

# Change in copper standard price and P&L simplification

### Context

As part of its Transformation program and in order to improve the quality of its financial information reported and focus the organization on cash management, Nexans has introduced: 1) a change in the conventional value of the copper reference used to price sales at constant metal price and 2) certain P&L reporting simplification, to reduce complexity and enhance accuracy.

### Change in copper standard price

Since 1999, the Nexans has used a reference price for copper to neutralize the effect of fluctuations in copper price and measure the organic growth of the underlying trends in businesses. This conventional copper price was, at the time, set at 1,500 €/t. Such reference price is now disconnected from the cash value of copper, and, as a consequence, Nexans management has decided to set the copper standard price at 5,000 €/t in order to enhance performance readability. Therefore, new conventional copper value per ton is now set at 5,000 €/ton against the former 1,500 €/t.

This change has now been effective as of January 1, 2020, across the full Nexans organization with an impact on sales at constant metal price detailed in the presentation attached to this note. This change has no impact on EBITDA.

### P&L simplification

In line with its Transformation program, Nexans has reduced the number of Business Unit P&Ls based on the level of contribution within their respective Business Groups. Consequently, a change of perimeter was implemented impacting sales per Business Group.

This change has a marginal impact on EBITDA **at Business Group level**, no impact at Group level.

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### About Nexans

Nexans is a key driver for the world's transition to a more connected and sustainable energy future. For over 120 years, the Group has brought energy to life by providing customers with advanced cable technologies for power and data transmission. Today, Nexans goes beyond cables to offer customers a complete service that leverages digital technology to maximize the performance and efficiency of their critical assets. The Group designs solutions and services along the entire value chain in four main business areas: Building & Territories (including utilities and mobility), High Voltage & Projects (covering offshore wind farms, subsea interconnections, land high voltage), Telecom & Data (covering data transmission, telecom networks, hyperscale data centers, LAN), and Industry & Solutions (including renewables, transportation, oil and gas, automation, and others).

Corporate Social Responsibility is a guiding principle of Nexans' business activities and internal practices. In 2013 Nexans was the first cable provider to create a Foundation supporting sustainable initiatives bringing access to energy to disadvantaged communities worldwide. The Group's commitment to developing ethical, sustainable and high-quality cables also drives its active involvement within leading industry associations, including Europacable, the NEMA, ICF and CIGRE.

Nexans employs nearly 26,000 people with an industrial footprint in 34 countries and commercial activities worldwide. In 2019, the Group generated 6.7 billion euros in sales.

Nexans is listed on Euronext Paris, compartment A.

For more information, please visit: [www.nexans.com](http://www.nexans.com)

### Additional information:

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