

The background features a dark blue space-like setting with a network of glowing blue and yellow nodes connected by thin lines, forming a complex web. A bright blue light source is visible in the center, casting a glow across the network. The Nexans logo is positioned on the left side of the image.

**Nexans**  
ELECTRIFY THE FUTURE

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**WINDS  
OF  
CHANGE**

17 FEBRUARY 2021

## SAFE HARBOUR

NB: Any discrepancies are due to rounding.

This presentation contains forward-looking statements which are subject to various expected or unexpected risks and uncertainties that could have a material impact on the Company's future performance.

Readers are also invited to visit the Group's website where they can view and download the 2020 annual results press release as well as the 2020 financial statements and Nexans Universal Registration Document, which includes a description of the Group's risk factors.

In addition to the risk factors described in Section 3.1 of the 2020 Universal Registration Document, the uncertainties for 2021 mainly include:

- The impact of protectionist trade policies globally, as well as growing pressure to increase

local content requirements;

- Geopolitical and political instability, particularly in certain countries, cities or regions such as Qatar, Libya, Lebanon, Iraq, the Persian/Arabian Gulf, Hong Kong, Ivory Coast and Nigeria;

- The instability of banking system in Lebanon and uncertainties on the Lebanese pound;

- The impact that the coronavirus pandemic and the adoption by State authorities, in many countries around the world, of national restrictive measures (including prolonged measures to control the pandemic such as travel bans, curfews and country lockdowns) in particular in the context of further waves of the pandemic in countries around the world together with the appearance of variants to the coronavirus (including in UK, Brazil and South Africa) could have on our Group's business prospects,

operating profit and financial position;

- The increase in credit risk in certain countries (including Brazil, Morocco and Turkey) in the context of the coronavirus pandemic;

- Political, social and economic uncertainty in South America, such as in Brazil, Venezuela and Bolivia, which is i) affecting the building market as well as major infrastructure projects in the region (such as the Maracaibo project in Venezuela), ii) creating exchange rate volatility and iii) increasing the risks of customer default;

- A marked drop in non-ferrous metal prices resulting in the impairment of Core exposure (non-ferrous metal owned by Nexans and integral part of the production chain), not having an impact on cash or operating margin, but impacting net income. Such marked drop in non-ferrous metal prices

might occur in particular in the context of further waves of the coronavirus pandemic;

- In the current context of marked increase in non-ferrous metal prices, should this increase trend continues it might have an impact of the non-ferrous market which could potentially lead to rarefaction of non-ferrous metal offers;

- The sustainability of growth rates of the fiber and copper structured cabling (LAN) market and the Group's capacity to seize opportunities relating to the move to higher performing categories in this market;

- The speed of deployment of "fifth" ("fiber to the home") solutions in Europe and North West Africa and the Group's capacity to seize opportunities relating to the development of this market;

- The impact of the coronavirus pandemic on the aeronautic

industry which has led our customers to revisit their order books for the coming months and years;

- The fact i) that automotive sales may continue to be adversely affected in the context of the coronavirus pandemic on a global basis with issues in components supplies and slower recovery of the cars demand, as well as that ii) the progress of electrical propulsion solutions will penetrate markets slower than predicted;

- Fluctuating oil and gas prices, and the downturn in the Oil & Gas sector which have lead Oil & Gas sector customers to revise their exploration and production capex programs. The considerable uncertainty about the implementation of these customers' capex programs may also affect the Group's ability to plan for future means of producing cables and umbilicals for these customers,

and for imposing changes to the agreed delivery schedules for contracted projects in the context of the coronavirus pandemic.

- The risk of the award or entry into force of subsea and land cable contracts being delayed or advanced, which could interfere with schedules in a given year;

- Inherent risks related to i) carrying out major turnkey projects for high-voltage cables, which will be exacerbated in the coming years as this business becomes increasingly concentrated and centered on a small number of large-scale projects, ii) the high capacity utilization rates of the plants involved, iii) the projects' geographic location and the political, social and economic environments in the countries concerned (such as Philippines for Visayas-Mindanao project);

- The inherent risks associated with major capital projects, particularly the risk of completion delays and the risks of delays to win projects to fill the new capacities. These risks notably concern the construction of a new subsea cable laying ship, the transformation of the Charleston plant in North America to produce subsea high voltage cables, two projects that will be instrumental in ensuring that we meet our objectives;

- The challenges created by the coronavirus pandemic (with subsequent measures taken by national States such as country lockdowns or travel bans) for the performance of projects in countries like the United States (e.g. to meet the defined manufacturing schedule in Charleston) as well as for turnkey projects such as Seagreen (United Kingdom) and Visayas-Mindanao (Philippines) and onshore projects in Europe.

Without having major operational impacts, the two following uncertainties may have an impact on the financial statements:

- Sudden changes in metal prices that may affect customers' buying habits in the short term;

- The impact of foreign exchange fluctuations on the translation of the financial statements of the Group's subsidiaries located outside the euro zone.

Scenarios considered in the current presentation will be further analyzed prior to deciding their implementation and projects resulting from those studies will be submitted to relevant legal bodies including to employees' representative bodies if applicable and when needed.

### INVESTOR RELATIONS:

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**Email:** aurelia.baudey-vignaud@nexans.com

# 01 INTRODUCTION

FOCUS ON THE  
WORLD'S  
ELECTRIFICATION

# 120 YEARS' INDUSTRIAL COMPANY

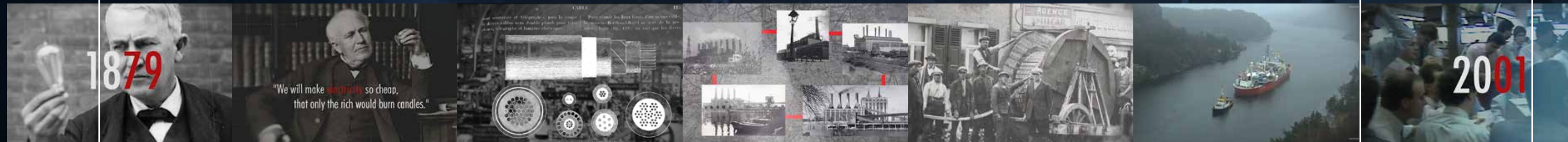
1879

EDISON PATENTED THE FIRST COMMERCIALY SUCCESSFUL BULB

2001  
NEXANS  
IPO

2018  
NEW  
NEXANS

Nexans is at the heart of electricity and pioneer of its deployment



# ELECTRIFICATION IS IN OUR DNA

It is at the heart of our existence.  
It is the reason why we give the  
best of ourselves to build a better  
future for the world.



OUR  
PURPOSE

# ELECTRIFY THE FUTURE

Our past, present  
and future converge  
to electrification

OUR  
VALUES

**WE ARE PIONEERS**  
OF ENERGY TRANSITION.

**WE ARE DEDICATED**  
TO DELIVERING TO THE HIGHEST  
STANDARDS OF PERFORMANCE.

**WE ARE UNITED**  
TO ACHIEVE OUR AMBITIOUS  
GOAL: **ELECTRIFY THE FUTURE.**

OUR  
COMMITMENT

A  
CARBON  
NEUTRAL  
COMPANY  
BY 2030



OUR  
STRATEGY

SIMPLIFY  
OUR BUSINESS  
TO AMPLIFY  
OUR IMPACT

OUR  
SOLUTIONS

FROM  
GENERATION OF ENERGY,  
TO TRANSMISSION OF ENERGY,  
TO DISTRIBUTION OF ENERGY,  
TO USAGE OF ENERGY

OUR  
PURPOSE

ELECTRIFY THE FUTURE

OUR  
VALUES

WE ARE PIONEERS OF ENERGY TRANSITION.  
WE ARE DEDICATED TO DELIVERING TO THE HIGHEST STANDARDS OF PERFORMANCE.  
WE ARE UNITED TO ACHIEVE OUR AMBITIOUS GOAL: ELECTRIFY THE FUTURE.

OUR  
STRATEGY

SIMPLIFY OUR BUSINESS TO AMPLIFY OUR IMPACT

OUR  
SOLUTIONS

FROM GENERATION OF ENERGY, TO TRANSFORMATION OF ENERGY, TO DISTRIBUTION OF ENERGY, TO USAGE OF ENERGY

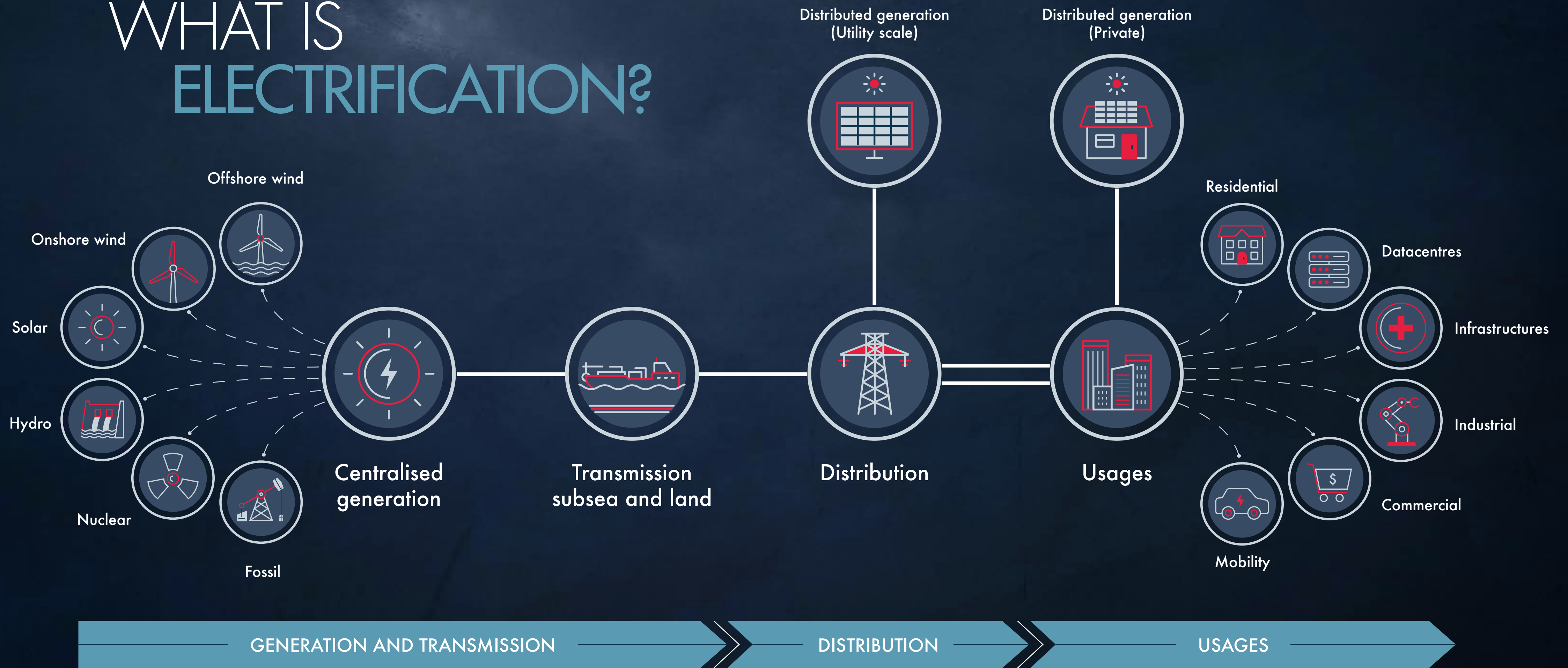
OUR  
PATH

VALUE GROWTH BY FOCUSING ON ELECTRIFICATION

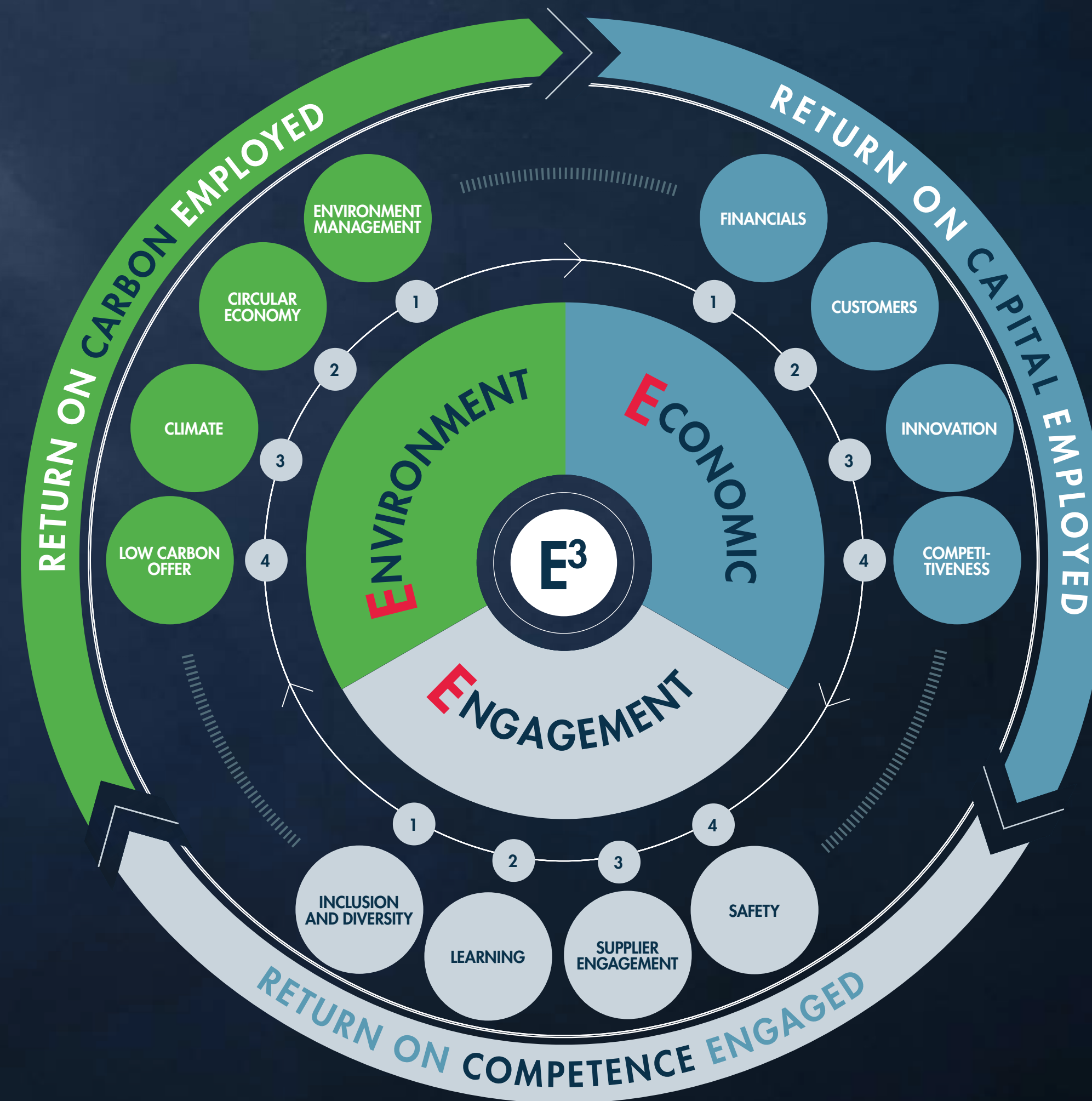
OUR  
COMMITMENT

A CARBON NEUTRAL COMPANY BY 2030

# WHAT IS ELECTRIFICATION?



A LICENCE  
TO OPERATE



WINDS OF CHANGE

FROM: 2020

Nexans is historically a 6 Billion Euro generalist covering 8 macro sectors offering mainly components

TO: 2024

Nexans will **simplify** to **amplify** its role as **Electrification Pure Player**

A €6bn COMPANY SUPPORTED BY

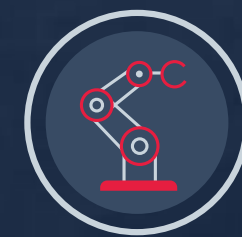
8 MACRO SECTORS



Buildings



Territories



Industry



Harnesses

34 SUBSECTORS



Telecom Network



Subsea Grid

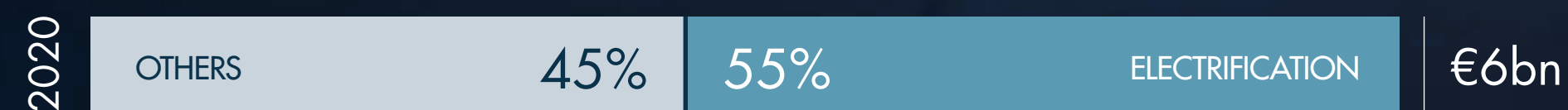


Inland Grid



Metallurgy

Sales:



A COMPANY SUPPORTED BY

4 MACRO SECTORS



Generation & Transmission



Distribution



Usage

12 SUBSECTORS

Sales:



# TIME TO MAKE CHOICES

02

## WHY CHANGE?

An increasingly electric world

04

## HOW TO CHANGE?

Transform and innovate

03

## WHAT TO CHANGE?

Simplify our business.  
Amplify our impact.

05

## NEW FINANCIAL TRAJECTORY

Scale-up to step-up performance

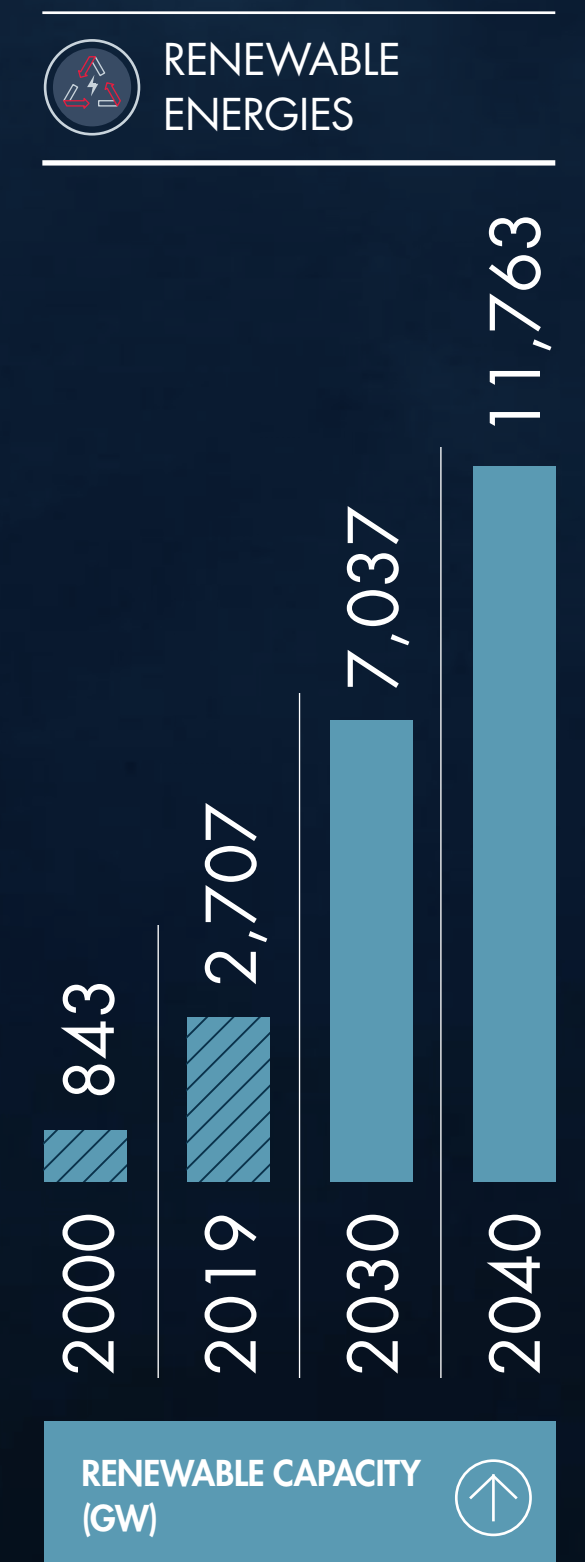
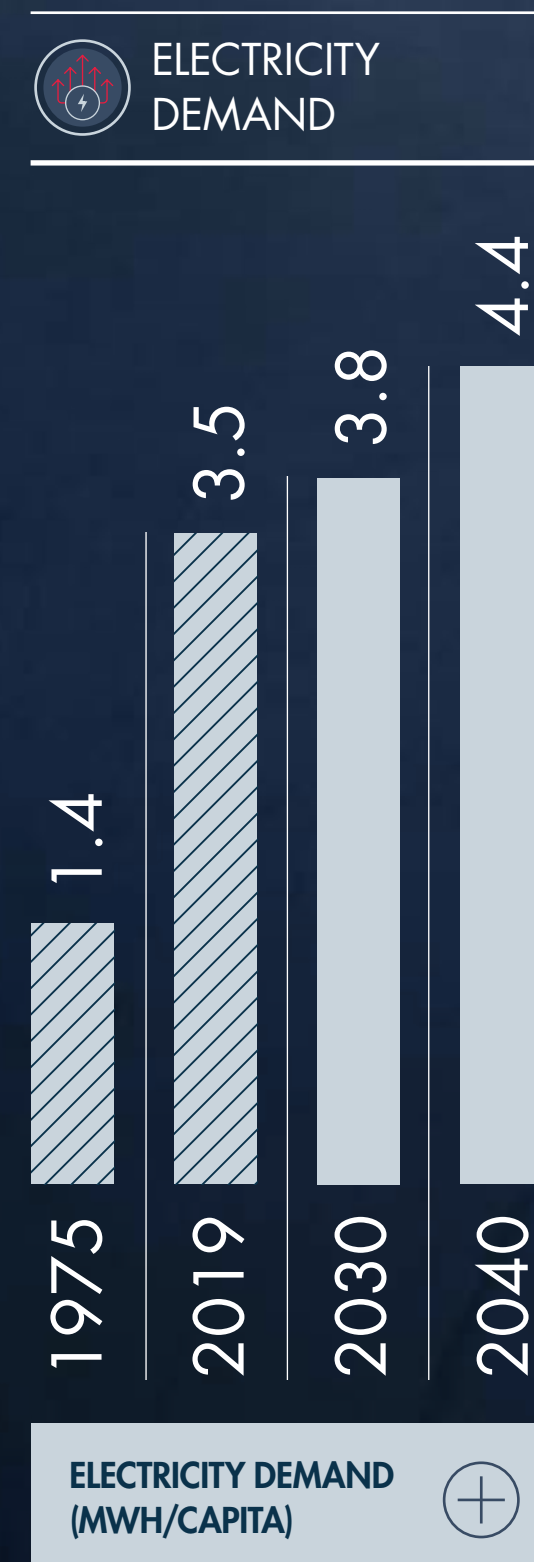
02

# WHY CHANGE?

AN INCREASINGLY  
ELECTRIC WORLD



# 2021 TO 2050 THE WORLD WILL BECOME ELECTRIC AND CARBON NEUTRAL. ONLY A DECADE TO MAKE THE BIG SHIFT




**\$2 TRILLION**   
**BIDEN PLAN**

\$2tn to achieve 100% clean energy & net-zero emissions at latest 2050

**\$1 TRILLION**   
**EUROPE GREEN DEAL**

\$1tn investments over next 10 years

**CARBON-NEUTRAL**   
**CHINA GREEN DEAL**

China to be carbon-neutral state by 2060\*

\*On September 22 at the UN headquarters, President Xi Jinping announced a plan to make China a carbon-neutral state by 2060 and to reach an emissions peak by 2030

# ELECTRIFICATION RISKS RISE FASTER THAN SOLUTIONS. ACTION IS NEEDED

## MAJOR UPCOMING RISKS



## NEW NEEDS NEW STAKES



## IMPACTING THE ELECTRIFICATION

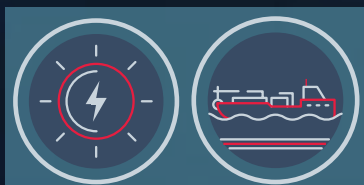
**FIGHT GLOBAL WARMING & BIODIVERSITY ATTRITION**



