Shareholder Newsletter

SEPTEMBER 2022 #53

Nexans

H1 2022 Key Figures

3.40 Bn€
Sales at standard metal prices (+5.1%)

199 M€
Net income

308 M€
EBITDA (+38%)

Full-year 2022 guidance upgraded

Dear Shareholder,

Our results midway through 2022 are confirmation that the deployment of our 10-year industrial vision, called *New Nexans*, is continuing in an ambitious and structured manner.

This position as the world leader in sustainable electrification, at the heart of our strategy, is now not merely an ambition, it is becoming a reality.

Our figures not only demonstrate our good health and solidity, but they validate our primary choice to reduce the volume race to win the value creation battle.

Now that our teams, our customers and the market have understood and integrated what Nexans is, we can now move on to structuring our position.

In May, we inaugurated our global research and innovation centre, based in Lyon, called *Ampacity*, the third cornerstone of the electrification refocus edifice, after the inauguration of our Charleston plant, entirely dedicated to subsea high-voltage cables, and the naming and launching of our new ship, the *Aurora*, capable of laying cables at a depth of more than 3,000 m.

A showcase for the best of Nexans, this emblematic premises allows an entire ecosystem to work together, since it brings together Nexans' experts with those of our customers and partners, whose collaboration is the key to success.

From our new 100% recycled insulation, through our fire-resistance technologies, to the digitisation of assets to make the most of them, everything at Ampacity foreshadows what the coming decades will be, with a value chain of clean, decarbonised and renewable electrification, accessible to all and able to support massive flow needs.

The first step was to exit the volume race and turn to the race for value creation, in particular by carrying out a profound transformation of our businesses.

From commodities businesses, we have increased our ability to create value, moving up the chain to specialise in services and solutions, creating differentiated offerings better suited to the new needs of our strategic customers.

This is where the main challenge for the coming decades lies, which will see an electric revolution unprecedented in the history of humanity.

A 30% to 40% increase in electricity requirements is what the world will demand by 2040.

This massive increase is above all unique in its scope. It will not be possible to stagger the increase, these flows will have to be available worldwide at the same time. And therein lies the difficulty. Because producing is one thing, transmitting and distributing are two other things.

Today's end-of-life infrastructure has not been built to support such voltages. They must therefore be renewed and replaced.

This naturally places Nexans at the heart of this electric revolution ahead of us, because by choosing to focus on the entire electrification chain, we are, at each stage, at the core of the requirements, and we offer unique and dedicated solutions to meet these new needs, whether through our existing solutions or also through our targeted acquisitions, as witnessed recently in Colombia.

Our solutions, at the centre of which the superconductor and the energy highways that connect continents to each other are now strong markers of our successes, as evidenced by the SNCF Group choosing Nexans to install superconductivity at the Montparnasse station and the selection last month of Nexans as the preferred candidate to connect Cyprus to Greece and Israel.

Finally, I cannot conclude without mentioning the consequences of the Ukrainian conflict.

True to our values, our first requirement has been to ensure the safety of all our employees and their families who live and work on Ukrainian soil.

We immediately stopped all economic and trade relations with Russia.

But as you know, as we have demonstrated with the health crisis, in times of crisis, Nexans is strong and effective.

And the spring crisis is no exception to this rule.

Due to our recycling rate, secured by our decision to retain our metallurgical business in France, Canada and Chile, we were ultimately only marginally impacted by the raw material shortages.

But it was also through this sudden crisis that we were able to measure the value of simplifying our customer portfolio to refocus on our strategic customers.

As you can see, we are confident, our roadmap is clearly defined, and we are starting to reap the benefits of our efforts, which are expected to increase in the coming months.

It is therefore with great satisfaction, but without any surprise that we welcomed our solid mid-year results.

The best is yet to come.
We are Nexans.

Christopher Guérin
CEO

FINANCIAL PERFORMANCE

Record results and heightened ambitions for 2022

Driven by its electrification activities, Nexans posted an unprecedented net profit of €199 million in the first half of 2022, up 145% and an "Energy production and transmission" order book of €2.2 billion, up 51% compared to June 2021.

EBITDA increased by 38% to €308 million compared with the same period in 2021. Electrification activities contributed 97% to the change in EBITDA, with a comparable distribution between structural and cyclical effects, and the acquisition of Centelsa. ROCE was 17.4% compared with 14.2% in June 2021. Normalised free cash-flow generation reached €104 million thanks to high EBITDA and despite a negative change in working capital due, in part, to the rise in copper prices.

