

Nexans, **Electrify** the **Future**.

SUSTAINABLE FINANCING FRAMEWORK

9 March 2023

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1. INTRODUCTION

Nexans develops, manufactures and provides maintenance for products and services to offer sustainable and reliable energy networks to Group customers.

From energy production and distribution to usage, Nexans plays a leading role in advancing the energy transition on a global scale and in building a new electrified world, accessible to everyone, by offering its customers innovative, connected solutions.

The electrification of the planet is key to a sustainable, balanced and equitable growth that benefits to all humanity.

ONE EXPERTISE:

Nexans offers to its clients cables and solutions acting as a link at the heart of the industry. Their high performance is the result of over 120 years of constant innovation.

ONE MISSION:

Nexans plays a crucial role in the sustainable electrification of the world. From the production and distribution of energy to its usage, Nexans designs tailored solutions to its customers' and end-users' needs. Nexans' innovative and connected solutions benefits for all its stakeholders, while bringing progress to people and the planet.

ONE PURPOSE:

Because electricity is its DNA, Nexans is now positioning itself as a world leader in energy transition, a « pure player » in electrification for a better and more sustainable future.

Today, Nexans goes beyond cables to offer customers a range of services and solutions that leverage digital technology to maximize the performance and efficiency of the customers' critical assets. As such, the Group manufactures and installs cables, designs services and solutions along the entire value chain in five main business areas:

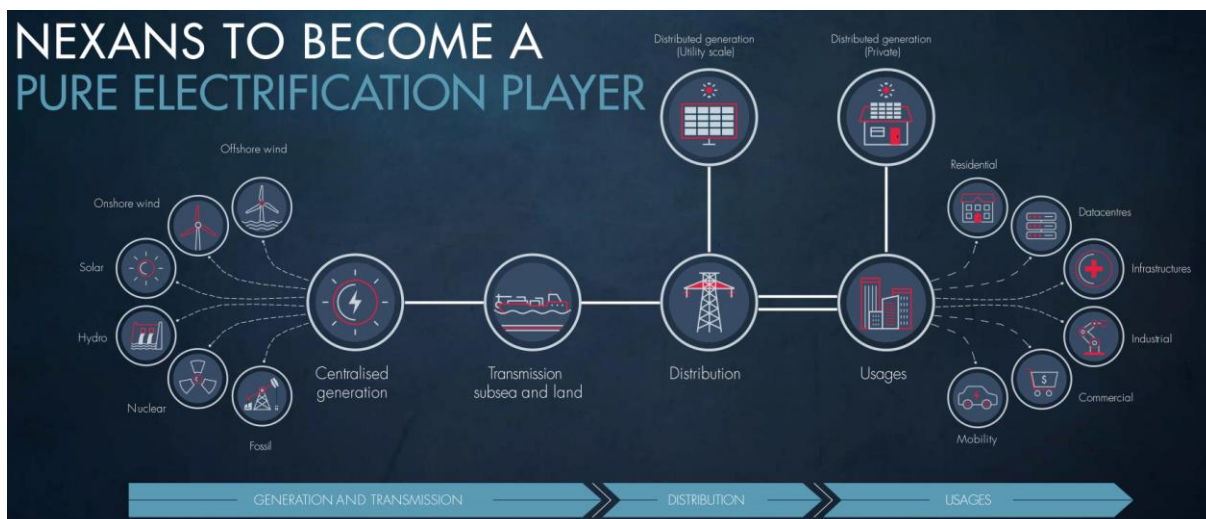
Electrification businesses:

- Usages (formerly Building)
- Distribution (formerly Territories)
- Generation and Transmission (formerly High Voltage & Projects)
 - covering offshore wind farms, subsea interconnections, land high voltage,

Non-Electrification businesses:

- Telecom & data (including lan cables and systems and telecom infrastructures), and
- Industry & Solutions (including automation, mobility, auto-harnesses)

By 2024, Nexans will amplify its role by becoming an electrification pure player. The Group will offer systematic answers to its customers' unique requirements from the generation and transmission, to the distribution and usages of energy.



Corporate Social Responsibility (“CSR”) is a guiding principle of Nexans’ business activities and internal practices.

The Group works responsibly every day to respond to major challenges and meet stakeholders’ expectations. As one of its value creation drivers, CSR remains a key component and integral part of the Group’s strategy.

The CSR roadmap for 2020-2023 was presented to stakeholders at the Nexans ESG event held in November 2020. The three CSR pillars for building a sustainable future are now grouped into three priorities, which break down into nine ambitions corresponding to the issues that give rise to challenges and risks on which the Group is focusing its CSR efforts.

1. PEOPLE: Looking after its people and building a diverse and inclusive workplace for all.

- Workplace safety: guarantee health and safety on sites
- Human capital: train and support people who build business
- CSR awareness: motivate people to act on CSR issues



2. ENVIRONMENT: Committing to reduce carbon impact on the planet in innovative ways

- Environmental management: maintain a high standard of environmental management
- Circular economy: reduce production waste, generate revenue from products and services that contribute to the energy transition and energy efficiency, increase the share of recyclable and connected cable drums
- Climate: reduce its impact on the climate and improve the share of renewable, decarbonized energy



3. ECOSYSTEM: Sharing its values and the highest ethical standards with all stakeholders

- Business ethics: maintain a compliant framework and fair business practices

- Stakeholders: maintain a sustainable stakeholder relationship
- Nexans Foundation: help underprivileged communities access energy



CSR Governance

To steer its CSR ambitions, the Group has set up a dedicated governance structure overseen by the CSR Department, which reports to the Senior Corporate Vice President, Chief Human Resources Officer, and member of the Executive Committee.

The Group's highest decision-making bodies and operating and support departments are closely involved in CSR governance. This is reflected in the commitment to integrate CSR into its strategy through various committees.

Primarily, the CSR Committee chaired by the Chief Executive Officer, is made up of members of the Executive Committee and meets at least once a year to define the CSR policy and assess the various initiatives.

In December 2021, a Vice-President Sustainability was appointed to redefine governance and coordinate all of the Group's E3 actions (see E3 detailed below).

Twice a year, the Strategy and Sustainable Development Committee of the Board of Directors also reviews how the Group takes into account sustainable development issues in defining its strategy.