**GREEN DEAL NEEDED**

**€7 TRILLION**  
Investments in energy transition by 2030

**X4.3**  
Renewable capacity between 2019 and 2040



**GENERATION AND TRANSMISSION**

**AVOID BLACKOUT IN BIG CITIES**



**GRID MODERNISATION NEEDED**

**30 YEARS**  
Life time of a cable

**+40 YEARS**  
Average age of grids in Europe & North America.



**DISTRIBUTION**


**GUARANTEE END USERS ELECTRICAL SAFETY**



**ELECTRICAL SAFETY NEEDED**

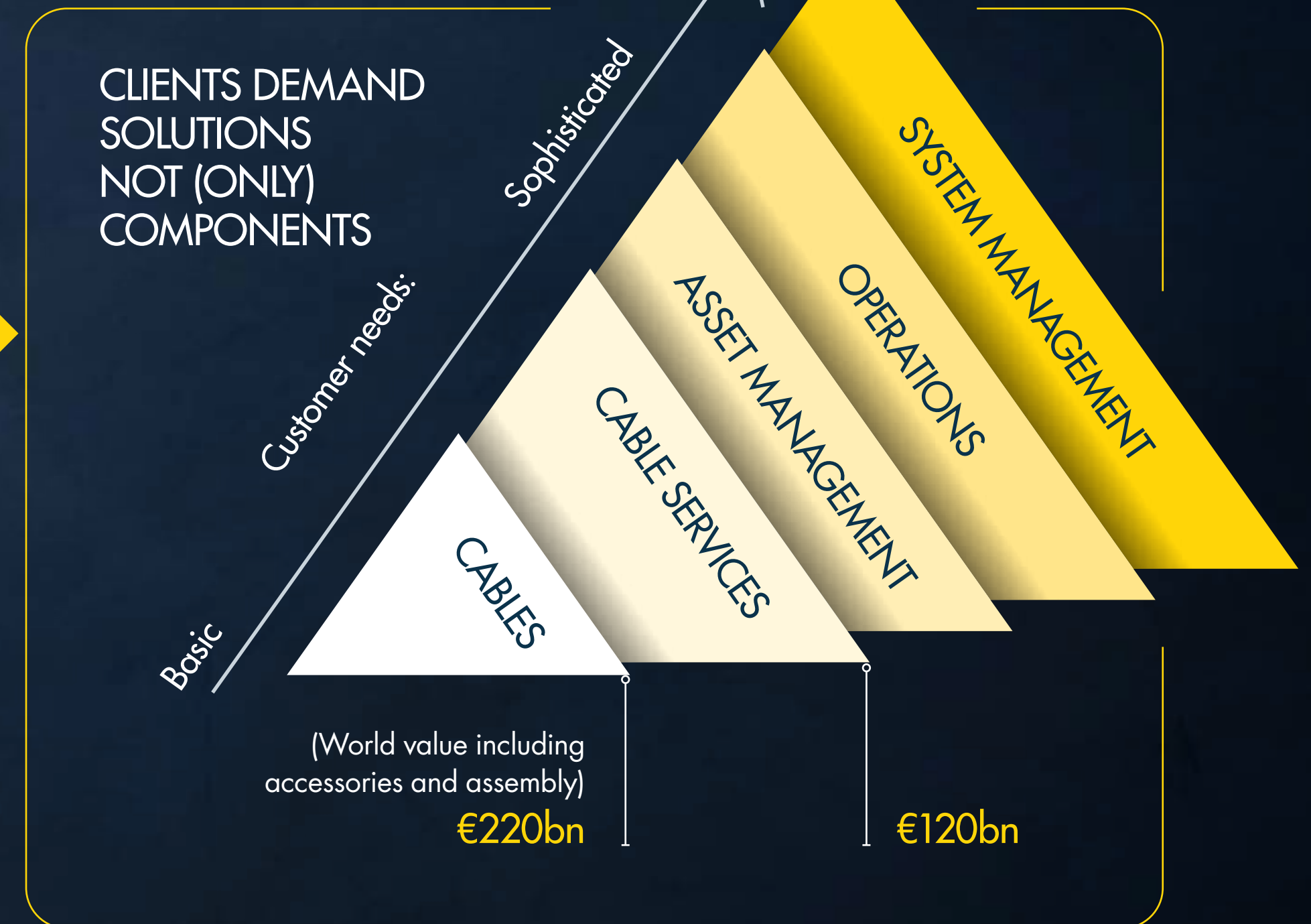
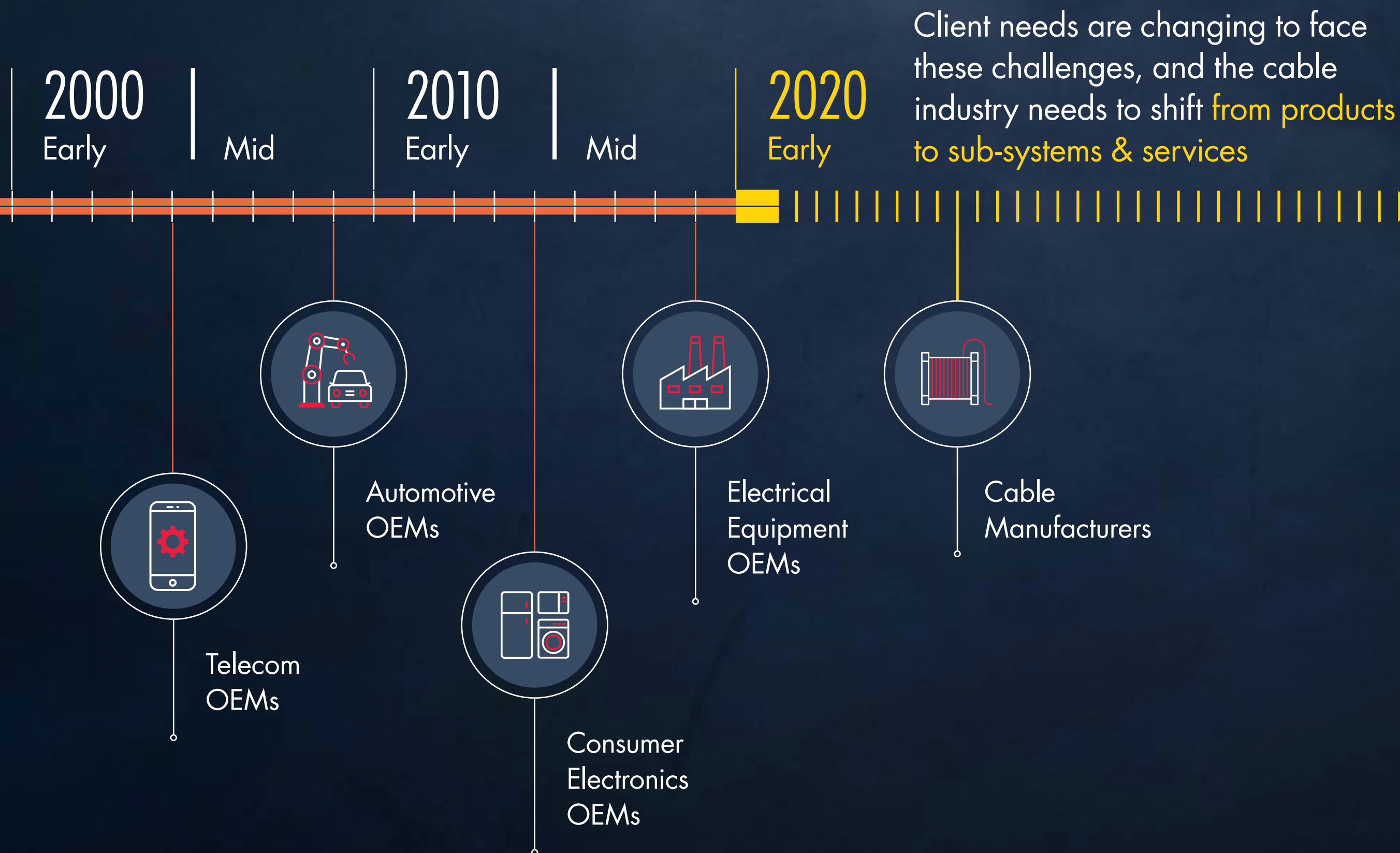
**1 FIRE EVERY 2 MINUTES**  
caused by an electrical origin in the EU

**UP TO 80% OF FIRES**  
are triggered by counterfeit cables in emerging area



**USAGES**

# NEW CHALLENGES LEADING TO NEW CLIENT NEEDS



# REMAINING A GENERALIST WILL BE A **WEAKNESS** NOT A **STRENGTH**

## EVOLUTION OF MARKET DEMAND...

- Differentiated products
- Combination of sub-systems, services and software
- Sector specific skills
- Long-standing partnerships
- Investments focused on Innovation and scale

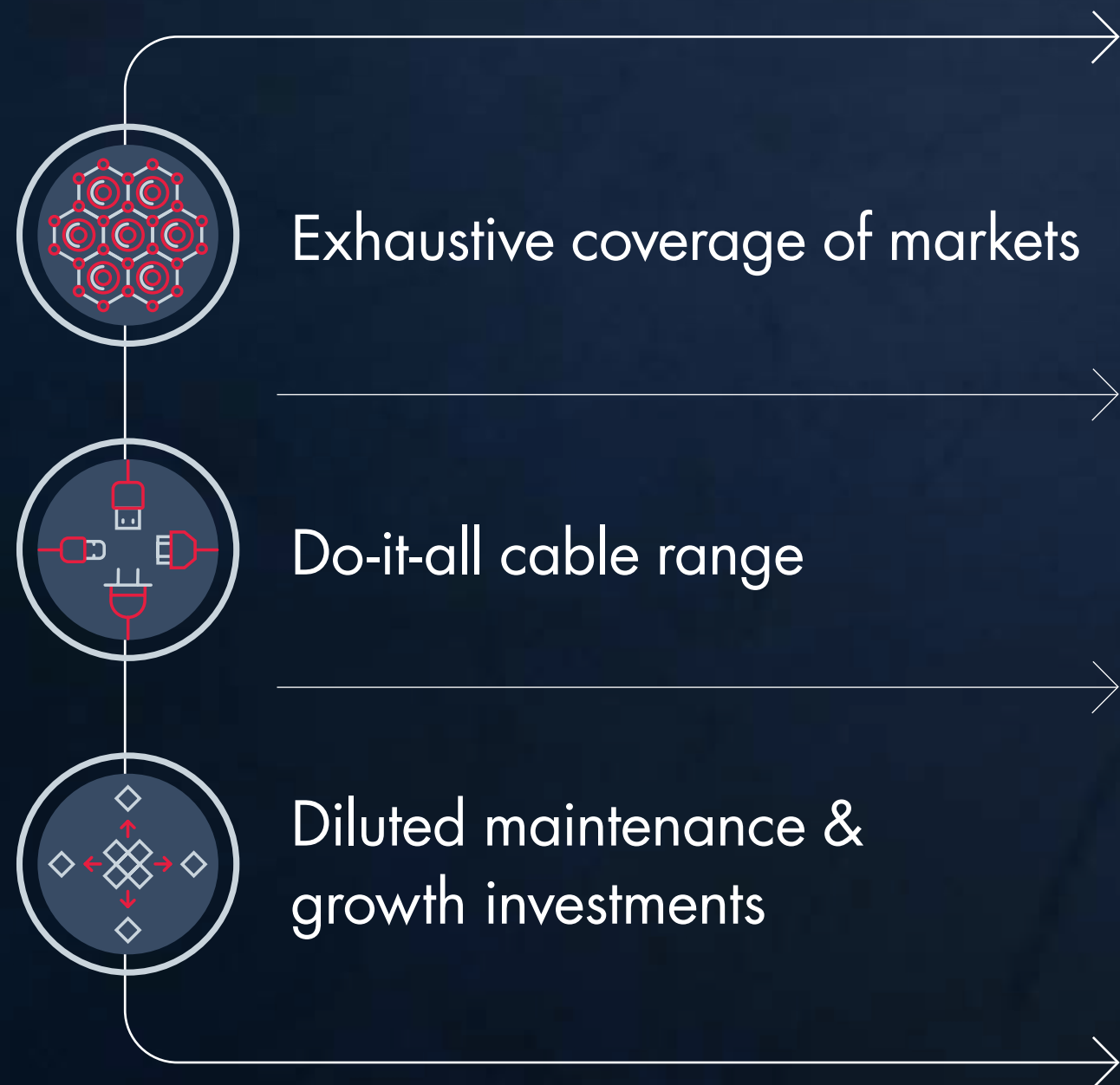


## ...CANNOT BE MATCHED BY A GENERALIST

- Inability to lead innovation on all segments
- Product portfolio too large to focus on system development
- Larger but shallower skillset
- Spread customer base
- Fragmented investments

# REINVENT OUR MODEL TO TRANSFORM CUSTOMER EXPERIENCE

**FROM:** VOLUME GROWTH FOCUS



SWITCH FOCUS FROM COMPLEXITY MANAGEMENT TO CLIENT INTIMACY

01. Deep understanding of clients markets

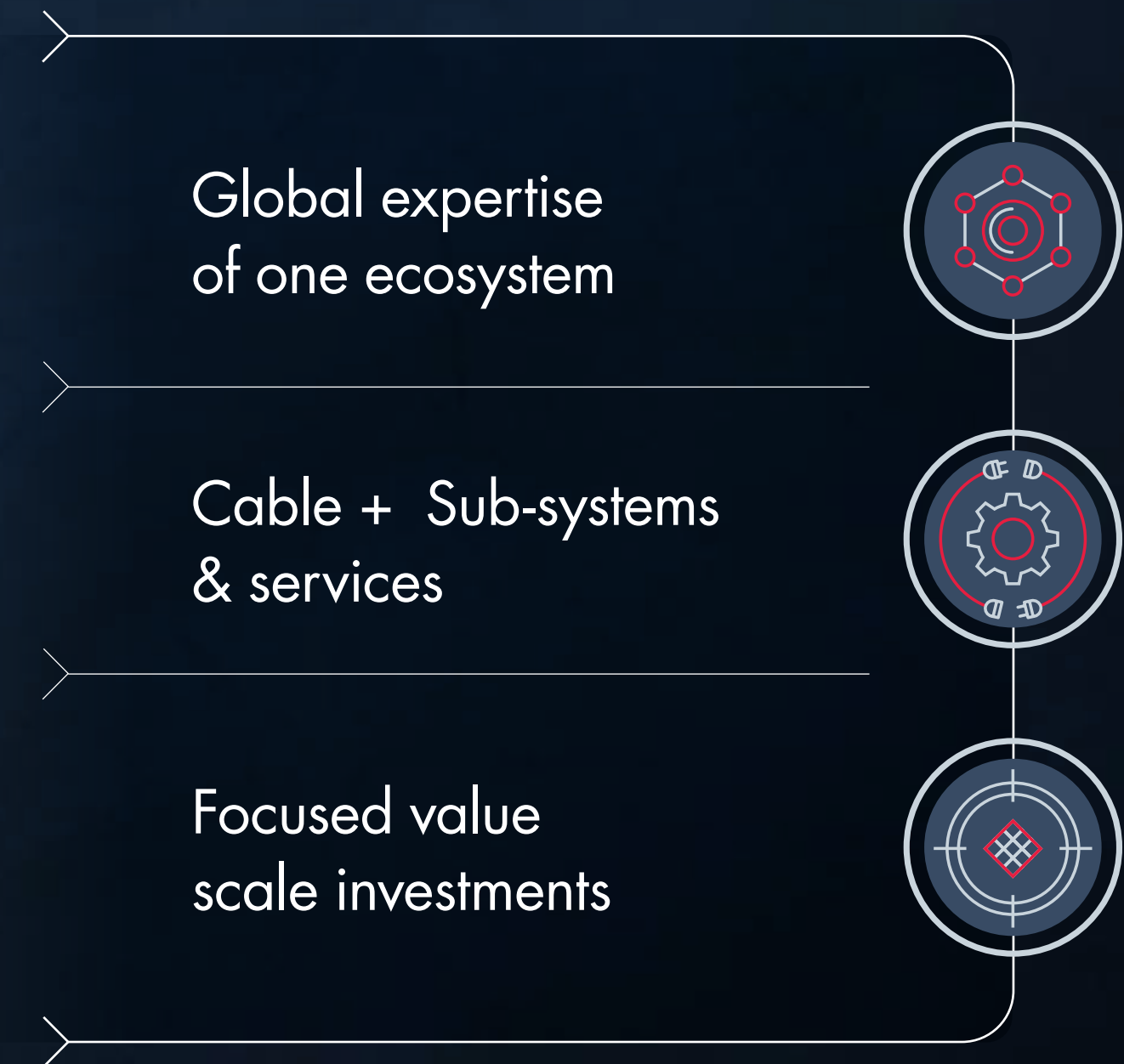
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02. Build up high added value solutions

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03. Invest to scale up and innovate

**TO:** VALUE SCALE FOCUS



# ELECTRIFICATION PURE PLAYER ENGINEERING A NEW MODEL

By positioning ourselves as an electrification pure player, Nexans will combine market focus, scale effect and a specialist customer intimacy with our global client reach, typical of a major cable generalist.

This unique positioning enables us to scale up offers and specialize assets on an ecosystem that will represent more than 65% of the total cable business in 2030, while providing an end-to-end management of the electrification challenge.

## AMPLIFY

Electrification Portfolio

- M&A
- Innovation
- Selective organic growth

## SIMPLIFY

Markets Coverage

- Product range
- Industrial assets

## FOCUS

Resources

- CAPEX
- Management
- R&D

	GLOBAL >3 regions	REGIONAL / LOCAL 1 or 2 regions
ELECTRIFICATION PURE PLAYER		
CABLE GENERALIST		
SEGMENT SPECIALIST		

# ELECTRIFICATION PURE PLAYER ENGINEERING A NEW MODEL

## #01

A HUGE ELECTRICITY  
BOOM TO COME  
REQUIRING SELECTIVITY



## #02

A NEED FOR SYSTEMS  
AND SOLUTIONS  
ENABLED BY AN  
ECOSYSTEMIC VIEW



## #03

A NEED FOR  
GLOBAL REACH  
IN A FRAGMENTED  
MARKET OFFER



# 03

## WHAT TO CHANGE?

SIMPLIFY  
TO AMPLIFY



# 01

## SIMPLIFY OUR BUSINESS

Focus on electrification

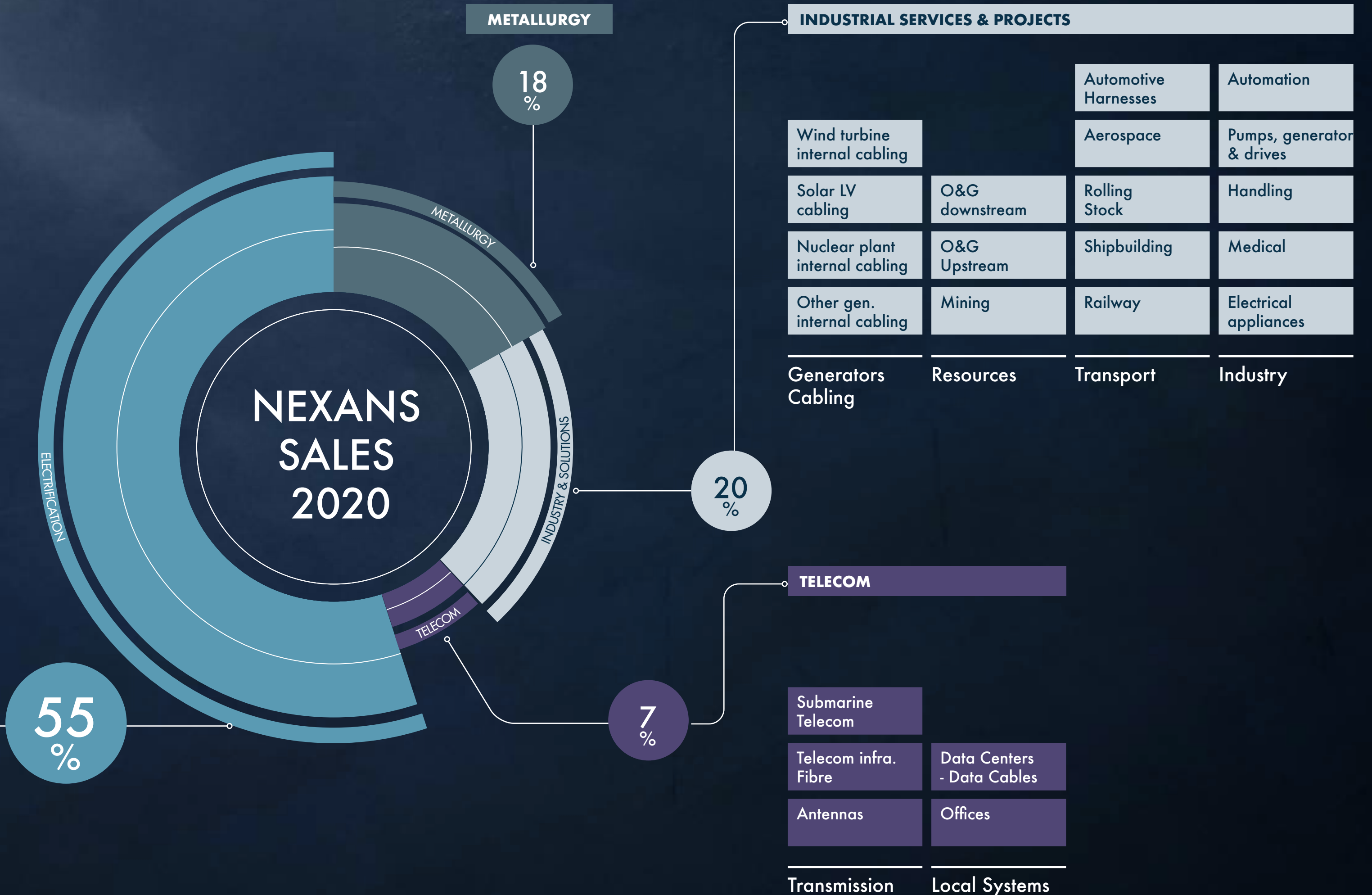
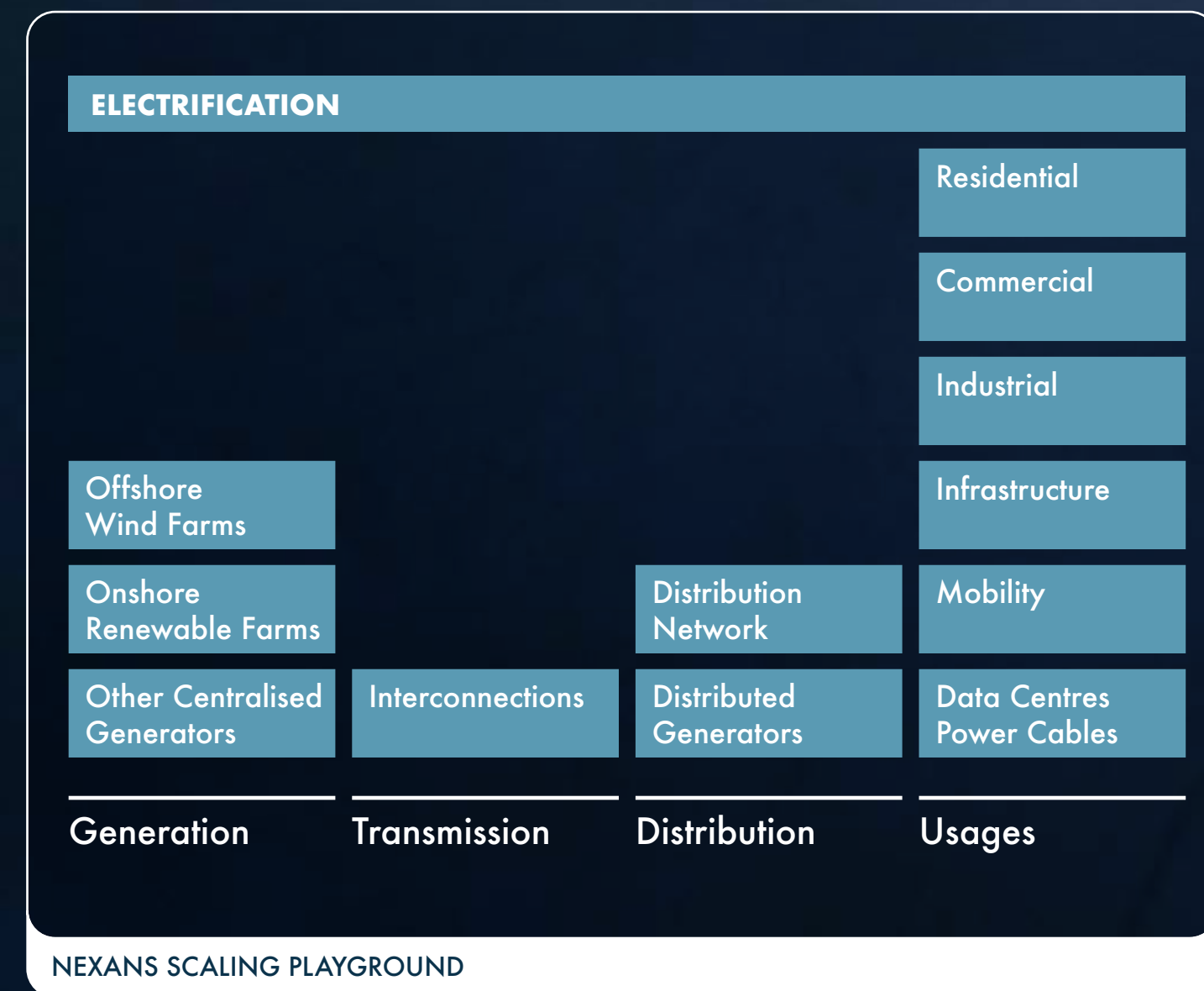
# 02