2022 guidance upgrade

Reflecting outstanding first-half performance and Centelsa contribution

UPGRADE

EBITDA
BETWEEN €560M AND €590M

PREVIOUSLY BETWEEN €500M AND €540M

UPGRADE

NORMALIZED FREE CASH FLOW(1)
BETWEEN €200M ET €250M

PREVIOUSLY BETWEEN €150M AND €200M

OVERALL GROUP (EXCLUDING ACQUISITIONS AND DIVESTMENTS)

(1) NormalizedFree Cash Flow is calculated as Free CashFlow excluding Strategic Capex, disposal proceeds of tangible assets, impact of material activity closures and assuming project tax cashout based on completion rate rather than termination.

Riding the offshore wave

Among the assets amply participating in the results of the first half of 2022, the Charleston site, the only subsea high voltage cable manufacturing plant in the United States, and the cable vessel Nexans Aurora, the latest strategic investments are fully operational. Furthermore, since the end of June, Nexans has won a series of contracts linked to several offshore wind farms and has also been selected as preferred bidder for the Cyprus-Greece subsea link as part of the EuroAsia project for interconnection between the networks of Israel, Cyprus and Greece.

Calm in the face of recession threats

Focused on extending its Premium offer, Nexans is confident in its ability to maintain and further improve its performance dynamic. The Group intends to pursue its strategy focused on growth in value rather than pure volume, in order to continue to take advantage of its unique transformation platform and unlock the Group's full potential. This mechanism operates at full capacity for all units in the Electrification and Industry and Solutions activities. It enables the Group to record sustainable results and helps equip units to withstand a recession.

Outlook for 2022

Given the solid performance in the first half of the year and the contribution of Centelsa – acquired in April 2022, Nexans is revising its targets upwards for 2022. In 2021, the Colombian cable manufacturer recorded sales of more than $339 million, and contributed €62 million to Nexans' standard sales and €8 million to its EBITDA for fisrt half of 2022. The Group therefore expects EBITDA of between €560 million and €590 million (vs. between €500 million and €540 million previously) and normalised free cash flow generation of between €200 million and €250 million (vs. between €150 million and €200 million previously).
Through the acceleration of the development of renewable energies, Nexans has begun the essential renewal of the electricity network as well as the electrification of everyday uses. This established trend towards decarbonisation and digitisation will fully benefit the new pure player in electrification.

"The recession may affect some businesses, for example Usages, but demand is so strong that we are confident about the 2nd half and also 2023. Nexans is benefiting from market momentum that only happens twice a century."

Christopher Guérin, *Chief Executive Officer of Nexans*

Nexans wins Institutional Investor 2022 award

For the third year in a row, the Group has received top-rankings including Capital Goods Small & Midcap by investors – 1,380 professionals from 632 financial services companies in Europe – in the categories of « Best CEO », « Best CFO », « Best Investor Relations Program » and « Best CSR ». A mark of confidence from the financial community in the strategy and team of a pioneer in ESG.

NEW BUSINESS

The year 2022 is going full steam ahead for Nexans, which continues to secure major contracts and is accelerating the marketing of innovative solutions.

Mergers & Acquisitions

On April 1, 2022, Nexans announced the successful completion of its acquisition of Centelsa, a premium cable manufacturer in Latin America specializing in building and utilities applications, from Xignux S.A. (headquartered in Mexico) following receipt of regulatory clearance.

This transaction completes an additional milestone of Nexans' strategy to become a Pure Electrification Player focusing on the overall value chain originating in generation, and flowing through transmission, distribution, and usage of sustainable energy.

With a total turnover of more than US$ 339 million in 2021, Centelsa's three manufacturing plants in Cali, Colombia and their distribution center in Ecuador will complement Nexans' presence in Latin America. Nexans already operates four industrial plants in Colombia, Peru, Chile and Brazil and employs 1,300 people.

Contracts

Connecting the Dieppe – Le Tréport offshore wind farm

After Saint-Brieuc, RTE awarded Nexans another contract (~100 M€) to supply and install 47 km of offshore and 18 km of onshore power export cables, as well as inspection, maintenance and repair services for the 496 MW Dieppe – Le Tréport wind farm. RTE has been appointed by the State to connect the wind farm from the offshore substation to the onshore power grid through the installation of two 225,000 volt subsea and onshore links.