The Board of Directors created, at the beginning of 2022, the role of a Board member responsible for monitoring climate and environmental issues.

External Recognition

ISS ESG: B- rating maintained (the best rating in the industry is B), enabling the Group to keep its "Prime" status.

CDP (Carbon Disclosure Project): maintaining its positioning in CDP Leadership bucket with confirmation of A- rating in 2022 as in 2021.

EcoVadis: Advanced rating with a score of 78% (78% in 2021), earning the Group the EcoVadis Platinum level CSR recognition medal. The Group now ranks among the top 1% of companies assessed by EcoVadis.

Sustainalytics: In 2022, the Group's risk rating was 20.6, which represents a medium risk of material financial impacts driven by ESG factors. This rating is based on its average risk exposure and strong management of material ESG issues.

MSCI: Upgrade to A in November 2022 (versus BBB in 2021).

2. NEXANS SUSTAINABILITY STRATEGY



Electrify the future

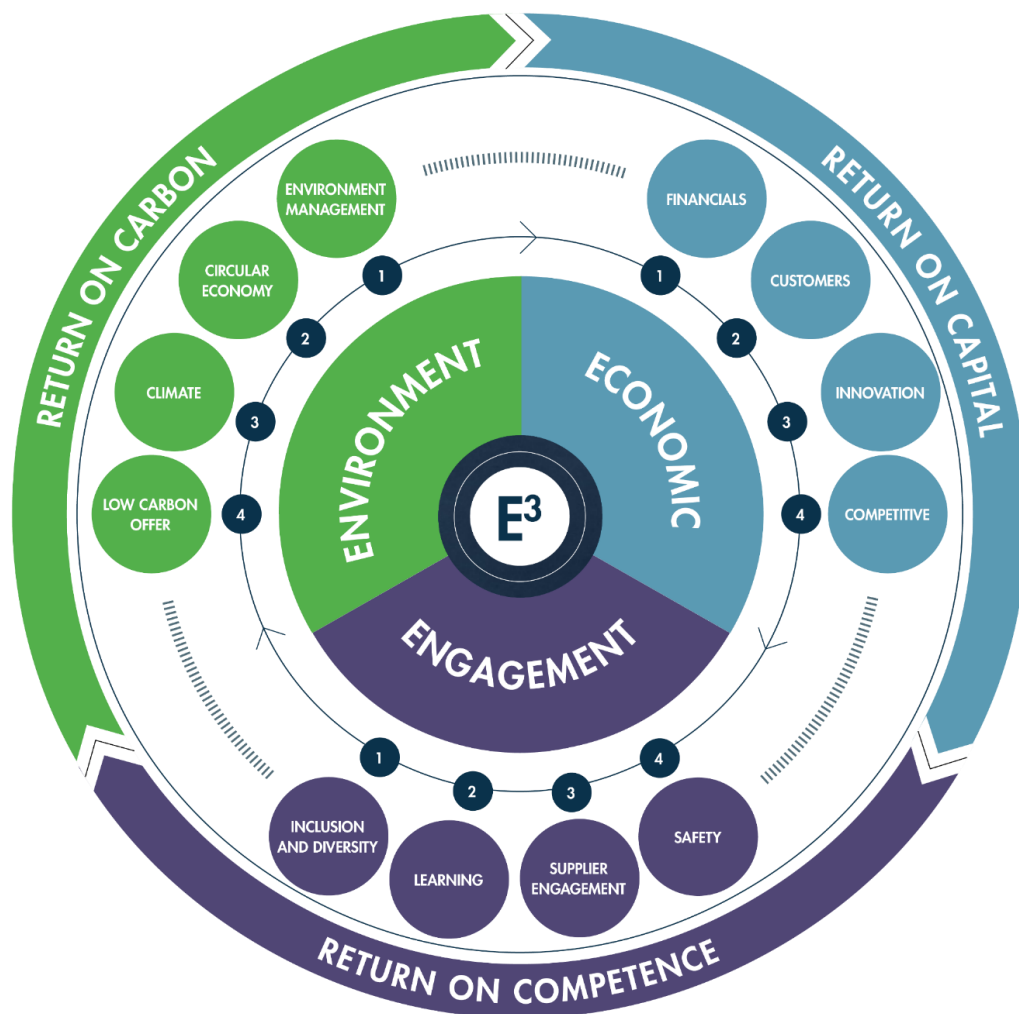
Electrification is in Nexans' DNA. It is at the very core of the Group's existence. Electrification is what drives people at Nexans to give the best of themselves, to build a better future for the world.

In 2020, the Group announced its goal to contribute to carbon neutrality by 2030. Its environmental strategy is also designed to conserve resources, promote the circular economy and anticipate the potential impact of climate change on its business model. Climate change is an opportunity to transform Nexans' business model, by accelerating its electrification business, and by developing innovation that can improve the energy and environmental performance of its products.

E3: a unique value creation model

To meet the goals of its CSR roadmap and long-term commitments faster, the Group has set up a tool to monitor the progress of its E3 Program.

Economic, Environment and Engagement: the growing influence of key non-financial performance indicators on investment decisions, monitoring upstream and downstream emissions, the development of carbon tax systems, and finally our exponential exposure as an employer through the media. Leading by example in how we handle our environmental impact and employee well-being is essential to the growth of the new Nexans.



A climate strategy to contribute to carbon neutrality

Fully aware of its responsibility to address climate change and operationally prepared to do so, the Group announced its goal to contribute to achieving carbon neutrality by 2030 through the roadmap mentioned below.

A special team was set up in early 2020 to coordinate the implementation of this roadmap and monitor progress towards Group targets. The Planet Team, led by the Vice President Sustainability, is made up of the CSR Department and representatives from the Industrial Management, Purchasing and Technology Departments. A progress report is regularly presented to the Executive Committee.

To align its approach with the target to limit climate change to 1.5°C set forth in the Paris Agreement, the Group has pledged to contribute to achieving carbon neutrality by 2030.

