



DPEF - CSR



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3.1 Sustainability at the core of Nexans' strategy

The major challenges of the climate change and the need for energy transition are the pillars of Nexans strategy. As a pure player of electrification, Nexans plays a major role in climate change mitigation and adaptation.

In 2021, Nexans developed its E³ performance model, which aims at combining Economic performance with Environment & Engagement positive outcomes. Thanks to that, Nexans business model will support a sustainable future.

3.1.1. A leader in sustainable electrification

Climate change impacts global world with more frequent and intense extreme weather events, with more negative roles of greenhouse gas emission, and with increasing temperature. Alerted since decades by the International Panel of Climate Change experts, countries signed the Paris Agreement in 2015 (COP 21), limiting global warming to well below 2 degrees celsius compared to pre-industrial levels, and the need of decarbonization plan in all sectors.

Electrification is a major answer to this challenge. While deploying electricity generations, transmission, distribution and usages, countries will decrease their fossil dependence and carbon related emissions.

Nexans is manufacturing, delivering and installing electrical cables and services to all players of the electrification value chain: generation, transmission, distribution and usages.

Nexans plays a leading role in advancing the energy transition on a global scale and in building a new electrified world, accessible to everyone, by offering its customers innovative, connected solutions. Innovation enables Nexans to propose an increasingly large low carbon products and service offering. Energy transition comes with the deployment of renewable energies (solar and wind especially), the renewal of grids, electrical interconnexions between countries, the first electrification of population in emerging countries, low carbon solutions for grids and usages, the deployment of urban mobility and digitalization. For all these markets, Nexans is proposing cables and solutions, based on innovation to seize such opportunities.

Sustainability is at the core of Nexans' strategy, focusing on electrification.

3.1.2. Sustainability embedded in Nexans governance

To steer its Sustainability ambitions, the Group has set up a dedicated governance structure, based on the Sustainability Department:

- **at Board of Directors level**, Sustainability topics are discussed in the various Board committees (Strategy and Sustainable Development Committee, Accounts, Audit and Risk Committee, Appointments and Corporate Governance Committee and Compensation Committee), and during Board meetings. The Strategy and Sustainable Development Committee and the Board of Directors validate Nexans' sustainability strategy, roadmap and review the deployment and the results at least twice a year;
- **the role of Director responsible for monitoring climate and environmental issues ("Climate Director")** was created at the beginning 2022. Marc Grynberg was appointed by the Board of Directors on January 20, 2022. He is a member of the Board and a member of the Strategy and Sustainable Development Committee. On February 14, 2023, he has been appointed as a member of the Accounts, Audit and Risk Committee. He participates to all Board Committee meetings where sustainability is addressed, meets regularly Nexans CEO and Vice President Sustainability, and assists the Strategy and Sustainable Development Committee and the Board of Directors, in promoting, facilitating and stewarding the pursuit of climate and environmental considerations in the implementation of the Company strategy. See also Chapter 4 on the main missions of the Climate Director and on his 2022 activity report;
- **at Executive Committee level**, chaired by the CEO. Sustainability topics are designed, reviewed and validated. It will

cover in particular: definition of the strategy integrated in Group strategy, definition and status of sustainable roadmap, assessment of results, E³ Performance model, information on new regulations;

- in 2022, the Executive Committee was assisted by two expert committees to translate the CSR ambitions and other CSR issues into operations:
 - **Environment and Product Committee:** which is co-chaired by the Corporate Vice President Innovation, Services & Growth and the Corporate Vice President Sales, Marketing and Communication, members of the Executive Committee. They review the following topics: workplace safety, environmental management and on-site audits, recycling and waste, soil testing, climate-change assessment and management, energy efficiency, responsible purchasing, innovation and new product development, life cycle assessment and eco-declarations, eco-design, regulations on chemicals, biodiversity and water management,
 - **Governance and Social Affairs Committee** which is co-chaired by the Group's Senior Corporate Vice President, Chief Human Resources Officer & CSR and by the Senior Corporate Vice President, General Counsel & Secretary General, members of the Executive Committee. They review topics including: governance, ethics and business conduct, CSR risks, labor relations, human capital, human rights, opinion surveys, internal employee engagement surveys, inclusion and diversity, CSR reporting, stakeholder relations, CSR communication, Nexans Foundation;

- a **Planet Project team**, chaired by the Vice President Sustainability, head of CSR Department, who is reporting to the Group's Senior Corporate Vice President Human Chief Resources Officer, member of Executive Committee. The Planet Project gathers sustainable leaders of all corporate functions: industrial, sales, purchase, R&D, CSR, meets twice a month, and reviews the execution of the sustainability plans of the Group;
- **operational committees** in each functional domain: industrial, purchase, sales and communication are gathering once a month Business Groups, sustainable leaders and head of corporate functions to review the execution of the sustainability plans of the Group;
- **Business Groups** are in charge of implementing the sustainability roadmap defined by Executive Committee and reviewed by operational committees. Business Groups are incentivized on this roadmap. Roadmap, action plans and incentives are defined for Business Groups, Business Units and Sites.

The involvement of the highest governance bodies and the organization's operating departments and support functions in developing CSR policy and reviewing Sustainability execution attests to the strong commitment of sustainability at the source and heart of Nexans strategy.

3.1.3. An early and ambitious CSR strategy, continuously enriched

The CSR Department was created in 2011, Nexans Foundation in 2013, and every year new milestones have been achieved towards our goal to build a sustainable future for all.



In November 2020, Nexans held an ESG (Environment, Social & Governance) day to present the ESG roadmap for 2020 to 2023, based on three pillars:

PEOPLE: Looking after people and leveling the playing field for talents

- Workplace safety: guarantee health and safety of our employees at the workplace
- Human capital: build people who build business
- CSR awareness: motivate people to act on CSR issues

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

- Environmental management: maintain a high standard of environmental management
- Driving Energy transition: generate revenue from products and services that contribute to the energy transition and energy efficiency,
- Circular economy: reduce production waste, increase the share of recyclable and connected cable drums

- Climate: reduce Nexans' impact on the climate and improve the share of renewable, carbon-free energy

ECOSYSTEM: Sharing Nexans' values and the highest ethical standards with all stakeholders

- Business ethics: maintain a compliant framework and fair business practices
- Stakeholders: maintain a sustainable stakeholder relationship
- Nexans Foundation: help underprivileged communities access energy

The Group's business model described in Chapter 1 "Presentation of the Group and its activities", highlights the advantages and strengths of its structure and processes that enable it to interact with its ecosystem in keeping with its strategic direction.

Nexans is a member of the United Nations Global Compact since 2008 and is committed to promoting the ten universally-accepted principles in the areas of human rights, labor, environment and anti-corruption.

Efforts to achieve the nine ESG ambitions are overseen by dedicated representatives based on the 2020-2023 roadmap, which is structured into key performance indicators and their targets.

				2021	2022	Variation	Target 2022	Target 2023
ENVIRONMENT	Focus on decarbonation	3.2.1	Reduction of GHG emissions (base year 2019) Market based ^(a)	-17.3%	-20.2%	↘	-13%	-17%
			Proportion of renewable and decarbonized energy ^(b)	73%	72%	↘	68%	72%
	Promoting circular economy	3.2.2	Total production waste recycled ^(c)	75%	75%	→	79%	80%
			Proportion of cable drums connected ^(d)	12%	14%	↗	55%	80%
	Reducing environmental risks	3.2.3	Industrial certified ISO 141001	89%	90%	↗	90%	93%
	Driving energy transition	3.2.5	Sales generated from products & services that contribute to energy transition and efficiency ^(e)	59%	60%	↗	60%-70%	70%-80%

				2021	2022	Variation	Target 2022	Target 2023
PEOPLE	Committed to employees health and safety	3.3.2	Workplace accident frequency rate ^(f)	1.81	2.31	↗	1	0.9
			Global workplace accident severity rate ^(g)	0.15	0.12	↘	<0,11	<0,10
	Talent & People development	3.3.3	Employees eligible to Long Term Incentive with CSR criteria ^(h)	100%	100%	→	100%	100%
	Inclusion & Diversity	3.3.5	Graded positions staffed internally ⁽ⁱ⁾	43%	47%	↗	55%-57%	60%
			Women in management position	24.5%	27%	↗	25%	26%
			Women in top management position ^(j)	17.7%	18.6%	↗	17%-19%	18%-20%

				2021	2022	Variation	Target 2022	Target 2023
ECOSYSTEMS	Deliver a respectful and ethic business	3.4.1	Managers having completed the yearly compliance awareness course ^(k)	98.3%	100%	↗	100%	100%
	Duty of care plan	3.4.2	Number of suppliers covered by a valid CSR scorecard ^(l)	322	465	↗	370	500
	Employee engagement	3.3.4	Employee engagement index ^(m)	72%	77%	↗	78%	78%
	Nexans Foundation	3.4.6	Amount allocated by the Nexans Foundation	€300,000	€300,000	→	€300,000	€300,000

(a) Greenhouse gas (GHG) emissions for Scopes 1 and 2 as well as part of Scope 3 relating to business travel, employee commuting, waste produced, as well as upstream and downstream transport, as defined by the GHG protocol – ghgprotocol.org. Targets are based on emission reduction versus 2019, base year. This 2019 base year has been restated to have similar scope than 2022 (taking into consideration acquisitions, as well as divestitures). Nexans Group calculated Location-Based (emission factor per country) & Market-Based methodology (emission factor per contract). SBTi targets are in Market-Based. See 3.2.1.

(b) Proportion of renewable electricity produced directly by Nexans locations or the purchase of decarbonized electricity. Definition is different from RE100, as it includes nuclear. RE100 ratios are disclosed in 3.2.1.

(c) Non-hazardous production waste consists mainly of non-ferrous metal and plastic materials. In 2022, Group changes the way they follow such ratios, in a much stricter way, considering that selling or delivering wastes is not enough to consider recycling. Targets were modified to follow same methodology. See 3.2.2.

(d) Proportion of Nexans returnable drums worldwide that are tracked on digital platforms thanks to advanced technologies such as the Internet Of Things (IoT) and that are recyclable after several rotations on the customer side. In 2020, the KPI was mentioning the number of tags purchased to equip drums. The rate was 17% in 2020, stable in 2021 and at 23% in 2022.

(e) Offshore wind, interconnection projects, utilities, smart grids (energy transition), energy efficiency (building), accessories, solar energy, wind energy, eco-mobility and asset management. See 3.2.5. to see difference with EU Taxonomy.

(f) Overall workplace accident frequency rate: total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. This rate relates to internals and temporary workers.

(g) Severity rate: number of days lost because work accidents/hours worked)* 1000. This rate relates to internals workers only.

(h) Among the employees benefiting from a long-term Incentive plan validated by the Board of Directors, 100% include a CSR criterion.

(i) Proportion of staff positions filled through internal mobility at position C and above, according to the Nexans Grading system. The 2020 data (58%) has been updated following a modification in the calculation method. The new methodology only considers "job applications leading to a hired candidate" in the reporting year.

(j) Top management: Category of employees defined by the Group's Executive Committee based on the Nexans Grading system.

(k) Categorized in the MyLearning HR tool as "Executive Committee and Board members, other top executives, managers and employees holding key positions" (notwithstanding Harnesses, where the top four Executives were in the scope), to complete the yearly compliance awareness course covering several topics including anti-corruption, conflict of interest, competition law, harassment and discrimination, and whistleblowing.

(l) Number of suppliers considered to have a high CSR risk and number of main Group suppliers with a valid EcoVadis CSR score ≥ 35% (or equivalent). Suppliers are categorized based on the EcoVadis supplier CSR risk map.

(m) Scope: Cable activity, excluding Industry & Solutions and Telecom & Data.

In April 2022, Science Based Targets initiatives (SBTi) validated two climate commitments:

- Nexans commits to reduce absolute Scope 1 and 2 GHG emissions by 46.2% by 2030 from a 2019 base year;
- Nexans also commits to reduce absolute Scope 3 emissions by 24% within the same timeframe. The first one was part of the ESG scorecard published in 2020.

In Dec 2022, both SBTi targets were on track, even above yearly target (-28% versus -12.6% for Scopes 1&2, -28% versus -6.5% for Scope 3).

As of December 2022, Nexans shows results in line with commitments, especially for indicators concerning greenhouse gas emission, environment management, inclusion & diversity, CSR awareness, Nexans Foundation and duty of care.

Important to notice that regulations concerning GHG emissions are moving fast. To keep comparability, Nexans is evaluating indicators as defined as the inception: as set in 2020 for the ESG scorecard, and as defined by the international methodology (GHG Protocol, RE100, EU Taxonomy...) for the indicators based on such framework (SBTi targets for example, which are In Market-Based). Both indicators are displayed.

Behind each indicator a dedicated roadmap was built and followed-up, and will be detailed in upcoming chapters of this document.

3.1.4. E³: a unique performance model

To meet faster its CSR roadmap goals and long-term commitments, new performance model called E³ Program, based on three E:

- Economic: ability to deliver value (EBITDA%) and cash flow (free cash flow). Goal is to maximize the financial usage of assets;
- Environment: ability to deliver carbon return (low GHG emission). Goal is to maximize the value generation for each carbon spent;

- Engagement: ability to optimize the employees contribution. Goal is to deliver performance in a safe, inclusive and engaged way.

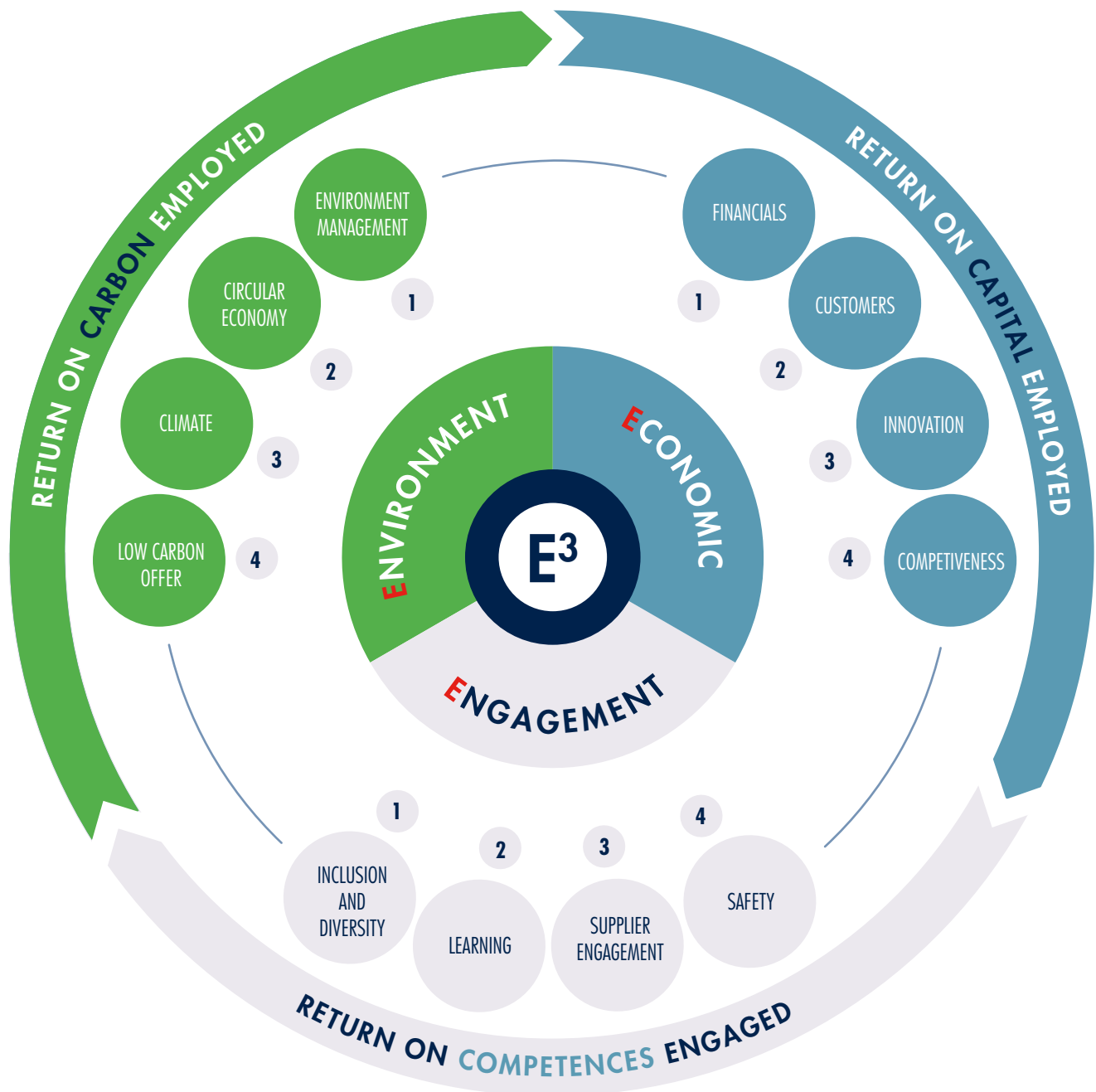
The Group defined priorities and incentives based on the three E, and is ranking all businesses to promote and reward those that have performed well in the three areas. E³ performance model is also a tool enabling business leaders to take adequate decision.

All Nexans employees have three E incentives, but with different applications:

- for short term incentives: Executive members and managers incentives are based on some financial, environmental and social indicators based on their respective units or functions (often EBITDA, GHG emission and safety). For GHG, reductions targets are in Location-based and Market-based methodologies;
- for long term incentives: performance shares include ESG criteria

E3 performance model is also associated to a tool which enables business leaders to take adequate decision. And this tool is based on an internal price of carbon, enabling to monetize the carbon impact to be able to compare pros & cons of each decision in front of the economical benefit or cost. This allows the business leader to take a right decision depending on its own situation. In Nexans Group, focus is not only profitability, but really sustainability, meaning a business combining economic, environment and engagement. This is the main guarantee of a sustainable electrification.

This E³ tool was built, with the support of CosmoTech® firm to be able to track the carbon footprint and financial situation of each business and simulate financial and environmental payback of each actions. The tool was launched in 2022, and all business units were onboarded on it.



3.1.5. Awareness of employees on CSR ambition

Training, engaging employees, making them aware of the Corporate Social Responsibility, environmental, and safety challenges are critical to deliver Nexans' ambitions. The CSR Department is strongly involved in training and actions to make employees aware of CSR ambition.

- The Group is using the Climate Fresk (*Fresque du Climat*®) to help employees better understand climate issues and the causes and effects of climate disruption and to promote the environmental ambition of Nexans. In 2022, at least one Climate Fresk was organized in each French plants. As of today, nearly half of French employees (47%) had the opportunity to attend these workshops (including 70% of Headquarters, since October 2020), and the international deployment of Climate Fresk has been started and will be the main focus of 2023.
- In 2022, the Group launched an e-learning course about CSR in 6 languages followed by more than 1,000 people. A Climate change awareness course will be launched in 2023.