The subsea cable, manufactured at the Nexans factory in Halden, Norway, will incorporate fibre optics to communicate and control the park. It will be laid from the second half of 2024 by Nexans CS Skagerrak. The plant in Charleroi, Belgium, will be in charge of the land cables.

Located in the English Channel, more than 15.5 km from Le Tréport and 17 km from Dieppe, the wind farm should produce an average of 2,000 GWh per year, equivalent to the annual electricity consumption of around 850,000 people. Developed by the Les Éoliennes en Mer Dieppe – Le Tréport (EMDT), it will have 62 wind turbines and will enter service by 2025.

South Fork offshore wind farm linked to the US mainland

This is a historic project: construction work on the first offshore wind farm in South Fork, about fifty kilometres off Montauk Point, New York, will begin in 2022. And this is a first order for Nexans, as part of the agreement signed at the end of 2019 with the joint venture between Ørsted and Eversource, providing for the supply of some 1,000 km of high-voltage submarine cables to the United States by 2027. The Group will supply nearly 110 km of three-phase high voltage alternating current (HVAC) export cables with 138 kV, which will enable the fleet to carry 132 MW of electricity to Long Island, in the same state. And to meet the energy needs of the city of East Hampton, producing enough clean energy to power 70,000 homes a year. The HVAC cables will be manufactured by the Nexans plant in Charleston, South Carolina, recently transformed for the production of high-voltage submarine cables, and the only site to have this capacity in the United States.

" The South Fork wind farm will provide essential renewable energy to thousands of homes in New York State. This is the ideal project to officially kick off the execution of our partnership agreement with Ørsted and Eversource. This represents a great opportunity for Nexans to support the strong growth of offshore wind in the United States, a market that improves energy security, stimulates economic development and contributes to the stabilisation of energy prices, as well as the fight against climate change."

Ragnhild Katteland, *Executive Vice President Submarine and Land Systems of Nexans*

NEW BUSINESS

Cabling solutions for solar power, from Chile...

As part of the extension of the Finis Terrae photovoltaic project in the Antofagasta region of Chile, Nexans will supply Enel Green Power with 1,595 km of electrical cables for the interconnection of solar panels. With this major project carried out in collaboration with GES as project manager, Nexans is strengthening its presence in the booming segment of non-conventional renewable energies. Once fully operational, the park will have an annual production of 389 GWh, i.e. the consumption of 190,000 households. It will also contribute to avoiding the emission of 162,800 tonnes of CO_2 per year, thus contributing to Nexans' commitment to reducing the global carbon footprint. The numerous photovoltaic projects under construction in Chile provide more than 3.3 GW of additional power and represent approximately 66% of production initiatives at this stage. This trend is set to intensify as the government aims to achieve 100% clean energy by 2050.

...to Colombia

Already with extensive experience in supplying cables for solar projects of more than 470 MW in Colombia, Nexans has delivered more than 390 km of cables to the largest photovoltaic solar farm under construction in the country: La Loma. Manufactured in its plants in Colombia and Peru, these low- and medium-voltage cables make it possible to interconnect solar energy conversion systems. Located in the department of Cesar and owned by Enel Green Power, the park will have an installed capacity of 187 megawatts (MWdc), thanks to the more than 400,000 bifacial panels installed, and will produce 420.5 GWh/year for 20 years.

EuroAsia, a mega energy bridge between Asia and Europe

As part of the EuroAsia interconnection project, which must ensure the security of supply of Israel, Cyprus and Greece and create a reliable green interconnection to Europe, Nexans has been selected as the preferred bidder for the engineering, procurement, construction and installation of two HVDC cable systems. Once completed, this 1,208 km multi-terminal network with a capacity of 2,000 MW will be the longest and deepest HVDC subsea cable project ever completed. Its conversion stations will be equipped with marine electrodes and interconnected by HVDC cables with mass impregnation, the only technology proven on the ground by Nexans for its subsea electrical cables. And their installation in ultra-deep water (3,000 metres) will be provided by its cable-laying vessel Nexans Aurora. Interconnection, a project of common interest for the EU, significantly reduces CO_2 emissions and serves the Commission's Green Deal vision. As an integral part of the REPower EU plan to make Europe independent of Russian fossil fuels and to find new sources and supply routes for natural gas and green electricity, EuroAsia is timely for European consumers.

