

Environmental and Social Data Sheet

Overview

Project Name: *PRYSMIAN GROUP RDI*
 Project Number: *2013-0256*
 Country: Italy
 Project Description: The project concerns research & development activities related to the manufacturing of energy efficient electricity and telecommunications cabling systems.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The project concerns investments in research, development and innovation (RDI) that will be carried out in existing facilities without changing their already authorised scope. An Environmental Impact Assessment (EIA) is therefore not required by EIA Directive 2011/92/EU. Given the project's partial focus on developing high voltage and submarine power transmission cables that are essential for the off-shore wind power industry, the investment is expected to have indirect positive environmental effects as an enabler of renewable energy. Parts of the project also aim directly at reducing losses in high voltage power transmission. Overall the project can be considered environmentally acceptable with positive or neutral impact.

Environmental and Social Assessment

Environmental Assessment

Conventional power sources can be situated relatively close to the main areas of consumption. In contrast, there is less choice where renewable energy sources can be located or how much power they can generate, requiring therefore more flexible power grids. The extended use of renewable energies also implies an increased need for long distance power transmission lines, which is only practical with the use of long distances underground or under water High Voltage DC systems.

Smart grids refer to the infrastructure that enables the delivery of power from generation sources to end-users to be monitored and managed in real time. They have become increasingly important due to the on-going shift from conventional power sources towards renewable energy sources (solar, wind, and wave), with variable generation that the operator cannot fully control. The company's R&D supports both these aspects enabling the interconnection and transport of renewable energy.

Other Environmental and Social Aspects

Since 2011, the promoter publishes a certified annual Sustainability Report. In 2012 the actions towards environmental responsibility included the definition, updating, dissemination and checking of the Group's Health, Safety & Environment (HSE) guidelines that were designed to establish common rules at Group level for managing the related matters. By year end (2012), 82% of the Group's 91 operating units had ISO 14001 certification, and the process for further coverage is continuing.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

The environmental performance of Prysmian during 2012 resulted in the following key statistics: about 6 million GJ of energy consumed by production systems, 87,000 tonnes of waste produced and almost 9 million m³ of water consumed.

The statistics reflect a generalised improvement in performance per unit of production with respect to 2011. In addition, at the start of 2012, HSE improvement objectives were established for 2012 - 2014 and communicated internally, involving the HSE functions in each country and at each business unit. These objectives relate to action on energy efficiency and the use of resources, such as participation in the Carbon Disclosure Project, and work on the environmental declarations of products, Life Cycle Assessments and progressive expansion of the number of factories with ISO 14001 and OHSAS 18001 certification.

In Germany an energy management system has been designed and gradually implemented, with a view to obtaining ISO 50001 certification at all operating units there (by the end of 2012, four German factories had already obtained ISO 50001 certification).

In power cables, thanks to increased energy efficiency, the specific energy consumption per unit of production was lowered by 4.3%. In telecom cables there was a reduction of about 1% in normalised consumption per unit of production and in Optical fibre the consumption per unit of production fell by about 3%.

According to a third party company that specializes in the governance and sustainability assessment of corporations, Prysmian's Environmental performance is in line with the sector average.