## AMPLIFY OUR IMPACT

Pursue transformation  
and value growth

# WHAT IS THE NEXANS WE WISH TO SIMPLIFY?

Nexans 2020 split of sales at constant metal price

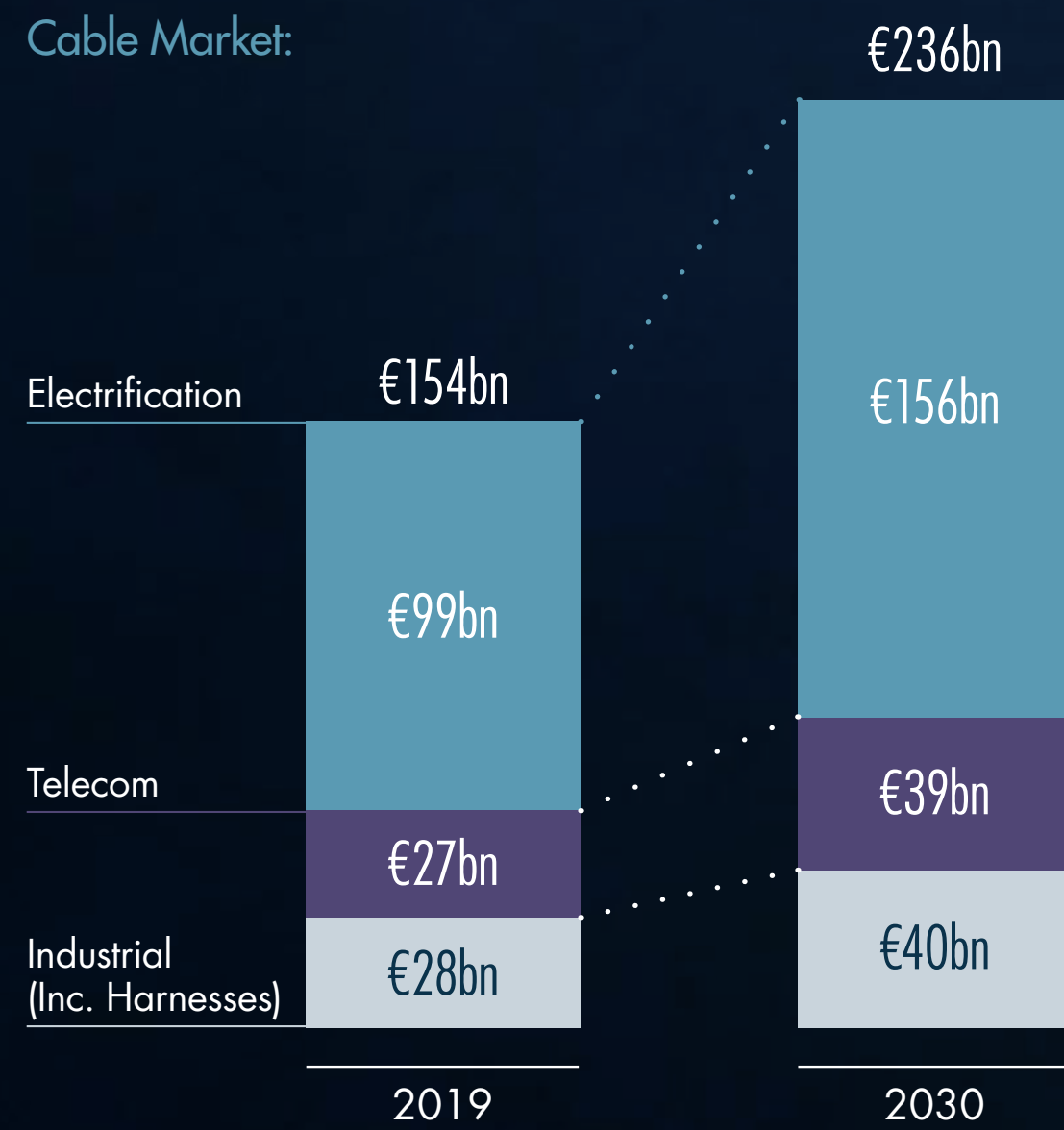


# 3 REASONS TO SIMPLIFY OUR BUSINESS BY FOCUSING ON ELECTRIFICATION

A tremendous organic & inorganic growth potential

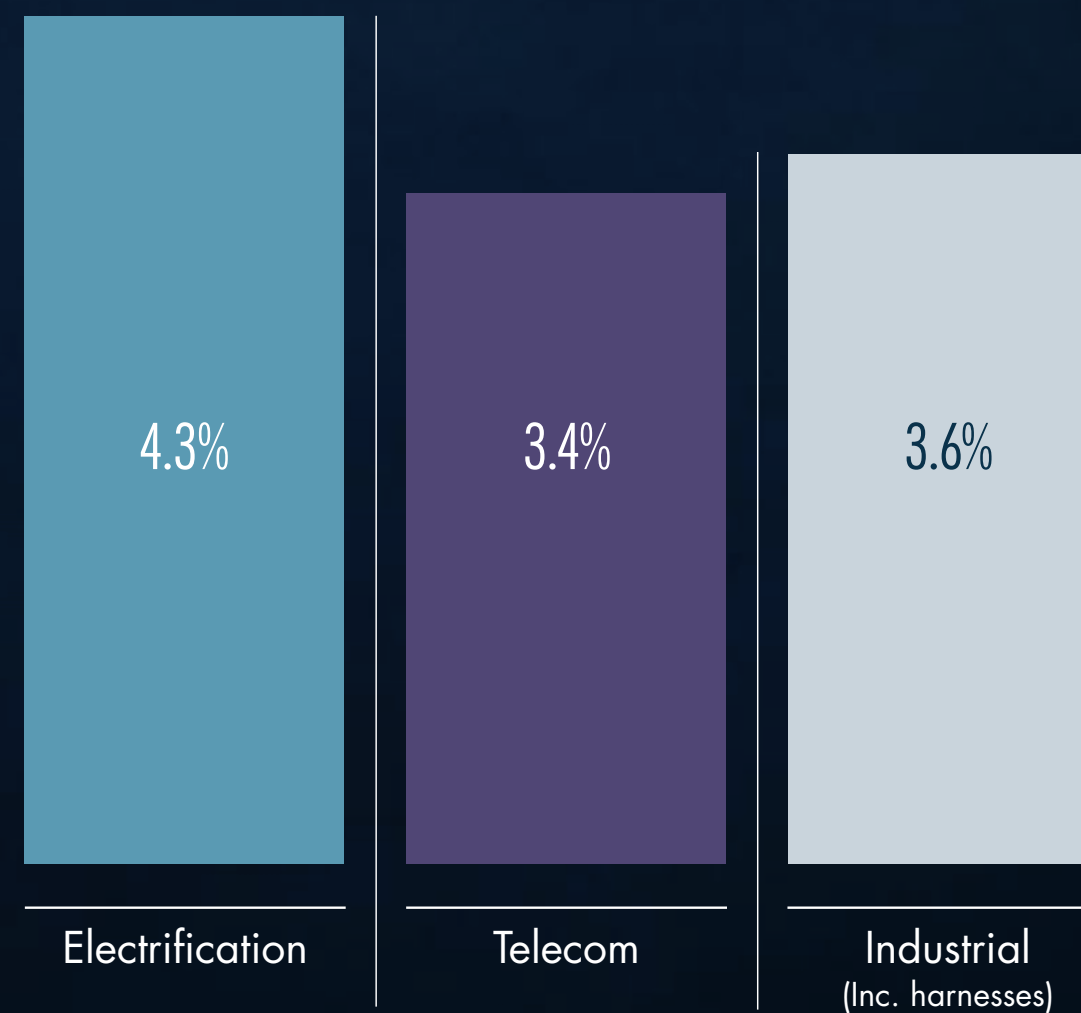
**#01** IN 2019, ELECTRIFICATION REPRESENTED ABOUT 65% OF THE WORLD CABLE MARKET

Cable Market:



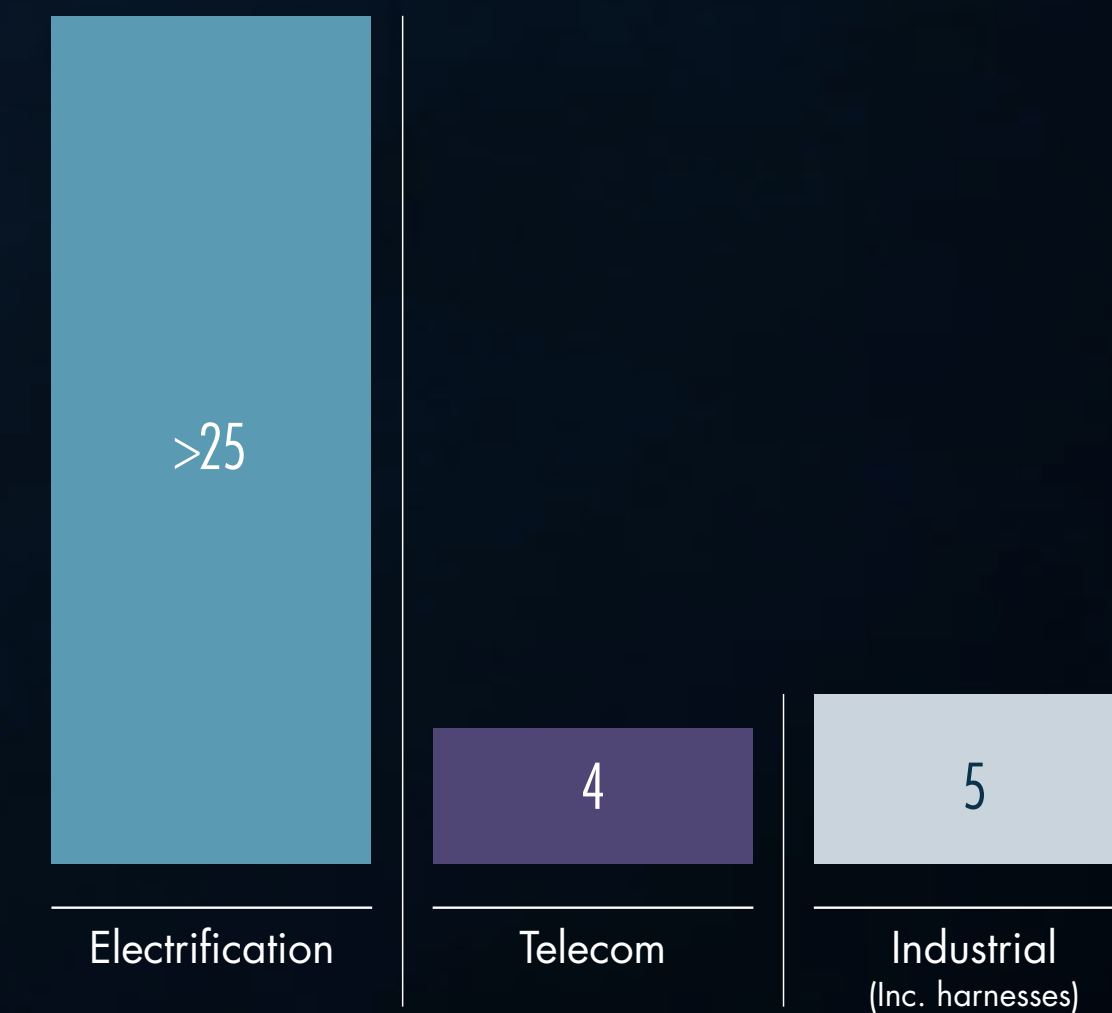
**#02** THANKS TO STRONG MEGATRENDS, CAGR WILL BE ABOVE OTHER SEGMENTS ON THE PERIOD

2019-2030 CAGR (in %)



**#03** ELECTRIFICATION AS A SEGMENT IS STILL FRAGMENTED AND OFFERS A LARGE M&A PLAYING FIELD

Number of manufacturers Totalling >40% of Market Share: (in number of manufacturers)



03

01

**SIMPLIFY  
OUR BUSINESS**

Focus on electrification

02

**AMPLIFY  
OUR IMPACT**

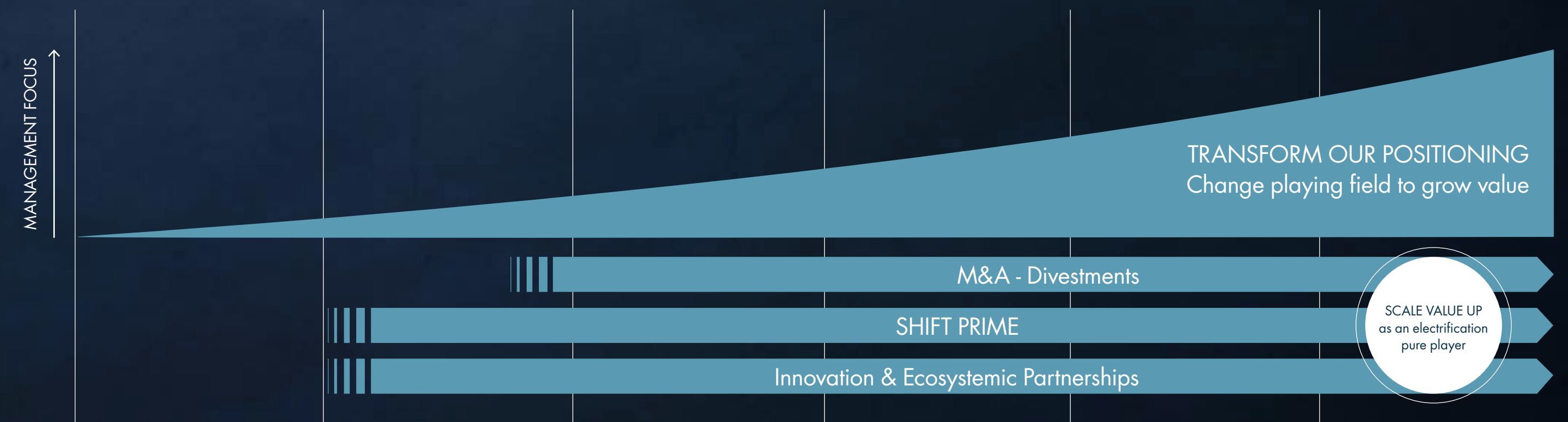
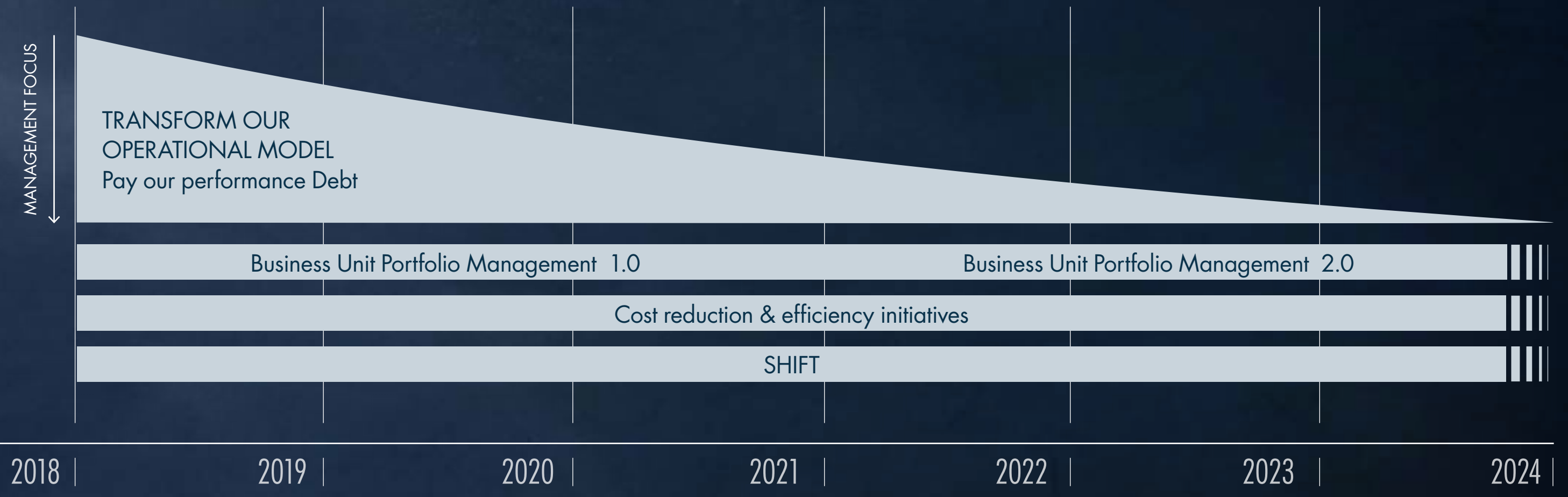
Pursue transformation  
and value growth

# AMPLIFY VALUE GROWTH

FOCUS ON ELECTRIFICATION WHILE PUSHING ONE STEP FURTHER THE FULL GROUP TRANSFORMATION PROGRAM

Pursue our transformation programs on **ALL SEGMENTS**

Amplify & accelerate our growth in value on **ELECTRIFICATION SEGMENTS**



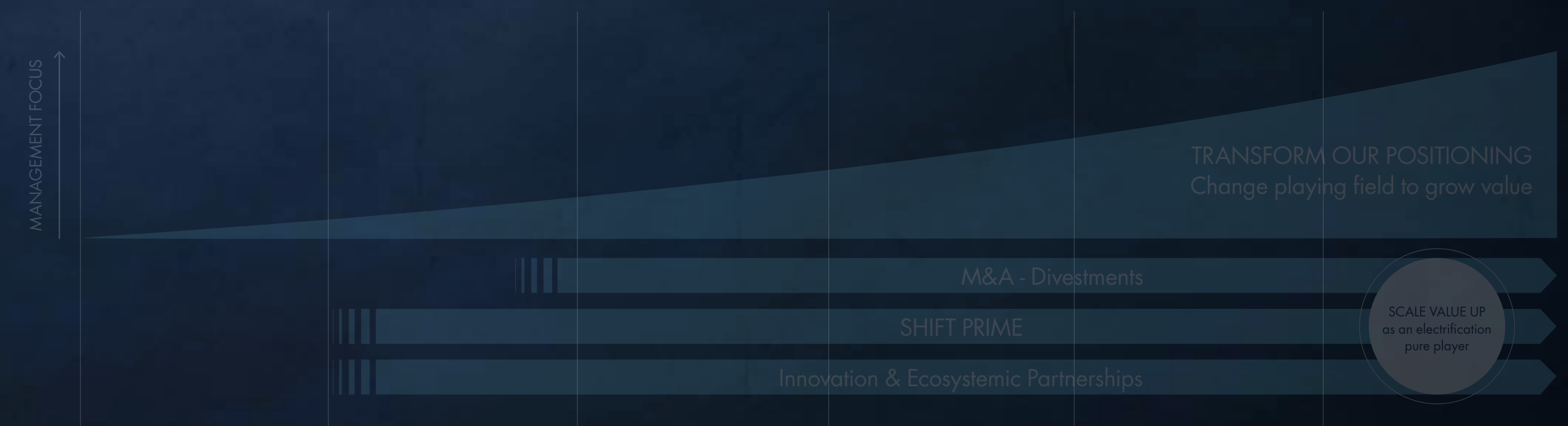
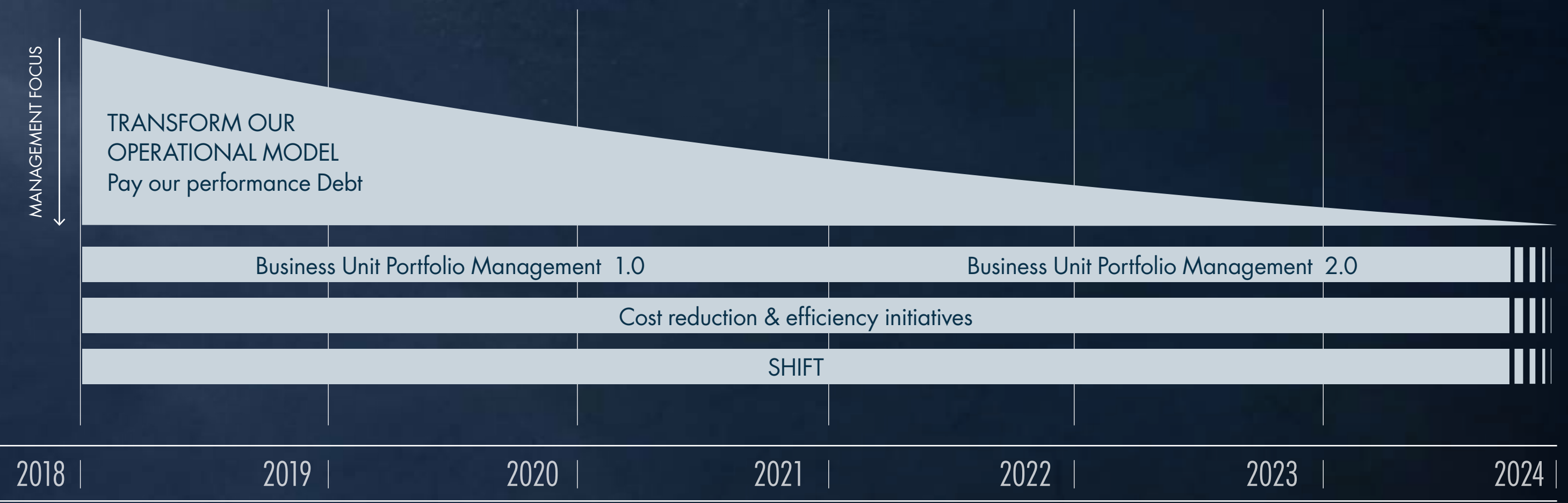
SCALE VALUE UP as an electrification pure player