■ An ambitious roadmap

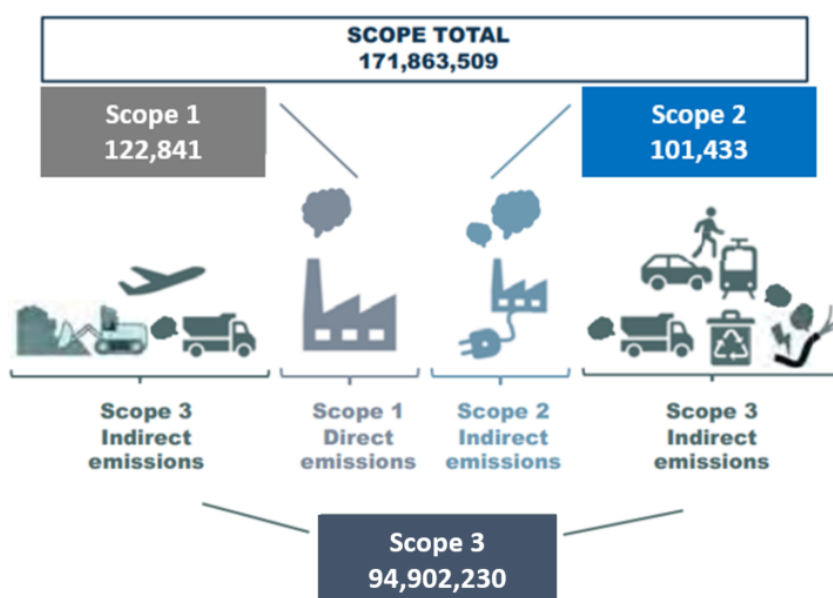
At its first Climate Day on the sustainable electrification of the world held in September 2020, the Group disclosed its roadmap to contribute to carbon neutrality.

Its priority target is to reduce its total greenhouse gas (“GHG”) emissions. Nexans’ sustainability roadmap, validated by SBTi’s team in April 2022, includes a commitment:

- to reduce absolute Scopes 1 and 2 GHG emissions by 46.2% by 2030 versus 2019 base year. Scopes 1 and 2 cover the GHG emissions coming from industrial operations of the Nexans Group;
- to reduce absolute Scope 3 GHG emissions by 24% by 2030 versus 2019 base year.

Nexans targets for Scopes 1 and 2 are in line with the 1.5° C trajectory, determined by the Paris Agreements.

■ The Group’s carbon footprint (as of 2022, tCO₂e)



The predominant source of the Group’s emissions involves the use of products to distribute electricity over the course of their life cycle.

■ Supporting sustainable solutions for the energy transition

Nexans hosted its third annual Climate Day in September, 2022. The event was part of the larger Climate Week NYC event of which Nexans is a Gold sponsor and a RE100 award sponsor.

The theme of Nexans' Climate Day 2022 was Energy Independence with a focus on sustainable solutions for the energy transition and featured speakers and panels with key stakeholders from the offshore wind industry, public bodies, and Nexans.

Driving the energy transition and energy efficiency

As a global player in cables and cabling systems, Nexans draws on its expertise and innovation capacity to advance towards the energy transition.

The Group runs extensive training and information campaigns for its employees to strengthen collective engagement. It improves the environmental performance of its sites and develops products and business models that offer concrete responses to climate change.

Conserving resources and managing pollution risk

One of the objectives of the Group's environmental policy is to conserve resources and manage its pollution risks. It has therefore analyzed the sources of pollution within its business activities, based on the key processes used, the overall risks they generate, and measures implemented.

Environmental management at all Group sites is a key priority for the Group, together with compliance with applicable laws and regulations and with its policies on conservation and environmental protection. Today, two complementary environmental performance evaluation and certification processes are deployed concurrently at Group sites, supported by a network of representatives: ISO 14001, an external certification; and EHP (Highly Protected Environment), an internal Nexans label that is a full-fledged environmental risk management system. EHP covers 6 main areas, broken down into 119 questions that are managed and consolidated using a special system. It constitutes a performance obligation for the sites, making it distinctive from and more demanding than ISO 14001.

Circular economy

Due to its unique position in the value chain, circular economy principles are at the heart of Nexans' operating model: from metallurgy to cable recycling. The circular economy features in the Group's CSR policy as one of the main ambitions. This model aims to limit the consumption of resources by implementing a system based on three key steps:

- Reduce consumption of raw materials, water and energy
- Reuse waste, water and packaging
- Recycle by increasing the use of recycled materials in products and providing recycling services to customers

In 2022, the Group continued to roll out the integration of recycled plastic in its products. Progress is supported by R&D from the Group's Research Center and industrial development work with plants. This work began in 2015, and the Group benefited from the support of ADEME (the French Environmental Agency) for its research conducted under the first phase of the ORPLAST program.

Innovation with purpose and Technology (R&D)

Nexans targets by 2030 of 100% of R&D projects to be dedicated to energy efficiency, energy transition, people safety and resources preservation

Nexans is pushing the boundaries of technology to support customer needs. To do this, we continue to make game changing investments in research and development (R&D).

Nexans is leveraging on cloud, AI, IoT and wireless connectivity to deliver data-driven services and solutions while also accelerating the energy transition.

Environmental expenditure and investments

The approved environmental investments for 2022 accounted for 4.3 million euros (3.5 millions euros in 2021). These investments include the replacement of energy-intensive equipment, removal of asbestos from roofs, renovation of electrical equipment, treatment of air pollution, noise reduction, closed-loop water filtration systems, replacement of lighting with LED bulbs, etc.

The Nexans Foundation: Nine years of solidarity through philanthropy

In 2013, Nexans became the first cable player to create a Foundation to act and serve in the general interest of society. Its main mission: provide financial support to initiatives that help bring electricity to disadvantaged communities throughout the world by giving priority to grassroots-level organizations and reliable and sustainable solutions.

With a five-year budget of 1.5 million euros, the Nexans Foundation has supported 134 projects in 38 countries in partnership with 63 organizations since it was created. These projects have brought, or plan to bring, electricity to over 1.8 million people. Due to the ever growing involvement of the Group's local entities, the Nexans Foundation supports large non-profits that are well known in the area of access to energy, such as Electricians Without Borders, the Group for the Environment, Renewable Energy and Solidarity (GERES) and FONDEM (Foundation Energies pour le Monde) for large scale projects, as well as smaller organizations, such as Shekina, AccesMad and Lumières Pour Tous. It works in all countries, primarily those affected by energy poverty, mainly in sub-Saharan Africa (in 19 countries), North Africa (1), the Middle East (2), Asia (9), South America (4) and the Caribbean (2). It also leads energy access and anti-energy poverty projects in France.

