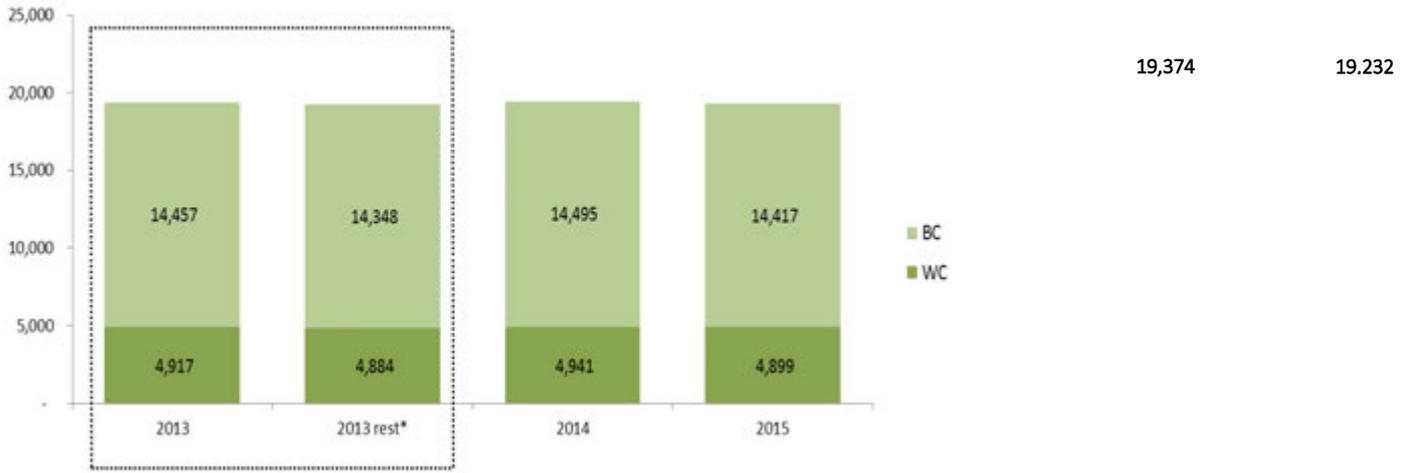
- The global recruitment programme "Make it", which was launched at the end of 2015 and whose aim is to introduce key figures to the Production, Logistics, Quality and R&D divisions, will bring in 40-50 staff with experience, and will be repeated in the future.
- The results of the Group survey will be published and action will be taken to respond to any issues that arise.
- The "Build the future" recruitment programme for new graduates will be held for the fifth time, with the aim of making recruitment a key element of the Group's workforce and skills planning strategy.
- The P3 performance management process will be further improved, by giving staff the opportunity to state their objectives to their superiors in order to boost engagement and participation. In the near future, this system will also allow the exchange of peer-to-peer feedback.
- The Senior Leadership Program, which is addressed to senior managers with the aim of creating a common corporate language to deal with managerial challenges, will be completed within the Leadership Academy.

TOTAL GROUP EMPLOYMENT AS OF 31 DECEMBER 2015¹⁴

The Prysmian Group employs 19,316 people, comprising 4,899 white-collar staff including executives and 14,417 blue-collar workers.

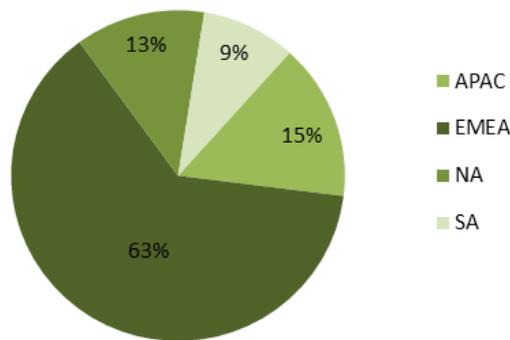
There were 119 fewer employees compared to the previous year. This net reduction includes departures as a result of industrial restructuring and reorganisation in Europe and also the efficiency-enhancing programmes in South America. There are also increases resulting from new investments in certain countries. In addition, the "Graduate Program" saw its fourth intake (41 new graduates) during 2015.

¹⁴ Data expressed in FTE (Full Time Equivalents), including the employees and temporary staff of companies that are Group subsidiaries or subject to management and control.



EMPLOYMENT BY GEOGRAPHICAL AREA AS OF 31 DECEMBER 2015 ¹⁵

In 2015, 63% of personnel were located in EMEA (Europe, Middle East and Africa), including 18% in Italy. North America (United States, Canada and Mexico) and South America employ respectively 13% and 9% of personnel, while APAC (Australia, Asia and China) account for 15%.

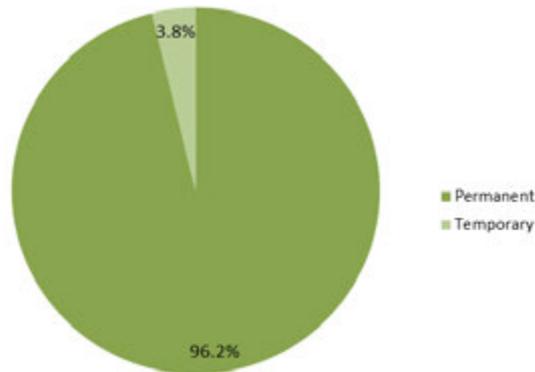


¹⁵ Headcount data at year-end, including solely the employees of companies that are Group subsidiaries or subject to management and control. This data represents 100% of total employment by the Prysmian Group.

* Following the deconsolidation of the Malaysia PCM (from 1 January 2014), the chart shows 2013 employment as restated after excluding the personnel concerned, in order to ensure comparability with 2014 and 2015 workforce figures.

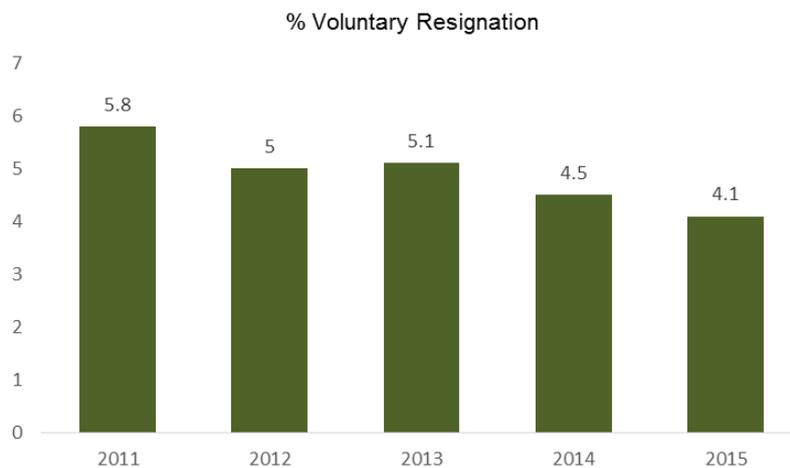
EMPLOYMENT BY TYPE OF CONTRACT AS OF 31 DECEMBER 2015 ¹⁶

The Group had 17,327 permanent employees in 2015, comprising 12,513 blue collar and 4,814 white collar, which represented 96.2% of the total Group employees.



TURNOVER – VOLUNTARY DEPARTURES OF WHITE-COLLAR STAFF ¹⁷

During 2014 there were 202 voluntary departures (4.1% of the white-collar population) out of a total of 613, which was slightly lower than in previous years (4.5% in 2014 and 5.1% in 2013). The overall reduction is 30%, considering the period 2011-2015.



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