- In 2022, the second edition of the Internal Planet Week was organized in nearly all plants and sites (70 in total) to raise awareness of all Nexans employees about Nexans Climate strategy and commitments to engage every single person to act towards the annual -4,2% GHG emissions reduction.
- A Safety day is organized every year to share the good practices in terms of safety, and make employees aware of the safety risks in their daily activity. Employees are also requested to follow an e-learning showing the safety management practices.
- A safety training is mandatory to enter a plant, for new employees, subcontractors or visitors.
- During the compliance week, the Group prepared and promoted to all managers an e-learning on several topics: greenwashing, compliance, anti-bribery,...
- In each Group Convention the CSR Department is explaining the Group's CSR ambition and roadmap.

3.1.6. Risks and opportunities

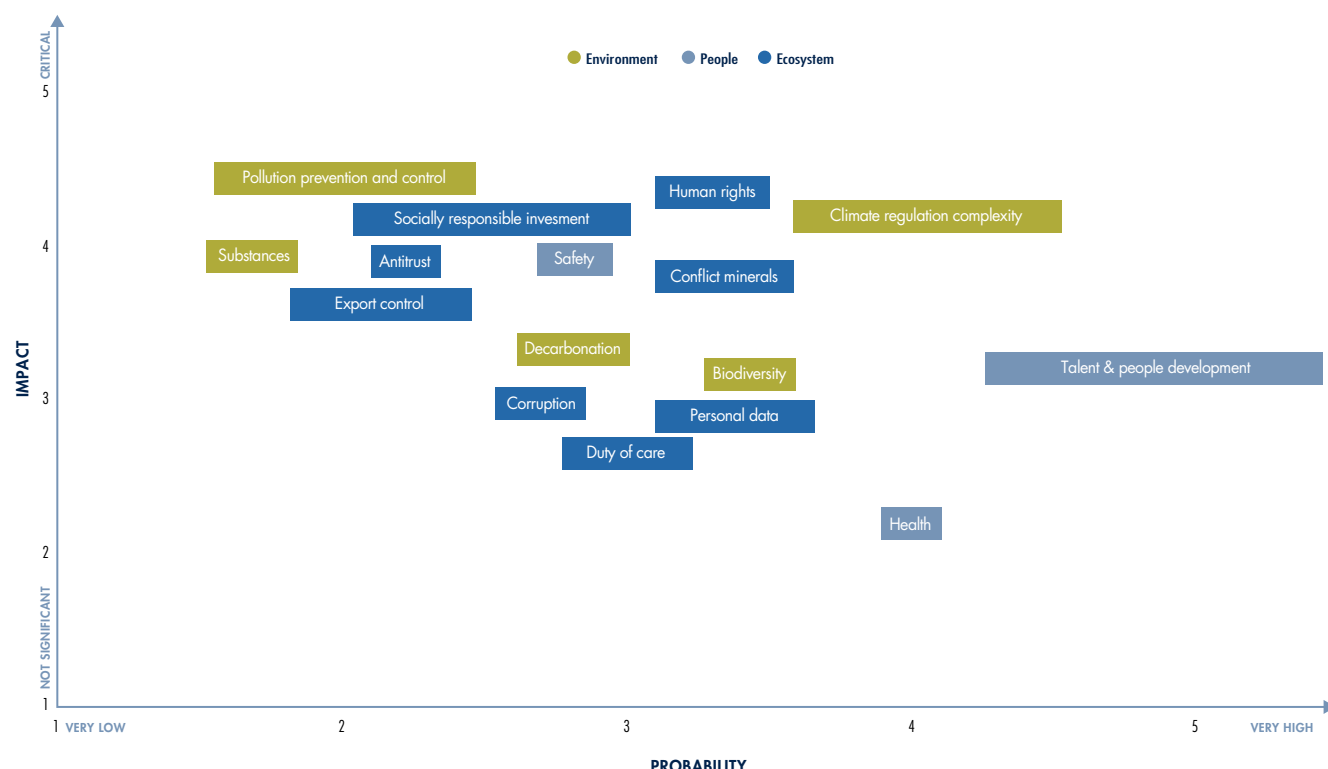
In connection with preparing its Non-financial Performance Statement, the Group analysed its CSR risks with a view to assessing its opportunities and risk management processes. As part of its Group-level risk analysis, and as requested by stakeholders (including by non-financial rating agencies), Nexans performed its annual specific CSR risk mapping process in 2022.

The analysis was carried out jointly by the Risk Department and the CSR/Sustainable Development Department. In order to compile the list of relevant CSR risks for the Group, a benchmark on industry leaders and peers was conducted and key external guidelines were followed including but not limited to the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD), Taskforce on Nature-related Financial Disclosures (TNFD) and Taxonomy. Around twenty internal stakeholders including senior managers belonging to the Operations, Purchasing, Innovation, Human Resources, Legal and Compliance Departments were consulted. The CSR risk mapping covered about 34 risks.

The resulting CSR risk matrix was then presented to the Audit, Accounts and Risk Committee.

During the analysis, the Group identified the non-financial risks to which it is exposed in relation to its business activities. The CSR risks are grouped in three (3) categories: environment, people, and ecosystems. As regards the prioritisation methodology, the risks identified are risks specific to Nexans. The risk assessment is based i) on the measurement of the level of criticality or gross risk (level of the potential impact on the Group if the risks were to occur multiplied by its probability of occurrence) and ii) for assessing the net risk, in taking into consideration for each risk the mitigation and management measures deployed by the Group to minimize the occurrence and impact of the said risk. See section 2.1 "Risks Factors".

The following matrix represents the gross risk of the most critical CSR risks. Their corresponding mitigation policies and programs are detailed in the table further below.



As regards climate-change related risks, they were mapped separately and are not fleshed out in the above CSR assessment. Nonetheless, climate-change related risk was identified as a critical risk for the Group. For further details, see section 2.1.2.2. titled "Risk related to climate change and natural hazards" and section 3.2.4. titled "The resilience of the Group's business model to the impact of climate change".

Although other CSR risks (such as those relating to health, water management and diversity) are issues of primary and vital importance for Nexans, they do not qualify as risks with the highest net impact as: (i) they are not necessarily specific to Nexans, and (ii) preventive measures are constantly deployed and monitored to avoid their occurrence and minimize their impacts.

The Group has put in place strategies for managing each identified non-financial risk. Sponsors from the Executive Committee and functional departments are charged with monitoring these risks and the proper and effective implementation of carefully tracked action plans, backed by results indicators. Reviews of the actions plans and of the related results indicators are included on the agenda of the Environment & Product Committee meetings as well as of the Governance and Social Affairs Committee meetings.

The main functional departments or functions involved in this process are in particular the Sustainable Development Department, Human Resources Department, Innovation, Services & Growth Department, Industrial Department, Purchasing Department as well as the Group Compliance Officer and Data Protection Officer.

For more information on the risk management role of functional departments – including CSR risks – see section 2.3.5. in Chapter 2 "Main risk factors and risk management".

Nexans' Accounts, Audit and Risk Committee monitors the effectiveness of risk management procedures and internal controls – including those related to CSR issues – and reports to the Board of Directors. See section 2.3.2. of Chapter 2 for more information on the Group's coordinated risk management system.

Thus, the table below provides an overview of i) the main non-financial risks identified and analysed by the Group, ii) the corresponding mitigation policies and programs to mitigate the risks, as well as a preliminary description of the opportunities relating to these risks.

Description of the risk and its potential impact	Group policies/programs to prevent risk or limit its impact	2022 Achievements	Opportunities
Environment			
DECARBONATION / SEE SECTION 3.2.1.			
Risk: Failure to reach carbon neutrality commitments and emissions' reduction targets Impacts: <ul style="list-style-type: none"> Damage to the Group's image Commitments requested by non-financial rating agencies, investors analysts, customers Impact on employer attractiveness 	<ul style="list-style-type: none"> Group commitment: carbon neutrality by 2030, emissions reduction by 4.2% yearly (-46% for Scope 1 & 2, -24% for Scope 3) to be aligned with Paris agreement PLANET Project Climate engagements as part of short- and long-term incentives for managers including the Executive Committee and CEO 	<ul style="list-style-type: none"> Deployment of the E³ tool to track and consolidate carbon action plan for sites and BUs (see section 3.1.4.) Appointment of Climate Director at Board level to track the results of climate engagements (see section 3.1.2.) 	<ul style="list-style-type: none"> Develop an image as a trusted partner Align image with Group's strategy
POLLUTION PREVENTION & CONTROL / SEE SECTION 3.2.3.			
Risk: Soil, water and air pollution at Nexans sites Impacts: <ul style="list-style-type: none"> Fines in the event of failure to comply with regulations Damage to the Group's image Environmental and biodiversity impact 	<ul style="list-style-type: none"> Environmental assessment and certification policy Reasonable environmental due diligence in the context of mergers and acquisitions System for analyzing industrial environmental risks 	<ul style="list-style-type: none"> ISO 14001 certification: 90% of industrial sites certified in 2022 	<ul style="list-style-type: none"> Develop an image as a trusted partner Contribute to costs control
SUBSTANCES / SEE SECTION 3.2.3.3.			
Risk: Failure to comply with all national regulations with regard to chemical substances Impacts: <ul style="list-style-type: none"> Non-compliance of products due to ban/restriction on substances used Costs associated with the adaptation to various national legislations Impact on people's health, on environment and biodiversity Damage to the Group's image Legal proceedings/Fines 	<ul style="list-style-type: none"> Policy and tools for monitoring substances used, in particular those subject to the REACH regulation and the RoHS Directive REACH manager supported by a network of local REACH coordinators 	<ul style="list-style-type: none"> Classification of sites according to their level of compliance risk: 98% of sites with a minor or moderate risk level, versus 74% in 2021 47 sites covered: all EU sites + sites supplying Europe + four trading sites 11 ongoing R&D projects to replace hazardous substances 	<ul style="list-style-type: none"> Market opportunity for premium offers Differentiation from competitors Develop an image as a trusted partner
BIODIVERSITY / SEE SECTION 3.2.3.4.			
Risk: Impact on biodiversity from installation/use/decommissioning phase of cables (aerial & submarine), and/or from wrong management of biodiversity issues by suppliers Impacts: <ul style="list-style-type: none"> Damage to the Group's image Growing support for emerging technology without potential biodiversity risk associated with cables 	<ul style="list-style-type: none"> Launch of biodiversity scoring to identify main activities' risks with external service provider 	<ul style="list-style-type: none"> Indicator under construction 	<ul style="list-style-type: none"> Establishing an image of a biodiversity conscious company Market opportunity as differentiation factor for tenders Attractiveness and talent retention
CLIMATE - PHYSICAL RISKS RELATED TO CLIMATE CHANGE / SEE SECTION 3.2.4.			
Risk: Increased frequency and severity of extreme weather events Impacts: <ul style="list-style-type: none"> Damage to property and persons Supply shortages 	<ul style="list-style-type: none"> Establishment of business continuity plans Industrial investment policy based on adapted construction standards Insurance policies Policy to ensure that key suppliers have a business continuity plan Alternative supplier policy 	<ul style="list-style-type: none"> No supply shortage due to natural disasters in 2022 	<ul style="list-style-type: none"> No break in our production chain Develop an image as a trusted partner

Description of the risk and its potential impact	Group policies/programs to prevent risk or limit its impact	2022 Achievements	Opportunities
CLIMATE - TRANSITION RISKS RELATED TO CLIMATE CHANGE / SEE SECTION 3.2.4.			
Risk: Volatility of energy prices due to changes in the energy mix towards a gradual phase out of fossil fuels Impacts: <ul style="list-style-type: none"> Increased energy costs Increase in the cost of goods and services purchased 	<ul style="list-style-type: none"> Group commitment: 100% of Group R&D projects to be dedicated to energy efficiency, people safety, resources preservation and energy transition, promoting eco-design and low carbon offers. Group commitment: use of renewable energy by means of local production or the purchase of decarbonized energy 	<ul style="list-style-type: none"> Industrial approach: partnerships and investments leading to GHG emissions reduction and energy efficiency (see section 3.3.1.) "RE100" 10% renewable electricity in 2019, the base year, 20% in 2020, 35% in 2021, 37,8% in 2022. 	<ul style="list-style-type: none"> Growth in market for Nexans energy efficiency offers Cost reductions Reduction of environmental impact Attractiveness of our offers
People			
SAFETY / SEE SECTION 3.3.2.			
Risk: Accidents at work Impacts: <ul style="list-style-type: none"> Serious/fatal injury/illness of an employee or any other person working at a Nexans site Productivity loss Property damage Impact on the Company's image Legal proceedings/fines Managerial and social issues 	<ul style="list-style-type: none"> Security standards: 15 Safety Golden Rules Job Safety Analysis (JSA); Safe and Un-Safe Act (SUSA); Settle Quickly Eradicate Control (SQEC) Alert Management System Monthly QHSE reports Group Safety Committee Work environment assessment 	<ul style="list-style-type: none"> 2022 – 80% compliance with golden rules Frequency rate: 2.31 Severity rate: 0.12 (2023 target < 0.10) Ergonomics campaign launched in all locations 	<ul style="list-style-type: none"> Employees safety and well-being Improved discipline in process execution, including better productivity and cable quality Develop an Image as a trusted partner and employer
ATTRACTING DEVELOPING AND RETAINING TALENT/SKILLS / SEE SECTION 3.3.3.			
Risk: Difficulty attracting talent in the market and difficulty retaining talent within Nexans Impacts: <ul style="list-style-type: none"> Costs associated with recruitment and onboarding process Perception of the Nexans brand in the market Loss of skills Inability to develop Nexans' business model Inability to deliver projects and respond to tenders 	<p><i>Attracting talent</i></p> <ul style="list-style-type: none"> Employer Promise linked to the Group's Equity Story Invest in employment market outside of Nexans' historical activity (e.g., digital, services, marketing) Pre-recruitment policy <p><i>Retaining & developing talent</i></p> <ul style="list-style-type: none"> Digital Induction Program Internal assessments of new skills required Promotion of internal mobility Talent pool per function Work on employee's engagement (E³) Comprehensive investment in employee training 	<ul style="list-style-type: none"> 47% of the most experienced management positions filled internally Sales & Marketing's organization core model designed and deployed in 11 BUs 	<ul style="list-style-type: none"> Focus on the Nexans brand Wider access to the best talent on the market Increase in the retention rate Improved integration of new hires Promote Nexans Employer Value Proposition (EVP) Employees' tailor-made development path in line with Nexans' strategy Reduce recruiting costs

Description of the risk and its potential impact	Group policies/programs to prevent risk or limit its impact	2022 Achievements	Opportunities
Ecosystems			
CORRUPTION / SEE SECTION 3.4.1.1.			
Risk: Failure to comply with anti-corruption regulations Impacts: <ul style="list-style-type: none"> • Legal impact • Financial impact • Impact on the employer brand 	<ul style="list-style-type: none"> • Code of Ethics and Business Conduct • Gift and Hospitality Policy • Policy regarding intermediaries (sales agents, distributors, etc.) • Compliance Program • Whistleblowing procedure • Sales, purchasing and finance employees receive anti-corruption training each year 	<ul style="list-style-type: none"> • Tone@theTop initiatives • Anti-corruption training made during the Compliance Week • Anti-corruption and bribery risk mapping 	<ul style="list-style-type: none"> • Develop an image as a trusted partner, employer and stakeholder • Sustainable sales development
ANTITRUST / SEE SECTION 3.4.1.1.			
Risk: Failure to comply with antitrust regulations Impacts: <ul style="list-style-type: none"> • Legal impact • Financial impact • Impact on the employer brand 	<ul style="list-style-type: none"> • Code of Ethics and Business Conduct • Compliance Program • Whistleblowing procedure 	<ul style="list-style-type: none"> • Spot training on sales & procurement employees on competition law issues • Antitrust training made during the Compliance Week 	<ul style="list-style-type: none"> • Develop an image as a trusted partner, employer and stakeholder • Sustainable sales development
HUMAN RIGHTS / SEE SECTION 3.4.1.2.			
Risk: Violations of human rights and fundamental freedoms, including by Nexans' suppliers or subcontractors Impacts: <ul style="list-style-type: none"> • Impact on health and well-being of Nexans employees, its suppliers and subcontractors • Impact on the Group's image • Legal impacts – Legal proceedings 	<ul style="list-style-type: none"> • Nexans' human rights policy • Nexans' duty of care plan towards suppliers and subcontractors • CSR library with answers to commonly asked questions by suppliers and customers • Specific governance structure dedicated to human rights, made up of a multi-disciplinary team • Whistleblowing procedure 	<ul style="list-style-type: none"> • On-site suppliers CSR audit (see section 3.4.2.1.) • CSR continuous improvement plan for suppliers with a score below 35 • Integration of the new Code of Ethics and Business Conduct (including Nexans' Human Rights Policy) in the Human Rights training made during the Compliance Week 	<ul style="list-style-type: none"> • Protect Human Rights • Make Nexans more attractive • Promote Nexans Employer Value Proposition • Develop employees' understanding of Human rights Issues and their commitment on these issues • Selection of virtuous suppliers and subcontractors • Strengthen collaboration with suppliers to consolidate partnerships
DUTY OF CARE / SEE SECTION 3.4.2.			
Risk: Breach of applicable regulations with respect to the supply of conflict minerals and similar sensitive materials suspected of being used to finance armed groups, fuel forced labor and other human rights violations, and support corruption and money laundering. Impacts: <ul style="list-style-type: none"> • Impact on the Group's image • Legal impacts – Legal proceedings 	<ul style="list-style-type: none"> • Nexans' conflict minerals plan • Nexans' CSR Charter to be signed by suppliers • Whistleblowing 	<ul style="list-style-type: none"> • Nexans' CMRT V6.1 ("Conflict Mineral Reporting Template"): 100% compliance after due diligence of certain suppliers 	<ul style="list-style-type: none"> • Strengthen collaboration with suppliers and improve reputation • Building trust with clients to foster business relationships
Risk: Failure to control suppliers' CSR performance on Environment, Employees and Ethics issues Impacts: <ul style="list-style-type: none"> • Compliance issue • Impact on the Group's image • Requested by non-financial rating agencies and customers 	<ul style="list-style-type: none"> • Nexans' duty of care plan on suppliers • Delisting of non-compliant suppliers • Training Purchasers on how to help suppliers improve their CSR performance 	<ul style="list-style-type: none"> • 14 suppliers' sites audited in 2022 	<ul style="list-style-type: none"> • Selection of CSR-compliant suppliers and subcontractors • Strengthen collaboration with suppliers to consolidate partnerships

Description of the risk and its potential impact	Group policies/programs to prevent risk or limit its impact	2022 Achievements	Opportunities
Risk: Risk of selecting suppliers without taking into account their CSR performance Impacts: <ul style="list-style-type: none"> • Compliance issue • Impact on the Group's image 	<ul style="list-style-type: none"> • General management procedure for Purchasers to assess a suppliers' global risk • Supplier's CSR tracker (including Scorecard, Charter, audit) 	<ul style="list-style-type: none"> • As of 2022, no suppliers can be created if the CSR Charter is not signed (unless express derogation granted) 	<ul style="list-style-type: none"> • Selection of CSR-compliant suppliers and subcontractors • Strengthen collaboration with suppliers to consolidate partnerships
PERSONAL DATA / SEE SECTION 3.4.4.			
Risk: Cyber-attack or incident leading to a data breach or leakage Impacts: <ul style="list-style-type: none"> • Impact on the Group's image • Impact on rating agencies' ratings (both financial and ESG) • Legal proceedings/fines • Business impact 	<ul style="list-style-type: none"> • Cybersecurity program • Annual action plan in place, as part of the Group Compliance program • Constitution of a network of Data Protection Correspondent 	<ul style="list-style-type: none"> • Zero data leakage incidents • 30 countries covered with local Data Protection Correspondents • Security Operations Center (SOC) enhanced in 2022 • End-user Security policy has been updated and included in Cybersecurity e-learning training during Compliance Week 	<ul style="list-style-type: none"> • Develop an image as a trusted partner & employer
SOCIALLY RESPONSIBLE INVESTMENT / SEE SECTION 3.4.7.			
Risk: Exclusion from socially responsible investment due to business choices not aligned with market expectations Impact: <ul style="list-style-type: none"> • Distrust from investors • Downgrading • Impact on the Group's image • Refinancing issues 	<ul style="list-style-type: none"> • Group level action plan on ESG • ESG conferences to engage ISR investors • Discussion with ESG/ISR rating agencies 	<ul style="list-style-type: none"> • Ratings: CDP A-, Ecovadis 78%, MSCI A (see section 3.1.7.) 	<ul style="list-style-type: none"> • Develop an image as a trusted partner • Risk mitigation thanks to virtuous continuous process • Higher credibility to support customers/suppliers in their sustainability journey

3.1.7. CSR performance

The CSR performance of the Group is measured and recognized by non-financial rating agencies. The strength of Nexans CSR performance was affirmed in 2022, as assessed by:

CDP (Carbon Disclosure Project)

A- rating maintained. The Group remains among the 11% of companies in the sector of electrical utilities that have reached the leadership level.