A hand holding a small globe against a sunset sky over a desert landscape. The hand is positioned in the center, holding the globe with both hands. The background shows a vast desert landscape with rolling hills and a sky filled with soft, orange and yellow clouds. The overall tone is warm and hopeful.

3. RATIONALE OF THE SUSTAINABLE FINANCING FRAMEWORK

The creation of a Sustainable Financing Framework (the “Framework”) is a consistent and tangible step to further align Nexans financing strategy with its mission, objectives and sustainability targets. It is a valuable tool that the company will use for the implementation of its growth strategy with an integrated sustainability approach.

This Framework is designed as an overarching framework allowing the issuance of various sustainable financing instruments such as Green, Social, Sustainability as well as Sustainability-linked financing instruments.

Green, Social and Sustainability financing instruments

Nexans has defined Green, Social and Sustainability financings in the Section 4 of this Framework, “Green, Social and Sustainability Financing Definition”.

- i. This Section is aligned with ICMA’s Green Bond Principles 2021 with 2022 Appendix I (“GBP”), Social Bond Principles 2021 with 2022 Appendix I (“SBP”) and Sustainability Bond Guidelines 2021 (“SBG”) as well as the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA)’s Green Loan Principles (GLP) and Social Loan Principles (SLP).
- ii. Green, Social and Sustainability financing instruments include Green, Social and Sustainability bonds in public and private format (the “Bonds”), Green Loans, and any other instrument aiming at financing Eligible Projects as defined in Section 4 of this Framework.
- iii. An amount equal to the net proceeds from the issuance of each Green, Social and Sustainability financings will be used to finance or refinance, in whole or in part, new or existing investments or assets that meet the Use of Proceeds Section 4.1 of this Framework.

Sustainability-linked financing instruments

To provide further support its climate ambition, Nexans anticipates issuing Sustainability-linked financing instruments in addition to Green, Social and Sustainability financings.

The Section 5 of this Framework defines a set of guiding principles for financing instruments linked to the achievement of material, quantitative, ambitious, and externally verified sustainable objectives through Key Performance Indicators (“KPIs”) and their associated Sustainability Performance Targets (“SPTs”).

- i. This Section is in alignment with the International Capital Market Association's (ICMA) Sustainability-Linked Bond Principles (SLBP) as well as the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA)’s Sustainability-linked Loan Principles (SLLP).
- ii. Sustainability-linked financing instruments include Sustainability-linked bonds in public and private format (“SLB”), Sustainability-linked Loans (“SLL”), and any other instrument aiming at linking the achievement of Key Performance Indicators as defined in the Section 5 of this Framework.
- iii. Unless otherwise stated, proceeds of any Sustainability-linked financing instruments will be used for general corporate purposes.

Governance of the Sustainable Financing Framework

A “Sustainable Financing Working Group” is established to support Nexans’ Framework. The main aim of this Committee is to monitor the financing instruments issued under this Framework and to manage future updates of the Framework.

The Working Group will be formed by representatives from Treasury, CSR, Investor Relations, Human Resources as well as operational departments when relevant.

The Working Group will meet at least on an annual basis or earlier when required.

External verification of the Sustainable Financing Framework

Nexans has appointed ISS Corporate Solutions to provide a Second Party Opinion on the Sustainable Financing Framework, its transparency, governance and alignment with the GBP, SBP, SBG, and SLBP as well as GLP, SLP and SLLP.

In the event that Section 3 and/or Section 4 and/or Section 5 of this Framework is updated in the future, Nexans commits to update the Second Party Opinion. Such updates of the Framework will only apply to financings that are launched after the issuance of a new Second-Party Opinion.

This Second Party Opinion document will be made publicly available on Nexans' website.

4. GREEN, SOCIAL AND SUSTAINABILITY FINANCING DEFINITION



This Section will apply to any forthcoming Green, Social or Sustainability instrument. This Section is aligned with ICMA's Green Bond Principles ("GBP"), Social Bond Principles ("SBP") and Sustainability Bond Guidelines ("SBG") as well as the Loan Market Association ("LMA"), the Asia Pacific Loan Market Association ("APLMA") and the Loan Syndications and Trading Association ("LSTA")'s Green Loan Principles ("GLP") and Social Loan Principles ("SLP").

4.1. Use of Proceeds

The Use of Proceeds of any Green, Social and Sustainability financing under this Framework will be subject to the following eligibility criteria, to be applied to new or existing projects.

The financing of such projects is expected to create substantial environmental and social benefits by significantly reducing GHG emissions and improving the living conditions of target populations.

- Before each Green, Social or Sustainability bond issuance, Nexans commits to report the following information: The amount of financing and refinancing expected in the allocation of the proceeds
- The breakdown per project category that may benefit from proceeds allocation

Green Eligible Projects and Social Eligible Projects are "Eligible Projects" and constitute the Eligible Project Portfolio.

A. Green Eligible Projects

Green Eligible Projects will primarily include capital expenditures. They may also include R&D expenses, maintenance costs related to Green Eligible Projects, as well as equity shares of companies specialized in any of the below Green Eligible Projects categories¹.

Green Eligible Projects aim at addressing the EU environmental objective of climate change mitigation.