# AMPLIFY VALUE GROWTH

PURSUE OUR TRANSFORMATION PROGRAMS ON ALL SEGMENTS

Pursue our transformation programs on **ALL SEGMENTS**

Amplify & accelerate our growth in value on **ELECTRIFICATION SEGMENTS**



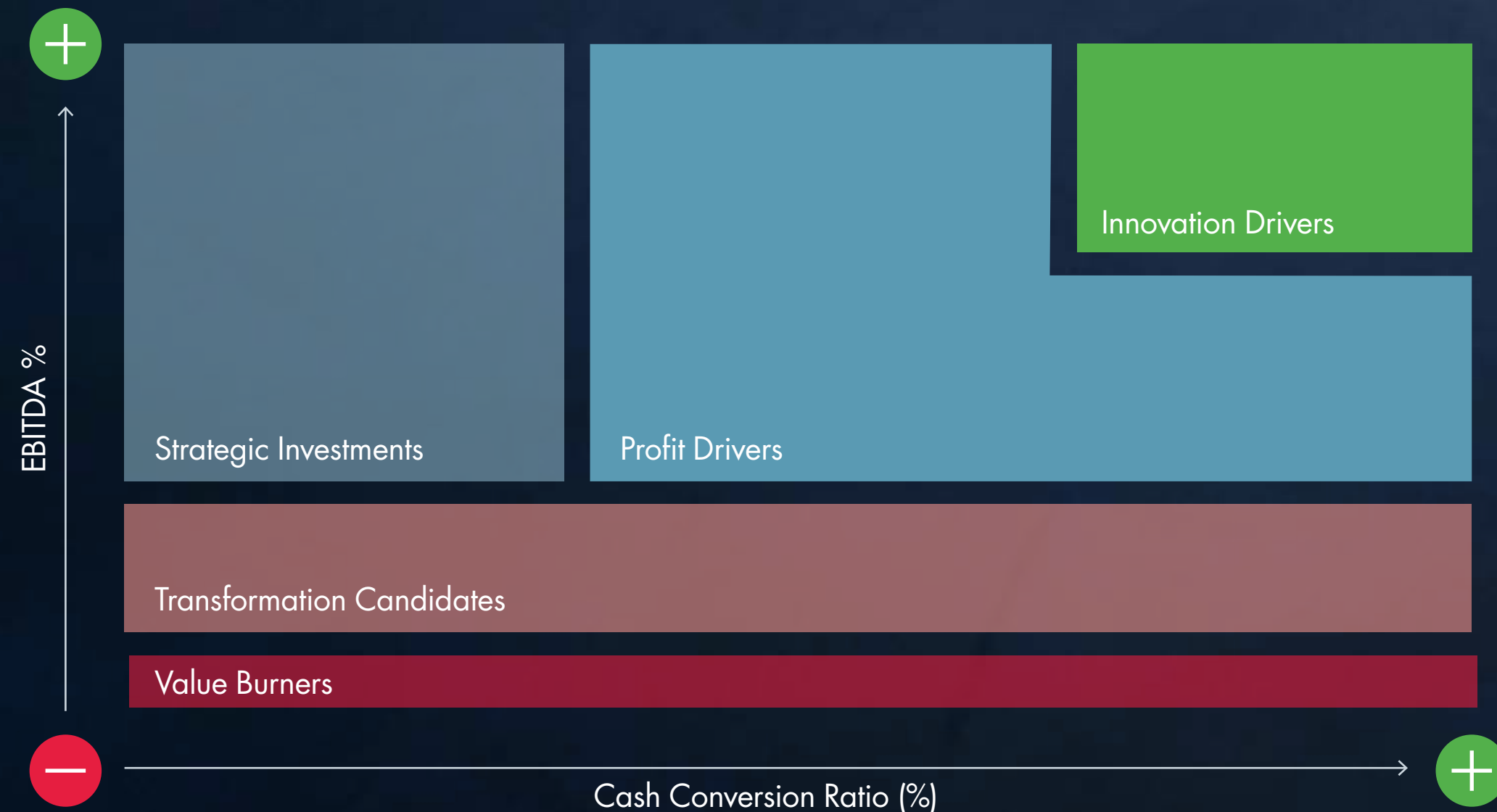
# NEXANS TRANSFORMATION MODEL 2.0

## HUGE VALUE CREATION POTENTIAL ON THE EXISTING PORTFOLIO

### BUSINESS PORTFOLIO ANALYSIS – AN UPDATED PERSPECTIVE

Our portfolio management model keeps the same spirit and principles while improving itself along side 2 axis:

- The matrix axis will display a stronger focus on cash generation trough CCR which represent our capability to convert EBITDA in Free Cash Flow
- A new category is introduced: Innovation Drivers
- **Increased thresholds to raise targets**



### #01 BY DRIVING STRONG VALUE CHAIN MOVE ON OUR INNOVATION DRIVERS

#### CUSTOMERS

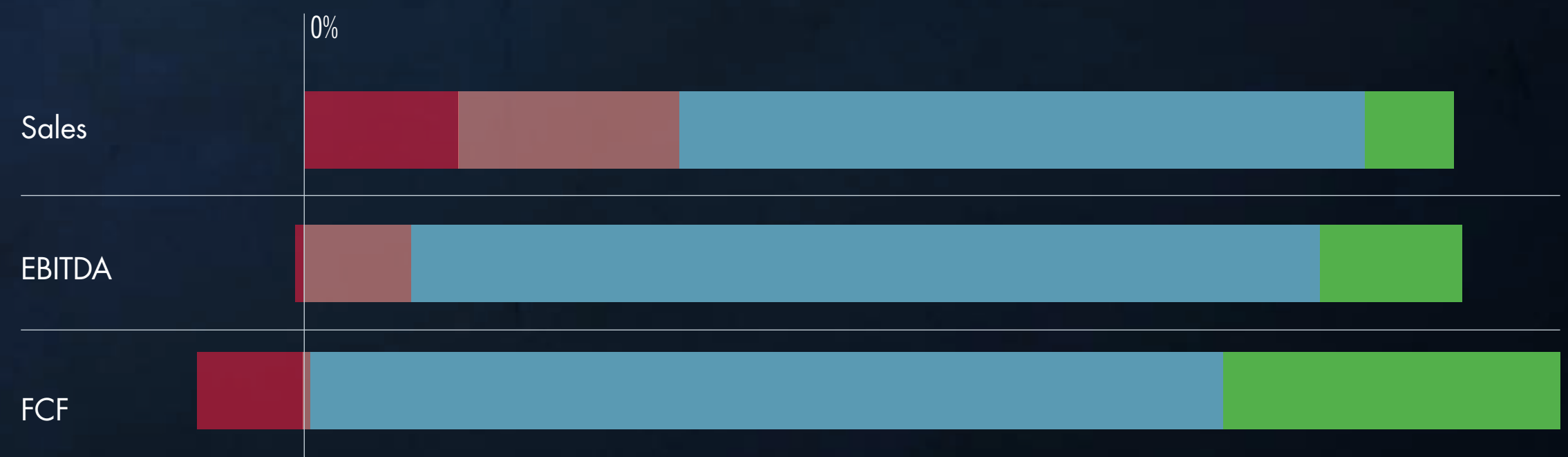
- Productivity and cost efficiency improvement
- Optimization of project Capex
- Reduction of Opex (e.g. smart inventory)
- Guarantee of safe & reliable products



#### NEXANS

- Improved customer loyalty
- ROCE and cash conversion improvement (at ISO revenues)
- Synergies between services & hardware

### #02 BY TRANSFORMING THE REMAINING UNITS WITHIN THE GROUP



# NEXANS TRANSFORMATION MODEL 2.0

## A SYSTEMIC AND UNIQUE VALUE CREATION PROCESS

Nexans is today segmented into about 30 business units each with their own financial statements, manufacturing units and client portfolios. These units are managed through a portfolio approach based on financial KPI's.

They are brought through a standardized transformation process which covers cost structure, business model engineering and offer engineering to maximize value creation and reach upper range financial ratios.

□ WORK IN PROGRESS  
▨ COMPLETED

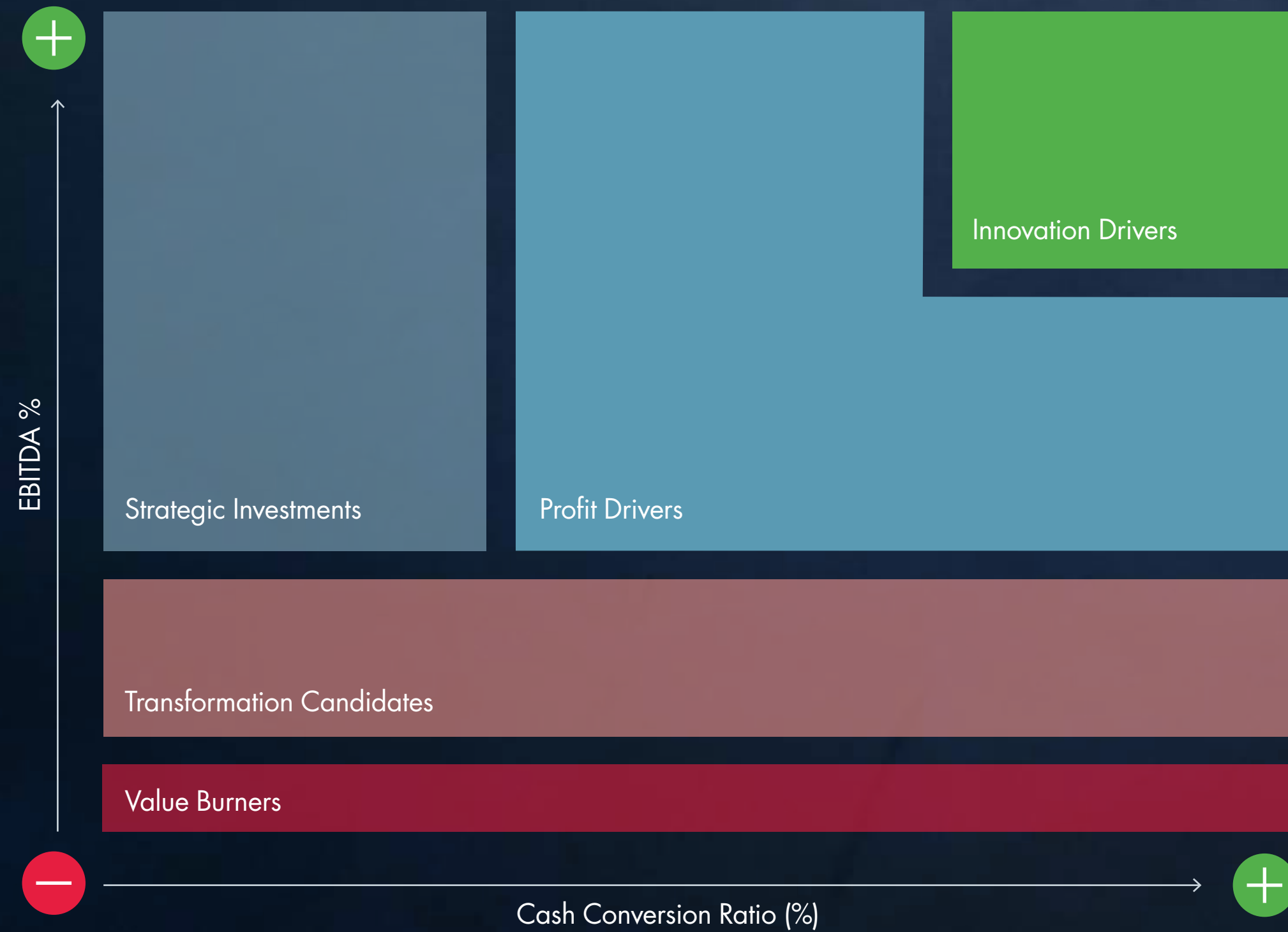
		EXAMPLE LEVERS	VALUE BURNER	TRANSFORM. CANDIDATE	PROFIT DRIVER	INNOVATION DRIVERS
SEQUENCE 3	 SHIFT Prime 10 Levers	L23-31 – Innovation, Solutions L22 – Brand Prime L21 – Superior service offer				
SEQUENCE 2	 SHIFT Performance 20 Levers (250 pages handbook, 15 tools)	L6 to 20... L5 – Cash Conversion Pool L4 – Portfolio reengineering L3 – Complexity reduction				
SEQUENCE 1	Restructuration	L2 – Lean Management L1 – Fixed costs reduction				



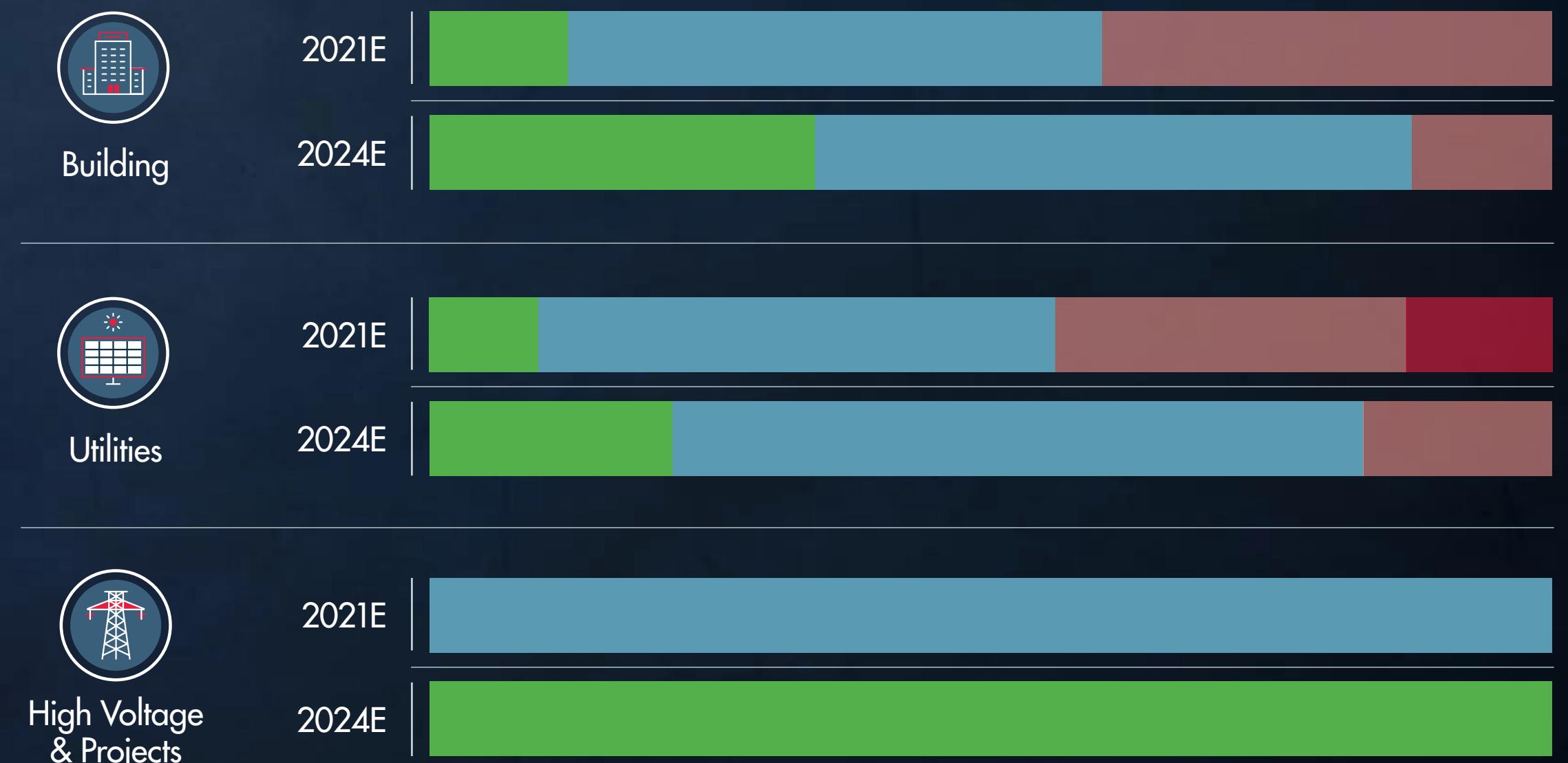
# BUSINESS UNIT PORTFOLIO MANAGEMENT 2.0

## OUR 2024 AMBITIONS

### BUILDING BUSINESS UNITS PORTFOLIO



### TURNOVER EVOLUTION PER PERFORMANCE CLUSTER

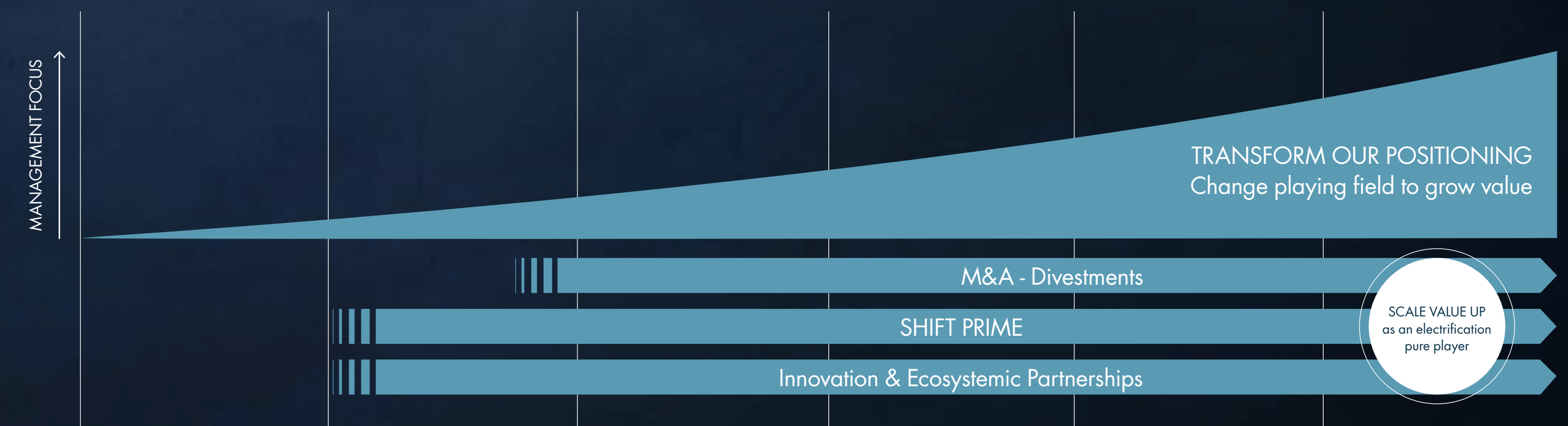
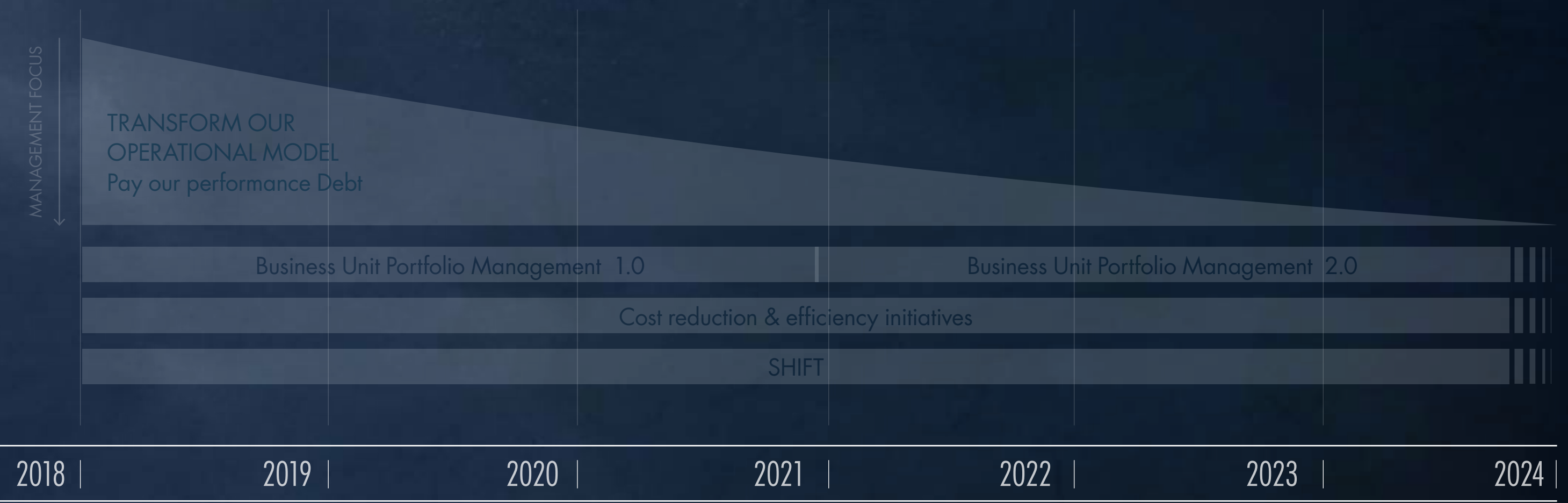


# AMPLIFY VALUE GROWTH

AMPLIFY & ACCELERATE OUR GROWTH IN VALUE ON ELECTRIFICATION SEGMENTS

Pursue our transformation programs on ALL SEGMENTS

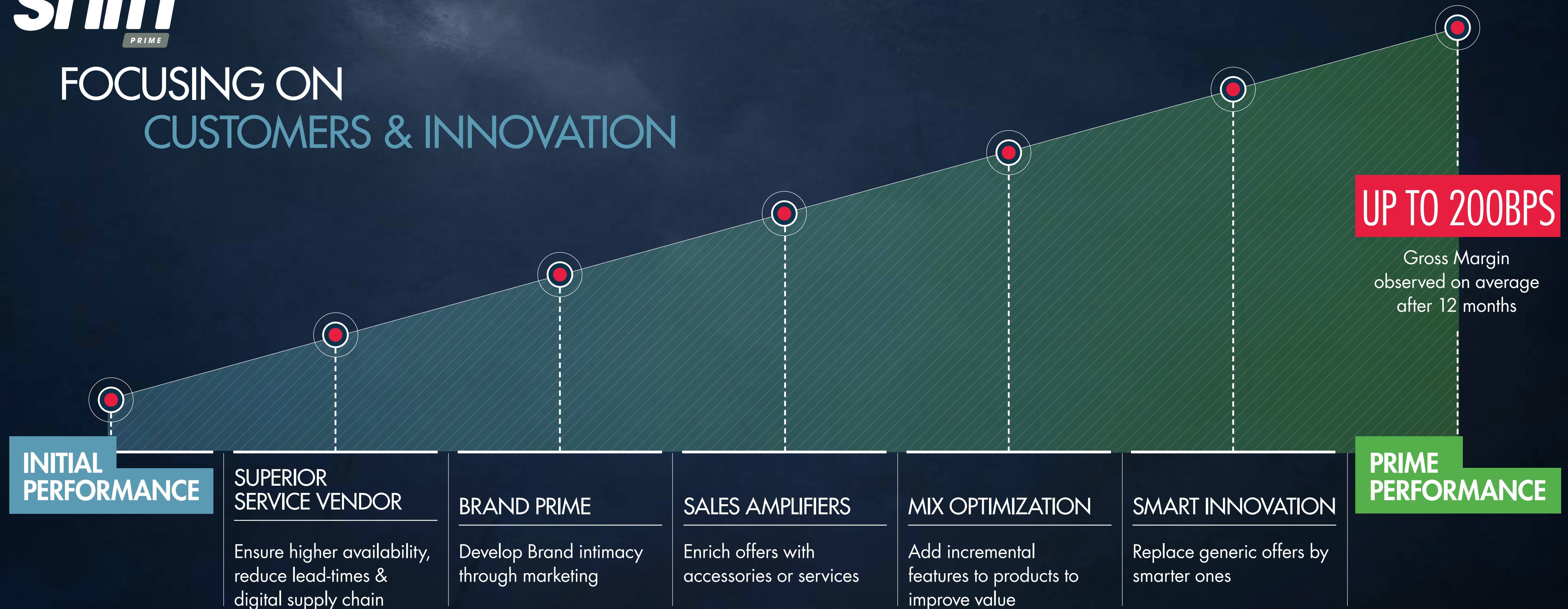
Amplify & accelerate our growth in value on ELECTRIFICATION SEGMENTS



SCALE VALUE UP as an electrification pure player

**shift**  
PRIME

FOCUSING ON  
CUSTOMERS & INNOVATION



## M&A AMPLIFY OUR ELECTRIFICATION SCOPE & OFFER

Nexans articulates its M&A strategy alongside two complementary axis:

- Consolidation deals in the field of electrification
- Bolt-On deals enabling to enrich our value offer in the field of electrification

### TRANSFORMATIVE CONSOLIDATION ACQUISITIONS



### BOLT-ON INNOVATION ACQUISITIONS



Nexans is currently screening bolt on acquisition opportunities to enhance its offer alongside the electrification value chain alongside 3 axes:



Amplify the impact of SHIFT PRIME and Nexans innovation program through our bolt on acquisition portfolio

# INNOVATE TO ELECTRIFY



GENERATION



TRANSMISSION



DISTRIBUTION



USAGES

100% DEDICATED  
TO ELECTRIFICATION

**+€100m**  
R&D Expenses

**+1800**  
Patents

**+800**  
Technical Experts

**>50**  
Innovation per year

ANSWERING  
CUSTOMER NEEDS



### CUSTOMER EXPERIENCE

- Supply chain
- Smart products
- Services
- Risk management

### DIGITALISATION

- Industry 4.0
- Connected products (IoT)
- Artificial intelligence
- Digital twin

### SUSTAINABILITY

- Recycling
- Carbon neutrality
- Circular economy

MANAGING  
RISKS



Increase green generation reliability, monitoring interconnections & OWF connection to the shore