MSCI

In 2022, the Group had been upgraded to A rating, after several years of BBB rating. MSCI ESG Ratings aim to measure a company's resilience to long-term ESG risks. Companies are scored on an industry-relative AAA-CCC scale across the most relevant Key Issues based on a company's business model.

EcoVadis

Advanced rating upheld with a score of 78% in 2022 (78% in 2021), enabling the Group to maintain the EcoVadis Platinum level

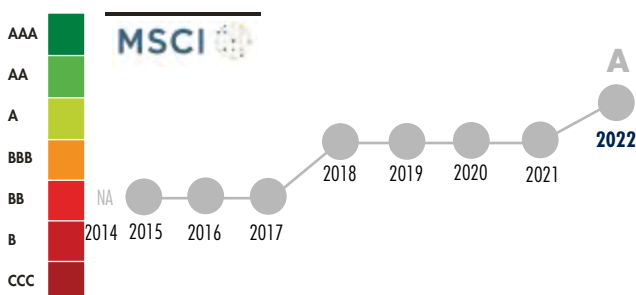
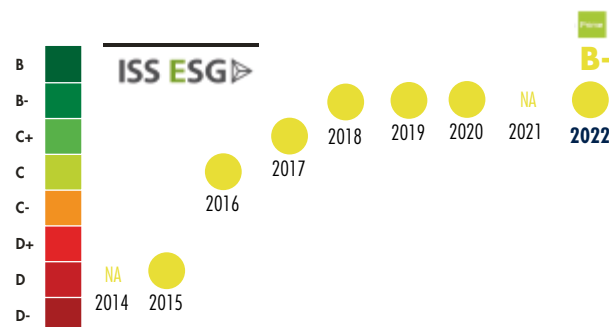
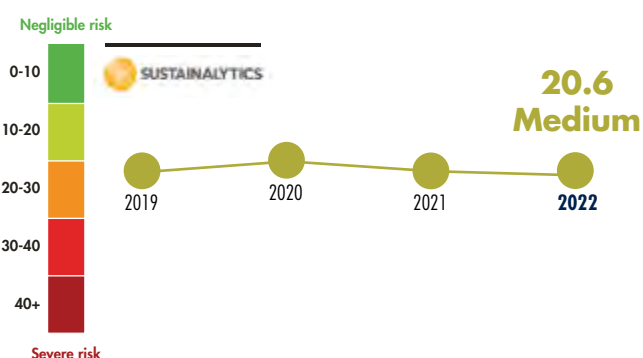
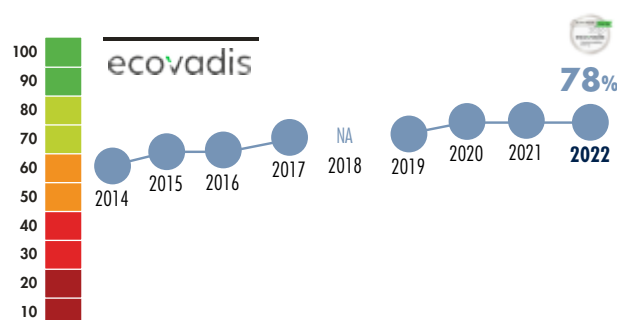
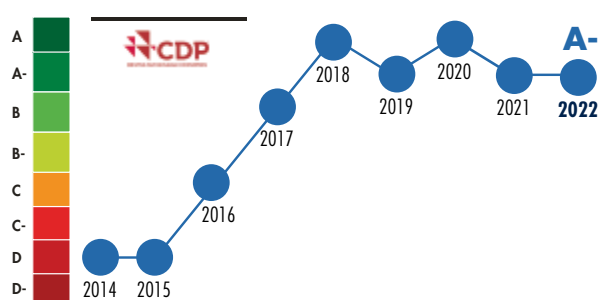
CSR recognition medal. The Group ranks among the top 1% of companies assessed by EcoVadis.

Sustainalytics

In 2022, the Group's ESG risk rating had been evaluated at 20.6, which is an improvement of -0,2 from 2021 20.8 ESG risk rating. It represents a medium risk of material financial impacts driven by ESG factors. This rating is based on its average risk exposure and strong management of material ESG issues. Lower ratings are better, and Nexans is targeting to further reduce it and enter the low risk category thanks to a grading of 20.

ISS ESG

B- rating maintained (the best rating in the sector is B), enabling the Group to keep its "Prime" status. ISS ESG awards a "prime status" to companies which have been identified as sustainability leaders in their industry. Nexans is rated "Prime", meaning that it fulfills ISS ESG's demanding requirements regarding sustainability performance in the industry of Electronic Components sector.



3.1.8. Independent data verification

This section presents the information that must be reported in the Non-financial Performance Statement ⁽¹⁾.

An external audit was carried out on the compliance of the Non-financial Performance Statement pursuant to the provisions of Article R.225-105 of the French Commercial Code (*Code de commerce*) and the fairness of the information provided pursuant to section 3 of Article R.225-105 I and II of the French Commercial Code mentioned in this report pursuant to Article R.225-105-2 of the same Code.

3.2 Environment: contribute to a sustainable and responsible business

3.2.1. A Group focused on decarbonation

At its first ESG Day held in September 2020, the Group disclosed its roadmap to contribute to carbon neutrality by 2030 reviewed and validated by Sciences Based Target Initiative (SBTi) in 2022.

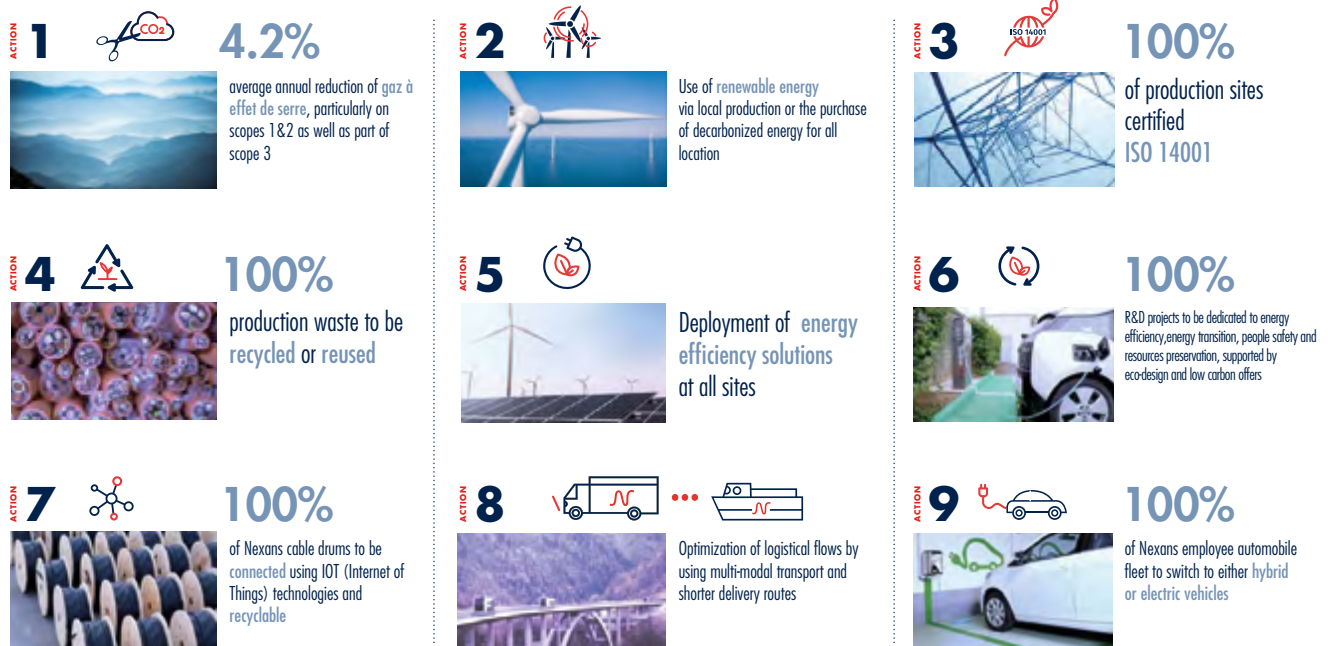
3.2.1.1. An ambitious carbon roadmap validated by the SBTi

Nexans carbon targets by 2030 were set based on Paris Agreement (2015) to limit global warming preferably to 1.5 degrees Celsius compared to pre-industrial levels. They are in market-based methodology according to GHG Protocol.

Following SBTi rules, Nexans commits to:

- reduce its Scopes 1 & 2 by 46% by 2030, with a base year in 2019;
- reduce its Scope 3 by 24% by 2030, with a base year in 2019.

In 2020, the carbon roadmap detailed the various levers of these two goals, including work on direct and indirect emission from the operation, R&D, Purchasing, Transportation, environment management and circular economy. These commitments are the basis of the ESG Scorecard, for the environment pillar. As some targets were set before SBTi and RE100, both calculations are done and shown in following tables (following SBTi and RE100 rules, and also ESG Scorecard methodologies).



Nexans aims at using 100% of electricity coming from renewable sources, in line with its commitment to RE100 taken in 2020 for 2030.

Reductions in energy consumption, as well as energy reduction and efficiency actions as described below, have enabled the Group to firmly establish its path going forward for reducing greenhouse gas emissions.

⁽¹⁾ Statement on Non-Financial Performance: articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

3.2.1.2. The Group's carbon footprint

Due to the low carbon intensity of its operations, the Group is not subject to European carbon emissions quotas. The Group measures its greenhouse gas (GHG) emissions on a worldwide basis using the following indicators:

- emissions related to the use of fossil fuels and gas (Scope 1);
- indirect emissions related to the purchase of electricity and steam (Scope 2);
- all emissions upstream and downstream of the Group's business operations (Scope 3) were assessed and measured using the Group's methodology. The significant sources included in its calculation of upstream and downstream emissions, combined with its direct and indirect emissions, cover over 99% of GHG emissions.

Group's GHG calculation is following the GHG protocol rules in Market-based and Location-based methodologies. Emission factors are based on worldwide database (International Agency of Energy and the French agency Ademe).

The Scopes 1 and 2 are measured on a monthly basis, while Scope 3 is measured each year. In case of acquisition of new companies, 2019 baseline is recalculated. This is the case in 2022, with the purchase of Centelsa.

The predominant source of the Group's emissions involves the use of products to distribute electricity over the course of their life cycle. The purchase of goods and services and the transportation of goods and people were measured and are not significant sources of emissions given the use made of the products sold.

Scope	Category	Emission category	2022	2019	Emissions variation	
					Tons CO ₂ e	%
Scope 1	1.1 + 1.2 + 1.4	Direct emissions from stationary and mobile combustion and from fugitive sources	122,841	119,288	+3,552	+3%
Scope 2	2.1 + 2.2	Location Based: Indirect emissions from purchased electricity and from purchased steam/heating/cooling	136,862	157,549	- 20,687	-13%
	2.1 + 2.2	Market Based: Indirect emissions from purchased electricity and from purchased steam/heating/cooling	101,433	193,536	- 92,103	-48%
Total Scopes 1 & 2 (Location Based)			259,703	276,838	- 17,134	-6.2%
Total Scopes 1 & 2 (Market Based)			224,273	312,824	- 88 551	-28.3%
Scope 3	3.1	Purchased goods and services	4,476,556	5,187,530	- 710,974	-14%
	3.2	Capital goods	67,567	56,598	+10,970	+19%
	3.3	Energy related activities	63,619	64,446	- 827	-1%
	3.4*	Upstream freight	91,663	102,075	- 10,412	-10%
	3.5*	Waste	12,465	14,582	- 2,117	-15%
	3.6*	Business travels	7,743	11,572	- 3,829	-33%
	3.7*	Employee commuting	45,200	48,209	- 3,009	-6%
	3.9*	Downstream freight	64,970	69,755	- 4,785	-7%
	3.12	End-of-life of sold products	581,995	702,646	- 120,650	-17%
	Scope 3 without Use of sold products		5,411,779	6,257,414	- 845,634	-13.5%
	3.11	Use of sold products	89,490,451	125,862,598	- 36,372,147	-29%
	Scope 3 with Use of sold products		94,902,230	132,120,011	- 37,217,781	-28.2%

USE OF SOLD PRODUCTS

Nexans committed to address climate change through the entire supply chain and to offer to Customers sustainable solutions and Innovations. Integrating and managing indirect emissions from Scope 3 is part of this strategy. The majority of Nexans carbons footprint is related to Scope 3 and the use of sold products covering over 94% of Scope 3 emissions.

The GHG emissions during the products use phase are associated with the cable's energy losses related to the Joule effect. Nexans considers these losses as a direct product energy consumption and included them in Scope 3 emissions accounting. However, calculation of those emissions requires to make assumptions such as product lifetime, current intensity and use rate (number of hours the product is used every year). For 2022, no standardized or agreed use phase assumptions have been developed by the cable industry; thus, use phase emissions can vary significantly between

manufacturers as they greatly depend on the assumptions taken. Nexans used conservative hypothesis and GHG emissions are calculated for the total lifetime of the sold products (between 20 and 40 years), penalizing long lifetime products. In 2022, a change of methodology was done in order to reflect more the reality of the carbon trajectory of countries, meaning taking into consideration a decreasing emission factor, based on countries commitments, and not a constant emission factor. Following GHG Protocol, all historical data (including base year) were recalculated with such assumption.

In order to address these emissions Nexans has developed innovative solutions (see 3.2.1.3. "GHG reduction approaches & results").

AVOIDED EMISSIONS

The measurement of the positive impact of Nexans' solutions (avoided emissions) is one of the subjects of interest for Nexans. At this stage, there is a lack of consensus on the avoided emissions (in or out of the Company's boundary) and the methodology to quantify avoided emissions; the carbon savings associated with Nexans products is only evaluated through Scopes 1-2-3 reduction and product environmental profile. Nexans closely follows the development of standards (e.g. IEC 63372, World Business Council for Sustainable Development) on the quantification and communication of GHG avoided emissions and will evaluate their implementation once published.

As a pure player of electrification, especially for renewable energies, the Group enables operators to reduce GHG emissions while installing new renewable facilities and connecting them to the grid.

3.2.1.3. GHG reduction approaches and results

Following SBTi's framework, as of December 2022, Nexans is showing a reduction of carbon footprint compared to 2019 base year of:

- -28.3% (market based) for Scopes 1 and 2 only, *versus* a target of 4.2% per year, meaning a -12.6% for 2022 year;
- -28.2% for Scope 3, *versus* a target of -2,2% per year, meaning a -6.6% for 2022.

THE DECARBONATION JOURNEY

These results are the outcome of various initiatives:

- an IT Tool, called E³ Tool, was developed with the support of Cosmotech firm to be able to track the carbon footprint and financial situation of each business and simulate financial and environmental payback of each actions. This enables the Group to have a consolidated view of carbon action plans;
- a segmentation was done of all Nexans activities in order to design the priorities in terms of action plans. Segmentation is based on GHG emission and carbon intensity ratios;
- industrial approach (Actions 1 and 5):
 - Nexans is mandating external company to audit the energy efficiency of each Important GHG emitting plant. A decarbonation plan is built and followed-up. (see also Chapter 3.2.2.2)
 - digitalization of the plants, especially the Industry 4.0 plan, is an important enabler of the decarbonation ambition. It allows

a great optimization of boilers, heating systems, isolation of buildings with more accuracy and relevancy,

- investments are done to decarbonize. Payback calculation is including both financial and environmental paybacks, meaning that the Internal price of carbon is used to monetize the GHG emission saving. Main investments are done in lighting system (LED), switch from fossil energy to electricity for some equipment, heating system, replacement of equipments by lower energy consuming ones...
- installation of solar panels or renewable energy generation on Nexans premises. In 2022, Nexans Maroc installed solar panels on Mohammedia and Casablanca roofs. Several plants already have such generation power, and some others will deploy this in coming months;
- transportation approach (Actions 1 and 8):
 - first, transportation is reduced thanks to E³ Performance Model, which contributes to encourage short circuit deliveries, customers close to Nexans premises, compared to the far away ones. E³ performance model helps also to have a clear view on importance of GHG footprint per customer & supplier, and so for the prioritization of transportation decarbonation plan,
 - main levers used are the increase of the transportation load, the optimization of the transportation size, the frequency of transportation flows, the switch from one emitting energy engine to a less carbon intensive one (e.g. truck/train instead of full truck). These levers require very often to discuss with suppliers and customers and find adequate ways to reduce the GHG footprint of the flow. In 2022 for example, Nexans France decided to switch an important part of its truck transportation from diesel to biofuel one (B100). Another illustration is the use of multimodal connection for internal flows between plants in France,
 - in 2019, the Group signed up to the Fret 21 process, supported by ADEME (the French Environmental agency). The program promotes multimodal transport, reviews loading rates, encouraging transport companies to decarbonate their flows. The Group's objective is to reduce greenhouse gas emissions of transportation in France and neighboring countries by 5% in three years.
- engaging customers:
 - decarbonation of transportation downstream requires the engagement of customers. Focusing on main flows in terms of volume and frequency, the Group's business units work with customers to optimize the transportation load, size, frequency and find alternative energy engines than fossil ones,
 - besides, Nexans is engaging customers to optimize the usage of cables. Several actions are done:
 - Nexans is communicating Product Environmental Profile (PEP, see also 3.2.5.2) of its products, which allows customer to identify several environmental properties of a product, especially its carbon footprint. Nexans is deploying PEP methodology in all its plants, and is sharing outcome and progresses with customers. This enable customers to select the lowest carbon content product for a specific application,
 - in similar way, Nexans is interacting with customer to ecodesign products and services, based on customer demand. As example, Nexans sold in 2022

superconductor cables, with higher level of power transmitted, than usual medium voltage cables,

- Nexans is proposing EcoCalculator service, or Asset Management systems, which respectively aim at evaluating the energy losses, hence GHG emission of product, and at monitoring the electrical grid. Both contribute to optimize energy efficiency and assets management of customers;
- engaging suppliers:
 - in 2022, the Group engaged its main suppliers in its sustainability journey, requesting especially Environmental Product Declaration (EPD) for raw material purchased, better solutions & products in terms of carbon content as well as the Duty of care elements when eligible (e.g. CSR Charter, CSR scorecard, CSR audit, etc). For further details, please see the paragraph "Duty of care with our suppliers",
 - suppliers are engaged for the decarbonation roadmap of Nexans in various ways. For example, transportation suppliers (see above), Raw Materials and packing suppliers to offer recycled contains, equipment suppliers to find ways to optimize the energy consumption of the Group's industrial equipment, IT suppliers to optimize the IT carbon footprint of Nexans, suppliers selling or renting cars to propose electrical and hybrid cars to reduce commuting carbon footprint, etc.,
 - as an example, the Group takes steps to use as much as possible low-carbon aluminum, based on third party certified carbon footprint or Environmental Product Declaration (EPD) provided by suppliers. EPD are ISO 14025 declaration quantifying environmental information on the life cycle of a product to enable comparisons between products fulfilling the same function. The EPD methodology is based on the Life Cycle Assessment (LCA) tool that follows ISO series 14040. In 2022, more than 50% of the aluminium purchased by the Group was qualified as low-carbon, *i.e.*, produced primarily using hydropower as a base energy source, and to a lesser extent, nuclear power ⁽¹⁾;

- engaging employees:

- an important focus is done by CSR Department on the awareness of employees on climate change and on climate strategy of Nexans. In 2022, several training modules were diffused, especially on CSR and greenwashing to train employees. Besides, and since 2020, the @Climate fresk is still deployed within Nexans, with an ambition of having fresks in all French sites in 2022. International deployment started in 2022. This is a three hours workshop, performed by internal trainers (trained by the @climate fresk company).