With SNCF, superconductors on the right track

A world first for a rail network! As part of a project coordinated by SNCF Réseau, Nexans will install two DC superconducting cables near the Montparnasse station in Paris. With more than 50 million passengers and more than 90 million expected in 2030, the 4th largest station in France will need this technology to ensure greater electrical power, capable of meeting the needs of growing rail traffic. With their revolutionary technology, these power cables will help secure the network at a time when rail traffic is constantly growing in major cities. Due to their unrivalled experience in this field, the Nexans teams will design the cable that will be tested in the SNCF Réseau laboratory in Vitro-sur-Seine before installation at Montparnasse station in 2023.

With Eiffage, reinforced supply of electrical terminals

A great way to consolidate a successful 20-year collaboration! Nexans is listed to supply charging stations for electric vehicles for 3 years at Eiffage's 1,000 French sites, i.e. more than 4,000 charging points. Nexans' AGICITY range, produced at its Donchery site in France, offers compact charging stations that can be customised for indoor and outdoor car parks, including numerous services and options for integrating high-performance digital solutions. These AC and DC charging stations operate at between 22-50 kVA, allowing two cars to charge at the same time. A 45-minute charge gives up to 80% of the electric range, depending on the vehicles and the power of the station. An initial project overseen by Nexans to equip the Eiffage head office in Vélizy Villacoublay (France) with 200 charge points. was successfully completed in 2021. With these developments, Nexans is once again displaying its industrial agility and its capacity to support its customers in their energy transition.

Enedis meets the challenge of sustainable electrification in France

By combining technological innovation, environmental benefits and digital services, Nexans won the 4-year contract for more than €100 million to supply medium voltage energy distribution cables and services to the operator of the distribution network in France. Nexans includes in the agreement the deployment of the "ultratracker" solution, Nexans' digital supply chain solution based on the Internet of Things, artificial intelligence and cloud services. In terms of sustainability, Nexans benefits from a strategic positioning on the French market with a plant in Bourg-en-Bresse, which allows it to buy and deliver in short supply, thus reducing its carbon footprint. In addition, the technologies offered by Nexans serve the environment. Firstly, the EDR-MAX direct buriable cables included in the contract have a reduced environmental impact in addition to an improved total cost of ownership. Secondly, the new eco-designed medium voltage cables (NF C 33-226) reduce CO_2 emissions by 20%.

With TenneT, for the electrification of the BorWin6 project

As part of the electrification of the BorWin6 project in Germany, Nexans will manufacture, install and protect 320 kV unipolar DC cables with XLPE insulation for its customer TenneT. The subsea section, manufactured by the Group's flagship site in Halden (Norway), will have a length of 2 x 190 km and the land section, produced by its factory in Charleroi (Belgium), will have a length of 2 x 46 km. The HVDC connection will consist of a 320 k V 2-pole cable. BorWin6 is the latest CCHT 320 kV project from TenneT to connect the remaining gigawatt from the BorWin cluster in the German North Sea to the terrestrial network. Included in the Area development plan, the project will enter into service in 2027. Once completed, the BorWin cluster will have a transport capacity of more than 10 GW, sufficient to power approximately 12.5 million German households, and will play a key role in the country's energy transition. This contract of some €300 million consolidates Nexans' leading position in the global transition to clean energy.

Product innovation

The "made in France" Distingo Nx'Tag cable

Nexans has launched the Distingo Nx'Tag cable range first in France for the French market. This solution is designed to simplify the day-to-day tasks of installers and was born from observing electricians working on-site. And to avoid wasting time identifying the cables pulled during an electrical installation. Accordingly, Nexans fitted its Distingo U-1000 R2V cable with a white mark-up area, making it possible to quickly and permanently note the destination of the cable. Better readability of the network, reliability of connection to the electrical panel... a series of benefits that add to the advantages of the Distingo range of cables. The Distingo Nx'Tag U-1000 R2V range of cables is 100% produced in France: when it leaves the metallurgy unit in Lens, it goes on to be manufactured in the Autun plant. To guarantee Nexans quality, it has been tried and tested throughout its manufacturing process and is NF and Cable de France certified.

VIGISHIELD™, a range of IoT-based powerful solutions for the monitoring and continuous surveillance of critical assets, from cables to cabinets.

Floating solar technology, thanks to the development of a 22kW export cable for the world's first offshore solar power plant in choppy waters (Frøya, Norway).