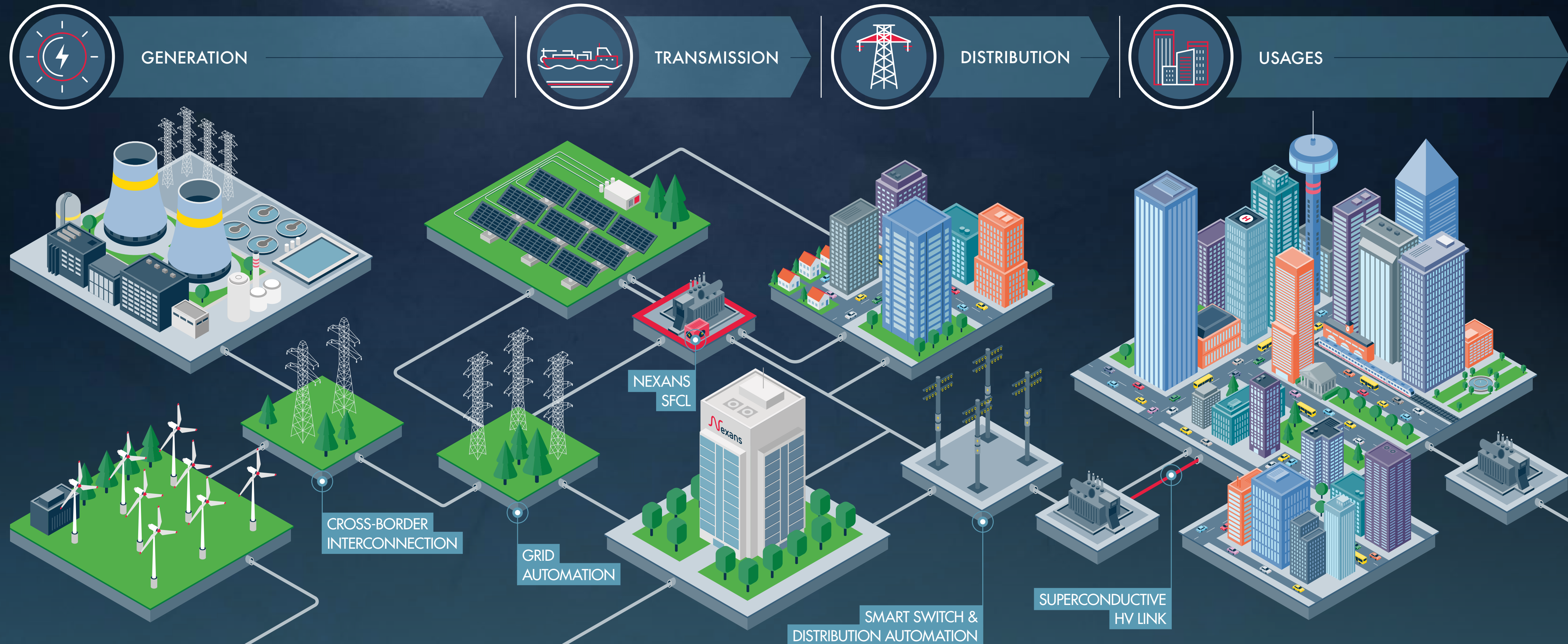


Increase grid resilience to blackout risk through asset live monitoring & management



Increase building safety through live monitoring of the electrical system

# SUPERCONDUCTING SYSTEMS - A BREAKTHROUGH FOR RELIABLE AND RESILIENT URBAN GRIDS



# SUPERCONDUCTING SYSTEMS - A BREAKTHROUGH FOR RELIABLE AND RESILIENT URBAN GRIDS



SUPERCONDUCTIVE  
HV LINK

1-3 GW  
at the heart of the town

90%  
less civil work

ZERO  
thermal and  
electromagnetic  
signature



# SUPERCONDUCTING SYSTEMS - A BREAKTHROUGH FOR RELIABLE AND RESILIENT URBAN GRIDS



## NEXANS SUPERCONDUCTIVE FAULT CURRENT LIMITERS (SFCL)

- Divide fault probability by a factor 4
- Allow distributed generation integration
- Keep existing Network



# A DIGITAL TWIN IS A UNIQUE VIRTUAL MODEL OF A REAL GRID



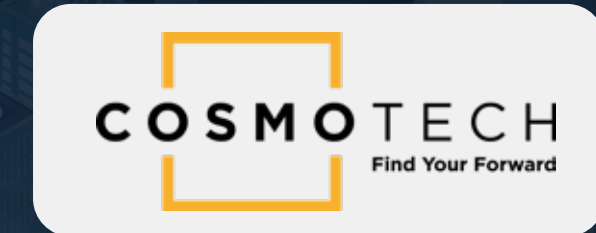
REAL WORLD



DIGITAL TWIN: REAL TIME REPLICA



## ASSET ELECTRICAL SOFTWARE SOLUTION



- Provides visualization, analysis, prediction and optimization
- >20% efficiency in operation & optimized investments
- Targeted maintenance
- Reduced energy loss

50%

value of lines (cables, support, connectors) in grid assets

58%

network faults due to lines/cable network

53%

of the surface burned in California was due to fires of electrical power origin in 2017

+45 YEARS

is the average grid age in EU

# NEXANS STRATEGY FOR IoT DEVELOPMENT

ENABLING AN HOLISTIC APPROACH OF THE GRID RISKS & CHALLENGES

## #01 TRACKING ASSETS

Track location, characteristics and status of valuable grid components.

- Shorten operations time
- Stock management
- Anti Theft
- Cost avoidance

**Covered Assets:**

- Cable drums
- Accessories

## #02 MONITORING ASSETS

Monitor the electrical assets during their lifetime to predict failures, ease maintenance increasing safety & reliability.

- Reduce risks of grid failure
- Prevent fire risk in buildings
- Maintenance costs control
- Electrical loss reductions
- CAPEX avoidance

**Covered Assets:**

- Cables
- Network components

## #03 MANAGE ASSETS

Optimize the use of grid functioning, from generation to usage. Make live decisions on energy routing.

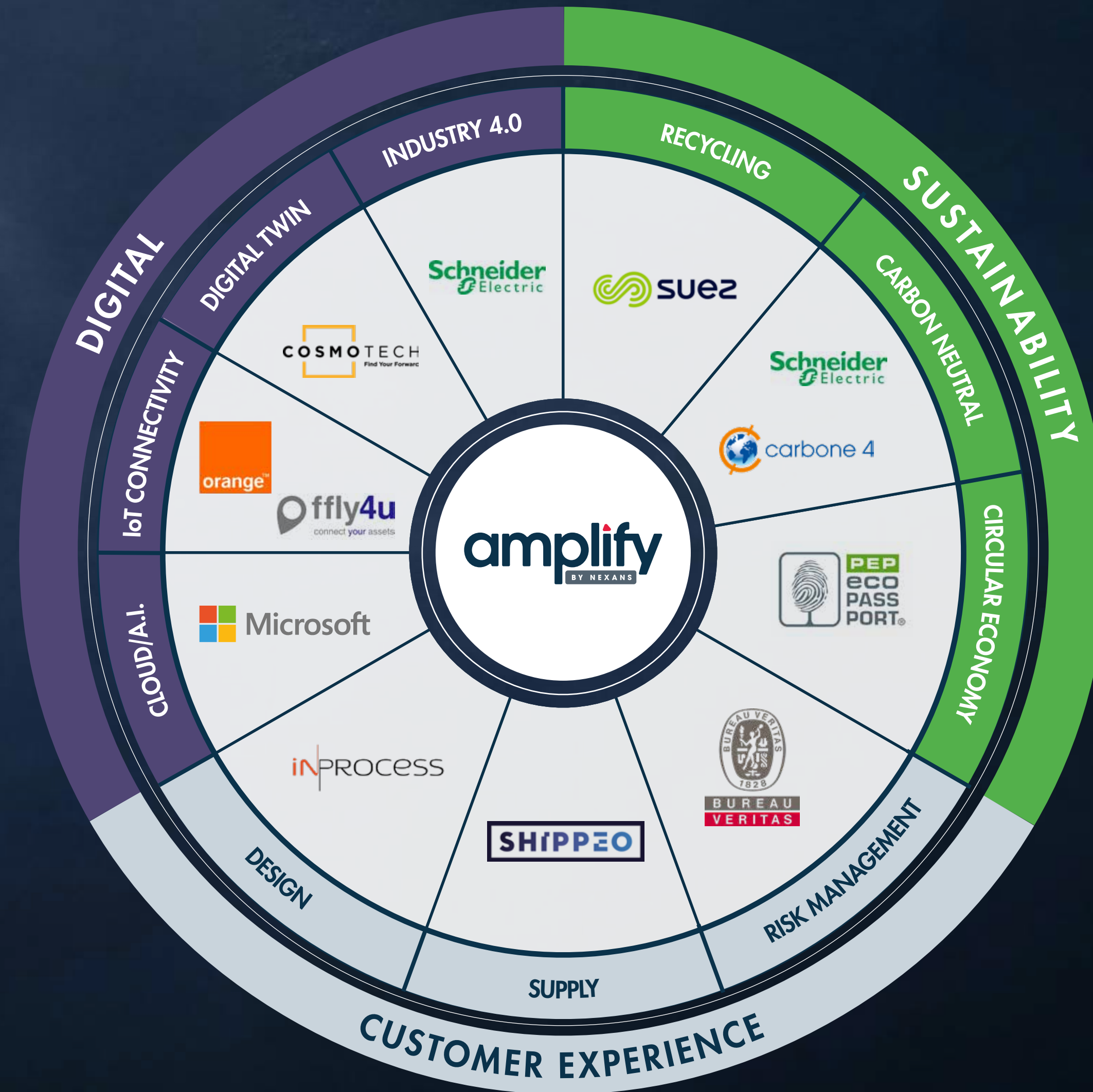
- Increases grid resilience
- Maximize use of generated electricity
- Balance energy offer & demand

**Covered assets:**

- Grid sensing Smart grids
- HV & MV infrastructures

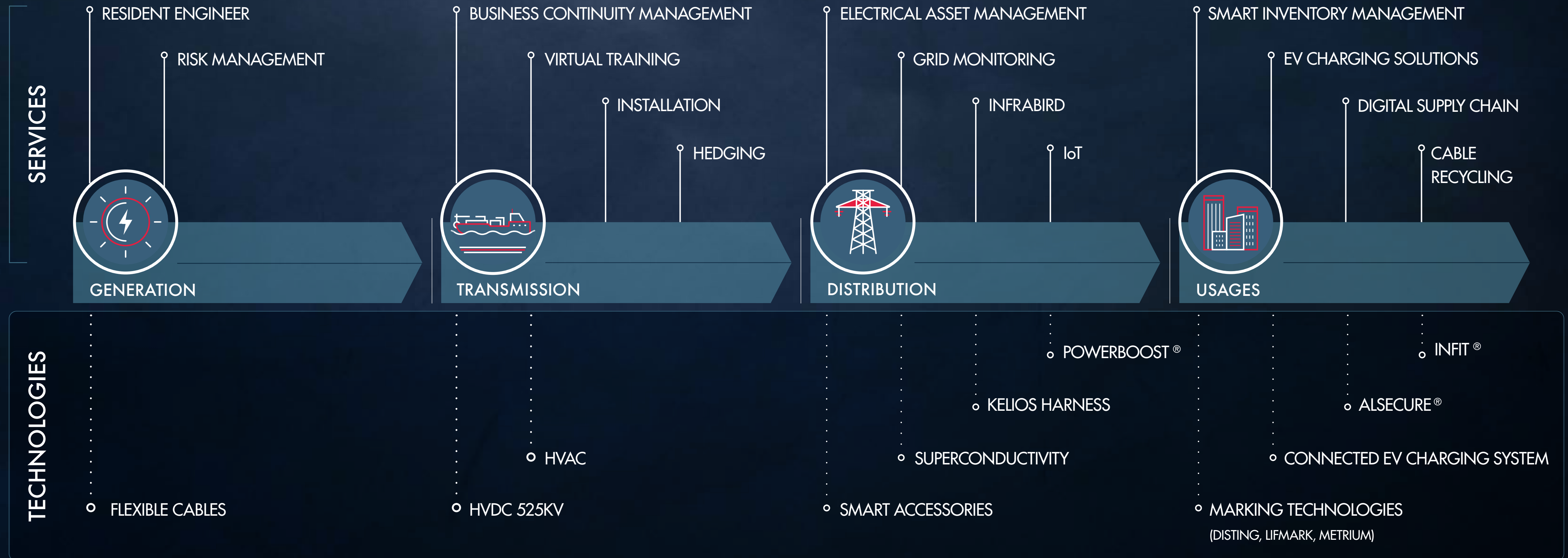
25% NEXANS CONNECTED PRODUCTS BY 2024 (IoT)

# INNOVATE TO ELECTRIFY AMPLIFY – OUR IMPACT THANKS TO OUR PARTNERS



# NEXANS INNOVATION PIPELINE

FULLY DEDICATED TO AMPLIFY THE ELECTRIFICATION



# 04

# HOW TO CHANGE?

TRANSFORM  
AND INNOVATE

01

GENERATION & TRANSMISSION

02

DISTRIBUTION

03

USAGES

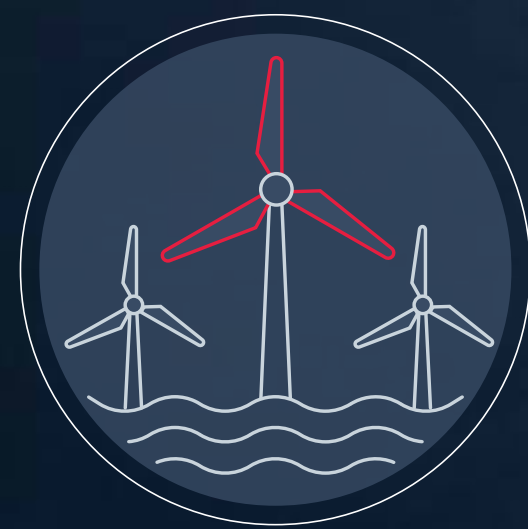
04



# WHAT IS GENERATION AND TRANSMISSION?

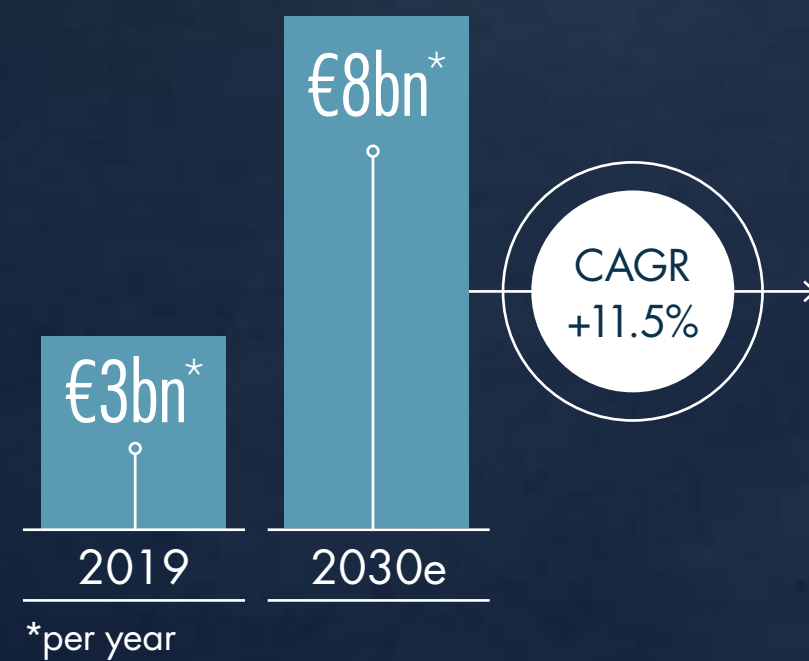


# OFFSHORE WIND FARMS ENABLE THE GREEN TRANSITION 2.5X CABLE MARKET GROWTH NEXT DECADE



OFFSHORE  
WIND FARMS  
CENTRALISED  
GENERATION

## CABLE MARKET FORECAST



## ESSENTIAL COMPONENT

Cables are becoming **more powerful, dynamic and covering longer distances**

**83%**  
of the cost of Offshore Wind Farm construction claims are cables generated

## MAIN DRIVERS

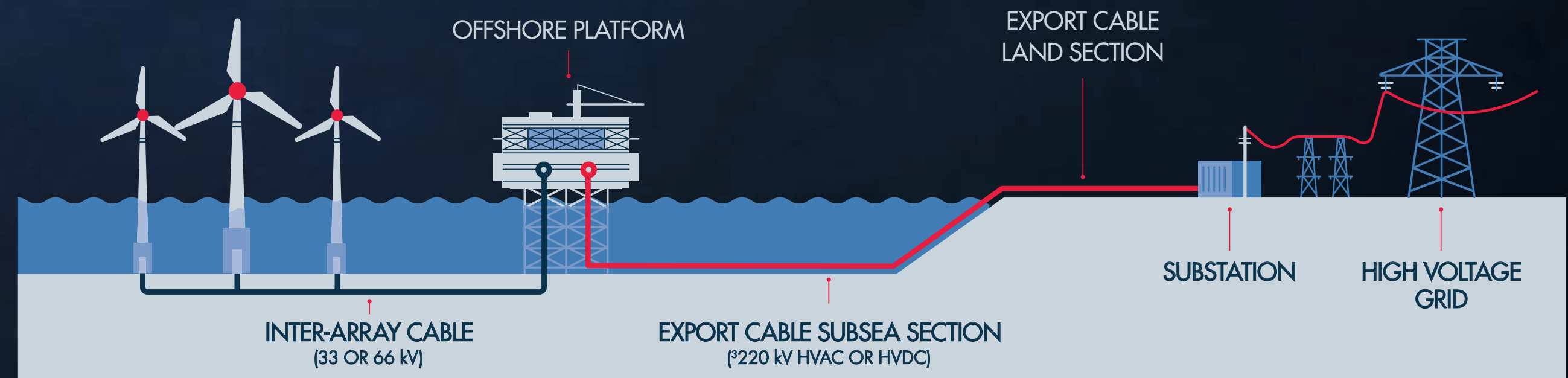
COMPETITIVE COST  
OF ENERGY VS OTHER  
RENEWABLE SOURCES

PEOPLE  
ACCEPTANCE

**€250-400m**  
of cable value per GW installed

**+200GW**  
to be installed by 2030

## VALUE CHAIN OF OFFSHORE WIND FARM





# BUILDING THE ENERGY HIGHWAY BRINGING ENERGY FROM THE GENERATION AREA TO THE CONSUMPTION AREA



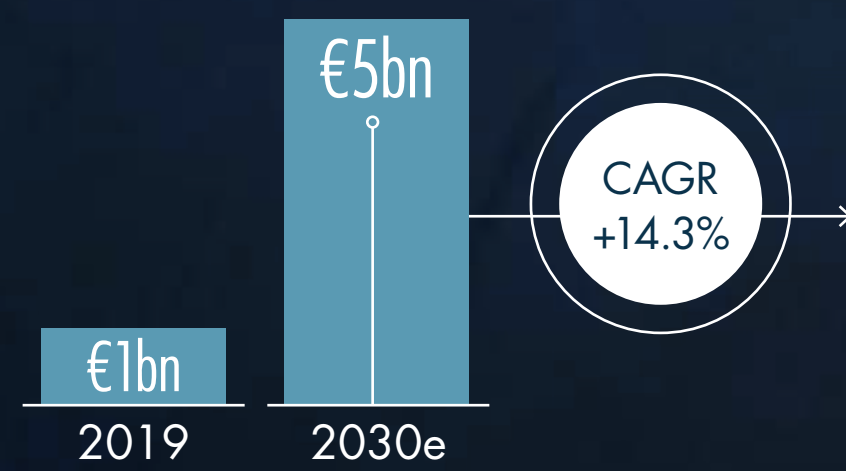
## INTERCONNECTIONS TRANSMISSION

### TRANSMISSION

INCREASING SHARE OF RENEWABLES BUT GEOGRAPHICAL MISMATCH

MASSIVE INVESTMENTS IN NEW CABLE LINKS TO SECURE ELECTRICITY SUPPLY

### CABLE MARKET FORECAST



### MAIN DRIVERS

MORE POWER, LONGER DISTANCES, GREATER DEPTHS

+72.000 km

High voltage power cables to be installed between 2020 - 2030

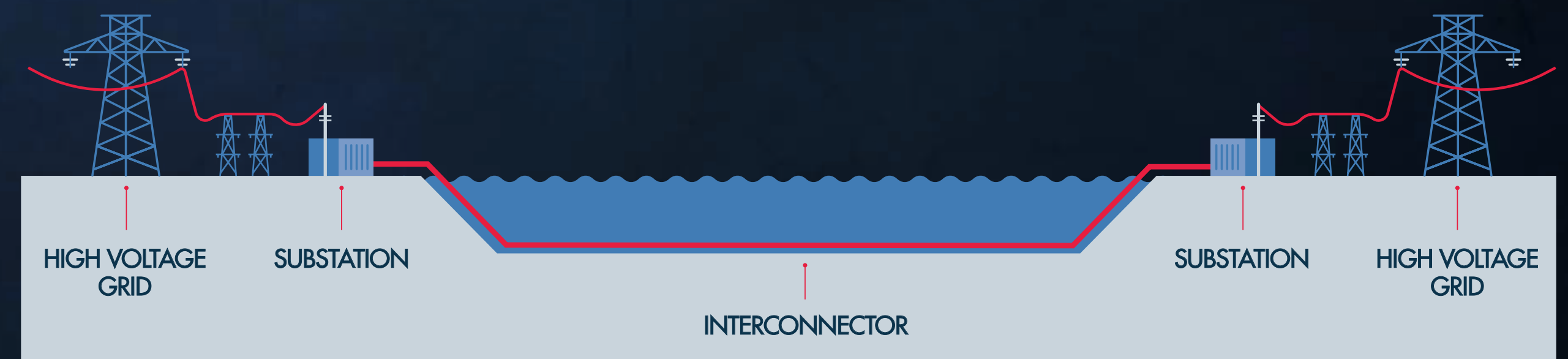
>€25bn

to be invested in cable links in the US over the 2021-2030 period. Nexans estimate of HVDC Land cable to renew US grid by 2030

>60+

large projects in EU and APAC

### VALUE CHAIN OF SUBSEA INTERCONNECTION



# NEXANS HAS INVESTED > €500m IN THE ENERGY TRANSITION AT A TARGETED IRR > 20%



# FOCUS OUR RESOURCES IN THE BEST PORTFOLIO MODELIZE TO PRICE RISK AT ITS FAIR VALUE

## #01 PROJECT RISK

- Technology risk
- Statistics of past projects
- Terms & conditions

## #02 ASSETS YIELD

- Vessels & Installation tools
- Cable manufacturing plants

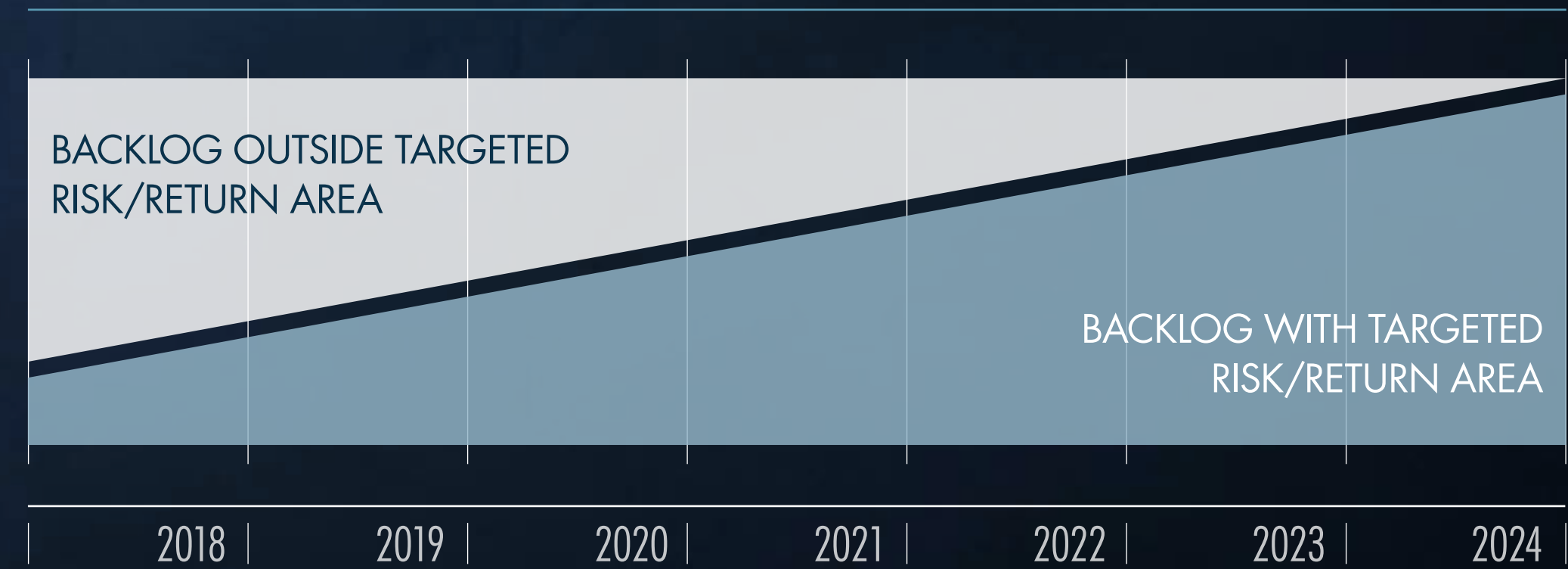
## #03 TENDER SELECTIVITY



Nexans has reshuffled the backlog, lowering risk while yielding capacity and improving returns.