PURCHASING 100% OF ELECTRICITY FROM RENEWABLE ENERGY (RE100)

In 2020, the ESG roadmap set the willingness to purchase 100% of electricity from decarbonized energy, and the Group commits to RE100 by 2030 looking at 100% of electricity from renewable energy.

End of 2022, the Group used 72% of decarbonized energy and 37.8% of electricity from renewable sources. Such ambition gathers several actions like the deployment of solar or wind farms in Nexans premises and the purchase of renewable electricity from utilities suppliers.

On top of purchasing renewable electricity, the Group has deployed renewable electricity generation on site, for example:

- Solar panels in Cortaillod (Switzerland), Frameries (Belgium) and Nahr Ibrahim (Lebanon) ;
- in 2022, plants of Mohammedia and Casablanca (Morocco) installed solar farms on their respective roofs;
- Suzhou (China) has put in a solar heating system;
- Buizingen (Belgium) has installed two 2 MW wind turbines;

At the end of 2020, the Group joined the Climate Group's RE100 ⁽²⁾ initiative and pledges to achieve 100% renewable electricity by 2030. RE100 is a global initiative bringing together the world's most powerful businesses driving the transition to 100% renewable electricity.

This initiative enables to reduce Nexans Scope 2.

3.2.2. Promoting circular economy

Fully integrated from metallurgy to cable recycling, the Group has a unique approach on circular economy for copper, but also for other materials, plastic compounds, water, drums and packaging.

The circular economy features in the Group's CSR policy as one of the main ambitions, covering the product, the industrial and supply chain processes

3.2.2.1. Reuse, recycle cable and compounds

CABLE RECYCLING

The Group has several industrial equipment, able to strip, grind the cables, and separate metals and plastics.

⁽¹⁾ Low carbon aluminum shall be covered by a third party verified environmental product declaration providing a Carbon footprint at least 15% lower than the average Carbon footprint of the Aluminum used in Europe.

⁽²⁾ www.there100.org.

In Europe, the Group recycles a portion of its production waste, notably through RecyCâbles, a company in which it owns a 36% interest. RecyCâbles is one of Europe's leading cable waste recovery providers, with total capacity of 35,000 tonnes.

In 2022, the Group recycled 14,830 tonnes of cable waste (14,800 in 2021) using latest-generation industrial tools with minimal environmental impact (especially in terms of use of water and electricity).

In other countries, the Group invested in stripping machines, grinding equipment and separation tables, allowing plants not only to recycle their own production wastes, but also to recycle collected short lengths, obsolete stocks or wastes from customers.

Thanks to this industrial process, the Group can collect copper or aluminum scraps, in addition to plastics such as polyvinyl chloride, polyethylene or cross-linked polyethylene scraps and can reuse and recycle them.

METAL RECYCLING (COPPER AND ALUMINUM)

The Group is taking measures to maximize the portion of recycled copper used in its cables. By vertically integrating scrap into copper metallurgy, the Group can incorporate a significant proportion of recycled copper into its upstream process.

In 2022, around 19,700 tonnes of copper waste (23,000 tonnes in 2021) were used in the Group's continuous casting operations in Montreal (Canada) and Lens (France), representing around 4% of Group needs. Moreover, in other countries, the Group has commitments to send metal scrap to suppliers to recycle it, and then send back rods containing recycled material.

This industrial advantage helps reduce the Group's overall carbon footprint while preserving natural copper resources. The availability of copper scrap is crucial to be able to increase the recycling rate. Hence the Group is working with its customers to increase the copper scrap collection (see below cables recycling).

The other main non-ferrous metal used in cable manufacturing is aluminum rod (around 85,000 tonnes in 2022). The Group can get some aluminum scrap from its manufacturing process and from cables recycling, which are sold to aluminum suppliers. Nexans is purchasing back aluminum with recycling content. Since end 2022, the Group has launched a breakthrough project in terms of circular economy in aluminium word, with its partner Trimer, an aluminium supplier. Nexans supplies Trimet with its aluminium cable scrap, already sorted out at RecyCâbles, a Nexans-Suez joint venture. These scraps are melted and recycled by Trimet, with a fraction of the energy needed to produce primary aluminum and an innovative process to obtain a high-quality recycled alloy. This recycled aluminum is supplied by Trimet to Nexans, who uses it in its power cables. So far, the power cables were manufactured only with primary aluminum, due to the high technical requirements on the mechanical properties and conductivity.

COMPOUNDS RECYCLING

A dedicated program is deployed to increase the circularity of compounds in the Group, gathering industrial, R&D, purchasing and sustainability departments. Goal is to increase the recycling rate of products and finds new ways to use recycled compounds while

maintaining the electrical and mechanical properties of cables. This initiative aims to minimize the environmental impact of its products and preserve resources.

If copper can be re-introduced in the copper rod mills, plastics compounds can also be re-introduced in compounding facilities, and then in the insulation or jacketing processes.

The R&D center of Ampacity in Lyon (France) is supporting all initiatives enabling the Group to increase its recycled rate of compounds. A systematic identification, qualification (based on specific technical protocol) and testing has been set up to accelerate the incorporation of recycled content in products. Almost all applications are under investigation, from low voltage cable to high voltage, working with its customers on these development programs.

Mainly two sources of recycled polymers are widely used in the Group: the recycled PE (Polyethylene) and PVC (Polyvinylchloride), with carbon footprint up to four times lower than that of virgin grades. Some of the industrial low-voltage cables in the wide range of cables produced by the Group in France, Belgium and Italy contain up to 20% of recycled plastics. This significantly reduces the environmental impact of the Group's products that integrate this recycled material. Similar practice is implemented in Morocco, Chile, Brazil, Turkey, Canada, Australia, Peru and China. The Group objective is to standardize the approach in all plants when applicable.

Efforts are also focusing on cable recyclability. Several initiatives are running to better valorize plastic wastes such as PVC, PE, crosslinked PE and filled polymers. The objective is to switch from a linear to a circular model where used materials could be re-introduced into cable manufacturing.

3.2.2.2. Protect, reuse and optimize resources in manufacturing processes

Manufacturing processes of Nexans are using several resources: energy, water and generating some wastes. The optimization and the reuse of such resources are critical for the sustainable ambitions of Nexans.

ENERGY CONSUMPTION

Saving energy is a major focal point for the Group. Energy management is integrated into the environmental management system and for the decarbonation of the Group (see also Chapter 3.2.2.).

Several actions are done, and are followed by a specific committee gathering Industrial VP of Business Groups, Corporate Industrial team and Sustainability Department:

- Since 2020, collaboration was set with Schneider Electric to identify the opportunities to improve energy efficiency in the various Nexans plants. In 2021, 6 audits were done followed by Energy Maturity Assessment in all Nexans sites to quantify the potential. Then, based on the output assessment, a roadmap was created starting with a list of 7 sites audited in 2022. After each audit, an action plan is built and implemented to save energy (and consequently GHG emission);
- Publication of the "Nexans Book of Solutions" containing a list of the best practices for reducing energy consumption;

- Since 2021, energy assessment have formed an integral part of the annual environmental survey;
- Digitalization of the plants, especially the Industry 4.0 plan related to energy monitoring, is an important enabler of the decarbonation ambition. It allows a great optimization of boilers, heating systems, isolation of buildings with more accuracy and relevancy;
- Installation of solar panels or renewable energy generation on Nexans premises. In 2022, Nexans Maroc installed solar panels on Mohammedia and Casablanca roofs. Several plants already have such generation power, and some others will deploy this in coming months.

Major improvements were done in the lighting (installation of LED), in optimization of compressed air generation and water cooling systems, in addition to the installation of highly energy-efficient motors.

WATER CONSUMPTION

At Group level, water is primarily used for cooling and sanitary purposes and the Group has a minimal impact on water quality. Water drawn for the sole purpose of cooling is immediately released without alteration.

The Group has invested in closed-loop cooling systems in order to actively reduce its water consumption. To date, out of the 65 sites using water for cooling, 54 have a water recycling rate of over 70% (see Maturity Assessment table). The sites with the highest water consumption rate are individually monitored and specific action plans are implemented.

In 2023, the Group targets to reduce water intensity by 5%. Several investments in close-loop were already launched to reach such target.

Any water leakage are immediately addressed once detected.

WASTE MANAGEMENT

The management of waste from manufacturing processes, an issue central to the shift towards a circular economy model, is one of the nine CSR ambitions ". reflected in commitment #4 "100% production waste to be recycled or reused". The Group has two main objectives:

- reducing waste: production waste is monitored monthly by each individual site and consolidated by the Group Industrial Management Department;
- increasing the waste recycling rate, through sorting and treatment:
 - **sorting and recovery** – All sites, including those subject to minimal waste management regulations, have put in place an ambitious waste sorting program at source for production waste (Cu, AL, PVC, PE, XLPE, etc.) and industrial waste (wood, cardboard, metals, etc.). And wherever possible production waste is re-used directly on site as a secondary raw material,
 - **processing and recycling** – The Group continues its ambitious waste management program to recover cables and production waste through facilities that guarantee full traceability and material recycling. In doing so, it also helps to

promote treatment processes that have a limited impact on the environment.

In 2020, the CSR roadmap has set a target to recycle 100% of its production waste by 2030 (Action 4). End of 2022, recycling rate of production waste is around 75%.

A dedicated project monitors such ambition, gathering Industrial Department, Plants, R&D and Sustainability Departments. The objective is to:

- 1) Optimize waste sorting at source;
- 2) Ensure recycling treatment of easily recyclable materials like polyvinyl chloride, polyethylene, etc in Nexans plants and at waste contractor premisses;
- 3) Find recycling solutions for materials that cannot be easily recycled like crosslinked polyethylene, rubber, etc.

3.2.2.3. Deploy recycling in all other processes

The previous chapters show the recycling ambition in terms of products and its compounds (metal and plastic compounds) and of manufacturing processes (energy, water, wastes). To promote circular economy, the Group is also addressing the packaging and other processes like administrative one.

CABLES DRUMS

The Group has taken the initiative to reduce the impact of packaging, cardboard and plastic, notably cable drums. In line with this, the majority of cable drum supplies for our European sites come from sustainably-managed forests (labelled PEFC, Programme for the Endorsement of Forest Certification Schemes), which guarantees that the wood is sustainably sourced and produced.

The management of cable drums, their recyclability and their connectivity to digital platforms is one of the Group's priorities. It is therefore one of the essential indicators monitored in the CSR roadmap set in 2020 (Action 7).

The Internet of Things, or IoT, technology helps organizations cut costs, optimize performance and boost productivity. The Group uses the IoT so that its customers can track the transit of cable drums, to reduce the loss and theft of materials, and to control the cost of renting drums and storing cables.

By transforming these objects into "smart, enhanced" products, featuring a GPS and 3D accelerometer with onboard intelligence inside the drum, Group customers can remotely measure the amount of cable remaining on each drum, monitor progress on their projects and optimize drum collection and worksite cleaning. Staff on site can also access data on any drum with a smartphone, by using tags built into the reel. Product factsheets and residual length are included in the information stored on the drum. Warehouse and worksite personnel can therefore easily identify the type of cable, its use and rules they need to follow.

For Group customers, this improves drum logistics and facilitates a faster return of empty drums on consignment.

At end-2022, Nexans had rolled out its connected and recycled drum program to 26 countries, with 17% increase in connected drums from 2021, while its connected drum coverage rate rose from 12% to 14%.

PLASTIC PACKAGING

Plastic is used not only in cable systems but also packaging, such as drums made of 100% recycled polypropylene (Mobiway). In addition, the integration of recycled PE in films used to package cable coils is pending approval and will be implemented in France in 2022.

Integrating recycled plastic reduces the Group's carbon footprint and improves resource management. As such, the Group plays a key role in the circular economy while continuously guaranteeing the same product quality.

The Group is member of the Circular Plastic Alliance with a pilot in Belgium, aiming at collecting plastic foils from customers, recycling them, and reusing them in the manufacturing of new foils.

REDUCING OTHER WASTES

In the fight against food waste, the Group has taken strong action to monitor its catering service providers in the main countries where it operates. This policy consists in measuring the performance of current suppliers through environmental and social performance indicators and in using evaluation criteria to rate supplier proposals in the bidding process for catering services. Of all the indicators measured, the Group focuses on the reduction of resources used, waste reduction and management and food waste monitoring.

As a signatory of the WASH Pledge, Nexans provides its employees with access to safe water, sanitation and hygiene in the workplace.

The Group also promotes the reuse of old IT equipment. In 2022, a campaign was done in France to collect obsolete equipment and gift them to NGO in charge of using them as second hand tools.

3.2.3. Reducing pollution and other environmental risks

As a leader in energy transition to fight against climate change, the Group is very sensitive about the environmental risk, and the way it monitor and reduce environmental risks, reduce pollution, follow environmental regulations about hazardous substances, follow and understand its impact on biodiversity.

Climate change risk is one dedicated environmental risk and will be detailed in next chapter.

3.2.3.1. The Group's environmental policy

One of the objectives of the Group's environmental policy is to preserve resources and reduce its pollution risks. It sets therefore the highest standard in terms of environment for its industrial footprint.

ENVIRONMENTAL ASSESSMENT AND CERTIFICATION POLICIES

As a key driver in the energy transition, the Group undertook two complementary steps in the evaluation and certification of environmental performance an external certification: ISO 14001 and an internal label, named EHP (Environment Highly Protected).

In 2022 the Group has launched a new maturity assessment system

constituting a performance obligation for the sites, distinguishing it from ISO 14001 to replace its former internal label award. This assessment is based on 6 areas – Waste, System, Energy Efficiency, Digital, Water and Risks. The result of the assessment is based on 3 criteria:

- minimum overall average score;
- minimum score by axis;
- mandatory questions.

The scoring allows a ranking to be established and a 2-level internal label to be awarded named EHP (Environment Highly Protected) and WCE (World Class Environment). This label is awarded under the responsibility of the Group's Operations Department based on periodic audits carried out by internal auditors.

In 2022, among the production sites, 71 sites were ISO14001-certified. During 2023 new internal label will be granted based on the results.

The target set in the CSR roadmap was to have 90% of our production sites certified by 2022. Our goal is for 100% of sites to be ISO 14001 certified by 2024 (Action 3).

The Internal Environment label covers 6 main areas listed above, broken down into 119 questions that are managed and consolidated using a dedicated platform. Some criteria and objectives required to obtain the EHP/WCE label are provided as examples in the table below.

Main criteria	EHP	WCE
Overall score	>75%	>90%
Min score per axis	>70%	>80%
ISO 14001 certification	Mandatory	Mandatory
Standard Management Routine for EMS	Full implementation using Nexans standard tool and process	Full implementation using Nexans standard tool and process
Water drainage systems	No potential pollution outside the site	No potential pollution outside the site
Safe storage of hazardous liquids including oil	100% of tanks to be protected, accessible & with alert system	100% of tanks to be protected, accessible & with alert system
CAPEX spent		>10% of total plant CAPEX is related to Environment
Waste management		Site must maintain waste sorting management program including household waste
Energy monitoring		full energy monitoring system in place with smart energy meters
Energy control		building management system in place to control and optimize utilities
Energy manager		Energy manager, appointment of Energy manager with clear missions & tasks
Paperless mindset		>50% of processes uses paperless digital solutions
Water cooling system		>70% of water cooling network equipped with closedloop on process side and on cooling side
Regulatory watch		site has in place a process to receive automatic and regular notification of any local regulation update

PREVENTING ENVIRONMENTAL RISKS

The Risk Assessment report is used to measure the environmental risks at each site and map out the Group's industrial environmental risks. Every year, this risk map is sent to the Group's Head of Risk and is supplemented with planned prevention measures, such as protecting stored liquids that could potentially cause environmental damage, eliminating asbestos, and setting up oversight plans in certain regions.

Natural disasters – See next Chapter 3.2.4.

Crisis management – All of the Group's sites draw up environmental crisis management plans. These plans are audited as part of the environmental audits and are backed by investments in protective equipment such as containment basins and valves to prevent external pollution, as well as emergency intervention kits (contaminant booms, mobile valves, etc.). This protective equipment is regularly tested during dedicated verification exercises.

The environmental risk prevention program is included in the Group's Lean Manufacturing methodology and the management processes at its manufacturing sites. In 2020, as part of the new industrial strategic plan, the Group decided to implement a tool to measure the maturity of sites every year based on four pillars, one of which is QHSE. Under this pillar, control and discharges are measured and the main environmental risks are assessed. This tool was used to establish a classification system for our sites in 2021.

ICPE⁽¹⁾ – Most production sites in France comply with ICPE regulations. These sites are required to monitor and report on areas which mainly include waste management, noise pollution, water and soil pollution and greenhouse gas emissions. ICPE sites are closely monitored to ensure they meet all regulatory requirements.