Mobiway Un'Reel, a wooden cable drum wedged between two slightly larger wooden plates acting as wheels, which offers, among other benefits, easy and safe handling, easy cable installation and significant savings through one-person handling and installation.

INNOVATION

AmpaCity, accelerating the electrification of the future

On 29 June in Lyon, Nexans inaugurated its global innovation hub dedicated to decarbonised electrification. Ampacity — Ampacity is the maximum current that can be passed through a cable while guaranteeing reliability and safety. — it's an integral part of the Group's innovation strategy and supports its ambition to become a pure player in electrification.

In some twenty laboratories, which occupy some 4,500 m² of the site's 6,000 m², around a hundred experts are working on the electricity of the future: electrical insulation performance, development of materials with a reduced environmental impact, cable systems limiting fire risks, digital solutions for monitoring electricity networks, etc. This cluster, composed of international teams — 8 different nationalities represented — combines skills by ecosystem to develop concrete innovations for safer, sustainable and decarbonised electricity.

Innovation at every level

At AmpaCity, Nexans is inventing higher-performance, sustainable and recyclable materials. It's a way of meeting its commitment to recycling 100% of its production waste by 2030, while increasing the quality, properties and longevity of the materials used. New digital solutions — such as the anticipation of breakdowns using artificial intelligence —, eco-design of products, tools for managing the network using data, integration of recycled materials, product sustainability, etc. are all concerns central to the work carried out in the ultra-modern building. Ampacity is where Nexans is developing a portfolio of nearly 1,800 patents, with 80 filed every year.

Around a hundred researchers and engineers are working on materials with a reduced environmental impact (polymers), on a new insulator for cables drastically reducing the risks of fire propagation, on superconducting cables supporting up to 500,000 volts, etc. The site is also an interface between the 800 Nexans employees in charge of innovation worldwide.

Start-up spirit

One floor of the division is dedicated to the Digital Factory space, where around twenty experts focus on the digitisation of Nexans' businesses and those of its customers. With Cosmo Tech, a Lyon-based start-up specialising in digital twins, Nexans is offering its Asset Electrical solution. The idea: modelling and simulating the consequences of each decision in very complex environments. With the aim of helping distributors find the best compromise between cost, risk and performance. Another advantage of the steering tool is that it quantifies the carbon footprint of each decision. Thanks to the digital and smart tools implemented by the Group, operators can anticipate risks and monitor the state of networks from anywhere and thus avoid blackouts and other major failures, in particular in cities and at stations and ports. The solution is currently deployed on Microsoft infrastructures.

In demo mode

Nexans invited its guests – industrial partners including Sonepar, Microsoft, Enedis and Cosmo Tech and institutional partners – to a real dive into the future of electricity, thanks to numerous demonstrations. Like that of the superconducting cable which, with its less than 20 cm in diameter, is capable of carrying up to 3 GW of electricity, i.e. the equivalent power of 3 nuclear reactors. Or this cable that carries geopolymer technology, a material that is ceramised into an inert material, drastically reducing the risks of fire propagation. An audience also with front seats to listen to Fabrice Amedeo, skipper of the Imoca Nexans-Art&Fenêtres returning from the Vendée Arctique, who came to talk about his scientific and oceanographic project developed with the help of Nexans.

New ambitions

By 2030, the equivalent of the power of 200 nuclear reactors will be produced by wind turbines installed around the world. To do this, many farms will be created. For Nexans, the challenge is to build the "energy highways" connecting offshore wind farms to the coast, in the same spirit as the already existing underwater Internet cables. More than 10,000 km of cable are currently planned. These energy highways help to limit waste by sending production surpluses from one continent to another in one direction, and returning this decarbonised electricity in the other direction in the event of a shortage.

"We are at the start of the 3rd great wave in electrification akin to France's post-WWII boom, which commencing now and projected to run for some 20 years, in alignment with the planned shift away from fossil fuels to renewable energy."

Christopher Guérin, *Chief Executive Officer of Nexans*

Learn more and discover the testimonials of our clients and partners: here.