SHIFT Project modeling enables us to go one step further in asset modeling and risk management.

## NEXANS BACKLOG PROFILE (ILLUSTRATION)



# BUILDING RELIABLE GREEN ENERGY GENERATION & TRANSMISSION COMBINING ANALYTICS WITH A SOUND RISK MANAGEMENT TRACK RECORD



Nexans end-to-end approach of risk management for Subsea and Land EPCI projects combine robust processes, advanced modelization tools and an historic database for the best results.

DESIGN AND ENGINEERING

MANUFACTURING

INSTALLATION

83%

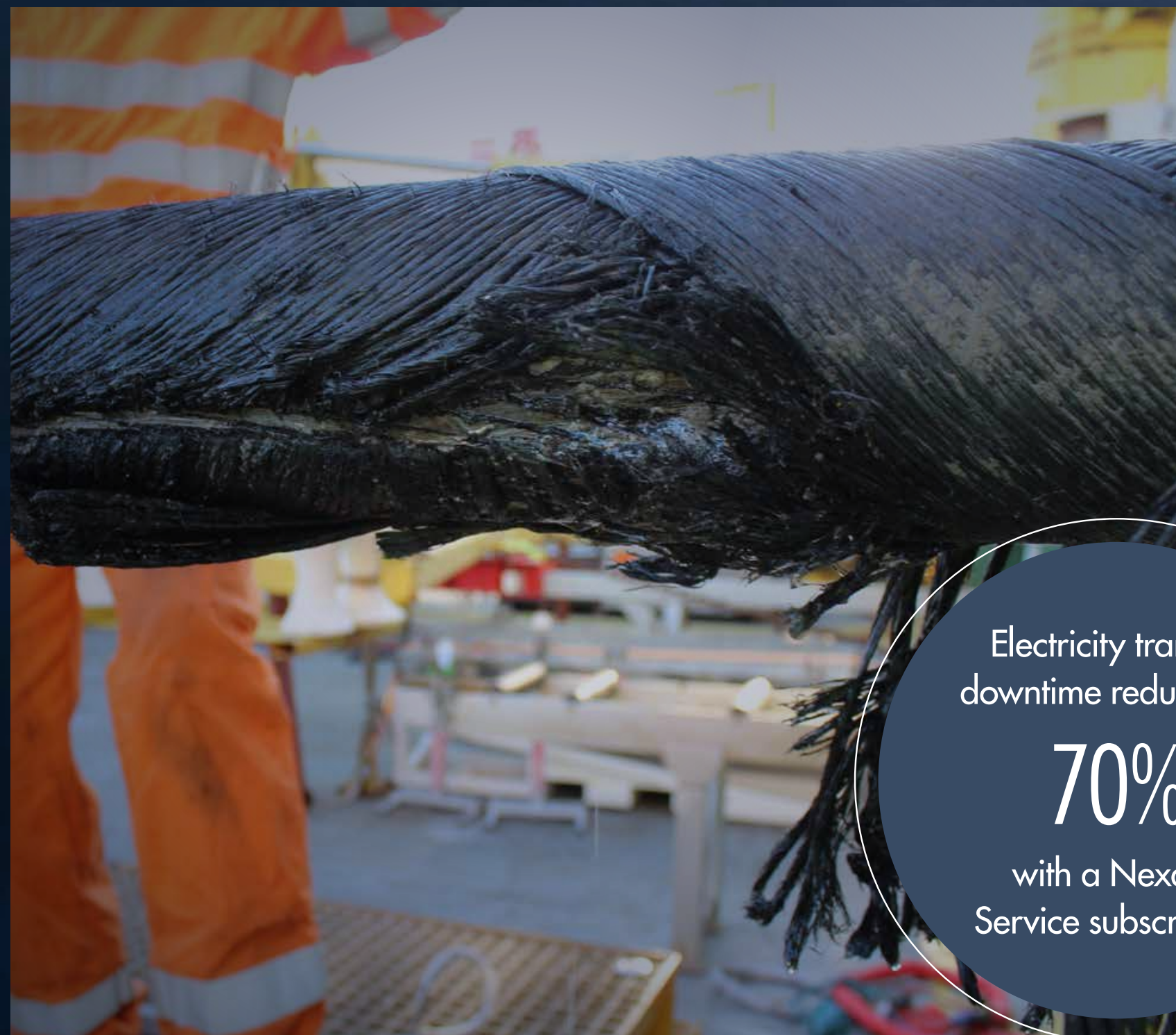
of claims linked to cables from 2012–2017 for Offshore Wind Farm projects

## A PARTNERSHIP TO BRING PROJECT & RISK MANAGEMENT A STEP FURTHER

- Certifies the Nexans way of managing EPCI projects & risks
- Develops new standards for the OWF and Interconnection industry
- Reduces risk profile of such projects
- Reduces Nexans time to market



# MANAGE CRITICAL GENERATION & TRANSMISSION ASSETS SECURE ENERGY SUPPLY



Electricity transfer  
downtime reduced by  
**70%**  
with a Nexans  
Service subscription

€9.3bn

Expected cost of 2020-2030 interconnection cable outage, which is 2x to 5x more than during the previous decade

1 YEAR

Worst case repair duration due to complex engineering asset availability, legal processes and expert availabilities

## NEXANS BUSINESS CONTINUITY SOLUTIONS

Reduce downtime losses



SURVEILLANCE



ASSET MANAGEMENT



ANTICIPATION



EMERGENCY REPAIR

# PUSHING TECHNICAL FRONTIERS BROADENING THE SCOPE OF POSSIBILITIES FOR OUR CLIENTS

2020

## CUTTING EDGE TECHNOLOGY

### HVDC Extruded:

525kV Subsea and Land cable system

### Long Distances:

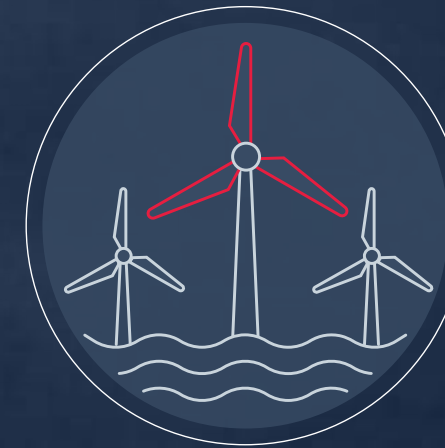
World's longest HVDC interconnector 525 kV – 623 km

### Deep Water Applications:

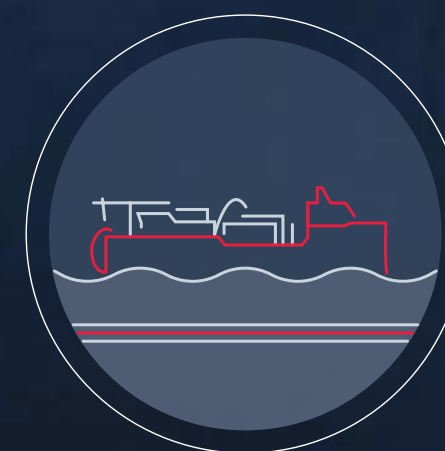
- World's deepest 420 kV XLPE cable – 550 m water depth
- Nexans' deepest HVDC interconnector installed at 1,500 m water depth
- Hybrid cable at 2,300m

### Dynamic Applications:

Dynamic HV cables to world's first floating offshore wind farm



OFFSHORE  
WIND FARMS



INTERCONNECTORS

2024

## AMPLIFY TECHNOLOGY LEADERSHIP

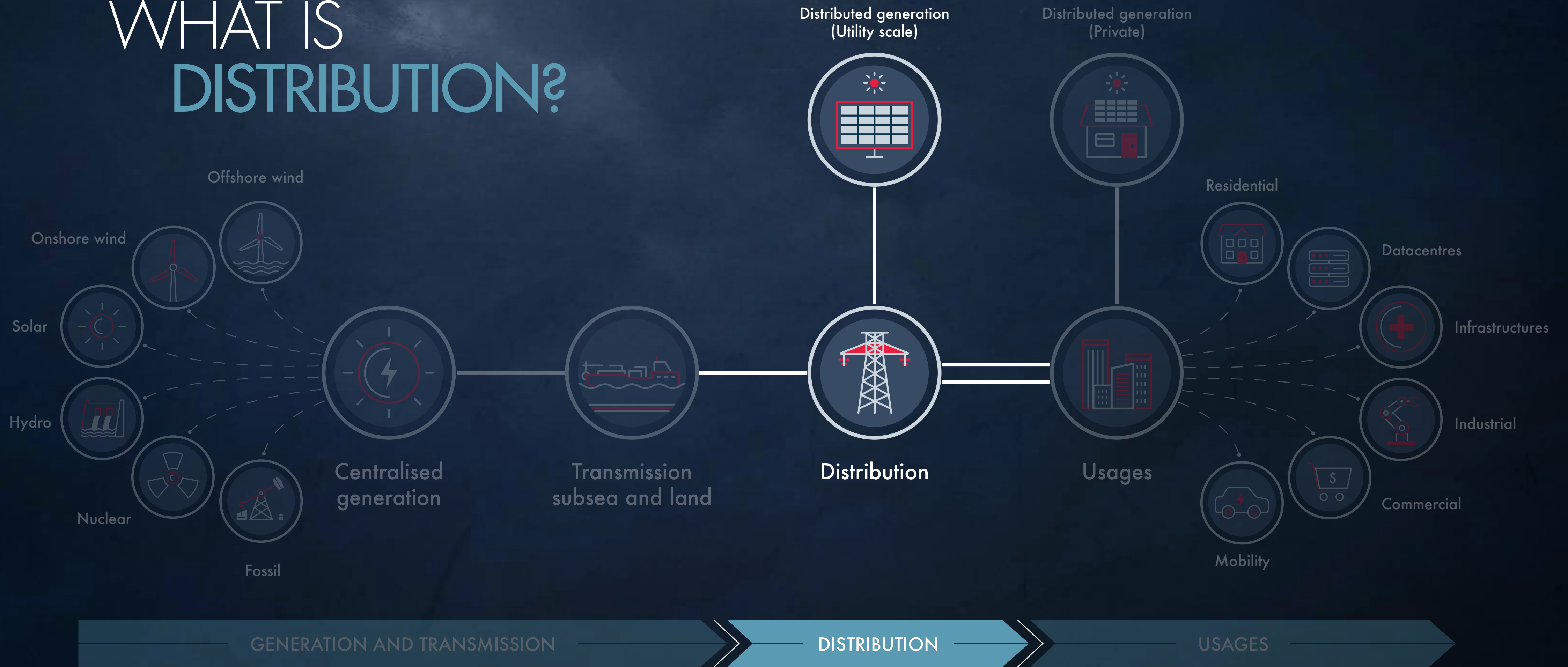
- **Increase voltage levels beyond 525kV for our subsea and land cables systems**
- **Deep water applications down to 3,000m**
- **Advanced cable systems for floating Offshore Wind Farms**
- **Next generation cable installation and protection**
- **Amplify technological leadership through HVDC Powerboost™, Nexans proprietary solution for thermoplastics**

01  
GENERATION  
& TRANSMISSION

02  
DISTRIBUTION

03  
USAGES

# WHAT IS DISTRIBUTION?





# A GROWING ENERGY DEMAND BUT THROUGH AN AGEING GRID ASSET



**DISTRIBUTION**  
DISTRIBUTION & UTILITY  
SCALE DISTRIBUTED  
GENERATION

## GROWTH DRIVERS

**+1.8 BILLION**  
inhabitants to have access  
to electricity by 2030

**+17%**  
additional electrical energy  
to be produced in 2030  
compared to 2019

**X2.6**  
renewable electricity  
capacity by 2030



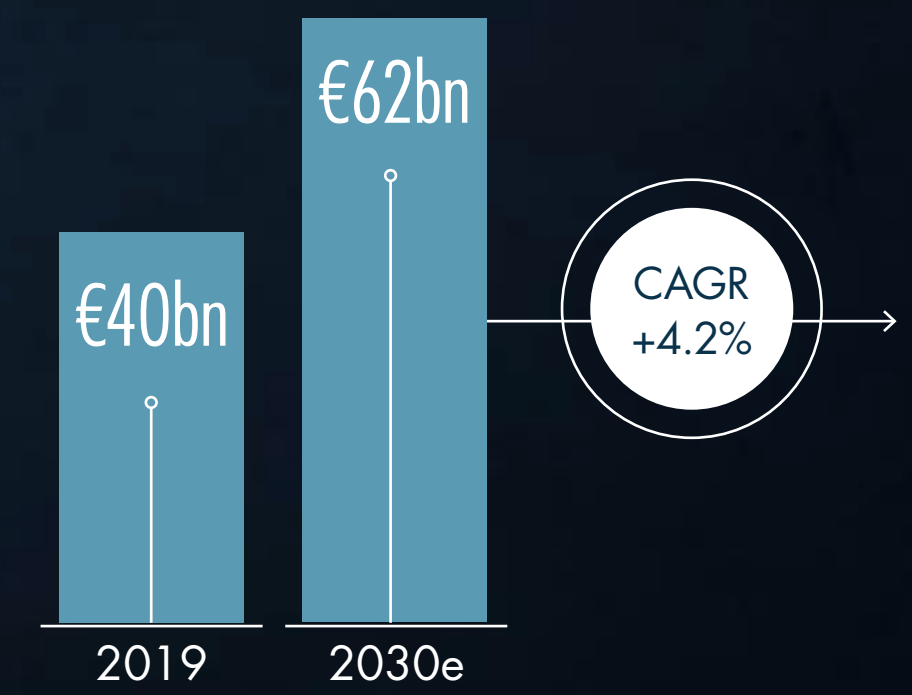
## INVESTMENT

**€4.4tn**  
to be invested from 2020 to 2030  
for electrification, renewables  
& network replacement

**BUT THE WORLD IS FACING AN AGEING ELECTRICAL GRID ASSETS...**  
Estimates of average grid age per region and expected lifetime in years



## CABLE MARKET FORECAST



# STRENGTHEN THE DISTRIBUTION NETWORK

## SECURE GRID SOLUTIONS TO FACE THE GROWTH AND REPLACEMENT



# TURNKEY SOLUTIONS TO CONNECT UTILITY SCALE RENEWABLE FARMS



## STOCKYARD HILL WIND FARM

149 turbines, 540MWp, 1350GWh, Australia

**-7%**

CAPEX

**-9.1%**

20 years TCO vs.  
Standard Blueprint

## IMPROVE TOTAL COST OF OWNERSHIP THROUGH GRID ENGINEERING

Nexans brings end-to-end solutions to connect utility scale renewable farms connection to the grid. We combine a unique architecture design know how with, installation, civil work, cables, active & passive accessories.

### AN END-TO-END SOLUTION

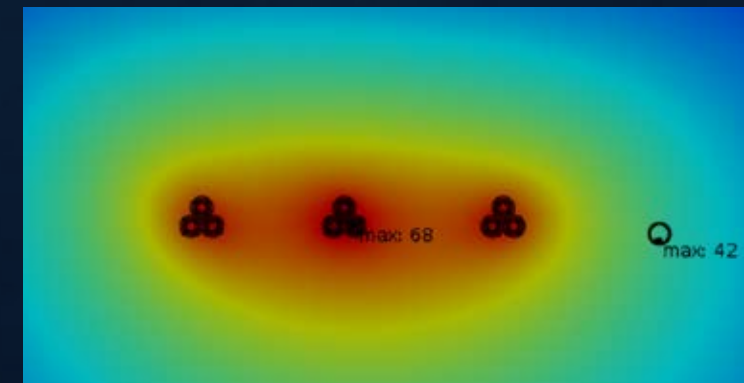
ARCHITECTURE DESIGN

CABLES

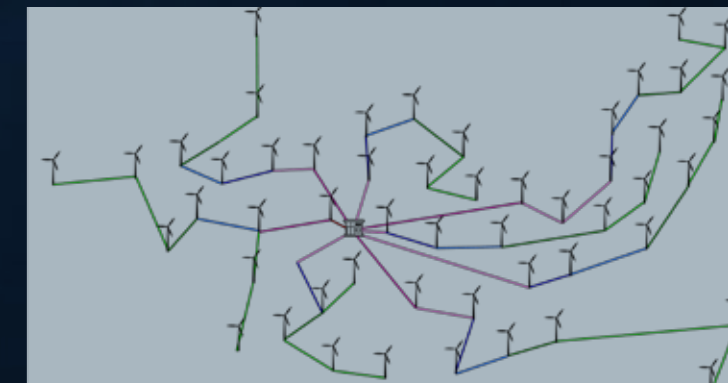
ACCESSORIES

INSTALLATION

### ARCHITECTURE DESIGN: A UNIQUE KNOW HOW TO OPTIMIZE THE COLLECTOR DESIGN



CABLE SIZING



LAY-OUT OPTIMIZATION



ARCHITECTURE

- Reduce losses to optimize power output
- Reduce total CAPEX
- Support arbitration on the OPEX vs. CAPEX balance
- Reduce risk of electrical failure through more resilient designs

# NEOGRID® TURNKEY SOLUTIONS FOR ELECTRIFICATION

Nexans NEOGRID® offer is dedicated to emerging area searching solutions to electrify safely, rapidly and at the best cost a specific region

## NEOGRID® TURNKEY SOLUTION

FINANCING

ARCHITECTURE  
DESIGN

CABLES

ACCESSORIES

INSTALLATION

A FOCUS ON HARDWARE SOLUTION:  
ACTIVE & PASSIVE COMPONENTS



Polls Transformers



Substation



Cables -EDR Max –  
low civil work



Connections  
& protections



### PIONEER PROJECT

ELECTRIFICATION PROJECT IN IVORY COAST, FULL TURNKEY

€10m  
Project

51  
villages  
to electrify

35  
completed

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03  
WHAT TO CHANGE?

→ 04  
HOW TO CHANGE?

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NEW FINANCIAL TRAJECTORY

04

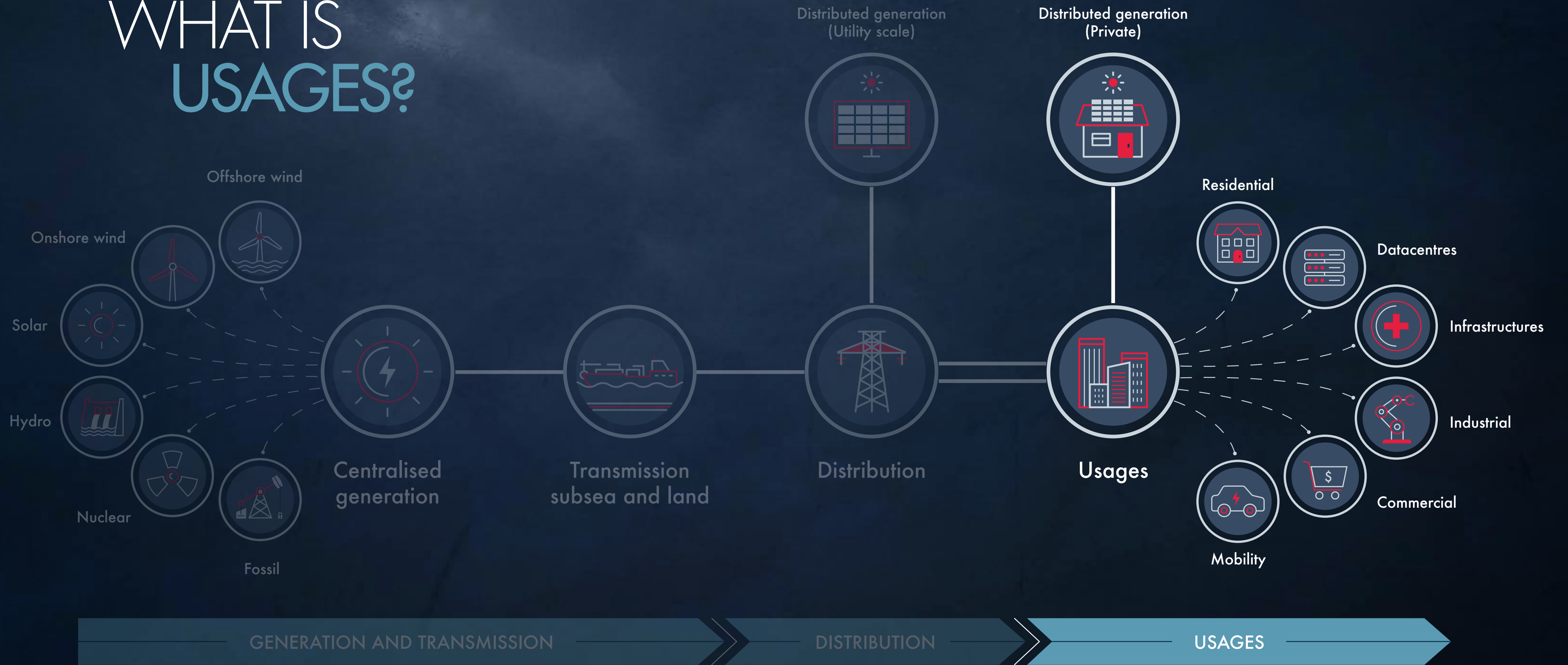
01  
GENERATION  
& TRANSMISSION

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USAGES



# WHAT IS USAGES?



# BUILDING CABLE MARKET BRING SAFE ELECTRICAL POWER AT THE HEART OF OUR LIFE PLACES



## USAGES

BUILDINGS,  
INFRASTRUCTURES,  
MOBILITY, DATACENTERS

**>30 MILLION**  
of EVCS will be installed by between 2019 and 2030 (residential, commercial and workplace) in Europe

**43**  
megacities in 2030  
- Urbanization

**+6 GWP**  
of BIPV capacity to be installed between 2018 and 2022 worldwide

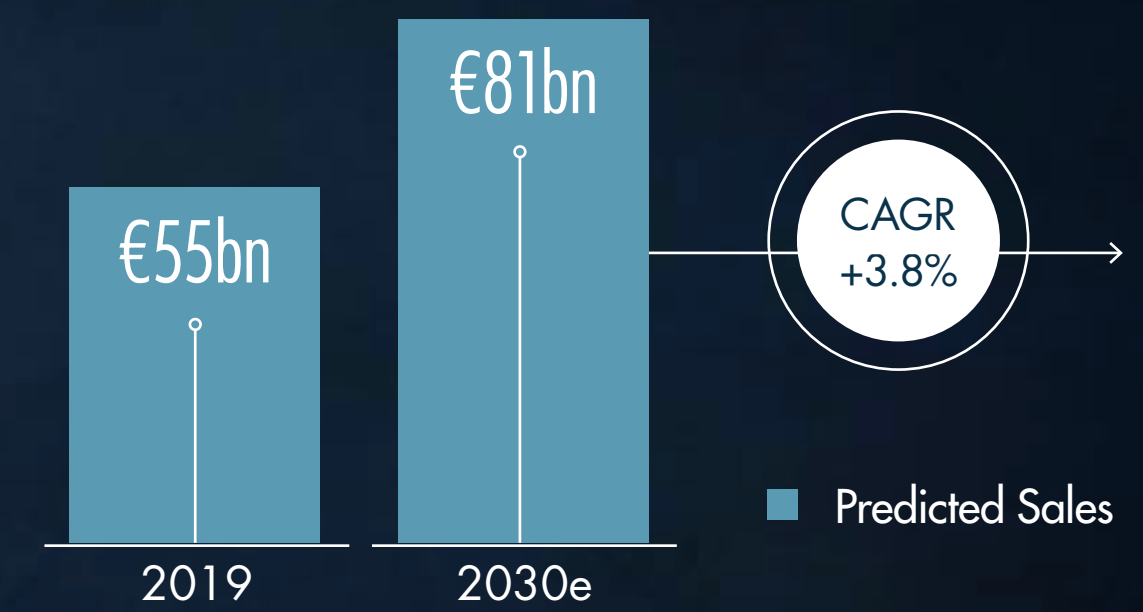
**+1.8 BILLION**  
inhabitants to have access to electricity by 2030