The Group has no Seveso sites.

Industrial, environmental and financial risks associated with climate change and low-carbon strategy are presented in Chapter 2 "Main risk factors and risk management".

ENVIRONMENTAL EXPENDITURE AND INVESTMENTS

The Group continues to work hard to protect the environment by investing in protection initiatives that aim to improve its environmental performance.

In 2022, environment-related expenditure amounted to 6.5 million euros (versus 4.6 million euros in 2021). These expenditures mainly concerned the following items: environmental taxes (including water tax), maintenance (including the purchase of filters), analyses and tests, royalties and licenses, and external environmental services. The Group continued to invest in environmental initiatives within its plants through awareness-raising and the rollout of its environmental program launched the previous years.

(1) ICPE: Installations classées for the protection of the environment.

In view of the industrial projects presented, a total of 4.3 million euros worth of environment-related investments were approved for 2022 (versus 3.5 million euros in 2021). These investments were used to replace less energy-efficient equipment, remove asbestos from roofs, repair electric machinery, treat emissions of air pollutants, and implement noise reduction and closed loop water filtration systems, replace lighting with LED light bulbs, and more. Other expenses may be incurred for the clean-up of closed sites and sites earmarked for sale, but the Group expects the related amounts to be less than the market value of the sites in question.

3.2.3.2. Reduce pollution

The Group has analyzed the sources of pollution within its business activities, based on the key processes used, the overall risks they generate, and measures implemented.

POLLUTION FROM MANUFACTURING PROCESS

Continuous casting – These operations require large volumes of water and gas and cause air pollution. Smoke generated by the casting furnaces is processed and monitored based on the thresholds set in the applicable regulations. The Group's copper continuous casting facilities also use stripping and passivation products (alcohol and acid). These hazardous products are stored and transported in accordance with both the applicable local regulations and Group standards.

Metallurgy – The main resources used for wire drawing are electricity and water, which is used for emulsions and cooling. Emulsions used for wire drawing purposes are processed and filtered in order to extend their duration of use and are subsequently eliminated by specially authorized service providers.

Cable manufacturing – Extrusion cable manufacturing requires large quantities of water for cooling. Most of this water is recycled, ensuring that consumption remains low. Air emissions are processed by filter extractors specific to each facility and subject to the emissions thresholds established by country. Solvent consumption primarily concerns marking inks, for which special processing is required by the Group, such as solvent storage cabinets and fume hoods used when cleaning ink jets and wheels.

Compound production – The production of compounds (such as PVC, rubber and Low Fire Hazard, which are used as raw materials for insulating cables) requires the use of certain products that are potential pollutants (peroxide, silane and plasticizing agents) and which require the 17 sites concerned to take particular precautions for their storage, transport and utilization in accordance with the relevant regulations in force in each country (e.g., ventilation of premises, storage with adequate containment facilities and the use of spill pallets for on-site transportation).

PREVENTIVE AND CORRECTIVE MEASURES

The Group is taking preventive and corrective measures for the pollution of water, soil, air, noise, vibration and odor.

Water

In order to mitigate the risk of an accidental spillage into water networks which could pollute surface water or public facilities, certain specific measures are taken by the Group's sites.

The measures taken have already allowed 39 sites to be equipped to contain fire water and stop the spread of a potential spill thanks to containment basins, containment valves and network valves.

To date, no spills or major discharges have been reported.

Soil

The Group's activities have little impact on the soil as they do not involve any extraction or spraying operations and are in dedicated industrial areas.

The Group has set up an environmental management procedure to deal with the pollution risks related to its sites' environmental liabilities for its real estate assets, applied when sites are acquired or sold. The Group also ensures that this procedure is consistently and proactively implemented across all the Group's sites. Its aim is to enable the Group to identify and effectively control pollution risks and to mitigate their potential consequences. Studies of past activity are conducted every year at selected sites. If pollution risks are identified, land and groundwater surveys may also be carried out. Other actions may be considered based on the findings of each phase of the study.

The Group's sites are subject to the risk of causing gradual or accidental pollution as they store products that are potentially harmful to the environment, that said sites have emergency intervention kits that can be used in the event of an accidental spillage. The Group regularly assesses this risk, which is a major component in the environmental audit checklist. For example, sites must make sure that all tanks with a capacity of over 1 m³ used to store potentially environmentally harmful liquids feature a containment system. The Group therefore launched a program to protect all tanks containing potentially environmentally harmful substances that do not yet feature protection systems to totally eradicate this risk. This risk is a core element covered in the duty of care plan (see 4.3.6. "Duty of care plan").

Concerning Persistent Organic Pollutants (POPs), a program to replace equipment containing polychlorinated biphenyls (PCBs) has been put in place for the Group's manufacturing companies. To date, no major incidents have been reported.

Air emissions

Even though air emissions are extremely limited due to the nature of the Group's businesses, manufacturing sites strictly monitor their operations to remain compliant with their environmental certification. Their emissions are monitored locally to comply with legislation and checked over the course of environmental audits. Emissions are then consolidated at Group level by the Operations Department.

To date, no air pollution incidents have been reported.

Regulations applicable to refrigerant gases, nitrogen oxides (NO_x) and sulfides (SO_x) differ from country to country. An assessment of our current knowledge of regulations in the countries where the Group operates has been launched to anticipate restrictions that already apply in Europe, for example, total bans on some greenhouse gases and tighter regulations on NO_x and SO_x.

20 of our sites are linked to SO_x and NO_x emissions mainly coming from ovens, furnaces, generators or heaters. Monitoring of emissions is performed periodically with alert system in place in case threshold was crossed. The level of the emissions is compliant with the local regulation.

On top of that, our newly built vessel "Aurora" is equipped with the latest conventional power system including active converter for removing NOx and SOx in order to limit the environmental impact.

Noise pollution

Noise pollution is also an area that the Group takes care to address. For example, it is one of the criteria considered, especially when purchasing manufacturing equipment. Machinery and equipment, including devices used for transportation and handling, can also emit noise. Noise levels are checked regularly and measured at site perimeters when applying for operating permits from the local authorities in the light of applicable regulations. The few sites whose activities could give rise to noise pollution have adopted appropriate solutions such as special training sessions, use of personal protective equipment, reducing noise at source thanks to quieter equipment, covering machines with soundproof enclosures, installing noise barriers, and setting specific times for noise-generating activities. If, despite all these measures, any case of noise pollution was brought to the Group's attention, it would take all possible steps to reduce it through appropriate corrective measures.

Vibrations

The Group takes great care to ensure that the equipment used by its manufacturing companies does not generate vibrations that could be a source of disturbance for its employees or residents. However, should any of the manufacturing companies be informed of such a disturbance, it would take all possible steps to reduce the vibrations concerned through appropriate corrective measures.

Odor pollution

The Group's operations do not give rise to any significant odor pollution as its manufacturing activities do not generally generate any odors. As far as the Group is aware, no complaints have been filed against the Group with respect to odor pollution.

The use of chemical substances is managed by the local HSE, regularly trained and supported by the Research and Territories Technocenter on substances regulation and alternatives development.

ASBESTOS

The Group's environmental policy provides for continuous monitoring of asbestos at its operational sites and is incorporated into the annual environmental survey questionnaire. As part of this monitoring, all sites affected by asbestos have carried out special surveys on their buildings and equipment. These surveys – which are regularly updated for all manufacturing sites – provide a precise inventory of any materials still present in buildings or equipment that contain bonded asbestos (i.e., not likely to release fibers into the atmosphere). Where risk areas are identified, specific instructions are provided to anyone who may be required to work in those areas in order to ensure that all necessary protective measures are taken and respected.

The Group uses asbestos-free materials in new buildings and in the equipment it uses worldwide (including in countries where asbestos might still be authorized). Leased buildings undergo a preliminary asbestos assessment.

3.2.3.3. Substitute Hazardous Substances

Nexans' products must comply with laws on chemical substances, in particular REACH regulation, which aims to improve protection of human health and the environment. In 2022, the Group continued its action to comply with and uphold these regulations.

- **Anticipate:** by identifying chemicals currently being assessed at European level, participating in European consultation processes, and managing the use of these substances at factories and in products. The Innovation and Services Department works with the sites concerned to provide regular monitoring of chemicals used and to assess the risk of a change in classification or restriction. The Group also introduced a rule banning the use of hazardous substances on the REACH authorization list for any new product development in Europe.
- **Innovate:** several research programs are underway to find innovative solutions to replace substances that could potentially be subject to restriction or authorization under REACH regulation.
- **Communicate:** through dialogue with its suppliers and customers, the Group maintained its strict monitoring of the composition of raw materials used to manufacture its products.

TRACK

Nexans has set up a robust organization with a REACH coordinator at each plant supplying the European market. The Group REACH manager trains, informs and disseminates information to local representatives of the highly active REACH network.

The REACH network meets once every quarter to discuss future updates to regulations and Group targets, and to share best practices and local actions taken at plant level. Newsletters are also sent regularly to a broader network to keep people informed with in-depth knowledge on these topics.

Compliance is maintained at the level of each Business Group by monitoring and evaluating each plant.

In addition to meeting legal requirements, Nexans has implemented a process to collect article compliance certificates from each supplier on a regular basis. Any changes in the composition of raw materials used in manufacturing its products are strictly monitored, through frequent contact throughout the supply chain.

All this information is compiled into an internal database. This tool was developed by Nexans to simplify the identification and traceability of chemicals in the raw materials used and eventually identify the presence of REACH regulated substances. In order to minimize regulatory risk, a set of KPI's have been defined allowing to evaluate regulatory risk management level for each unit and take appropriate actions.

COMMUNICATE

European Court of Justice judgment C-106/14 of September 10, 2015 requires notification of REACH Candidate List substances in products for each article incorporated as components of a complex product.

Nexans strictly complies with this ruling and follows the guide set by Europacable (European Association of leading cable manufacturers) on the methodology for calculating the concentration of substances of very high concern in cables and accessories.

Established under the European Waste Framework Directive, the SCIP database provides information on hazardous substances contained in articles as such or in complex objects (products). Since January 5, 2021, suppliers of articles containing substances on the REACH candidate list in a concentration above 0.1% of the weight of the article on the European market, must submit additional information on these articles to the European Chemicals Agency (ECHA).

Nexans fully supports this new requirement to provide transparency to customers and waste operators for safe handling, and further information for authorities on the substances contained in articles.

Even though some national transpositions are less stringent than European standards, Nexans fully pledges to submit all notifications to the SCIP database.

Nexans SCIP numbers are disclosed to all customers upon request, providing them with simplified SCIP notifications for their own products and systems. To further improve communication and transparency for its customers, most of Nexans' REACH declarations appear in order confirmations and invoices, which will soon also include corresponding SCIP numbers.

SCIP declarations in Nexans are done by legal entity and later consolidated on a global file. The total number of Nexans articles declared on the SCIP database is continuously monitored and serves as an indicator to launch research projects on alternatives. In the year 2022 and throughout development projects, Nexans has successfully replaced hazardous substances in 35% of total articles declared in the SCIP database and performed the needed adjustments on these declarations.

The other major piece of legislation on the use of certain hazardous substances in electrical and electronic equipment is the RoHS Directive (Restriction of Hazardous Substances – Directive 2011/65/EC). An extremely small number of Nexans products fall within the scope of application of this European directive.

SUBSTITUTE

At the beginning of 2022, 12 substances were identified that fall under EU REACH candidate list in concentrations above 0,1% in the article.

The Group has launched different R&D substitution project to reduce and limit its use of hazardous substances and offer to customer hazardous-free products, beyond REACH regulatory requirements. The decision on launching substitution projects does not only take into consideration regulatory requirements but also focuses on reducing human exposure and environment to hazardous chemicals.

In the year 2022, there were 11 ongoing projects for the replacement of hazardous substances from Nexans articles, which is a clear indicator on the efforts that Nexans is putting to protect customers' health and safety.

Moreover, CFC and HCFC emissions are monitored by air conditioning technicians who maintain air conditioning systems in compliance with local regulations. A program is under way to replace R22 and other banned GHGs at sites that use these air conditioning units.

SF6 gas present excellent electrical insulation properties and for this reason has been used for years in high voltage cable accessories and other electrical equipment. Nevertheless, due to its high Global Warming Potential (GWP), up to 25,200 times higher than CO₂, it is identified as a source with significant risk for accidental emission of greenhouse gas. For this reason, the Group has been and is still investing in multiple R&D projects to develop SF-6 free alternatives to propose these new solutions to its customers with aim to reduce the potential impact on Global Warming. For some applications, this is already in place today (e.g. oil-filled terminations, dry-type GIS) and new solutions show promising test results and will continue their scope for qualification in upcoming years. As an example, in 2022, Nexans High Voltage laboratory successfully carried out a 420kV HVAC electrical type test with the use of GE g³ gas, inside the termination, gas with significantly reduced impact on the environment compared to the previously used type.

ENVIRONMENTAL DISCLOSURES

In addition to its legal obligations to disclose information about hazardous substances covered by REACH regulations, the Group also provides other environmental information on its products via the Material Declaration and Product Environmental Profile (PEP) (See Chapter 3.2.5.2.).

The Material Declaration is an environmental communication format developed by Europacable. It is used to provide customers with information on the general composition of cables, their compliance with REACH regulation or the RoHS Directive and other environmental aspects (product-related emissions, end-of-life, and packaging).

3.2.3.4. Protecting biodiversity

The Group is following scientific literature about biodiversity impact of the installation and usage of cables. At this stage, no major Impact was highlighted by scientific community. This is worth to mention that biodiversity is a recent object of study by scientific community, meaning new impacts could identified, which are unknown today.

Especially the Group looked at several studies done since 2018 coming from IFREMER (French institute of Research on Ocean) and from France Energies Marines (a NGO specialized in Marine & Ocean), concluding that the nature and amplitude of certain impacts like the electrico-magnetic field of submarine cables on marine biodiversity, appear low or negligible. Moreover, a work was done with a specialist scientist on the marine cables' impact on benthos, which highlighted same conclusion.

Biodiversity is taken into account for cable laying and removal operations as given by the project owner requirements and permits given by the authorities for the project development . For example, for HV business the Tender Committee is reviewing all the risks of the project, including the biodiversity risk. Mandatory induction is provided for employees during installation operations to the environmental risks and the mitigation procedures relevant to the scope of work.

In parallel, considering the importance of this issue, in 2022 with the support of an external consulting agency, Nexans initiated a study to evaluate the impact of its activities on biodiversity. This first study was carried out in "screening" mode, corresponding to the mission's first phase. It concluded that the main impact on biodiversity comes from the Scope 3, meaning activities taking place outside of the Group.

In 2023, Nexans' global impact will be calculated using the Global Biodiversity Score tool (GBS®) developed by CDC Biodiversity. The aim is to highlight and quantify the main sources of impacts on biodiversity and set up a dedicated action plan based on the conclusion obtained.

Finally, Nexans will continue to promote awareness campaign about biodiversity. Notably, during the internal Planet Week, certain sites have put in place biodiversity conservation initiatives.

3.2.4. The resilience of the Group's business model to the impact of climate change

As a key player in energy transition, Nexans has developed business and risk management processes in response to the challenges of climate change and in line with objectives of contributing to carbon neutrality and international standards, in particular the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

1. Governance

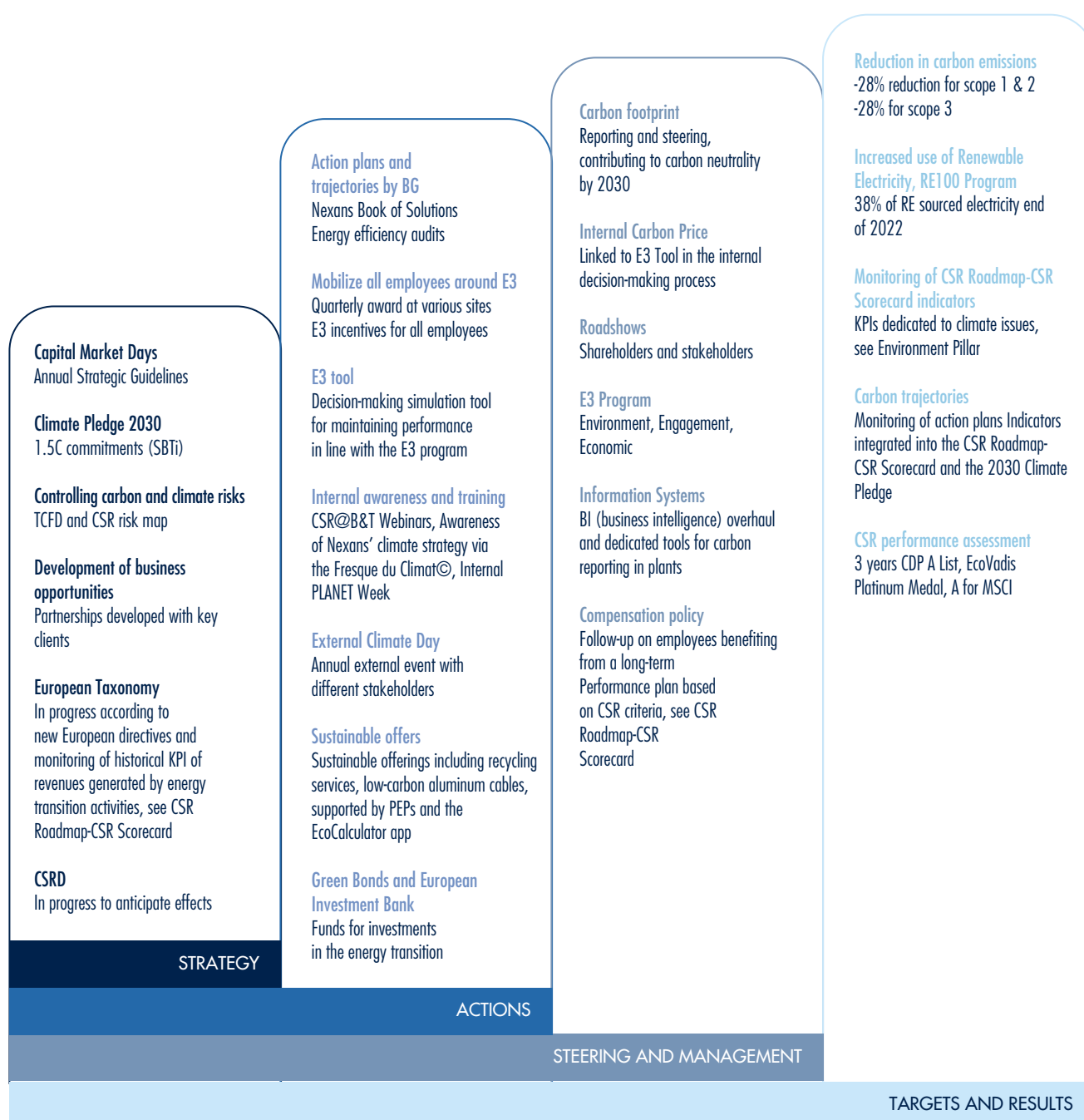
As a key part of its governance, the Group's strategy and management of related risks include issues connected with climate change, which are led by Nexans' Executive Management and its Board of Directors. For further details on CSR governance matters, including climate, refer to section 3.1.2.

