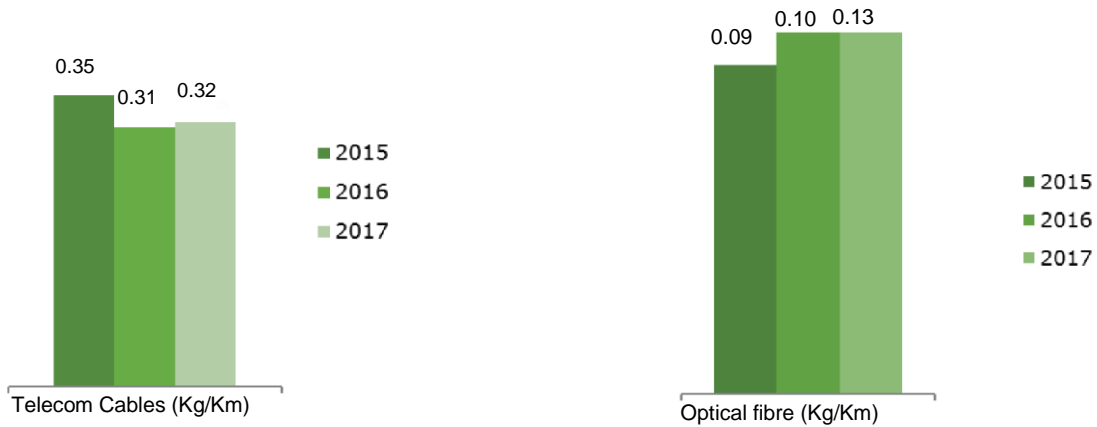


NON-HAZARDOUS WASTE PER Km OF PRODUCT (Kg/Km)



QUANTITY DISPOSED OF IN 2017 [KG]						2016	2015
TYPES OF NON-HAZARDOUS WASTE	Power Cables	Telecom Cables	Accessories	Optical fibre	Group	Group	Group
Waste compounds	14,187,133	1,755,276	-		15,942,409	15,726,901	14,690,407
Non-hazardous packaging	9,449,319	2,823,314	415,331	251,787	12,939,751	13,794,264	15,512,046
Non-hazardous ingredients for compounds	1,313,796	-	-		1,313,796	626,251	1,054,337
Sludge from treatment of emissions	-	-	-	388,690	388,690	345,420	323,770
Sludge from cleansing of civil water	603,680	3,000	-	4,500	611,180	366,085	640,775
Sludge from cleansing of industrial water	434,718	8,402	-	1,872,565	2,315,685	1,122,376	870,006
Urban waste	10,537,876	3,561,472	391,286	811,720	15,302,353	14,712,151	15,097,228
Wood	62,718	-	-		62,718	769,360	-
Sawdust	-	-	-	275,350	275,350	64,890	-
Other non-hazardous materials	32,415,318	3,610,423	407,526	1,562,615	37,995,882	33,979,835	39,787,317
Total	69,004,558	11,761,886	1,214,143	5,167,227	87,147,815	81,507,533	87,975,886