ELIGIBLE CATEGORIES	ELIGIBILITY CRITERIA
Transmission and Distribution of renewable energy sources	<p>Generation and Transmission: Construction, development, installation, maintenance and upgrade of energy transmission and distribution systems that supports the development of renewable electricity transmission and distribution such as:</p> <ul style="list-style-type: none"> - Land High-Voltage cables or cable systems for direct connection or expansion of connection to renewable generation plants, with: <ul style="list-style-type: none"> — Overhead lines transmission, and — High voltage underground: tunnel applications and partial undergrounding - Subsea power cables and cable systems for direct connection or expansion of connection to renewable

¹ meaning that > 90% of their revenues will derived from Green Eligible Projects categories

	<p>generation plants, including cable ships connecting offshore wind farms.</p> <ul style="list-style-type: none"> - Investments in expansion of manufacturing capacity to produce high-voltage cables and cable systems connecting onshore and offshore wind farms. <p>Distribution & Usages: Construction, development, installation, maintenance and upgrade of energy transmission and distribution systems that transport renewable electricity or that support low carbon transportation and Green buildings. Such as:</p> <ul style="list-style-type: none"> - Transport of renewable energy through low-voltage and medium-voltage cables and cable systems for direct connection or expansion of connection to renewable generation plants for: <ul style="list-style-type: none"> — Onshore and offshore wind farms — Solar power - Customized low-voltage and medium-voltage cable solutions, for electric mobility, including but not limited to: <ul style="list-style-type: none"> — Production of cables for the rail transportation infrastructure and for charging stations of electric vehicles - Support Green Building² development with customized low-voltage and medium-voltage cable solutions.
Energy storage	<p>Projects aiming to support the development of clean, safe, cost-effective solution for:</p> <ul style="list-style-type: none"> • storage and transportation of hydrogen from renewable energy sources. • storage of renewable energy (wind and solar)
Renewable energy	<p>Investment in the installation, development, construction and upgrade of equipment that generate renewable energies (wind and solar)</p>
Energy efficiency	<p>Programs towards digitalization upgrades to reduce energy demand and optimize energy storage. It includes equipment to increase the controllability and observability of the electrical power system through sensors and measurement tools, and communication and control</p>

B. Social Eligible Projects

Social Eligible Projects aim at providing socioeconomic advancement, access to energy.

² Eligible Green Building is defined in alignment with the EU Taxonomy. For construction, it includes buildings for which the Primary Energy Demand (PED) is at least 10 % lower than the threshold set for the nearly zero-energy building (NZEB) requirements.

Social Eligible Projects will include capital expenditures, R&D expenses, maintenance costs related to social eligible projects, as well as equity shares of companies specialized in any of the below Social Eligible Projects categories³.

ELIGIBLE CATEGORIES	ELIGIBILITY CRITERIA	TARGET POPULATION
Accelerating development of underserved areas	Programs to deploy low-voltage and medium-voltage cables to develop access to energy, urban mobility, basic infrastructure and housing construction: <ul style="list-style-type: none"> On-grid or off-grid village electrification projects Electrification of new metro or tramway lines Electrification of residential buildings and building cables for various building projects (schools, hospitals, public authorities, etc.) Deployment of infrastructure cables in countries (between generation and cities, and within cities) 	Populations in underserved areas, defined as population living in emerging markets and developing economies as per IMF Data Mapper ⁴
	Donation of wires and cables to support areas impacted by humanitarian crises by natural disasters and by other major damages	Vulnerable population impacted

EXCLUSION:

- Projects for infrastructure dedicated to connecting or expanding connection to production plants that are fossil-fuel based

4.2. Process for Project Evaluation and Selection

The Sustainable Financing Working Group (the “Working Group”) is in charge of the following:

- To review and validate the inclusion of Eligible Projects in the Eligible Project Portfolio. New projects will be identified on an ongoing basis by the respective operational and/or finance teams of various business units. Business teams may propose Green Eligible Projects and Social Eligible Projects.

³ meaning that > 90% of their revenues will derived from Social Eligible Projects categories

⁴ IMF DataMapper available at

<https://www.imf.org/external/datamapper/NGDPDPC@WEO/OEMDC/ADVEC/WEOWORLD/MENA>

The Working Group will review and approve, as appropriate, such proposal based on the definition of Use of Proceeds. Final decision on the allocation is given by the CFO of Nexans.

- To monitor the Eligible Projects Portfolio, during the life of the financings, the Working Group can decide to exit from the Eligible Project Portfolio some Eligible Projects in case of divestment, or if an Eligible Project no longer meets the eligibility criteria. The review may be due to the identification of the occurrence of a material controversy associated with an Eligible Project.
- To review the Sustainable Register, as defined in Section 4.3, and to oversee the Sustainability Financing Reporting process.

Identification and management of environmental and social risks

Through its adherence to the Ten Principles of the Global Compact, the Group demonstrates its strong support for the fundamental human rights and freedoms that must be respected universally. The Group's employees agree to comply with local regulations at all times in every country where the Group operates. The Code of Ethics and Business Conduct remains the Group's shared set of standards that applies to all its employees around the world. Nexans business partners are also expected to comply with this Code. This Code of Ethics and Business Conduct is derived from the Ten Principles of the UN Global Compact, the Universal Declaration of Human Rights and international labor standards, especially those concerning forced labor and child labor.

The evaluation of the respect of human rights and fundamental freedoms by the Group's suppliers is addressed through the EcoVadis platform's questionnaire as part of the sustainable purchasing program. The new version of the Supplier CSR Charter provides detailed expectations on these matters. Due to the critical nature of this issue, we have strengthened the Group's approach to managing human rights risks. This is reflected in the following actions:

- Social and internal audits will be stricter with points added specifically to check compliance with human rights.
- A governance structure dedicated to human rights was implemented, with a multi-disciplinary team with managers from the Legal, Compliance, Risks, Purchasing and CSR departments under the leadership of the Human Resources Department. The team meets twice a year or upon request when issues arise.

A Human Rights Charter has been defined, co-developed with employee representative bodies, and incorporated into the Code of Ethics and Business Conduct. An action plan was defined to promote the distribution of the Charter and encourage each Group employee to adopt it.

Environmental management at all Group sites is also a key priority for the Group, together with compliance with applicable laws and regulations and with its policies on conservation and environmental protection. Today, two complementary environmental performance evaluation and certification processes are deployed concurrently at Group sites, supported by a network of representatives: ISO 14001, an external certification; and EHP (Highly Protected Environment), an internal Nexans label that is a full-fledged environmental risk management system. It constitutes a performance obligation for the sites, making it distinctive from and more demanding than ISO 14001.

4.3. Management of Proceeds

The net proceeds of any Green, Social and/or Sustainability financing will be managed on a portfolio basis by the Treasury department.

An amount equivalent to each financing net proceeds will be used to finance and/or refinance, in whole or in part, Eligible Projects which are part of Eligible Project Portfolio.