2. Strategy

Nexans has developed its climate strategy in line with the development of the electrification market and in response to the challenges of climate change.

In addition, Nexans is continuing to adapt its manufacturing facilities to meet carbon footprint requirements and to address the consequences of climate change in terms of potential physical risks.

SUMMARY OF NEXANS' CLIMATE STRATEGY – IMPLICATIONS IN TERMS OF OBJECTIVES AND MANAGEMENT



3. Risk management

The management of risks connected with the consequences of climate change is driven by an analysis of financial, operational and non-financial risks. The following table presents the risks and opportunities connected with climate change:

RISKS AND OPPORTUNITIES CONNECTED WITH CLIMATE CHANGE

MAIN OPPORTUNITIES RELATED TO CLIMATE CHANGE		MAIN RISKS RELATED TO CLIMATE CHANGE	
Strong growth in key markets	Infrastructure investments	Physical risks	Reputation risks
Vertical integration	Brand perception and value	Market risks	Human rights risks
Technology	Self-generation of energy	Legal risks	Raw material risks
<ul style="list-style-type: none">• Development of renewable energies• Increasing demand for electrification worldwide• Reconstruction and extension of infrastructures• Vertical integration ensures access to raw materials• Focus on high performance end markets (solution provider)• Stand out from the competition with disruptive innovation• Limit exposure to energy price fluctuations by generating our own energy• Recycling opportunities for copper, aluminum and compound		<ul style="list-style-type: none">• Most production sites' risk profiles are unchanged regarding natural disasters• Adapting measures to be developed for sites located in high-risk areas to avoid or limit repair costs & increased insurance premiums• Compliance of production processes with regulatory requirements (e.g., carbon intensity)• Compliance with regulations to avoid fines, third party claims and/or loss of operating licenses• Products related to the extraction of fossil fuels• Attracting new talent and skills• Impact on the shareholding structure and the ability to obtain new financing• Managing copper scarcity	

Nexans also conducted a climate-related risk analysis in 2021. This analysis has two components:

- a physical risk analysis
- A study was conducted at 11 industrial sites that are driving the Group's electrification strategy. It covers the period from 2030 to 2100 with a global warming scenario of 3°C. From this analysis, it appears that physical risk will increase gradually between 2030 and 2100 with a peak between 2070 and 2080. The main risks associated with climate change are flooding, rising sea levels and tropical storms. The study found increased risks of drought, forest fires, storms, and heat waves with limited impacts at the sites analyzed.

According to the scenario of rising sea levels, only one of the Group's sites (Futtsu in Japan) could eventually on a long-term basis be exposed to flood risk. On a short-term basis, this risk remains limited. The Halden and Charleston sites are significantly less exposed to risks of flooding. Besides, preventive measures have been taken for those sites (Futtsu, Halden and Charleston) and are already in place to mitigate this risk. It is interesting to note that exposure to tropical storm risk remains stable for the Charleston site over the period covered by the analysis knowing that the building standards used for this site already take this risk fully into account.

This study revealed that of the 11 industrial sites covered, four would have a greater exposure to climate risks. The material damage would remain limited to the Group level.

In 2023, Nexans will launch with the support of a recognized external service provider, a new program for carrying out a detailed analysis on all Nexans industrial sites;

- a transition risk analysis

This study was conducted at 18 industrial sites that are at the heart of the Group's electrification strategy:

- the offshore wind and subsea interconnection activities of Generation & Transmission business, and
- the buildings, photovoltaic and onshore wind activities of the Usages and Distribution segments.

This study corroborates the fact that climate change (in a 1.8°C scenario in 2050) is an opportunity for Nexans as part of the strategy it has defined:

- demand for Nexans' products is expected to grow significantly in four of the five end-markets studied, while none of the production sites is expected to face significant increases in energy production costs or in CO₂. The higher demand is particularly significant for offshore wind activities,
- for the offshore wind and subsea interconnection activities, this opportunity would result in a significant increase in EBITDA,
- for the Usages activities, this opportunity would also result in an increase in EBITDA even if less significant than for offshore wind and subsea interconnection activities.

Nexans will proceed, with the support of a recognized external service provider, to further detailed transition risks analysis and assessment in 2023.

3.2.5. Driving the energy transition and energy efficiency

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

3.2.5.1. EU taxonomy: reality and limits

On April 21, 2021, the European Commission adopted a set of measures to redirect the flow of money in Europe towards sustainable activities, including the European Taxonomy, which in its current form sets criterias for climate change mitigation and adaptation. As of 2022, companies and financial institutions are required to assess and disclose the sustainability of their activities using Taxonomy eligible activities and their associated technical screening criteria. This follows on the publication in the Official Journal of the European Union of the Taxonomy Regulation (EU) 2020/852, which establishes a classification system for turnover, capital expenditure and operating expenditure focusing on six environmental objectives:

- climate change adaptation;
- climate change mitigation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control; and
- protection and restoration of biodiversity and ecosystems.

For the time being, only the two climate change objectives are covered by the regulation.

The taxonomy establishes two stages of classification:

- first, eligible activities, *i.e.* the activities identified in the regulation as sustainable and In line with one of the EU climate objectives;
- second, aligned activities, *i.e.* the eligible activities which contribute substantially to one of the objectives, without significantly harming any of the five other objectives, while respecting technical and social criteria. 2022 is the first year of enforcement of the alignment criteria.

In 2022, Europacable, the European association of cable manufacturers, has conducted a benchmark on Taxonomy Regulation interpretation, identifying important discrepancies among cables manufacturers regarding share of eligible turnover

communicated and highlighting a lack of homogeneity in interpretation among its members. For this reason, within a dedicated Task Force, Europacable has worked to develop an information note, published in December 2022, which aims to improve homogeneity in Interpretation and calculation methods among members. Nevertheless, its application is optional and does not secure a similar interpretation.

To determine the amounts of eligible turnover, the Group fully complies with the Europacable note on Interpretation. The methodology applied across all of the Group's companies included in the consolidation scope:

- for the turnover:
 - analysis of customers and markets segment (top-down approach),
 - analysis of sold products and destination (bottom-up approach),
 - identification of customers/Taxonomy eligible products: especially cables sold to renewable markets (wind and solar farms, dams), and installation of submarine cables related to renewable markets,
 - determination of a proportion of building cables sold to distributors & wholesalers. This part is calculated based on allocation of distributors & wholesale businesses to renewables and Taxonomy-eligible activities. This allocation information is provided by third-party analysis;
- for the operating and capital expenditure:
 - identification of the operating and capital expenditure strictly related to the installation of submarine cables, which were classified as eligible in the sales analysis,
 - determination of a proportion, of eligible expenses calculated using the ratio of eligible sales to total sales, and applied to current expenditure and investments, excluding previously calculated amounts.

Taxonomy rules make a distinction between electrical equipment producers, and installers or operators of the electrical equipment. Consequently, products sold but not installed by a producer may not be eligible for the Taxonomy, even if the way the installer or operator uses them is Taxonomy-eligible.

	EU Taxonomy Activities	Corresponding Nexans Activity	Comments
3.1	Manufacture of renewable energy technologies	The Group is producing a wide range of cables and accessories used for the generation of solar and wind energy.	Only products and customers dedicated to renewable energies are counted. Other energy production activities are excluded, even if decarbonated – such as cables for nuclear power plants.
3.5	Manufacture of energy efficient equipment for buildings	The Group is producing products and accessories for building, which support optimizing energy and space heaters equipments.	Cables sales dedicated to building energy efficiency have been evaluated based on customer energy efficiency share and market studies.
3.6	Manufacture of other low carbon technologies	The Group is producing low carbon products with significant GHG reduction compared to previous technological products.	GHG emission reduction is evaluated based on Life Cycle Assessment studies. Telecom, transportation and industrial cables have been excluded from this category.
4.9	Transmission and distribution of electricity	The Group is providing EPCI (Engineering, Procurement, Construction and Installation) services for Transmission and Distribution System Operators, including projects dedicated to renewable power generation	Only electrical connections installed or maintained by Nexans are counted. Manufacturing of cables and equipments sold to utilities without installation or project managements services are excluded.

The methodology will evolve when the 4 other environmental objectives will be defined by the regulation and the climate change objectives updated with additional sustainable activities. In particular, the Platform on Sustainable Finance, assisting the Commission in developing its sustainable finance policies, recommended in October 2022 to add a new enabling activity: “Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution”. If adopted by the European Commission, this new activity should significantly increase the taxonomy eligible turnover of the Group.

The alignment of eligible activities is then evaluated following two steps

- The activity must fulfill the Technical Screening Criteria (TSC), meaning:
 - It makes a substantial contribution to the environmental objective considered
 - It Does Not Significantly Harm (DNSH) any of the five other remaining environmental objectives
- The company must meet minimum social safeguards

An eligible activity is aligned with the EU Taxonomy only when it fulfils every substantial contribution and DNSH technical Screening Criteria and if it completes the minimum social safeguards assessment.

DNSH REQUIREMENTS

DNSH	Sub DNSH	Requirements	Approach
Climate Change Adaptation		Climate risk and vulnerability assessment	Alignment of sites for which Climate stress assessments have been pursued
Water & Marine Resources		Identification of environmental degradation risks to preserving water quality and avoiding water stress	Non-alignment of sites where a risk on water pollution has been identified and no action taken
Circular Economy	Reuse and use	Reuse and use of secondary raw materials and re-used components in products manufactured	Global alignment: <ul style="list-style-type: none"> • Use recycled copper • Growing use of recycled plastics • Continuous R&D efforts
	High Durability	Design for high durability, recyclability, easy disassembly and adaptability of products manufactured	Global alignment: <ul style="list-style-type: none"> • Numerous R&D projects, including specific PhD on durability • Standards include durability requirements
	Waste management	Waste management that prioritizes recycling over disposal, in the manufacturing process	Global alignment: <ul style="list-style-type: none"> • Systematic Reporting • Anti-waste policy • Meticulous verification process
	Substances	Information on and traceability of substances of concern throughout the lifecycle of the products	Pollution DNSH criteria to be used
Pollution		No use of specific substances	Alignment of sites not manufacturing products with SVHC of concentration >0.1%
Biodiversity & Ecosystem		Environmental Impact Assessment or screening completed	Alignment of sites neither in a bio-diversity sensitive area nor treating Rubber

MINIMAL SOCIAL SAFEGUARDS

Minimum Safeguards core topics, as advised by the Platform for Sustainable Finance	Inclusion in EcoVadis 21 CSR criteria analyzed
Human rights, including workers' rights	Social <ul style="list-style-type: none"> • Employee Health & Safety, Working Conditions, Social Dialogue, Career Management & Training • Child & Forced Labor, Discrimination & Harassment, Fundamental Human Rights
Bribery/corruption <ul style="list-style-type: none"> • Establishment of channels and procedures for internal reporting on misconduct and breaches of law (e.g., for money laundering and corruption) • Commission of an impartial person for follow-up 	Ethics <ul style="list-style-type: none"> • Corruption & Bribery
Fair competition <ul style="list-style-type: none"> • Prohibition of cartels and other anti-competitive practices • Provide information on any confirmed incidents of anti-competitive behavior it is facing during the reporting period 	Ethics <ul style="list-style-type: none"> • Anti-competitive Practices
Taxation – OECD MNE Guidelines XI.1. and XI.2 <ul style="list-style-type: none"> • Compliance with the letter and the spirit of tax laws and regulations of the countries in which they operate • Treat tax governance and tax compliance as important elements of oversight and broader risk management systems 	Tax policy and commitment (no Ecovadis assessment) <ul style="list-style-type: none"> • Commitment to comply with the international tax standards set out by the OECD and to foster a professional and cooperative relationship with the tax authorities of the countries in which the Group operates. The Group complies with its obligations to report taxes paid on a country-by-country basis (CBCR) and therefore transmits the expected information to the French tax authorities in accordance with regulatory provisions

The Technical Screening Criteria and DNSH requirements are then applied for each activity to quantify the alignment of revenues.

Activity name and Description		Nexans aligned sites / products	Nexans non-aligned sites / products (examples, non-exhaustive)
3.1	Manufacture of renewable energy technologies	Share of Market/Product segment linked to renewables, clients in renewables, distributors	Sites with lack of reporting on substances, presence of SVHC and lack of climate risk assessment prevent a high alignment score
3.5	Manufacture of energy efficient equipment for buildings	n.a.	Public equipment energy efficiency products due to absence of information on end use Electrical appliances components due to lack on information on energy class (which must be the best or second best one)
3.6	Manufacture of other low carbon technologies <i>Manufacture of technologies aimed at substantial life cycle GHG emission savings</i>	Share of products reducing GWP significantly compared to reference technologies when third-party assessment performed	. Products from a plant with a high proportion of low carbon aluminum sourcing without specific third party verified Carbon footprint. . Products with Global Warming Potential reduction but absence of third-party assessment
4.9	Transmission and distribution of electricity <i>Construction and operation of transmission and of distribution systems that transport the electricity</i>	Supply of equipment for electricity transmission and distribution networks with installation and maintenance	Supply and installation of equipment for electricity transmission and distribution networks not following requirements related to electricity system criteria (e.g., mix above the threshold 100g CO ₂ e/kWh carbon intensity)

At this stage, the taxonomy evaluation is incomplete as it is limited to the two climate change objectives defined, at the date of this URD, in the regulation. On this basis, the taxonomy-eligible turnover amounts to 20%, operating expenditure 27% and capital expenditure 53%, and the taxonomy-aligned turnover amounts to

5%, operating expenditure 10% and capital expenditure 39%, as detailed in the tables below.

Methodologies and elements of proof will be made available on request if external verification is required by relevant national competent authorities.

PROPORTION OF TURNOVER, CAPEX AND OPEX FROM PRODUCTS OR SERVICES ELIGIBLE AND ALIGNED WITH TAXONOMY

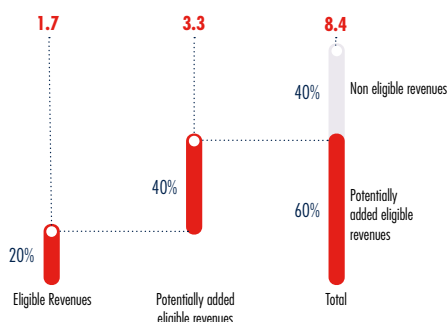
Economic Activities	Absolute Turnover (EURm)	Proportion of turnover (%)	Absolute CapEx (EURm)	Proportion of CapEx (%)	Absolute OpEx (EURm)	Proportion of OpEx (%)
A. Eligible Activities						
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)						
3.1 Manufacture of renewable energy technologies	0.1	0	0	0	0	0
3.5 Manufacture of energy efficiency equipment for buildings	0	0	0	0	0	0
3.6 Manufacture of other low carbon technologies	0	0	0	0	10.1	3
4.9 Transmission and distribution of electricity	436.9	5	98.7	38	28.0	8
Other environmental CapEx			2.6	1		
Environmentally sustainable activities (Taxonomy-aligned activities) (A.1)	437.0	5	101.4	39	38.1	10
A.2. TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED)						
3.1 Manufacture of renewable energy technologies	142.2	2	1.1	0	4.9	1
3.5 Manufacture of energy efficiency equipment for buildings	202.7	2	1.7	1	5.1	1
3.6 Manufacture of other low carbon technologies	790.9	9	28.9	11	38.7	11
4.9 Transmission and distribution of electricity	125.8	2	3.7	1	10.6	3
Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	1,261.6	15	35.3	14	59.4	16
TOTAL (A.1. + A.2.)	1,698.6	20	136.7	53	97.4	27
B. Non-eligible Activities						
Non-eligible activities (B)	6,670.5	80	122.4	47	268	73
TOTAL (A+B)	8,369.1	100	259.1	100	365.5	100

The detailed tables for Turnover, CapEx and OpEx are provided in Annex 2.

The Group assessed what Taxonomy eligibility would be if production and use activities were treated the same way. For 2022, turnover would come to an estimated 60%, 20% eligible according to the current rules and 40% from sales of cables and other electrical equipment to operator and distributor customers. Turnover from telecom cables, the oil & gas sector, and automotive harnesses are not considered as eligible in this simulation.

The chart below illustrates this estimation.

POTENTIALLY ELIGIBLE REVENUE (€ BN): 2022



3.2.5.2. Innovative solutions supporting the energy transition

As a leader in electrification, the energy transition is also an important source of innovation and opportunities. The Group is proposing more and more low carbon solutions, and is developing since years a strict methodology to evaluate the environmental impact of products through the PEP (Product Environment Profile). This enables a real eco-design based on a strong data approach.

DEVELOPING DECARBONIZED ELECTRICITY

As a partner to large-scale projects, the Group secures the operation of wind turbines with cables that can resist twisting and the most severe weather conditions. Nexans optimizes the life and yield of photovoltaic installations, collects and channels the electricity generated with minimum losses. As world leader in submarine applications, Nexans is stepping up its research and development efforts in hydraulic energy.

ADAPTING ELECTRICITY TRANSMISSION AND DISTRIBUTION

The Group helps meet growing worldwide demand by facilitating the integration of renewable energy production and electricity exchanges between countries, and by improving grid resilience and energy efficiency through safer solutions for powering cities.

Nexans provides solutions to interconnect networks, secure the power supply, develop installed solar and wind capacity and supply energy to islands and offshore facilities.

REDUCING ENERGY CONSUMPTION AND EMISSIONS FROM TRANSPORT

To reduce the weight of vehicles and therefore their energy consumption, Nexans is developing finer, more lightweight cables. The Group contributes to the development of electric mobility with cable solutions that allow the engines hybrid and electric vehicles to operate. In partnership with the startup G2mobility, Nexans offers a comprehensive solution to facilitate the rollout of smart charging infrastructure for electric cars.

IMPROVING THE ENERGY EFFICIENCY OF BUILDINGS AND DATA CENTERS

Nexans assists in the construction and renovation of sustainable buildings. Its approach combines safety, energy efficiency and a limited environmental footprint. The EcoCalculator application helps professionals select the best low voltage cable solution for improving energy efficiency, reducing carbon impact and ensuring fire safety.

BRINGING ELECTRICAL POWER TO MORE PEOPLE

Access to electricity is a challenge for the economic development of emerging countries. But providing this access also offers the opportunity to take action to protect the climate by reducing deforestation and fossil fuel consumption. The Group supports large-scale electrification programs in emerging countries through a simple, complete and easy-to-manage offer. In 2021, Nexans Côte d'Ivoire participated in the PRONER national rural electrification program launched by Côte d'Ivoire Energies, to bring electricity to more than 50 rural communities.

EVALUATING THE IMPACT OF PRODUCTS: LIFE CYCLE ASSESSMENT

Life cycle assessments measure the impact of a product or system throughout all stages of its life cycle (covering the extraction of raw materials used in their composition, manufacturing, distribution, installation, use and end of life management).

The Group has been using Life Cycle Assessment methodology for over 10 years. This allows us to identify areas where products can be improved to reduce their impact on the environment.