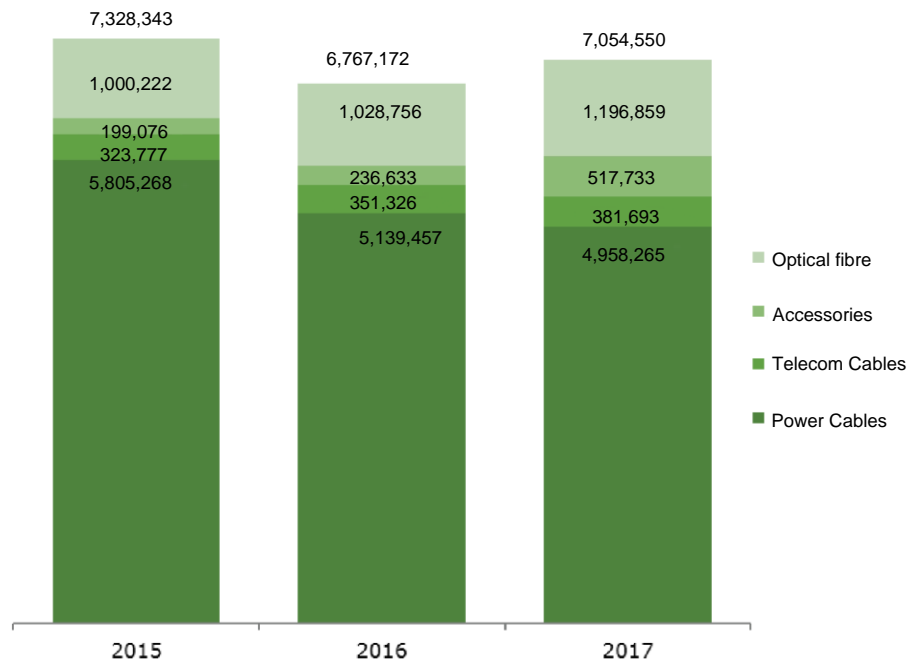
RECYCLED WASTE

With this edition of the Report, the amount of recycled waste is reported in percentages compared to the total amount of waste disposed of above: it is estimated that in 2017, the percentage of recycled waste amounted to around 50 % of the total. As this percentage refers to hazardous waste and non-hazardous waste, in the near future a more in-depth analysis will be undertaken to improve the accuracy of the estimate by keeping these two categories of waste separate.

CONSUMPTION OF WATER RESOURCES

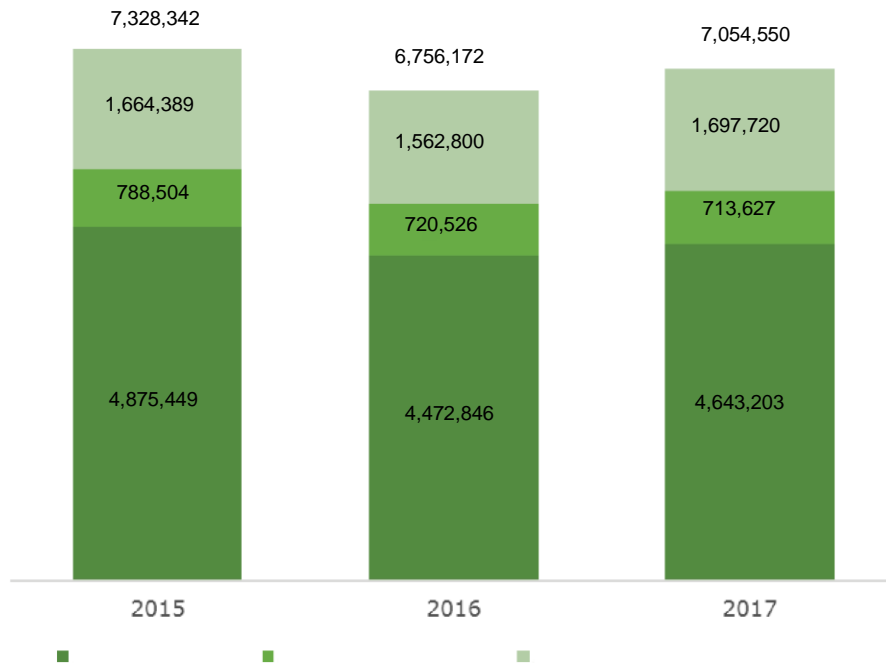
Total water consumption increased by about 4% in 2017 compared with 2016. It should be noted that the consumption of one factory - Drammen - was assumed by proportioning the one of last year on the basis of production as declared and no longer measured by the site (therefore not available and not communicated).