BUILDING  
RETROFIT

NEW REGULATIONS AND  
OPTIMIZATION (BIM)

### MAIN DRIVERS

## CABLE MARKET FORECAST



## ELECTRICAL SAFETY



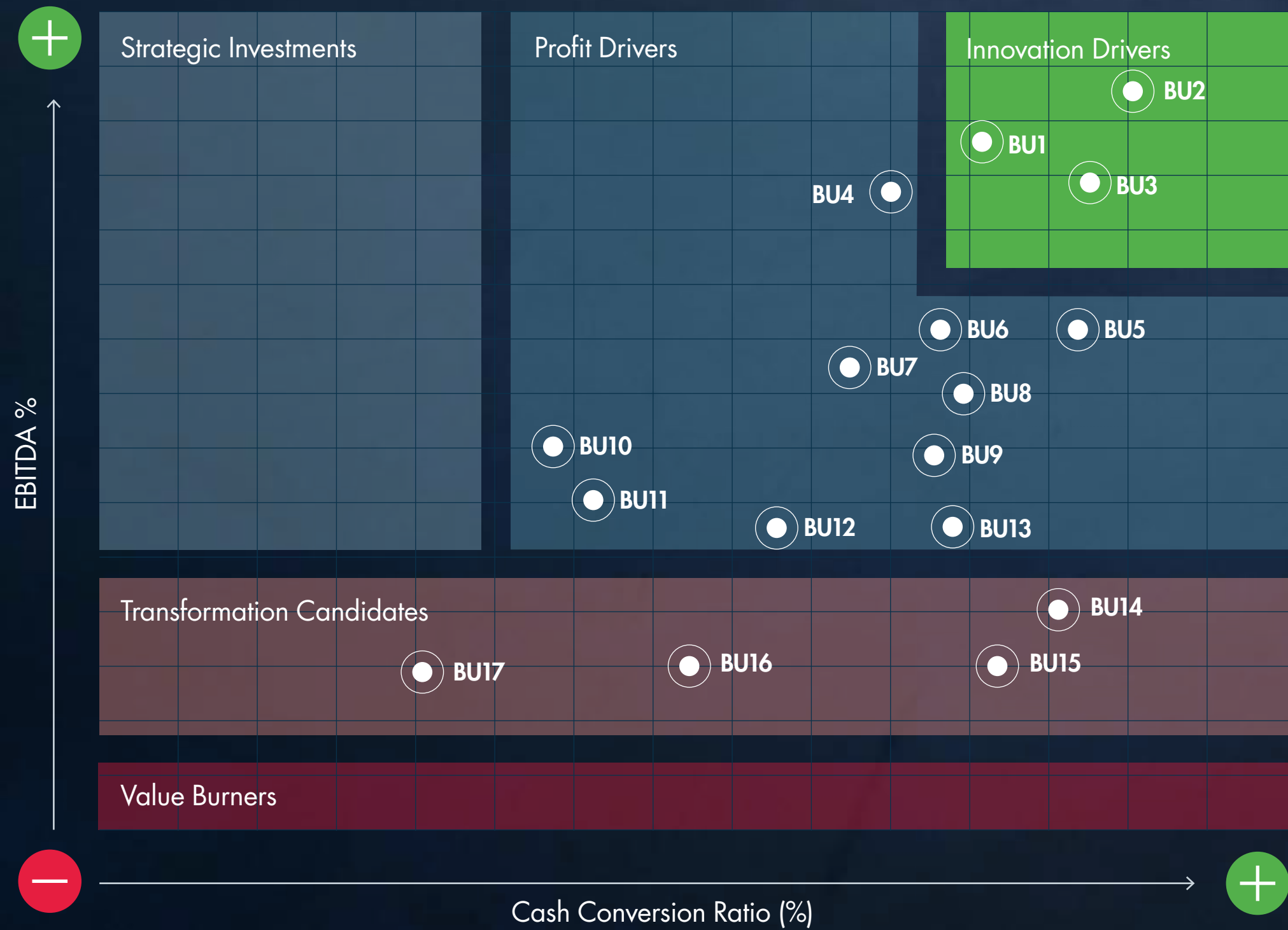
**1 FIRE EVERY 2 MINUTES**  
caused by an electrical origin in the EU

**UP TO 80%**  
of fire outbreaks due to counterfeit cables in emerging countries

# BUSINESS UNIT PORTFOLIO MANAGEMENT 2.0

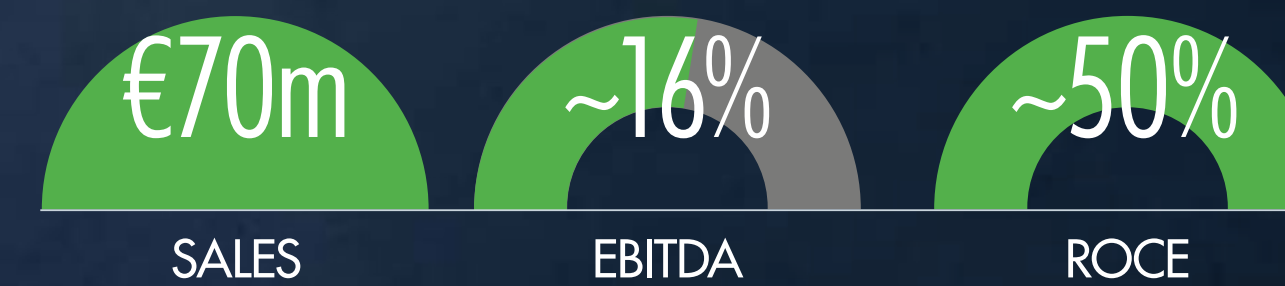
## SCALE UP SUCCESSFUL UNITS DNA SEQUENCE

### BUILDING BUSINESS UNITS PORTFOLIO



### BUSINESS UNIT 1

SHIFT PERFORMANCE & SHIFT PRIME DEPLOYED:  
Branded product innovation program focused on ease to use & packaging



### BUSINESS UNIT 2

SHIFT PERFORMANCE & SHIFT PRIME DEPLOYED:  
Branded differentiation based on product safety and full electrification kit delivery





# STRENGTHEN THE DISTRIBUTION NETWORK RESILIENCE AND EFFICIENCY THROUGH SMART SOLUTIONS



# AGICITY® ELECTRIC VEHICLES CHARGING STATIONS SOLUTIONS

From power distribution to asset management, Nexans offers a complete solution for AC and DC Electrical Vehicles Charging Stations (EVCS)

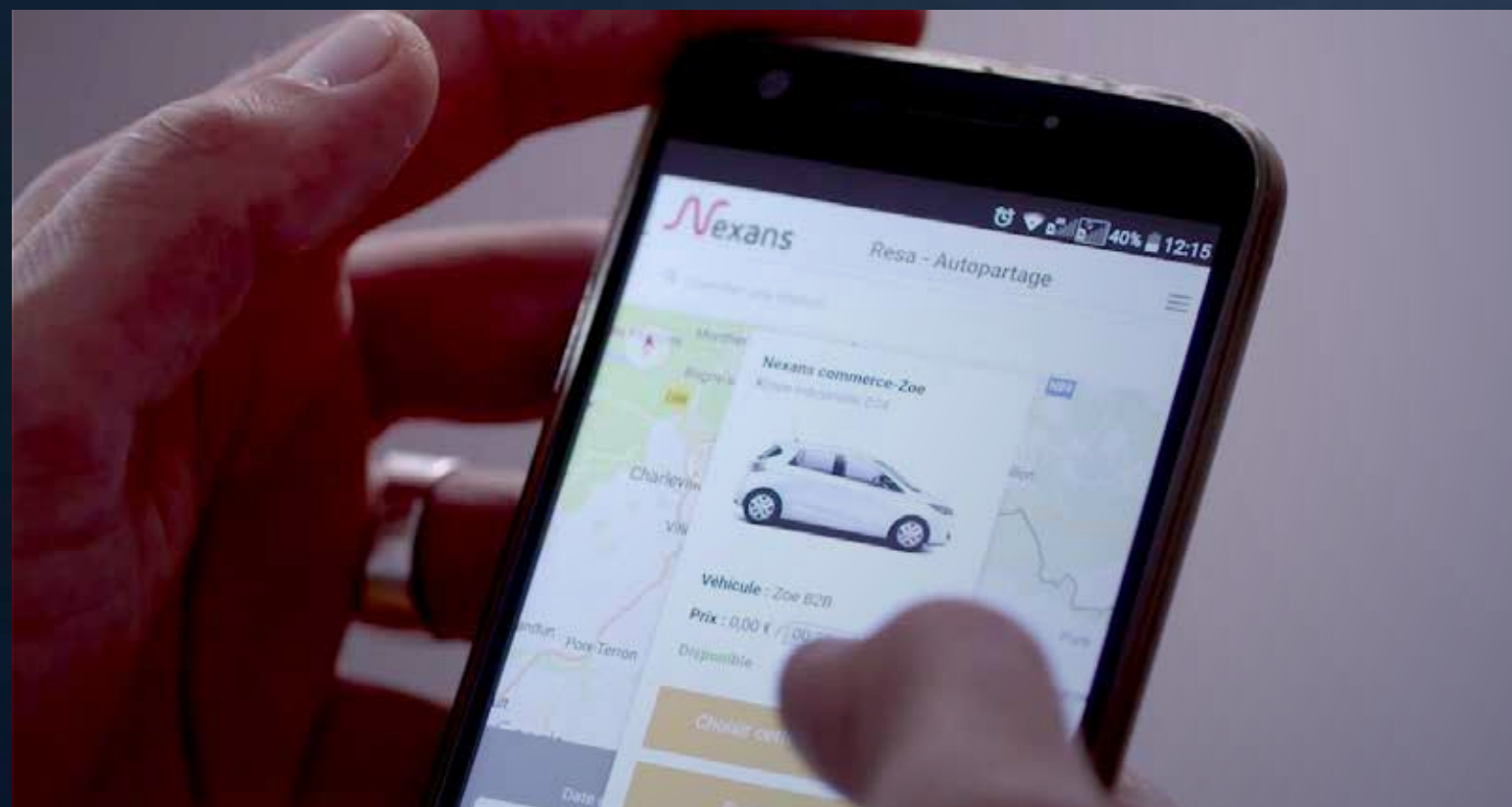
## AN END-TO-END SOLUTION

POWER CONNECTION

EVCS

INSTALLATION

ASSET MANAGEMENT



### SERVICES BY AGICITY

A hotline, a real-time supervision software, experts, to guarantee faultless operation of the installations.

Nexans offers preventative and on-going maintenance services based on real-time supervision tools (SIGP).

### EVCS: ELECTRICAL VEHICLE CHARGING STATION

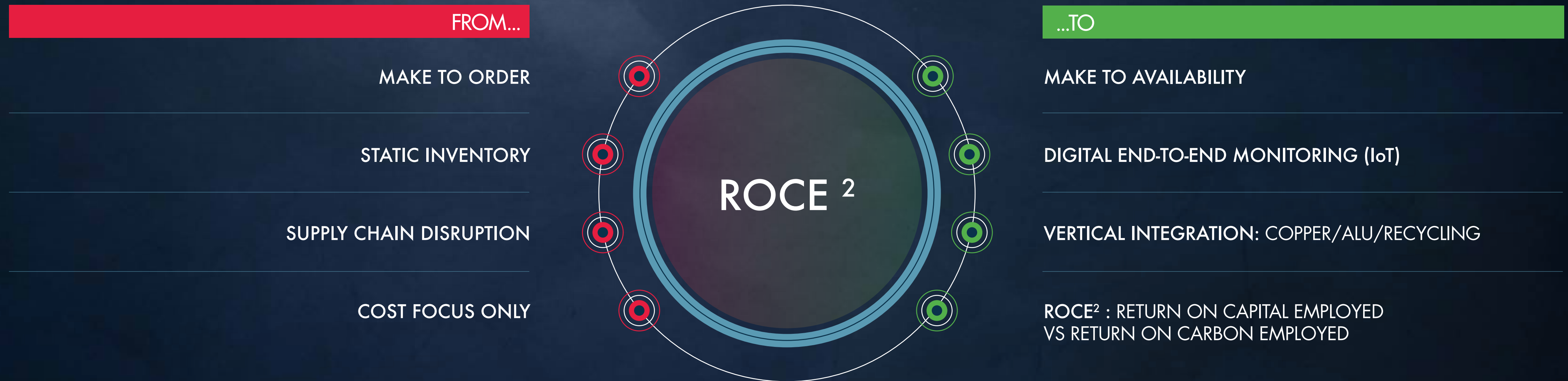


AGICITY AP  
7 TO 22KVA-AC

AGICITY FAST  
24 KVA DC



# NEXANS UNIQUE VALUE PROPOSITION END-TO-END SUPPLY CHAIN



## NEXANS SUPPLY CHAIN 4.0: AMPLIFY OUR IMPACT



### END-TO-END SUPPLY CHAIN TO OPTIMIZE ROCE<sup>2</sup>

# CABLE FIRE TECHNOLOGIES FOR A SAFER ELECTRIFICATION



NEXANS OWNS +150 PATENTS THAT ARE FIRE SAFETY RELATED

**1 FIRE EVERY 2 MINUTES**

caused by an electrical origin in the EU

**25% TO 30%**

of domestic fires caused by an electrical origin in the EU

**1,000 FATALITIES**

in the EU each year

**GROWING POWER IN RESIDENTIAL BUILDING**

24M EVCS to be installed in residential building by 2030

	PVC / PE STANDARD CABLES	FIRE RESISTANT & RETARDANT CABLES
FIRE IGNITION	Catch fire easily in case of short circuit	Heat but does not burn
FIRE PROPAGATION	Transmit fire between rooms across cable pipes	HFFR Does not transmit fire
TOXIC FUMES	Fire smoke opacity blocks visibility at 5m	50m visibility through HFFR cables smoke
SAFETY SYSTEMS RELIABILITY	Melt and stop powering safety systems such as lighting or ventilation	HFFR withstand 1000 °C more than 2 hours still transmitting electric current



The Construction Products Regulation (CPR) in Europe, is setting fire requirements for cables which can prevent or accelerate fire depending on the chosen technology

# INDUSTRY 4.0 MANUFACTURING COMPETITIVENESS



## PERFORMANCE MONITORING

Process Efficiency & Data Visibility

## ENERGY MONITORING

Carbone Emission Reduction

## AUGMENTED OPERATOR

In Hands Information (Real Time Data and Analytics Model Combination)

On-line Training Support



## PREDICTIVE MAINTENANCE

Analytics to increase Overall Equipment Effectiveness (OEE)

## CONTROL TOWER

Quality Reliability and Stability

## LEAN DIGITALISATION SYSTEM

Kanban, Work Instructions, Work Orders

### INTEGRATION OF DIGITAL SOLUTION IN INDUSTRIAL PROCESS AND DATA DRIVEN FACTORY

05

# SCALE-UP TO STEP-UP PERFORMANCE

NEW  
FINANCIAL  
TRAJECTORY  
2021-2024

05

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ELECTRIFICATION

Organic Growth

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STEP-UP  
ELECTRIFICATION

M&A

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SCALE-UP TO STEP-UP  
PERFORMANCE

Group Financial Trajectory  
2021 - 2024

# WHERE DO WE COME FROM?

## STEERED FOR GROWTH

Since 2019 Nexans has restored its profitability, reinforced its balance sheet and shifted the financial mindset to cash generation

### The company has delivered:

#### #01

Cost reductions covering fixed costs and industrial performance

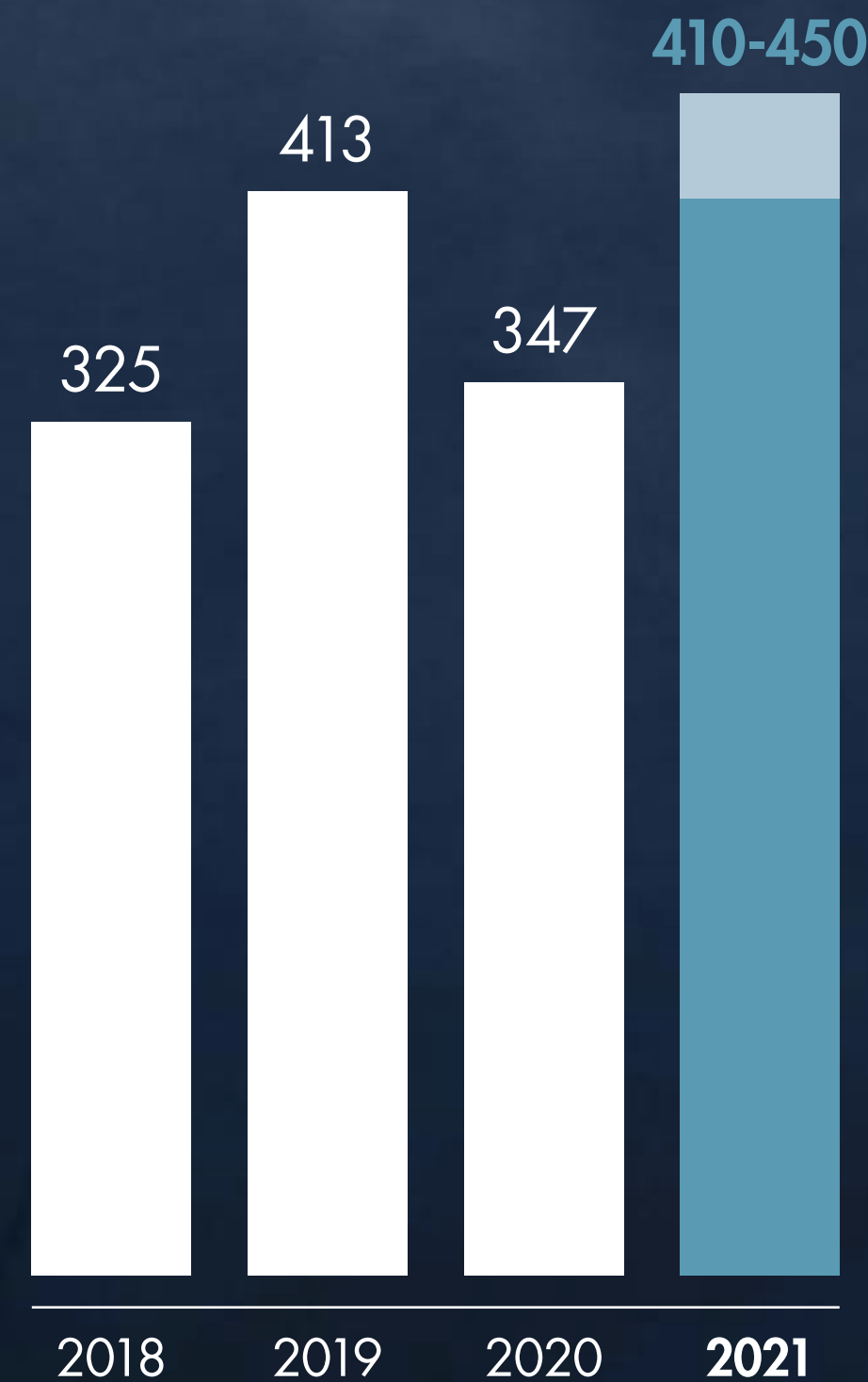
#### #02

SHIFT program

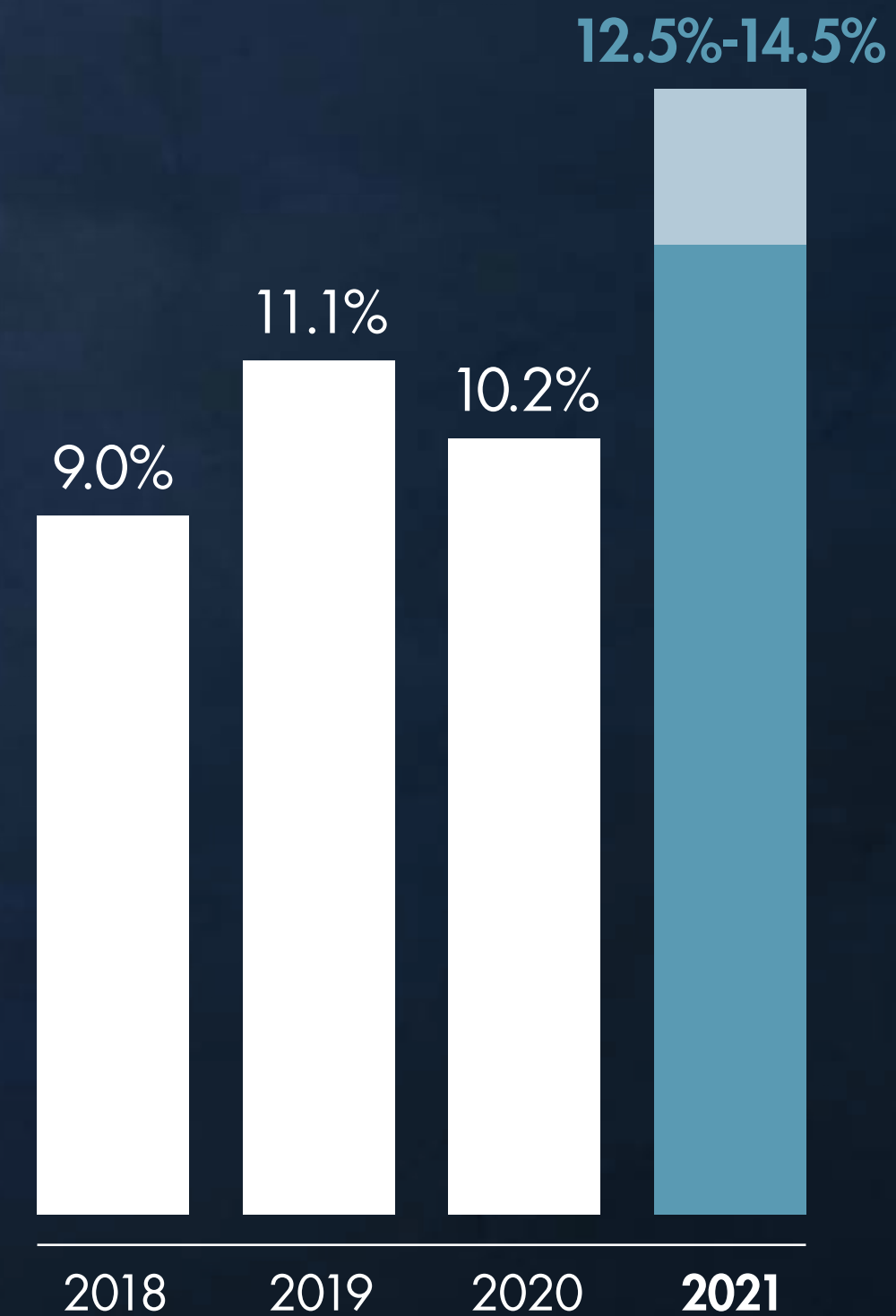
#### #03

Portfolio management & selective growth

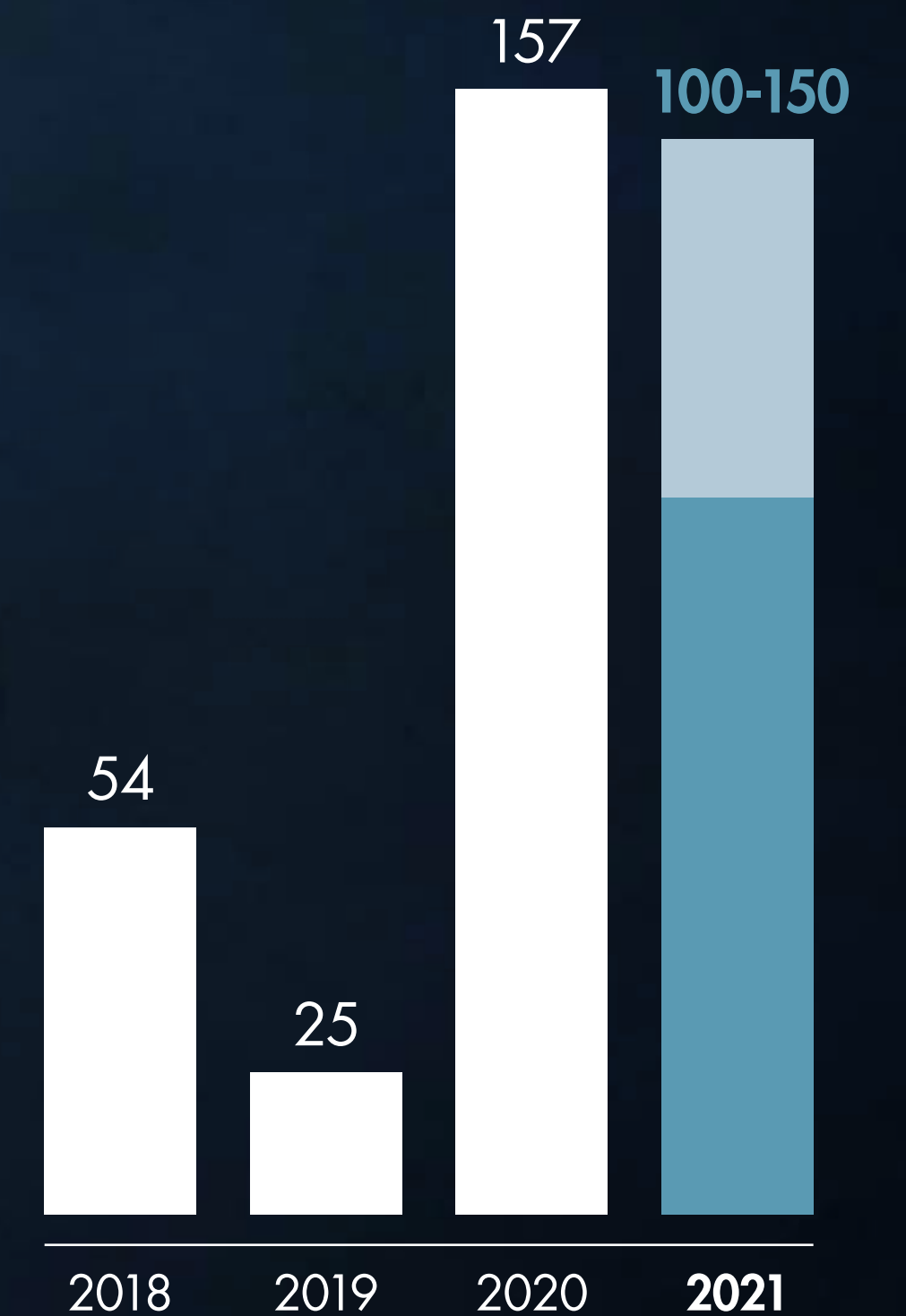
EBITDA (€m)  
% sales at standard metal prices



ROCE (%)



FREE CASH FLOW (€m)



Notes:

- 2018 pre IFRS16 implementation
- Starting January 1st 2020, change in copper standard price from 1,500 €/ton to 5,000€/ton. 2018 and 2019 EBITDA% calculated based on restated sales at standard metal price
- ROCE calculated as 12 months Operating Margin on end of period / Closing Capital Employed, excluding antitrust provision
- FCF before M&A and equity flows
- 2021 as per current perimeter, i.e excluding M&A and/or divestments

- Scenarios considered in the current CMD presentation will be further analyzed prior to deciding their implementation and projects resulting from those studies will be submitted to relevant legal bodies including to employee representatives bodies if applicable and when needed.