Lyon, the historical birthplace of Nexans

The Nexans epic began in Lyon 125 years ago, when the company Forces Motrices du Rhône decided, in 1896, to buy land in the Gerland neighbourhood in order to set up a factory there. In 1897, the Société Française des Câbles Électriques was founded, renamed Compagnie Générale des Câbles de Lyon in 1917. Before merging in 1925 with the Compagnie Générale d'Électricité, of which Câbles de Lyon became an integrated branch. Essential to the industrialisation of the city, the electricity cable business in Lyon is experiencing exponential growth and becoming a reference by the middle of the 20th century. In the 1980s, the cable company expanded and integrated Alcatel Cable, which later became Nexans. It was at this point that "the future head researcher of Nexans" was born. As urban changes unfolded, the site became one of Gerland's last factories, before closing in 2014. In 2022, in the Lyon Techsud business park in Gerland, Nexans gradually took possession of its brand new research centre.

Site tour by Nexans shareholders

As part of the dynamic of the inauguration of AmpaCity, Nexans offered a dozen of its individual shareholders the opportunity to visit its R&D centre in Lyon last July. Hosted by Max-André Delannoy, Vice-President of Research & Technology at Nexans, and his teams, the visitors first listened attentively to the presentation of the facts and figures of the Group and Ampacity. Then they were able to visit 4 laboratories: Fire safety, Digital solutions, Materials and Ecodesign and High Voltage and Superconductivity.

10 innovations that will shape the electrification of tomorrow

Nexans has listed the technologies likely to shape the electrification of the world in the next decade

- **New energy sources:** floating offshore wind turbines, solar and floating solar trackers, nuclear mini-power plants.
- **Transition from AC to DC:** partial transition to DC of low, medium and high voltage electrical systems.
- **Superconductivity:** high transport capacity, without loss and with minimal footprint.
- **Electromobility:** greater and easier access to charging infrastructures.
- **Hydrogen:** green hydrogen to decarbonise heavy industry and transport will be one of the main drivers of electricity demand.
- **Connected products:** Internet of Things (IoT) and RFID.
- **Digital twins**: modelling and forecasting using an electronic representation of the real world.
- **Big Data and AI:** deepening analyses and optimising decision-making.
- **Smart and secure buildings:** electrical and fire safety in an all-electric future.
- **Carbon neutral plastics:** bioplastics, recycled plastics and transition of materials.

"Tomorrow, thanks to our partners such as Microsoft and Cosmo Tech, thanks to our ability to work in an ecosystem, as we are doing right now in Lyon, we intend to go even further."

Jérôme Fournier,
Nexans Vice-President of Innovation and member of the Executive Committee

➔ **For more information: here**

GROUP LIFE

Nexans works diligently every day to meet the major challenges facing the planet and to satisfy its stakeholders. An overview of recent key events in support of a sustainable ambition...

CSR diary

Ukraine solidarity

Nexans is closely monitoring the geopolitical crisis in Ukraine and Russia and is working to mitigate its impact in the interest of all its stakeholders in the interest of all its stakeholders. Absolute priority to the safety and security of Nexans Autoelectric employees at its 3 sites in Western Ukraine. The Group is committed to adapting protective measures on the sites to the best of its ability. As for our customers, our sales and technical teams remain focused on their needs and are in close contact with them to assist them.

Meeting with Vinci on the carbon impact of cables

The Nexans Power Cable Accessories Business Unit (PCABU) met with one of its major customers, the Vinci Group, to present the carbon footprint of the cables supplied in 2019. For the first time in this BU, the use of the PEP eco-passport made it possible to carry out this study over a full year (~8,800 tonnes of CO_2 for 72% of the volume covered) and confirmed the actions with the greatest impact to maximise carbon reductions: eco-designed products, use of low-carbon aluminium and recycled polyethylene (PE), combined with more efficient industrial and logistics processes. Vinci commended Nexans for its commitment to transparency on the carbon impact of its solutions and on initiatives aimed at reducing it. This meeting reflects the growing demand from customers to ensure that their suppliers can measure their environmental footprint and promote a low carbon offering. At the heart of Nexans' strategy, these levers have become a "must have" and are a great differentiating factor!

E^3, a unique and powerful performance measurement tool

The health crisis has highlighted the need to relaunch Nexans' managerial approach, in order to optimise its three financial, environmental and social dimensions. The Group, which had already broken down the traditional silos with its 3P approach (People, Planet, Profit), is now going further. Its E^3 business performance management tool intrinsically links the three dimensions, operating in a very detailed manner. Every quarter, all over the world, even the smallest of the BUs will have to strike the right performance balance between the three key dimensions: economy, environment and engagement. Performance measured and monitored based on three KPIs: return on invested capital, environmental return on carbon used and return on skills employed. In order to obtain its "operating licence", each unit must adhere to this unique, virtuous and holistic performance model. Although profit remains a source of income for the Group, it must be used wisely to protect the planet and offer employees a rewarding working environment and quality of life.