COMMUNICATING VIA PEPS

To communicate the results of life cycle assessments of products, the Group uses the PEP (Product Environmental Profile) methodology developed by the PEpecopassport® program, of which Nexans France is a founding member. This program fulfills ISO 14025 requirements concerning type III environmental declarations, which provide the findings of the assessment of the product's environmental impact.

The PEP, or Product Environmental Profile, applies:

- a recognized methodology based on ISO 14040 standards that define the principles, framework, requirements and guidelines for best practices in life cycle assessment;
- product category rules in line with ISO 14025 and defined jointly with other electrical and electronic equipment manufacturers;
- internationally recognized methodology used to determine life cycle impact assessments (CML), with indicators that comply with the EN 50693 & EN 15804 standard and include 15 mandatory environmental indicators (including global warming, water scarcity, water and air pollution, etc.) and 17 mandatory indicators to monitor consumption of energy, water, waste, etc.

Each PEP is checked by an independent verifier accredited by the PEPecopassport® program.

To date, Nexans has registered 220 PEPs covering over 4,500 product references, for markets in different countries like the France, Belgium, Italy, Canada, Swede and Chile. In France, these environmental product declarations are mainly used to obtain environmental certification for buildings, such as the E+/C- label for energy-positive, low-carbon buildings.

REDUCING THE IMPACT OF PRODUCTS THROUGH ECO-DESIGN

The Group integrates an eco-design approach into its product development process in two ways:

- a qualitative approach taking into consideration the different stages in product life cycles;
- a global, quantitative approach based on life cycle assessments in line with ISO 14040 and 14044.

Incorporating these two programs into the environmental management system also contributes to meeting the requirements of ISO 14001: 2015 by integrating life cycle aspects into product design.

Life Cycle Assessment, Product Environmental Profile (PEP) and eco-design methodologies continued to be rolled out in 2022 with the training of 56 employees.

Product use

The EcoCalculator was developed to help customers to identify cables combining energy efficiency, CO₂ emissions reduction and personal safety. Users select the technical features and the solution suggests the cable best suited to minimize energy losses due to heating effects. The EcoCalculator calculates the kWh, use phase CO₂ emissions, savings, return on investment and the end benefit of the particular facility. Halogen-free alternatives are suggested whenever possible to improve fire safety.

Product life cycle

Group products (cables and accessories) present long life cycles, generally between 20 to more than 40 years, as they are used in long-term infrastructure (electrical networks, buildings, wind and solar farms...). Electrical products designs and installations are in addition framed by many standards related to human safety and fire risks. Both this feature reduces the relevance of product obsolescence for the Group. However, the Group continuously works to improve product lifetime with the aim to increase products quality, safety and reliability and further minimize their environmental impact. For example, the Group has developed and performs a wide range of tests to measure and estimate the durability of materials depending on cable applications and requirements: thermal ageing, UV, ozone and fluids resistance, electrical ageing...

Several academic and research activities have been managed within the Technology and Innovation Department along the past years to better understand the ageing of cables and improve our models estimating cable lifetime.

End of product life – Recycling

Taking a circular economy approach, products and their parts are recycled at the end of the product's use life.

As an industry pioneer in recycling, the Group offers customers and partners its Recycling Services range, a comprehensive solution for recovering and disposing of copper and aluminum cables. See 3.2.2. "Promoting circular economy".

Biosourced products

Biobased materials, fully or partially made from biological resources, are generally perceived with environmental benefit compared to conventional fossil-based plastics. The growing demand push the number of solutions available on the market and their scalability.

In 2022, Nexans has launched a global technical watch to identify potential opportunities coming from these materials and several solutions have been identified. Before any deployment at the product level, some challenges and trade-offs are under assessment and consideration:

- inadequate technical properties (degradability, water sensitivity, mechanical properties...) preventing the final cables from meeting the standardized requirements;
- mixed environmental impact of biobased materials. The environmental advantages of biopolymers (carbon storage, use of renewable resources) are balanced by potential negative impacts (land use change, biodiversity loss, water scarcity, use of fertilisers and pesticides);
- limited availability of products on the market at industrial scale.

For those reasons, the use of biobased materials is currently limited within the Group and under evaluation.

3.3 People & culture: looking after Nexans people and levelling the playing field for talent

3.3.1. Context and goals

Through their engagement, dedication, talent and diversity, people are the engine of Nexans and are part of what makes Nexans' vision a reality. The Group started its cultural transformation to support its new strategy to become a Pure Player in electrification. Being positioned as a key player of the energy transition represents a fantastic opportunity to mobilize employees around its "purpose": "Nexans, Electrify the Future".

Taking care of the health and safety of each employee is at the heart of Nexans; the Group shares a genuine safety culture, because it concerns everyone, whatever their role and wherever they work.

Human Resources thus play a key role in supporting the performance and transformation of Nexans:

- support the Group strategic ambition: designing and implementing a holistic management system based on the E³ performance model, motivating employees to support the Group cultural change, enabling them to play an active role as agents of change;
- attract and onboard talent with the right skills to support the Group's future growth;
- develop our talent through structured training programs, transfer of knowledge, internal mobility and leadership programs.
- retain our employees through competitive compensation and benefits policies, career opportunities, an inclusive and healthy work environment and an inspiring company purpose;
- foster inclusion and diversity environment, leveling the playing field for talent so that every employee can thrive. Nexans promotes all dimensions of diversity, because performance and innovation are fueled by diverse ways of looking at things

2022 Targets and results

		2021	2022	Change 2021/2022	Target 2021	Target 2022	Target 2023
PEOPLE	Workplace safety						
	Workplace accident frequency rate ^(a)	1.87	2.31	↗	1.5	1	0.9
	Severity rate ^(b)	0.15	0.12	↘	<0.12	<0.11	<0.10
	Graded positions staffed internally ^(c)	43%	47%	↗	50%-55%	55%-57%	60%
	Human capital						
	Women in management positions	24.5%	26.7%	↗	24%	25%	26%
	Women in top management positions ^(d)	17.7%	18.6%	↗	16%-18%	17%-19%	18%-20%
	CSR awareness						
	Employees eligible to Long Term Incentive with CSR criteria ^(e)	100%	100%	→	100%	100%	100%

(a) Overall workplace accident frequency rate: total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. This rate relates to internals and temporary workers.

(b) Severity rate: number of days lost because of work accidents/hours worked] * 1,000. This rate relates to internal workers only.

(c) Proportion of staff positions filled through internal mobility at position C and above, according to the Nexans Grading system. The methodology only considers permanent contracts and "job applications leading to a hired candidate" in the reporting year.

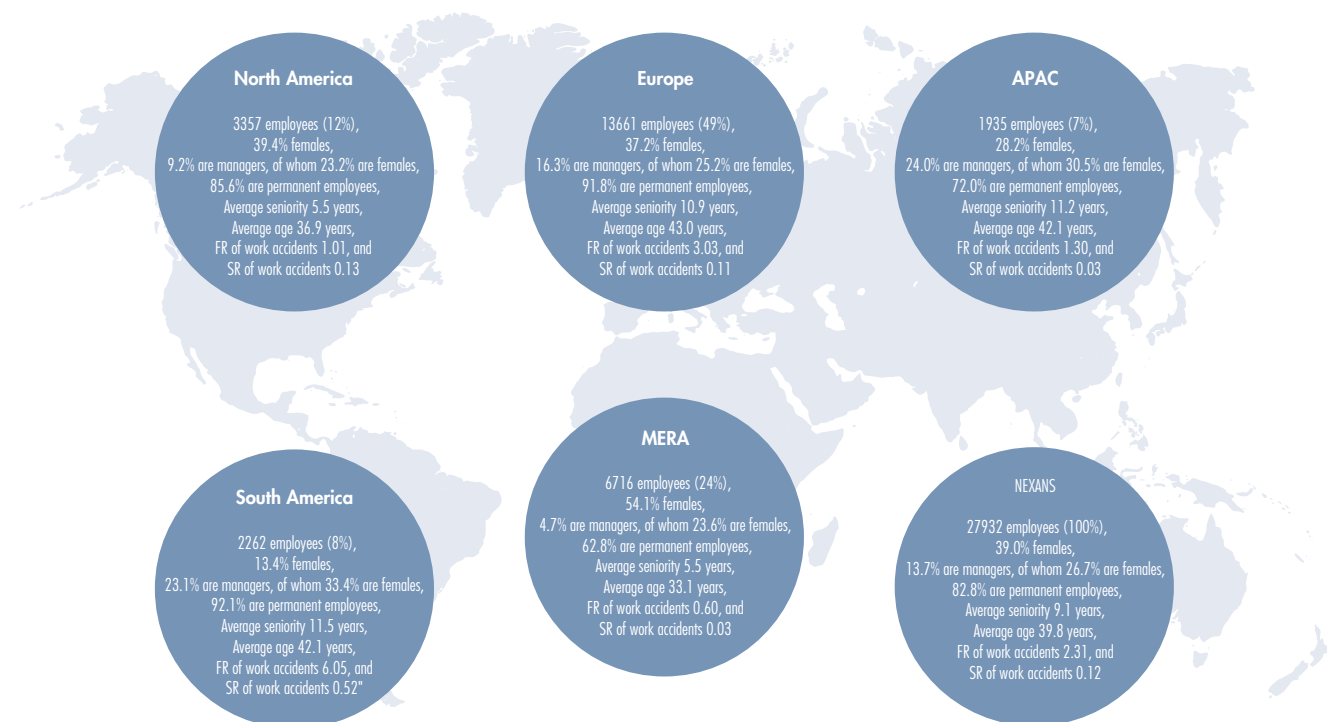
(d) Top management: Category of employees defined by the Group's Executive Committee based on the Nexans Grading system.

(e) Among the employees benefiting from a long-term incentive plan validated by the Board of Directors, 100% include a CSR criterion.

Nexans' People and Values

At December 31, 2022, Nexans employed 27,932 people (25,129 in 2021) in 42 countries, broken down as follows:

- a strong international presence, with 91% of workers outside of France;
- a substantial proportion of headcount (13.7%) made up of graded positions, of which 26.7% are women;
- an increasing share of women within the Group at 39% (38% in 2021);
- a high share of full-time employees (99%) and of permanent contract employees (83%).



Late 2020 and early 2021, the Group reviewed its founding principles, redefining its purpose, "Electrify the Future", its mission and its values "Pioneers, Dedicated, United". This has been shared within the whole Group, through various initiatives.

Nexans values are an integral part of its culture and the way people work together:

- We are **PIONEERS** of the energy transition;
- We are **DEDICATED** to delivering to the highest standards of performance;
- We are **UNITED** in achieving our ambitious goal: Electrify the Future.

3.3.2. Committed to employees' health and safety

3.3.2.1. Description of risks and opportunities

Employee health and safety is an absolute priority for the Group, both in relation to its own employees and those of all its partners (subcontractors, temporary staff, customers, etc.) who are fully part of the Group's core values.

Most of the accidents (75%) that occurred within the Group in 2022 continue to be caused by unsafe behaviors, involving hazards relating to hand injuries by being cut, hit or pinched, and manual handling leading to back and foot injuries. To combat these risks, the Group draws on comprehensive programs and initiatives. In addition, each site is able to use an in-depth risk analysis to set its priorities and develop action plans to meet them. Workplace health and safety is a key performance indicator covered by the CSR

ambitions and an integral part of the managerial routines.

The Group will continue making improvements in workplace health and safety in the years to come.

With a view to encouraging risk prevention, in 2008 the Group set up a dedicated Health and Safety unit, reporting to the Operations Department, which relays health and safety standards and implements related initiatives across the Group through a network of Health & Safety representatives.

In addition, Nexans strengthened its safety governance with:

- the launch of a Group Safety Committee that meets monthly to discuss safety results, identify best practices and make decisions on upcoming needs and actions;

- the establishment of Safety Council with a safety leader from each Business Group representing its sites to channel communications and actions throughout the organization and report issues to the Group Safety Committee;
- monthly QHSE reports to share results, site safety rankings for governance, recognitions and best practices.

As part of its improvement efforts, Nexans once again successfully achieved ISO 45001 certification for its safety management system, which is fully integrated and certified. This certification is in place for 55% of manufacturing sites.

In 2021, Nexans has established a new Group Safety Policy. The following initiatives were launched or continued throughout 2022 to drive safety performance and awareness:

Annual Safety Day: Since 2014, the Group has held its annual Safety Day event at all its sites.

The 2021 year-long safety day was such a success that it was continued through 2022. The topic of focus was ergonomics. Quarterly campaigns included the development of an introductory ergonomics video that was shown across the organization, ergonomic risk assessment and solutions matching activity, ergonomic SUSAs contest and employees' testimonial video. The focus resulted in hundreds of ergonomic improvements made across the Group.

Safety standards: In view of the main risks inherent to the business, the Group has defined a set of basic rules to be applied. To coincide with the safety day ergonomic topic campaign, a new safety standard was created for "Drum Handling and Parking", as well as updates made to two existing standards. There are now twenty-seven Group safety Standards that are non-negotiable rules covering:

- technical aspects (cutting devices, drum handling, take-ups, etc.);
- plants (visitors safety, site safety leaflets, etc.);
- the 10 rules (maintenance, forklifts, etc.);
- regulations (LOTO procedure, work at height, etc.);
- tools (risk assessment, accident reporting, etc.) and behaviors described below.

Safety Tools: the Basic Safety Tools used by operation teams with the support of the H&S and Continuous Improvement teams (as part of the Nexans Excellence Way program) include:

- Job Safety Analysis (JSA) to analyze tasks performed, identify potential risks of exposure and determine corrective measures;
- Safe and Un-Safe Acts/Conditions (SUSA) to report safety problems and suggestions; monitoring of potential hazard closure rates;
- Settle Quickly Eradicate Control (SQEC) to provide a forum for employees to identify any safety concerns at their workplace with daily management reviews and resolution assignments;
- Take 5 program in which employees assess tasks to be performed before performing them to quantify the degree of potential risk and take actions to mitigate them before starting the task;
- Dupont Behavioral Based Safety (BBS) and coaching in which all managers, supervisors and employees make safety observations

and collectively discuss desired behaviors to interact with potential hazards prior to the risks being eliminated/reduced.

Nexans Safety Golden Rules: in addition to safety standards, Nexans defined in 2016 a set of 15 Safety Golden Rules, which must be applied at all Group sites. They were defined based on an analysis of the main risks and most serious or common types of accidents. The rules mainly cover drum storage, handling, work at height, traffic flow, wearing required protective equipment, etc. Early in 2022 workshops were conducted to review the contents of these Golden rules.

Overall compliance is measured at all sites every year and is spot audited throughout the year, to ensure full compliance to these non-negotiable rules. When instances of non-compliance are identified sites then define corrective measures to meet the requirements for each golden rule. In 2022, Safety Golden Rules compliance was 80%.

Safety Fundamentals: in 2021, Nexans defined the Safety Fundamentals. These are twenty-two deliverables based within three major categories of Management, Workers, and Tools. Each site completes an annual self-assessment and 35 site audits were conducted throughout 2022. When instances of non-compliance are identified, sites must put in place a corrective action plan. In 2022, Group compliance was 81%.

Alert Management System (AMS): the Group uses the 8D problem solving methodology as the standard for analyzing all incidents involving lost working time (LTI), medical treatment incidents (MTI) and near-miss cases.

These incidents are shared in the Group-wide Alert Management System (AMS), which is used to manage alerts in real-time. Since 2021, incident flash reports for LTIs and other "Serious" incidents have been immediately distributed to all managers and site safety personnel throughout the organization.

Serious LTI incidents undergo additional D3 and D6 analysis follow-up meetings resulting in D6 Summary reports being emailed to all plant managers.

3.3.2.2. Workplace safety results and achievements

Over the years, Nexans have had success in reducing workplace injuries and illnesses; including those injuries resulting in lost time days. Since 2010, the Group has reduced the frequency of incidents by -75% (FR1 9.22 to 2.31) and the severity of incidents by 59% (SR of 0.3 to 0.12).

In 2022, 41% of manufacturing sites did not record any occupational accidents involving lost working time in excess of 24 hours.

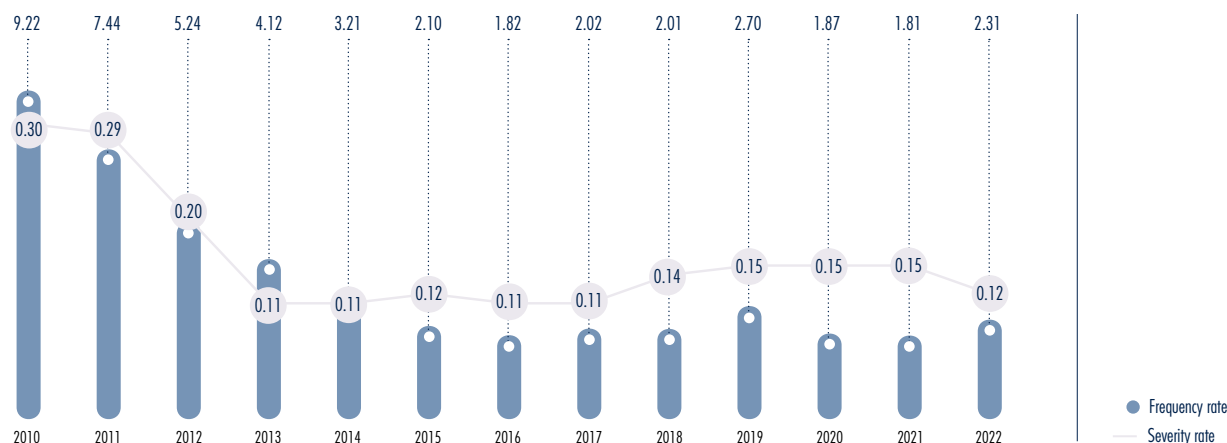
Several sites have stood out as not having any significant lost time accidents for a number of years. For example, the Futtsu site (Japan), with over 5,900 days without any LTI accidents, and six other facilities have over 2,000 days without LTI accidents.

The workplace accident frequency rate (FR1) ⁽¹⁾ was 2.31 in 2022 and 1.81 in 2021.

The Total number of workplace accidents and injuries treated frequency rate (FR2)⁽²⁾ rating of 5,55 in 2022. Thus, resulting in an increase of 2,8% compared to 2021.

The Group's severity rate reduced in 2022 from 0.15 to 0.12.

In 2022, one fatal accident involving a temporary worker occurred at a Group site. Additional focus on safety, risk assessment, awareness, evaluation and training is deployed.



The definitions of the frequency rate and severity rate are included in section 3.5 "Environmental and social indicators – CSR concordance tables".

3.3.2.3. Workplace health policy

Nexans' well-being ambition is to create an environment where employees are empowered to manage their life and work optimizing their efforts.

RESPONSE TO THE COVID-19 PANDEMIC

Health and well-being has been a strategic priority since 2020 and the Covid-19 pandemic. In that respect, Nexans has maintained the health measures (masks, gloves, hand sanitizers...) and has communicated on their importance. Nexans has continuously adapted its working conditions such as its policy of home office or isolation for contact cases in order to comply with local regulations and prevent any uncontrolled spreading of Covid-19.