# OUR COMMITMENTS

## AMPLIFY AND SCALE-UP WITH DISCIPLINE

### ROTATE TO ELECTRIFICATION

SALES AT STANDARD METAL PRICES:



### SCALE-UP IN VALUE

	EXISTING ELECTRIFICATION (Organic, including strategic CAPEX)		OVERALL GROUP (Including M&A, Divestments)	
	2021	2024	2021	2024
<b>REVENUES</b> Sales standard metal price	€3 - 3.2bn	€3.5 - 3.7bn	~€6bn	€6 - 7bn
<b>EBITDA</b> % Sales	8 - 10%	11 - 13%	6.5 - 8%	10 - 12%
<b>NCCR</b> (1)	≥ 30%	≥ 40%	≥ 20%	≥ 40%
<b>ROCE</b> (2)	≥ 15%	≥ 20%	12.5 - 14.5%	N/A

– Notes:

- (1) NCCR (Normalized Cash Conversion Ratio) defined as Normalized Free Cash Flow / EBITDA – NCF excludes strategic capex, PP&E divestment, one off-change in working capital and material restructuring plans cash out. Segment NCCR computed after allocation of Group mutualized costs
- (2) Excluding potential goodwill and PPA assets arising from M&A / Assuming Nexans cumulated depreciation ratios for acquired fixed assets

### SUSTAINABLE & SOUND BALANCE SHEET

OWC %  
(3) ≤ 6%

CAPEX %  
(4) ≤ 2.5%

Leverage Ratio  
(5) ≤ 2.5x

- (3) OWC% as Closing / (Previous Quarter Actual Sales x 4)
- (4) CAPEX% as Recurring CAPEX / 12 months Standard Sales
- (5) Leverage Ratio: Average of last two published net debt on Last Twelve Months EBITDA

# 05

01 INTRODUCTION

02 **AMPLIFY ELECTRIFICATION**  
Organic Growth

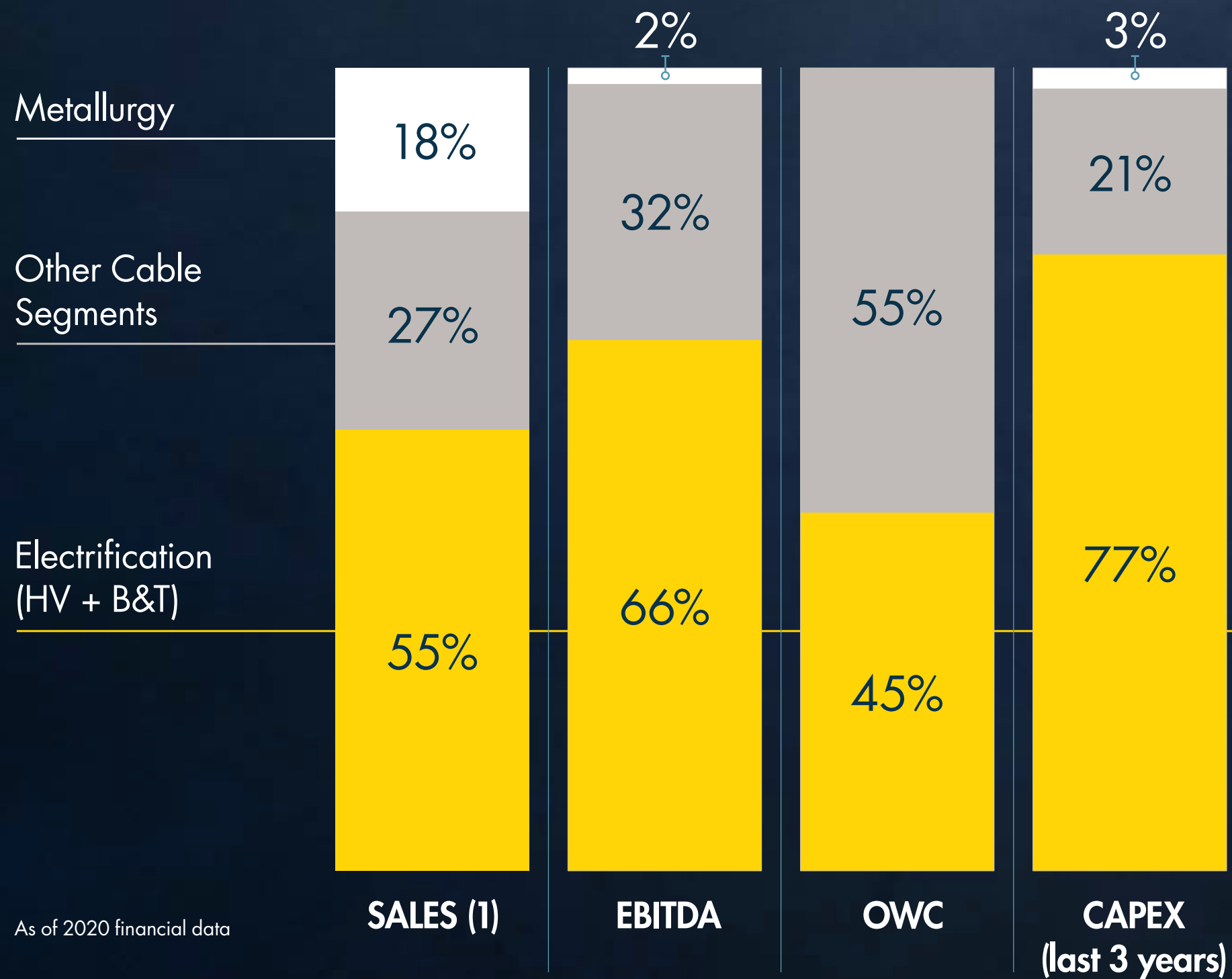
03 **STEP-UP ELECTRIFICATION**  
M&A

04 **SCALE-UP TO STEP-UP PERFORMANCE**  
Group Financial Trajectory 2021-2024

# ELECTRIFICATION DRIVING NEXANS PROFITABILITY IN 2020

A HIGHLY ACCRETIVE SEGMENT...

...DISPLAYING IN SUPERIOR RATIOS VS. OTHER CABLES SEGMENTS



ROCE **≥200 BPS**

NCCR % <sup>(2)</sup> **≥500 BPS**

OWC % **≤500 BPS**

EBITDA % **≥50 BPS**

In light of the 2020 financial performance, Electrification displays the most appealing metrics.

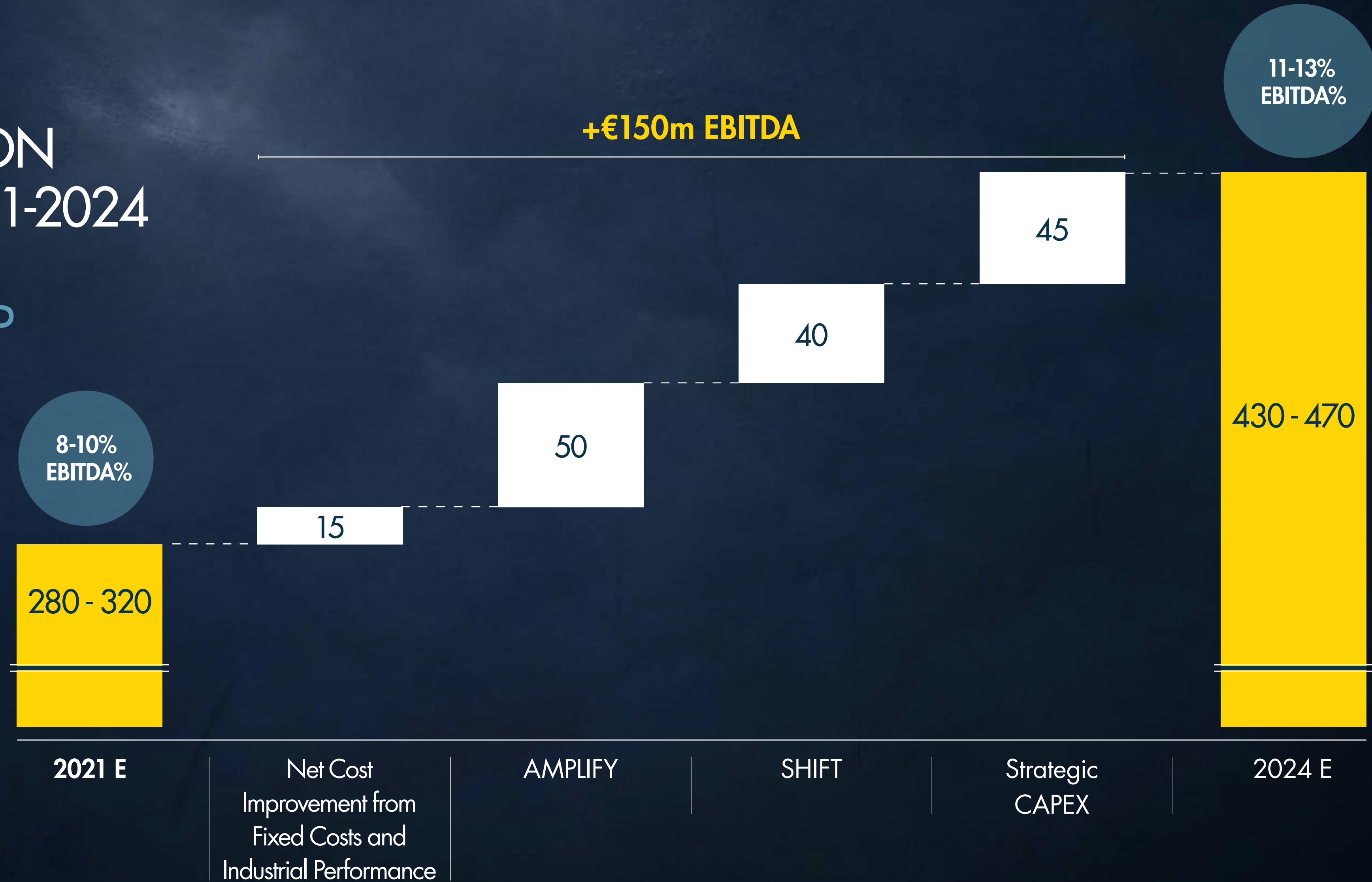
Nexans has been paving the way for Electrification over the past 3 years with most of CAPEX allocated to this Segment.

As of 2020 financial data

# AMPLIFY ELECTRIFICATION ACTIVITIES 2021-2024

A €150m  
EBITDA STEP-UP

EXISTING ELECTRIFICATION  
EBITDA (€m) -  
EXCLUDING M&A



# AMPLIFY ELECTRIFICATION 2021-2024 ROADMAP

Actions on industrial performance, purchasing and cost competitiveness will balance the effect of inflation over time from year one.

SHIFT performance, SHIFT prime, SHIFT Subsea modelling and Power-Up innovation program will contribute to EBITDA expansion alongside two axis:

- Selective growth, leveraging the strong organic dynamic of the electrification segment and portfolio management methods
- Sharing additional value created from the programs with our clients

**SHIFT, AMPLIFY  
AND MARKET  
GROWTH**



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2021 - 2024



# M&A – ROTATE THE CORE TOWARD ELECTRIFICATION SOLUTIONS

LEVERAGE TRANSFORMATION EXPERIENCE TO DRIVE INTEGRATION

## SALES AT STANDARD METAL PRICES



**ELECTRIFICATION ON M&A**

## INVESTMENT THESIS

## KEY DECISION METRICS

### TRANSFORMATIVE CONSOLIDATION

- Consolidate to generate scale effect, increase customer reach and duplicate our model
- Synergies from costs, SHIFT programs and Amplify program deployments

- IRR >>WACC
- Cash Flow accretive
- Multiples within cable industry usual ranges

### BOLT-ON INNOVATION

- Complete Nexans electrification offer beyond hardware
- Scale up a new value proposition through Amplify program

- Incremental growth and GM improvement potential
- Multiples can reach ranges higher than cable industry usual ones

### DIVESTMENTS

- Divest non core activities

- Multiples within cable industry usual ranges
- Fair sharing of expected synergies

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ELECTRIFICATION  
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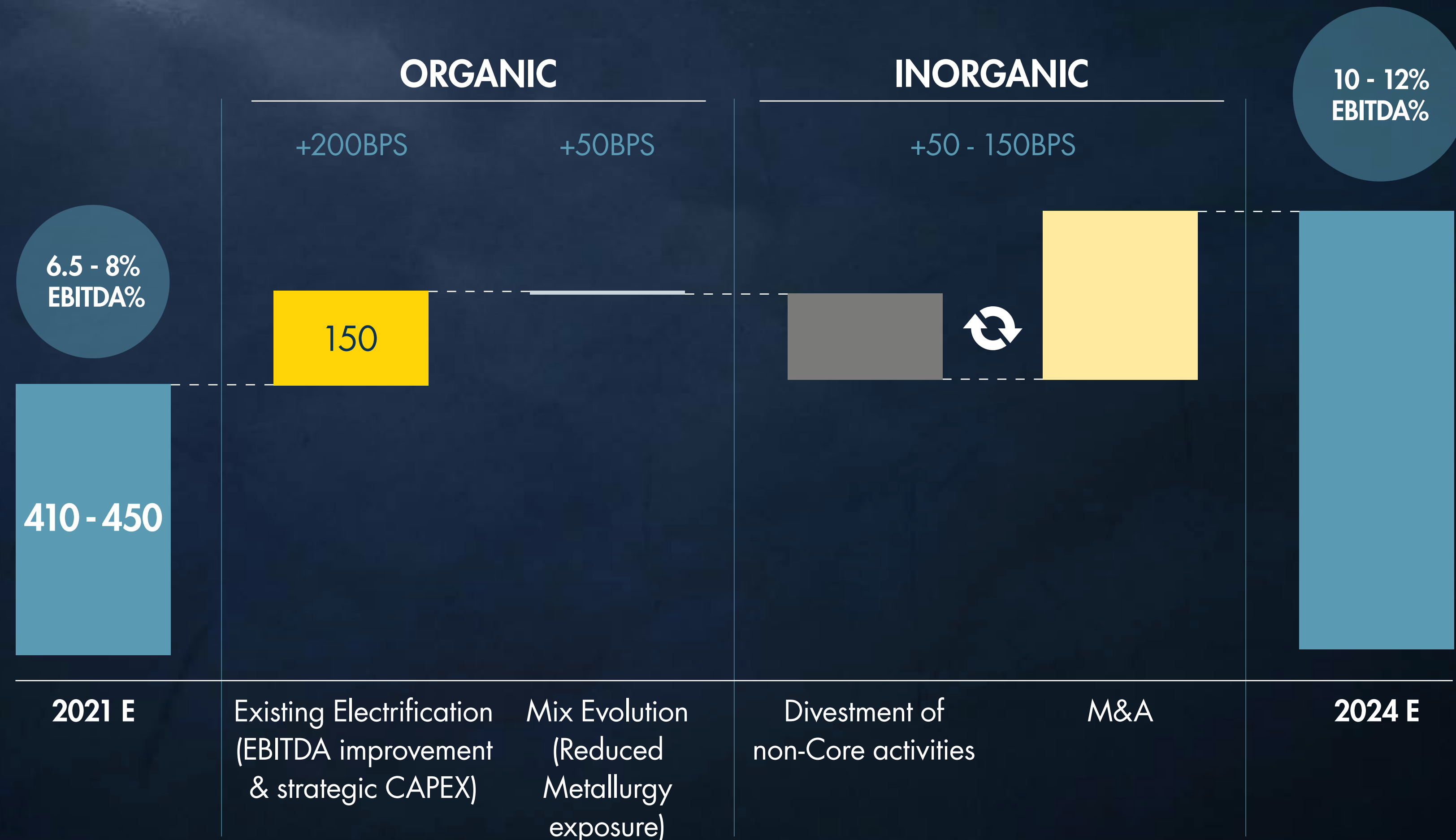
03 STEP-UP  
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04 SCALE-UP TO STEP-UP  
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Group Financial Trajectory  
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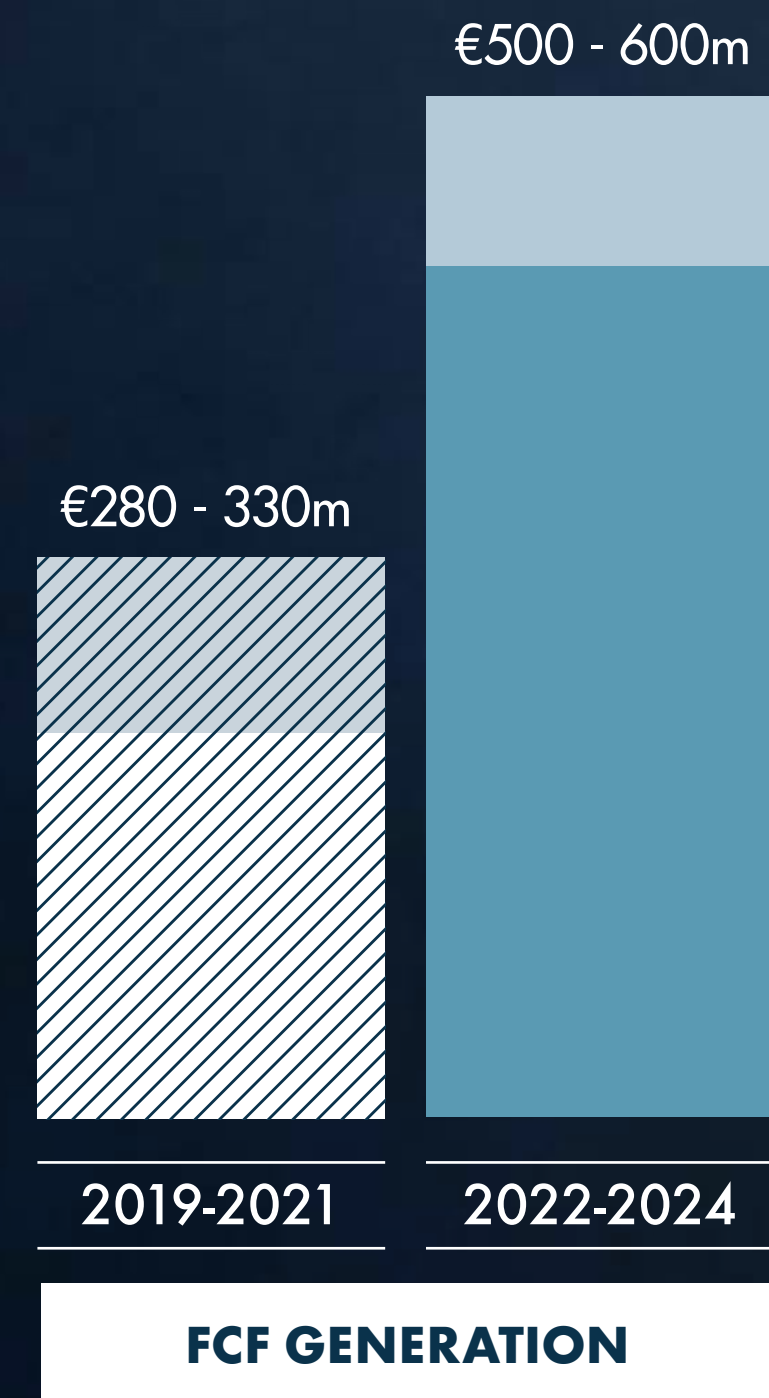
# OVERALL NEXANS GROUP EBITDA BRIDGE

NEXANS GROUP EBITDA (€m) -  
INCLUDING STRATEGIC CAPEX,  
M&A AND DIVESTMENTS



# 2022–2024 CASH ALLOCATION PRE M&A

## SOLID CASH GENERATION...



## ...WITH BALANCED ALLOCATION BETWEEN SHAREHOLDER RETURN AND ACCRETIVE CAPEX INVESTMENT...



## ...WHILE ENABLING SIGNIFICANT FIRE POWER FOR M&A

**Up to €2bn**  
before divestitures at leverage ratio  $\leq 2.5x$   
Potential divestitures will free up more liquidity

# NEW FINANCIAL TRAJECTORY 2021-2024

## SCALE- UP TO STEP-UP PERFORMANCE

### #01 ROTATE TO ELECTRIFICATION

€6-7BN SALES (1)  
ELECTRIFICATION PURE PLAYER

+€150M EBITDA  
ELECTRIFICATION ORGANIC PERFORMANCE

### #02 SCALE UP IN VALUE

UP TO +400BPS EBITDA  
GROUP PROFITABILITY STEP-UP

≥40% NCCR (2)  
GROUP CASH GENERATION

### #03 ROBUST BALANCE SHEET & NEW DIVIDEND POLICY

≤2.5X LEVERAGE (3)  
DISCIPLINED LEVERAGED

>20% PAY OUT (4)  
PROGRESSIVE DIVIDEND

- (1) Sales at standard metal prices and including €0.5m Sales from Metallurgy segment
- (2) NCCR (Normalized Cash Conversion Ratio) defined as Normalized Free Cash Flow / EBITDA – NCF excludes strategic capex, PP&E divestment, one off-change in working capital and material restructuring plans cash out. Segment NCCR computed after allocation of Group mutualized costs
- (3) Leverage: Average of last two published net debt on Last Twelve Months EBITDA
- (4) Pay-out ratio: Total Dividend on Recurring Net Income

- Scenarios considered in the current CMD presentation will be further analyzed prior to deciding their implementation and projects resulting from those studies will be submitted to relevant legal bodies including to employee representatives bodies if applicable and when needed.