"With the E^3 tool, Nexans is reinventing its decision-making process in a more inclusive manner, with a cross-over between the Economy and the Environment. The mission of E^3 is to bring a new performance model to the management team, in order to manage the Group systemically. E^3 is now integrated into our operations and the performance assessment of our Business Units. This is a way for Nexans to fulfil its commitment to electrifying the future sustainably."

Olivier Chevreau,
Vice President Sustainability of Nexan

Green Light for the SBT initiative

The Science Based Targets initiative — a partnership between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the Global Fund for Nature (WWF) — validates Nexans' greenhouse gas reduction objectives. The initiative, which mobilises companies to set science-based targets and strengthen their competitiveness as part of the transition to a low-carbon economy, has put Nexans' sustainable development roadmap and its two major commitments to the test:

- reduce absolute GHG Scope 1 and 2 emissions by 46.2% by 2030 compared to the reference year (2019).
- reduce absolute GHG Scope 3 emissions by 24% by 2030 compared to the reference year (2019).

With its objectives aligned with a target of 1.5°C, currently the most ambitious in the validation process of the SBT initiative, Nexans intends to integrate sustainable development in all its divisions. From innovation and development of solutions, product manufacturing and day-to-day operations management, to the purchase of raw materials and the use of products sold, to the work habits and commutes of its employees.

Obtaining the CopperMark standard

Partner of the Copper Mark since 2021, Nexans and also active member of the working group that promotes responsible copper production worldwide. The objective: revise the standard applicable to this production by defining the characteristics of a new standard: The Copper Mark. As part of the ongoing assessment, based on a rigorous process that independently verifies the practices of each audited site, the two Nexans candidates from Lens and Montreal were selected as pilots. By winning the Copper Mark, Nexans, the only cable manufacturer in the world to adopt this approach of responsible practices, will thus become the symbol of the contribution of the copper industry to the UN SDGs and the green transition.

Nexans at the Tech for Climate 2022

On 8 June, as part of this day of conferences and immersion in climate-related issues, Nexans participated in the «Raising awareness to act» round table on the theme "Raising awareness among employees". On this occasion, Marie Letailleux, Nexans Group CSR Manager, presented the "Fresque du Climat®" tool, deployed since 2020 to disseminate Nexans' climate strategy to the teams at the sites in France and at the Head Office. In the space of two years, an increasing number of employees have been made aware of the Group's challenges and commitments, with the objective of reaching 100% of sites in France at the end of 2022 and opening up internationally from 2023. (proposal: a way for Nexans to engage its employees in the action of reducing emissions and to differentiate itself by offering solutions to its stakeholders and especially customers thanks to very inspiring teaching!

Sponsorship diary

1st Nexans prize from the Edison Innovation Foundation

A"gold" sponsor of the Edison Innovation Foundation, the US non-profit organisation in charge of Thomas Edison's legacy, Nexans co-sponsors the "Thomas Edison Pitch Contest". Open to American students from middle to high school, this annual competition encourages invention, innovation and entrepreneurship. Created in 2010, this competition promotes learning of STEM (Science, Technology, Engineering and Mathematics) by students before they enter university.

Team Telluric, from Cabrillo Middle School (California), won both 1st place and the 1st Nexans-Edison prize. Thanks to its functional and intelligent prototype powered by alternative energy, the team manages to reduce the need for artificial lighting in vertical agriculture (this horticultural method makes it possible to grow plants in vertically superimposed layers and seeks to maximise the use of space and the production of plants by raising them from the ground). A more sustainable and affordable solution to global food shortages, within reach of amateur gardeners and small farms alike. The next edition will be launched in the last quarter, stay tuned to find out more!

« From the time of Edison, that of the pioneers, to our new world of electrification, Nexans has continuously contributed to the march of history in electricity. Proud to follow Edison's lead, we are actively involved in the transition to sustainable energy in North America. [...] The Edison Innovation Foundation is preparing the next generation of pioneers to solve the energy challenges of the future.»

Christopher Guerin, *CEO of Nexans*

«Edison has been working with French companies for a long time, since the collaboration between Thomas Edison and Gustav Eiffel for the Eiffel Tower. We are proud to continue this historical relationship with Nexans as part of a collaboration that will inspire students to make the world a better place.»