CONSUMPTION OF WATER RESOURCES OF THE GROUP (m³)



Product lines	2015	2016	2017
Power Cables	79.2%	76.1%	70.3%
Telecom Cables	4.4%	5.2%	5.4%
Accessories	2.7%	3.5%	7.3%
Optical fibre	13.6%	15.2%	17.0%
Total	100%	100%	100%

WATER CONSUMPTION, ANALYSED BY SOURCE (m³)

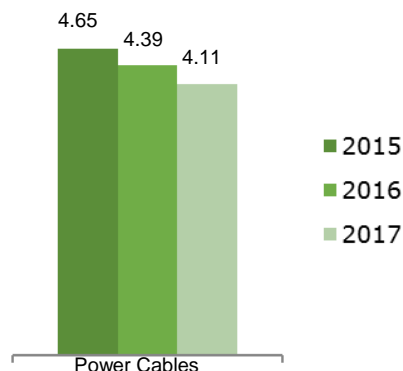


WATER CONSUMPTION IN 2017 BY SOURCE [m3]					2016	2015
Source	Power Cables	Telecom Cables	Accessories	Optical fibre	Group	Group
Water from wells	3,011,269	190,147	474,372	967,415	4,643,203	4,875,449
Water from other sources	682,526	9,782	11,196	10,123	713,627	788,504
Water from public water main	1,264,470	181,764	32,165	219,321	1,697,720	1,664,389
Total	4,958,265	381,693	517,733	1,196,859	7,054,550	7,328,342

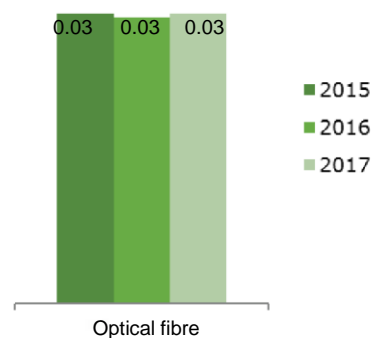
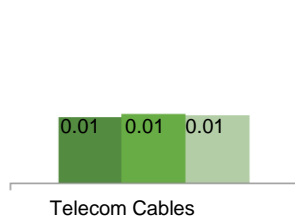
Compared to 2016, the aggregated "Power Cables" plants recorded a reduction in water consumption both in absolute terms and in relation to production, while the water consumption of the "Telecom Cables" plants increased in absolute terms and decreased if compared to production.

At a local level, in many cases the differences are due to leaks in the hydraulic pipes (if they occurred in 2016 and were then repaired they led to reductions in consumption in 2017, and conversely, if they occurred in 2017 caused the increase) or to various interventions carried out on the same hydraulic circuits. It should be noted that the sharp increase in water consumption of an "Accessories" plant is due to the start-up of this production at the end of 2016, and the start-up operations continued the following year. Actions to improve the recycling and optimisation of the use of water described in the paragraph "Main initiatives to lower environmental impact" are worth noting.

WATER CONSUMPTION PER TONNE OF PRODUCT (m³/t)



WATER CONSUMPTION PER Km OF PRODUCT (m³/Km)



PERCENTAGE OF PROCESS WATER RECIRCULATED

Process water - e.g. that used to cool semi-finished products - is recirculated at numerous factories, in whole or in part depending on the situation, in order to avoid excessive consumption. In order to better understand the degree of efficiency achieved in the use of water, the application of the methodology, devised in collaboration with the Merlino factory, to determine the "percentage of water recirculated" with respect to total water consumption has been extended. The concept is based on how much is saved (compared with not having a recirculation plant) in relation to the total quantity of water consumed for processing reasons (due to evaporation, occasional emptying of the circuit, or the lack or only partial installation of a recirculation plant).

The formula is being applied to an increasing number of factories and, in 2017, about 80% of operating units supplied results in terms of water recirculated as a percentage of the total quantity used. In the overwhelming majority of cases, hydraulic circuits are served by a recirculation system and, in over 40% of these, recirculated water accounts for 99% or more of the total water used, while (about) 40% of factories recirculate between 95% and 99% of their water, just 3 % between 90% and 95% and 10% less than 90% (since their recirculation systems do not cover all their hydraulic circuits, yet). The remainder do not use hydraulic circuits or perform activities for which recirculation is not applicable.

The above results were provided by the following countries: Argentina, Brazil, China, Estonia, France, Germany, Indonesia, Italy, Norway, Russia, Sweden, Turkey, UK, Hungary, Romania, Slovak Republic, Czech Republic, certain US operating units, Netherlands.

The percentages stated above may of course change as application of the formula is extended to other factories, in order to obtain full coverage of the Group.