- Only Green Eligible Projects can be allocated to Green financings,
- Only Social Eligible Projects can be allocated to Social financings.

The Treasury department will establish a Sustainable Register, that will be reviewed annually by the Working Group. It will contain information of the use of proceeds of each Green, Social, and Sustainability financing, including the amount of allocation per Eligible Project Category.

Pending full allocation to Eligible Projects, Nexans commits to earmark and hold the balance of unallocated proceeds in the form of cash or cash equivalent or Socially Responsible Investment (SRI) funds or other liquid marketable instruments in line with Nexans' treasury management.

For Bond issuances:

- In case of refinancing, disbursements related to Eligible Projects made in the 3 calendar years prior to the issuance may be allocated to the Bonds.
- Nexans commits on a best effort basis to reach full allocation within the 24 months following each Bond issuance.

4.4. Reporting

In alignment with the company's transparency and commitment to publicly report on allocation and impact, Nexans will provide a Sustainability Financing Reporting on an annual basis until proceeds are fully allocated.

If, after completion of the allocation, some Eligible Projects are replaced, in accordance with the Section 4.2 "Process for Project Evaluation and Selection", Nexans will publish an updated Sustainability Financing Reporting on its website.

The Sustainability Financing Reporting is composed of an allocation report and an impact report.

Allocation report

Nexans allocation report will provide information on the following:

- The list of outstanding Green, Social and Sustainability financings
- The total amount of proceeds allocated per Eligible Project category;
- The share of financing and refinancing;
- The amount of unallocated proceeds (if any).

Impact report

Nexans will provide an impact report to support the allocation report described above through aggregated outputs and impact metrics.

This report may include the following:

Eligible Categories	Potential impact indicators
Transmission and Distribution of renewable energy source	<ul style="list-style-type: none"> — Increase of T&D capacity (in MW and in KM) — Charging capacity and Number/size of infrastructure for electrification — When applicable, Green building' environmental certification achieved or targeted — Annual GHG emissions reduced in tons of CO₂ equivalent
Hydrogen production	<ul style="list-style-type: none"> — Annual Hydrogen production (tH₂ or m³) — Annual GHG emissions reduced in tons of CO₂ equivalent
Energy storage	<ul style="list-style-type: none"> — Annual storage capacity in MW — Annual GHG emissions avoided in tons of CO₂ equivalent
Renewable energy	<ul style="list-style-type: none"> — Installed capacity in MW — Annual GHG emissions avoided in tons of CO₂ equivalent
Energy efficiency	<ul style="list-style-type: none"> — Annual reduction of energy consumption in % or in MWh — Annual GHG emissions reduced in tons of CO₂ equivalent
Social	<ul style="list-style-type: none"> — Estimated number of beneficiaries per category of project

The impact report will include information on the methodology and assumptions used to evaluate the Eligible Projects impacts.

4.5. External Verification

Verification of the Sustainability Financing Reporting will be conducted by an independent third party appointed by Nexans. The independent third party will verify that the proceeds of the Bonds are either allocated to Eligible Projects or invested in approved financial instruments.

A night sky with the Milky Way galaxy visible. In the foreground, there is a utility pole with power lines and a transformer. The text is overlaid on the left side of the image.

5. SUSTAINABILITY- LINKED FINANCING DEFINITION

This Section will apply to any forthcoming Sustainability-linked financing instruments. It is in alignment with the International Capital Market Association's (ICMA) Sustainability-Linked Bond Principles (SLBP) as well as the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndications and Trading Association (LSTA)'s Sustainability-linked Loan Principles (SLLP).

5.1. Selection of Key Performance Indicators

KPI 1: Absolute Scopes 1 & 2 GHG emissions

Rationale	<ul style="list-style-type: none">To align its approach with the target to limit climate change to 1.5°C set forth in the Paris Agreement, the Group has pledged to contribute to carbon neutrality by 2030.Reductions in energy consumption, as well as energy reduction and efficiency actions, have enabled the Group to firmly establish its path going forward for reducing GHG emissions. Actions will continue in the coming years in order to achieve the objective of contributing to carbon neutrality by 2030.																
Definition of the KPI	<p>This KPI includes both Scopes 1 & 2 emissions expressed as Metric tons of carbon dioxide equivalent (tCO2e) that are defined by the GHG Protocol as:</p> <ul style="list-style-type: none">Scope 1 (“Direct GHG emissions”): emissions that occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.Scope 2 (“Electricity indirect GHG emissions”): Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the company. Scope 2 emissions are computed using a market-based methodology.																
Scope	<ul style="list-style-type: none">The scope of consolidation for the environmental data covers all of the Group’s manufacturing sites (78 sites) along with four non industrial sites in France, such as the Sales Office France based in Lyon, the logistics platform in Nanterre, the research center in Lyon and the Group’s head office. This scope includes companies that are over 50%-held by Nexans, either directly or indirectly.Sites acquired in year Y are included in the scope of environmental reporting in year Y+1. Administrative and logistics sites are not included in the scope of consolidation as their environmental impact is not significant.																
Historical data	<table><tr><td></td><td>2019 – Base year⁵</td><td>2021</td><td>2022</td></tr><tr><td>Scope 1 (tCO2e)</td><td>119,288</td><td>114,566</td><td>122,841</td></tr><tr><td>Scope 2 market-based (tCO2e)</td><td>193,536</td><td>110,098</td><td>101,433</td></tr><tr><td>Total (tCO2e)</td><td>312,824</td><td>224,664</td><td>224,273</td></tr></table>		2019 – Base year ⁵	2021	2022	Scope 1 (tCO2e)	119,288	114,566	122,841	Scope 2 market-based (tCO2e)	193,536	110,098	101,433	Total (tCO2e)	312,824	224,664	224,273
	2019 – Base year ⁵	2021	2022														
Scope 1 (tCO2e)	119,288	114,566	122,841														
Scope 2 market-based (tCO2e)	193,536	110,098	101,433														
Total (tCO2e)	312,824	224,664	224,273														
Contribution to SDGs and EU objectives	<ul style="list-style-type: none">Environmental objective 1 of the EU Taxonomy Regulation: Climate change mitigationUN Sustainable Development Goals 13: Climate action																