John Keegan, *President and CEO of Edison Innovation Foundation*

Festival of Science, 7-17 October 2022

For the 31st edition of this flagship event of scientific culture, whose theme this year is **"Climate change, mitigation and adaptation"**, Nexans is once again taking over the Museum of Modern Art in Paris and rediscovering its famous electricity fairy.

On 9 October 2022, two workshops will be offered to the public (family, from 6 years old):

- Offshore wind turbines or how to transform wind into electricity;
- The discovery of superconducting powers with the SupraMontparnasse activity.

Nexans and RC Lens, promoting football values

For the Group, strongly rooted in the Hauts de France region with the last copper foundry in France, this football partnership demonstrates its gratitude for the staff who work on a daily basis for the energy transition, many of whom support RC Lens and recognise themselves in its shared values. RC Lens, an important and popular club in the French football championship, illustrates the shared values of commitment and team spirit. In its capacity as sponsor, throughout the 2nd part of the 2021/2022 season, Nexans will benefit from a significant visibility system for its brand. Both at the Stade Bollaert Delelis, on match days, and on the digital communication media of the club with the "red & gold" strip. The Group will also join the Bollaert Business Team, the RC Lens business network.

NEXANS Foundation

11 projects selected in 2022

The Foundation's Board of Directors selected 11 projects as part of the 2022 call for applications. They will be deployed in 9 countries — Turkey, Brazil, Chile, Peru, Morocco, Ivory Coast, Togo, the Democratic Republic of Congo and Madagascar — with the support of a partner association on site. Among these projects, 4 focus on improving the quality of life of communities and respond to 4 of the UN Sustainable Development Goals (SDGs 1, 5, 7 and 11), 3 are dedicated to health and well-being (SDG 3 and 7), 2 focus on education and socio-professional integration (SDG 4, 7 and 8) and 2 on socio-economic development (SDG 7 and 8).

Nexans media diary

What's Watt by Nexans "The Current Wars"

The new episode of What's Watt, released on 10 February, was filmed at the 2021 edition of the festival of science, hosted by the Museum of Modern Art in Paris and in conjunction with its famous mural "La Fée électricité" (The Electricity Fairy). The episode takes the children participating in the Nexans workshop back in time to the trade war that raged in the United States at the end of the 19th century for control of the energy market. Among the belligerents were two giant pioneers in the electricity industry: Thomas Edison, a supporter of the use of direct current, and George Westinghouse, who like Nikola Tesla, advocated the use of alternating current. At the end of this merciless struggle, only one electrical system will go on to supply the modern world. Choose a side!

Enjoy all the episodes of the series and subscribe to the What's Watt YouTube channel: here!

The "Story Collection" brings Nexans values to life

In 2021, Nexans redefined the Group's purpose, mission and values. To disseminate and embody these values, 4,000 employees have already participated in the Nexans Living Values workshops. The "Story Collection" is the result of this work: employees explained which behaviours they do and do not want to see, to illustrate these values. Storytelling is how we translate our observable values and behaviours. We bring our values to life in our daily work...

Shareholder diary

Nexans Climate Day in New York, 21 September 2022

To host the 3rd edition of its Climate Day, in the middle of Climate Week, the theme of which this year is **"Advancing global efforts in the area of climate transparency"**, Nexans chose Big Apple. The opportunity to bring together a series of key players from institutions, governments, cities and communities, the private sector and civil society, to exchange ideas on a world more resilient to climate change.

Your opinion matters to us!

As part of improving the quality of the relationship between Nexans and its individual shareholders, we would like to hear your opinions and suggestions.

Thank you for participating in this approximately 4-minute online survey.

Please click here

Stay connected

Find all the latest Nexans news on **www.nexans.com**

Calendar

- **26 October 2022: Financial information for third quarter 2022**
- **15 February 2023: 2022 full-year financial results**

Nexans share

Euronext Paris – Compartment A

- Share capital: 43,755,627€
- Par value : 1€
- ISIN code: FR0000044448
- Deffered settlement service
- SBF 120 index

investor.relations@nexans.com – www.nexans.com

Nexans – Individual Shareholder Relations – 4 allée de l'Arche, 92080 Paris La Défense – France

Publishing manager: Emmanuel Guinot/Editor: Angeline Afanoukoe - September 2022 Photo credits: Nexans