⁵ The baseline will evolve according to the data restated in the Universal Registration Document of Nexans (in line with reporting methodological note)

KPI 2: “Cradle-to-shelf” Scope 3 GHG emissions

Rationale	<ul style="list-style-type: none">• The Group has pledged to reduce total Scope 3 emissions in line with a well-below 2°C scenario (as per SBTi methodology). This corresponds to a 24% reduction between 2019 and 2030.• Nexans has already achieved this target in 2022 (-28% vs 2019), well in advance of the initial deadline. One of the main driver was decreasing emission factors in the customer's countries, which resulted in a reduction of the “use of sold products” GHG emissions. The significant weight (94.3% of total Scope 3 represents in 2022 the “use sold products” category and 0.61% of the total Scope 3 represents the “end-of-life treatment of sold products” category) of this emission category drives the achievement of the overall target.• Therefore, Nexans is taking commitments that go beyond this well-below 2°C trajectory:<ul style="list-style-type: none">○ KPI 2 focuses on the “Cradle-to-shelf” Scope 3 GHG emissions which represents 5.09% of the total Scope 3 emissions of the Group in 2022, for which Nexans has defined an action plan and has not yet achieved the target.○ Nexans has improved the ambition level by targeting a 24% reduction by 2027 instead of 2030 (vs 2019) (see details in section 5.2)			
Definition of the KPI	<p>“Cradle-to-shelf” Scope 3 GHG emissions, expressed as Metric tons of carbon dioxide equivalent (tCO₂e) is relating to the following Scope 3 categories: purchased goods and services, capital goods, fuel-and-energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, as defined by the GHG Protocol.</p> <p>The Scope 3 categories “use of sold products” and “end-of-life treatment of sold products” are not included in the perimeter as these categories were driving the achievement of the SBTi target of Nexans in 2022.</p>			
Scope	<ul style="list-style-type: none">• The scope of consolidation for the environmental data covers all of the Group's manufacturing sites (78 sites) along with four non industrial sites in France, such as the Sales Office France based in Lyon, the logistics platform in Nanterre, the research center in Lyon and the Group's head office. This scope includes companies that are over 50%-held by the Company, either directly or indirectly.• Sites acquired in year Y are included in the scope of environmental reporting in year Y+1. Administrative and logistics sites are not included in the scope of consolidation as their environmental impact is not significant.			
Historical data		2019 – Base year ⁶	2021 ⁷	2022
	“Cradle-to-shelf” Scope 3 (tCO ₂ e)	5,554,768	5,085,038	4,829,784

⁶ The baseline will evolve according to the data restated in the Universal Registration Document of Nexans (in line with reporting methodological note)

⁷ 2021 data for “Cradle-to-shelf” Scope 3 GHG emissions is not included in the 2022 Universal Registration Document, nevertheless the perimeter considered is the same as for 2019 and 2022 data.

Contribution to SDGs and EU objectives

- Environmental objective 1 of the EU Taxonomy Regulation: **Climate change mitigation**
- UN Sustainable Development Goals 13: **Climate action**

5.2. Calibration of Sustainability Performance Targets

SPT 1: Reduce Absolute Scopes 1 & 2 GHG emissions

Sustainability performance target	<p>Nexans commits to reduce Absolute Scopes 1 & 2 GHG emissions (as defined in KPI 1) from a 2019 base year:</p> <ul style="list-style-type: none">• by 29.4% by 31/12/2026 (SPT 1.A)• by 33.6% by 31/12/2027 (SPT 1.B)• by 46.2% by 31/12/2030 (SPT 1.C)																																			
Trajectory	<div><p>Scopes 1 and 2 emissions (tCO₂e)</p><table><thead><tr><th>Year</th><th>Scope 1 (tCO₂e)</th><th>Scope 2 (tCO₂e)</th><th>Scope 1 + 2 (tCO₂e)</th><th>% Change vs 2019</th></tr></thead><tbody><tr><td>2019 Baseline</td><td>~120,000</td><td>~190,000</td><td>~310,000</td><td>0%</td></tr><tr><td>2021</td><td>~115,000</td><td>~105,000</td><td>~220,000</td><td>-28.2%</td></tr><tr><td>2022</td><td>~115,000</td><td>~108,000</td><td>~223,000</td><td>-28.3%</td></tr><tr><td>2026 Target</td><td>~110,000</td><td>~105,000</td><td>~215,000</td><td>-29.4%</td></tr><tr><td>2027 Target</td><td>~105,000</td><td>~100,000</td><td>~205,000</td><td>-33.6%</td></tr><tr><td>2030 Target</td><td>~95,000</td><td>~70,000</td><td>~165,000</td><td>-46.2%</td></tr></tbody></table></div>	Year	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 1 + 2 (tCO ₂ e)	% Change vs 2019	2019 Baseline	~120,000	~190,000	~310,000	0%	2021	~115,000	~105,000	~220,000	-28.2%	2022	~115,000	~108,000	~223,000	-28.3%	2026 Target	~110,000	~105,000	~215,000	-29.4%	2027 Target	~105,000	~100,000	~205,000	-33.6%	2030 Target	~95,000	~70,000	~165,000	-46.2%
Year	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 1 + 2 (tCO ₂ e)	% Change vs 2019																																
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2030 Target	~95,000	~70,000	~165,000	-46.2%																																
Ambition of the target	<p>This target is consistent with the level of decarbonization required to keep global temperature increase to 1.5°C compared to pre-industrial temperatures. The alignment of the 2030 target has been confirmed by SBTi in 2022.</p>																																			
Means to achieve the SPTs	<p>In line with its roadmap to contribute to carbon neutrality, the Group will reduce its Scopes 1 & 2 emissions through the following means:</p> <ul style="list-style-type: none">• 100% of production sites certified ISO 14001 by 2030.• Deployment of energy efficiency solutions at all sites:<ul style="list-style-type: none">◦ Audit of the energy efficiency of plants, with a focus on the largest GHG emitters, to design dedicated action plans of energy optimization◦ Digitalization of equipment to improve the energy monitoring of machines◦ CAPEX spending to switch fossil equipment to less emissive alternatives.• Implementation of an internal carbon price to assess combined environmental and financial payback.• Objective to reach 100% renewable electricity by 2030 as part of RE100 initiative (led by CDP and the Climate Group). The renewable electricity procurement strategy is based on a mix of different options:																																			

	<ul style="list-style-type: none"> ○ Directly support & finance the development of new renewable electricity assets through long-term PPAs (Power Purchase Agreements) ○ Whenever possible produce renewable energy through on-site power generation (i.e. on-site PV) ○ In markets where there are very limited renewable electricity sourcing options, purchase GOs (Guarantees of Origin)
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SPT 2: Reduce “Cradle-to-shelf” Scope 3 GHG emissions

Sustainability Performance Target	<p>Nexans commits to reduce “Cradle-to-shelf” Scope 3 GHG emissions (as defined in KPI 2) from a 2019 base year:</p> <ul style="list-style-type: none">by 21.8% by 31/12/2026 (SPT 2.A)by 24% by 31/12/2027 (SPT 2.B)												
Trajectory	<div><p>"Cradle-to-shelf" Scope 3 GHG emissions (tCO₂e)</p><table><thead><tr><th>Year</th><th>2019 Baseline</th><th>2021</th><th>2022</th><th>2026</th><th>2027</th></tr></thead><tbody><tr><td>Reduction (%)</td><td>0%</td><td>-8.5%</td><td>-13.1%</td><td>-21.8%</td><td>-24%</td></tr></tbody></table></div>	Year	2019 Baseline	2021	2022	2026	2027	Reduction (%)	0%	-8.5%	-13.1%	-21.8%	-24%
Year	2019 Baseline	2021	2022	2026	2027								
Reduction (%)	0%	-8.5%	-13.1%	-21.8%	-24%								
Ambition of the target	<ul style="list-style-type: none">Nexans has already reached its 2030 target for Scope 3 which met SBTi requirements to keep global temperature increase well below 2°C.Therefore, SPT 2 goes one step further by focusing on “Cradle-to-shelf” Scope 3 GHG emissions (see details in section 5.1) and by targeting -24% by 2027 (vs. 2030 initially defined within Nexans’ SBTi Scope 3 GHG emissions target).Due to their indirect nature, these emissions are not controlled by Nexans. They rely on the supplier engagement regarding raw materials and transport.												
Means to achieve the SPTs	<p>The Group will reduce its “Cradle-to-shelf” Scope 3 GHG emissions through the following means:</p> <ul style="list-style-type: none">Organization of logistical flows by using multi-modal transport and shorter delivery routes to reduce emissions from the transportation of our products.<ul style="list-style-type: none">For example, in 2019, the Group signed up to the Fret 21 process, supported by ADEME (the French Environmental Agency). The program involves promoting multimodal transport, reorganizing vehicle loading rates, and encouraging the Group’s transport suppliers to earn labels and sign the ADEME’s CO₂ Objectives Charter. The objective is to reduce greenhouse gas emissions related to the transport of products to Group customers in France and for deliveries to neighboring countries by 5% in three years.Engagement with suppliers in order to:<ul style="list-style-type: none">Encourage suppliers to measure the carbon content of productsPurchase raw materials which are low-carbon or which include recycled content												

- Find innovative solutions to decarbonize raw materials and processes
- Encourage them to take climate commitments in line with the ones taken by Nexans
- 100% of production waste to be recycled by 2030.
- 100% of Nexans' employee automobile fleet to switch to either hybrid or electric vehicles by 2030.

5.3. Financing characteristics

The financing characteristics of any sustainability-linked financing issued under Section 5 of the Framework will be specified in its corresponding transaction documentation.

- These implications could include, but are not limited to, a coupon-step up. In such case, the coupon-step up may apply to the relevant financing until i) maturity, ii) any other time specified in the relevant documentation or iii) until but excluding the coupon payment following the next observation date when multiple observation dates have been defined. Any adjustments to the financing characteristics will be commensurate and meaningful relative to the original financing characteristics.

5.4. Reporting

Nexans will disclose the performance of the selected KPI(s) against the predefined target on an annual basis within a dedicated section of its Universal Registration Document or publish on its website a separate report or document. It will include information on potential drivers of the KPI outcomes, including but not limited to:

- Up-to-date information on the performance of each selected KPI, including the calculation methodology and baseline;
- A limited assurance report from an independent external verifier relative to each KPI outlining the performance against each SPT;
- Any update in the Group's sustainability strategy or any recent announcements, strategic decisions and means mobilized that might impact the achievement of the SPTs;
- Any additional relevant information enabling investors to monitor the progress of each selected KPI towards the achievement of the SPT(s) including M&A activity;
- When relevant, any re-assessments of KPIs and/or re-statement of the SPTs due to any changes to the calculation methodology for a KPI or any adjustments of baselines or KPI scope.

5.5. Verification

5.5.1 Verification

Verification of the annual performance on the KPIs will be conducted by independent external verifier appointed by Nexans.

5.5.2 External Review

Nexans has appointed ISS Corporate Solutions to issue a Second-Party Opinion on the Framework, to confirm the alignment of this framework with the SLBP and SLLP.

This second party opinion document will be made available on Nexans' website.

5.6. Recalculation policy

In the event of any change, which occurs between the issue date of a series of Sustainability-linked bonds and the Sustainability Performance Target:

- i) in the Group's perimeter (due to an acquisition, a merger or a demerger or other restructuring, an amalgamation, a consolidation or other form of reorganization with similar effect, a spin-off, a disposal or a sale of assets);
- ii) in or any amendment to any applicable laws, regulations, rules, guidelines and policies relating to the business of the group; or
- iii) to the methodology for calculation of any Key Performance Indicator to reflect changes in the market practice or the relevant market standards (including the GHG Protocol),

which, individually or in aggregate, has a significant impact⁸ on the level of any Sustainability Performance Target or any Key performance Indicator baseline (each, a "Recalculation Event"), the relevant Sustainability Performance Target may be recalculated in good faith by Nexans to reflect such change, provided that the Independent External verifier has independently confirmed that the proposed revision is consistent with the initial level of ambition of the relevant Sustainability Performance Target taking into account the Recalculation Event.

⁸ Change of at least 5% in the initial level of the SPTs or Baselines, as per SBTi methodology

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