ENSURE A SAFE WORK ENVIRONMENT

Entities identify and monitor possible occupational illnesses according to their local legislation. Given the Group's activity, the following may be identified as occupational illnesses: musculoskeletal disorders, hearing problems and employee exposure to chemical risks. Along with the extensive information and training on workplace health and well-being provided throughout the year at sites, some sites have started offering special workstation ergonomics awareness training sessions as well as regular check-ups for staff to monitor for musculoskeletal, cardiovascular and psychosocial issues.

Other safety measures include the systematic use of personal protective equipment when risk assessments require it in certain site areas or workstations. For example in the United States, employee safety is monitored through internal audits and through audits of employees' compensation insurance and ISO certification. Items such as lead exposure, noise exposure, areas of risk in the plant are monitored.

In addition to caring for workplace safety, the Group also strives to ensure that its employees are as safe as possible when travelling. Nexans continues to partner with global experts International SOS to offer all business travellers, as well as expatriates and their families, a comprehensive medical and security service accessible via their smartphone, by hotline or via a dedicated Group intranet.

BRING AWARENESS ON HEALTH TOPICS

Efforts are made also to bring awareness and engage on health topics such as breast cancer and prostate cancer. Nexans' Diversity & Inclusion network organizes annual events around the theme of cancer awareness and prevention with Pink October and Movember. Each year sees more participation from engaged employees all over the globe. For example in 2022, for the second year, the Business Group ISP sponsored the ISP Care challenge which ran from October 24 to November and covered Running / Cycling / Swimming / Walking. In 32 days, 265 colleagues from 23 sites in 11 countries ran / walked 10,030 km, cycled 5058 km and swam 170 km. If they were relaying for the Olympic triathlon and marathon, they would have finished 113 triathlons plus 212 marathons! This total number of 15,258 KM allowed us to reach the fund-raising cap 10,000 euros with 5K euros donated to the Curie Institute and 5K euros donated to Movember.com.

ENHANCE WELL-BEING IN THE WORKPLACE

Initiatives have been strengthened in the context of the health crisis, particularly with strong local initiatives to reduce the stress related to the situation, to create and improve working conditions in a harmonious work environment and to develop social and collective bonds. 2021 has seen more initiatives also focusing on mental health. In particular, the following initiatives should be noted:

- Group HR carried out a benchmark of best practices in all the Business Units and shared the information across the organization to inspire and encourage similar actions;
- promoting physical activity and exercise by making sports equipment available and proposing well-being and fitness programs or challenges in Sweden, China and France;
- Australia and New Zealand, who had some of the toughest lockdowns in 2021, developed the "Be well" programs with dedicated committees composed of employees, focusing on

physical and mental wellbeing, and the GEM resilience program celebrating a resilience month in 2021;

- Nexans annual performance evaluation cycle is redesigned in 2021 (first campaign in 2022), to include Wellbeing at work as the starting point of all performance and development conversation between managers and employees. The new design starts with customized message to introduce the importance of the topic and why it should be addressed. Then, helps facilitate the conversation by providing example questions, again customized according to audience. The messages also contain links to training resources, should employees and managers need more insight on this topic.

The Group is also proud to have dedicated employees who offer their time and expertise to help others, for example in Australia with a "tools down" virtual workout led by an employee and in France where two employees hold weekly yoga and naturopathy sessions, open to everyone (with participation via Teams from over 8 countries).

3.3.3. Talent & people development: levelling the playing field for talent

3.3.3.1. Description of risks and opportunities

Attracting and developing talent is crucial to the ongoing transformation of Nexans. The Group constantly strives to provide the environment and motivation for its employees to take ownership of their own career progression, through access to learning and development and the internal mobility opportunities.

The Group has been consistently increasing internal mobility rates over the past years and aims at 60% of graded positions staffed internally by 2023.

3.3.3.2. Group talent management policy

To achieve its transformation goals, Nexans must attract and develop the right talents. Meanwhile, the Group must help the Company's employees adapt to this new environment.

The following factors shape the talent profiles and skills needed:

- the ambition to shift from a pure cable manufacturer to an electrification pure player by 2024;
- the deployment of the E³ licence to operate, changing the Company's performance model at all levels;
- the acceleration of digitalization, innovation and marketing within the organization.

Accordingly, Nexans' talent management policy focuses on:

- Talent Acquisition:
 - Implementing a talent acquisition strategy and improving our employer brand to position us as an "employer of choice" for key markets.
 - Attracting key skills and competencies needed for our strategic goals.

- Talent Development:

- Identifying of the key functions impacted by the business transformation and development of a ad'hoc workforce planning ;
- Shaping Nexans into a learning organization to prepare managers and employees to take on our new challenges and to give everyone the chance to grow
- Foster growth mindset attitude in employees
- Talent Retention: minimize our turnover, in particular of key talents through our key HR principles around:
 - Compensation & Benefits Policies: compensating employees competitively and equitably.
 - Development Opportunities: providing growth opportunities through structured learning programs and internal mobility.
 - Work Environment: foster an environment of inclusion and respect where employees can thrive, with their safety and wellbeing at the center.

3.3.3.3. Develop Nexans' talents

LISTEN TO EMPLOYEES' FEEDBACK TO MAKE THEM GROW AND GIVE THEM ACCESS TO TAILOR-MADE DIGITAL LEARNING

Performance and Development Path

Nexans Annual Performance cycle was redesigned in 2021, to provide employees with a simpler design and stronger links to Nexans ambition story. The new design helps employees define their roles and contribution to Nexans targets, as well how they bring Nexans values to life when working.

Every performance and development conversation starts with addressing wellbeing at work, supporting employees and managers to have an open exchange on this topic. Supported with facilitating questions and links to further training resources if needed, Nexans aims to ensure harmonious work environment and higher engagement. After the previous year performance has been discussed, the personal development plan for the employee is discussed and specific tailor made development actions are agreed and documented in the system.

Building feedback culture

Nexans launched a new tool called "MyFeedback" in 2022, to help build a feedback culture in the organization. The tool aims to provide employees with an easy way to ask and give feedback, integrating it day-to-day operations. Employee can start the feedback exchange with everyone in the organization, regardless of hierarchical or functional links.

Scale up the main functions driving the Group's transformation

In 2021, the Group initiated a large-scale transformation of the Sales, Marketing and Innovation Departments to support its ambition to become an electrification pure player that is more customer, innovation and system driven.

A business planning methodology was deployed to chart out the "shift" in skills required with the definition of Role Model, assessment and learning. The cohort-based structure ensures that the new cultural and methodological principles needed for these functions to succeed are aligned at a collective level.

Since the beginning of 2021, more than 60 managers/key leaders from these functions have been evaluated.

From Know-it-All to Learn-it-All

Nexans future success will depend on our ability to learn and adapt to constant change around us. Our aim is to foster a growth mindset culture providing continuous opportunities for growth.

Nexans' training policy focuses its actions on:

- providing an in-depth understanding of the fundamentals of the Group's strategy, mission and values;
- implementing Group-wide training programs supporting the Group's transformation: as example, programs launched focused on Sales and Marketing and Corporate Social Responsibility in 2022;
- encouraging the development of technical expertise and skills at all levels, through an extensive digital course catalogue available on our MyLearning platform.

Digital learning: the Group's transformation tool

Launched at the end of 2019, the Learning CoE selects, designs and offers built-to-measure digital training courses for the Group. It features:

- access via the MyLearning platform to internal and external catalogs, including MOOCs, e-learning modules, videos and open-access resources;
- Group-wide programs to enhance employee performance and to disseminate and foster take up of the Group's principles and methods:
 - the Quick Start in Nexans digital induction program for new employees to support them through their integration phase and maximize their performance as soon as they take up their position,

- Nexans Business Fundamentals for general management topics,
- Diversity and Inclusion program to raise awareness and voluntary monitoring (2,129 learners from launch to December 31, 2022),
- a fully digital edition of the Compliance week open to all our learners, regardless of their level (7,465 learners in 2022, +25%);
- our digital e-Academies grouped by function and built in collaboration with our business experts;
- identification of online university programs, such as at Harvard and MIT, offered to key employees as part of the Group' strategic plan.

High participation and satisfaction rates from learners on programs, shows that they have rapidly embraced this new training format and have integrated it into their daily routines.

In 2022, the COE Learning has been recognized for Nexans Diversity and Inclusion Awareness Program at the Learning Technology Congress, and received the Digital HR team award for the successful transformation of learning offer.



MyLearning **8 384 digital learners**

On average, every month, 18% of learners connect to MyLearning

4,5 hours on average per active learner

EdFlex +33% additional users
GetAbstract: +49%

Digital Onboarding Program

The "Quick Start in Nexans" digital induction program was designed in 2020 and has been used by close to 800 new employees since its launch. This program aims to support them through their integration phase and maximize their performance as soon as they take up their position.

Empowering employees to take ownership of their professional development

Extensive resources are available for employees. Employees are responsible for writing their own development objectives and reviewing, with their line manager and Human Resources representative, the most appropriate solutions for workplace learning, mentoring, coaching, and classroom or virtual training.

A strong development program dedicated to business unit leaders

To guarantee the success of its future leaders, the Group has created a tailor made development program spanning several weeks. It includes psychometric tests followed by an in-depth professional interview. At the end of the program, leaders are provided with a personalized Development Plan.

Total investment in training

In 2022, the average training hour per employee is 19 (+14% compared to 2021). The total time devoted to training amounted to 530,772 hours; an increase of +27% compared to 2021 (the total training hours in 2021 was 419,275). 90% of these hours were delivered to non-managers, and the number of training hours per employee trained averaged 20 hours.

The number of employees who followed one or more training courses during the year was 27,018 (99% of the Group's average headcount, *versus* 79% in 2021). Managers count for 31% of the total employees trained.

In December 31st, 8,384 (+12% compared to 2021 due to an increase in licences granted to blue collars) employees worldwide have access to the MyLearning digital platform, and 1,665 employees have attended the functional academies.

In 2022, 61.8% (74.6% in 2021) of the digital learner base took at least one digital training course over the course of the year, totaling 22,661 (22,673 in 2021) hours or an average of 2.7 hours per employee "connected" (*versus* 3 hours in 2021). The decrease in the learner coverage is due to the increase in blue collar connected employees for which specific efforts are being made to onboard them on the learning digital system in 2023.

In 2022, training efforts focused on technical skills – core business, which represented 42% of the total training provided. In addition, up to 38% of the total training programs were devoted to safety and 7% to personal development.

Internal mobility strategy to help people grow

The Group' aims at developing its internal resources over the long term, with the objective of ultimately filling 60% of its management positions (graded positions) internally excluding entry level positions by 2023. In 2022, the percentage of positions staffed internally was 47% (43%, 2021).

Internal and international mobility

- Several initiatives have been launched to promote internal mobility at Group level, such as an internal mobility policy, an internal communication and awareness campaign for employees and team managers. This resulted in almost half of the most experienced management positions filled internally both in technical and production-related fields and in support functions.

The HR IT system has undergone significant adjustment to improve the experience of connected employees. The Employee Profile platform encourage information sharing and the creation of Group communities and networks.

- The Group promotes international mobility for the professional development of its managers. This policy also provides a means of retaining talent, transferring expertise, relaying the Group's corporate values throughout the world, and bringing our international customers Group representatives with a global perspective. The Group is particularly effective in anticipating and managing their return to their home country thanks to its career committees.

At end-2022, 52 employees were on international mobility assignments (lasting more than one year). They are all covered by four formal policies which ensure equal treatment for all those involved in the international mobility program, along with social and tax protection adapted to their individual situation.

Most of the international mobility positions were in Industry, accounting for 65% of expatriates in 2022, followed by Management with 26%, and Finance with 10%.

The average length of service for expatriates in the Group is 14 years.

3.3.3.4. Talent acquisition

In 2022, the Group hired 8,067 people (vs 5,932 in 2021).

59% of the hired employees were under 30 (*versus* 61.4% in 2021), 25% were between 31 and 40, 12% were between 41 and 50 and 5% were over 50.

EMPLOYER BRAND AND SOCIAL MEDIA

Social media plays a central role in Nexans' employer branding – enabling it to engage extensively with talent to showcase the Group as an employer and how its business contribute to energy transition.

To heighten Nexans' reputation and attractiveness as an employer, in 2022 the Group defined its Employer Value Proposition (EVP), aligned with the Group's overall Brand Strategy be launched in 2023.

PRE-RECRUITMENT POLICY

For junior management positions, Nexans' strategy is to retain the most talented young people after their initial internship or apprenticeship within the Group.

Despite the pandemic context, in 2021 Nexans pursued its partnership with AIESEC, the largest student organization worldwide. This year, the Group welcomed four foreign students from the AIESEC network for six to up to eighteen months.

The Group also worked with 216 apprentices in 2022, and hired 21 in permanent contract after their apprenticeship.

Nexans also continued to work with Business France on developing assignments under the Volunteering for International Experience (VIE) program. In 2022, 30 young people from the European Union aged 18 to 28 had the opportunity to work at one of our subsidiaries for six to twenty-four months. 13% of these workers were recruited at the end of their assignment on either a local contract in the host country or in France.

3.3.3.5. Compensation, benefits and employee share ownership

The main underlying goals of the Group's compensation and benefits policy are to attract and retain talent, strengthen employee engagement, reward exceptional individual and collective performance.

COMPENSATION POLICY

The Group's compensation policy is driven by the principles of competitiveness on local markets, equity within the organization and differentiating compensation based on performance to attract, motivate and develop the skills of our employees. It aims to ensure that the Group's entities offer fair and competitive compensation packages and effectively define salary increases by regularly using compensation surveys and considering the Group's financial resources, performance and local market trends in each country involved. This policy is adapted in every country where Nexans operates, in line with local legislation (collective bargaining, application of industry wide collective agreements on compensation, etc.).

Gender pay equity has received special emphasis, especially in France in accordance with the agreement signed on this issue with the social partners.

For the Group's managers, the compensation policy is underpinned by a worldwide job classification system (Nexans Grading System). Initiated in 2011, this system is now fully rolled out, updated regularly and serves as a reference for Human Resources programs.

In accordance with the Group's policy, the compensation structure may include fixed and variable components.

Short-term variable compensation (for managerial and specialist staff) is based on target amounts which may represent up to 50% of the employee's basic annual salary (depending on his or her level of responsibility). The amount of variable compensation actually paid is calculated by reference to the achievement of both individual and Group objectives.

Individual salary raises of fixed compensation are granted based on the set budget as well as each employee's pay positioning by reference to both the market and in-house practices. They also take into account assessments of employees' actual and potential performance as well as the skills they have acquired and demonstrated.

Information on the Group's total payroll and changes in payroll is available in the parent company financial statements (wages and salaries) published in the Universal Registration Document (see section 5.2.4. "Company's financial results for the last 5 financial years"). The Group's long-term compensation policy is aligned with Nexans' three-year strategic objectives. This policy is based on the following:

- for senior managers, a mix of performance shares and long-term bonuses, the vesting/payment of which are contingent on the Group's share performance, financial performance, and following the CSR roadmap as assessed at the end of a three-year period. Firmly convinced that CSR contributes to its overall performance, the Group's aim is for all of its employees to benefit from a long-term performance plan based on CSR criteria;
- for other high-potential managers, key experts or managers who have made an exceptional contribution, free shares are granted with the aim of giving them a stake in the Group's future performance and providing them with a differentiated form of compensation.

EMPLOYEE BENEFITS

Employee benefits are an essential component of the Group's compensation system and reflect the different needs of its employees.

As employee benefit plans can vary significantly from one country to the next due to different levels of employee benefits, tax and legal regulations, Nexans tailors its employee benefits programs to each country.

All compensation and employee benefit policies comply with local regulations and agreements. They include employee savings plans, in particular the International Group Savings Plan set-up in 2001, which is available in all countries. In France, employees also have access to a Group Savings Plan to which matching contributions paid by Nexans french companies are added to the amounts invested.

As far as compensation for overtime is concerned, it is either paid or compensated by time off, depending on the collective agreements of each company and the labor law applied in the country.

EMPLOYEE SHARE OWNERSHIP

Nexans is convinced that employee shareholding is a major instrument to strengthen the financial and human capital of companies, but also that employee shareholders remain long-term partners.

It is an important element of the Group's governance, with two employee representatives on the Board of Directors. Nexans' ambition is to continue this link between the Company and its employees.

In this context, a tenth employee shareholding plan "Act 2022" was offered to employees in May 2022 in 25 countries around the world. For the first time this year, Nexans is committed to investing a minimum of 25% of the funds raised thanks to this operation in internal environmental projects. Once again, employees have massively expressed their confidence in the Group, with the offer being a great success. The subscription rate was improved by almost 10 points compared to the last operation: 32.1% (compared to 22.0% in 2020) and represents the best score for an "Act" operation since 2010. The global offer was oversubscribed and represented a cash inflow of more than 36 million euros for Nexans. After this plan, 22,86% of employees hold Nexans shares and represent 4,03% of the share capital as of December 31, 2022.

Two other plans, Act 2018 and Act 2020, are still underway.

3.3.4. Employee engagement: mobilizing for higher performance

3.3.4.1. Description of risks and opportunities

Employee engagement is vital to achieving operating excellence and meeting the Group performance objectives. It is therefore one of the essential indicators monitored in the CSR roadmap.

3.3.4.2. Group initiatives

The Group has launched a number of initiatives over the past years to engage all its employees and reinforce their sense of belonging.

STAYING IN TOUCH AND “TAKING THE PULSE” – NEXANS LIVING VOICES

Engaging and keeping in contact with employees involves regularly measuring sentiment and “taking the pulse” of the organization, to adapt how cultural change takes place in order to increase employee engagement.

The Group has been conducting its employee engagement survey every two years since 2014. Since 2021, the Group launched more frequent (annual) and shorter survey, and have adapted the questions asked, particularly those relating to the measurement of engagement: Nexans Living Voices.

The aim is to improve the transformation of employees' expectations for their work life (management, leadership, training, communication, operating efficiency, etc.), by translating these expectations into actions and change initiatives, while measuring the effectiveness of these actions.

Nexans' engagement rate reached 77% in 2022, with representative participation rate of 85%.

The Group also plans to launch shorter surveys to measure employee sentiment during periods of change (health crisis, acquisition, transformation within a corporate function, etc.). As an example, the HR function has launched in 2022 a Pulse survey with its main stakeholders, to get feedback and confirm what to stop/start and continue.

CULTURAL CHANGE – NEXANS LIVING VALUES & COLLECTION OF STORIES

To guide the Group's strategic transformation, focus is placed on cultural change, which is what the Group calls its “Culture Story”. This means designing a global approach to adapt and change Nexans' culture, (i) to actively contribute to the New Nexans and to guarantee its performance, while taking advantage of what Nexans already has to offer, and (ii) to (continue) involving employees, drawing on what the crisis has revealed about them, to promote pride and engagement.

Putting people at the center of Nexans' business strategy creates favorable conditions for the Group's transformation, particularly by providing a working environment where everyone can identify ways to drive their own commitment and motivation.

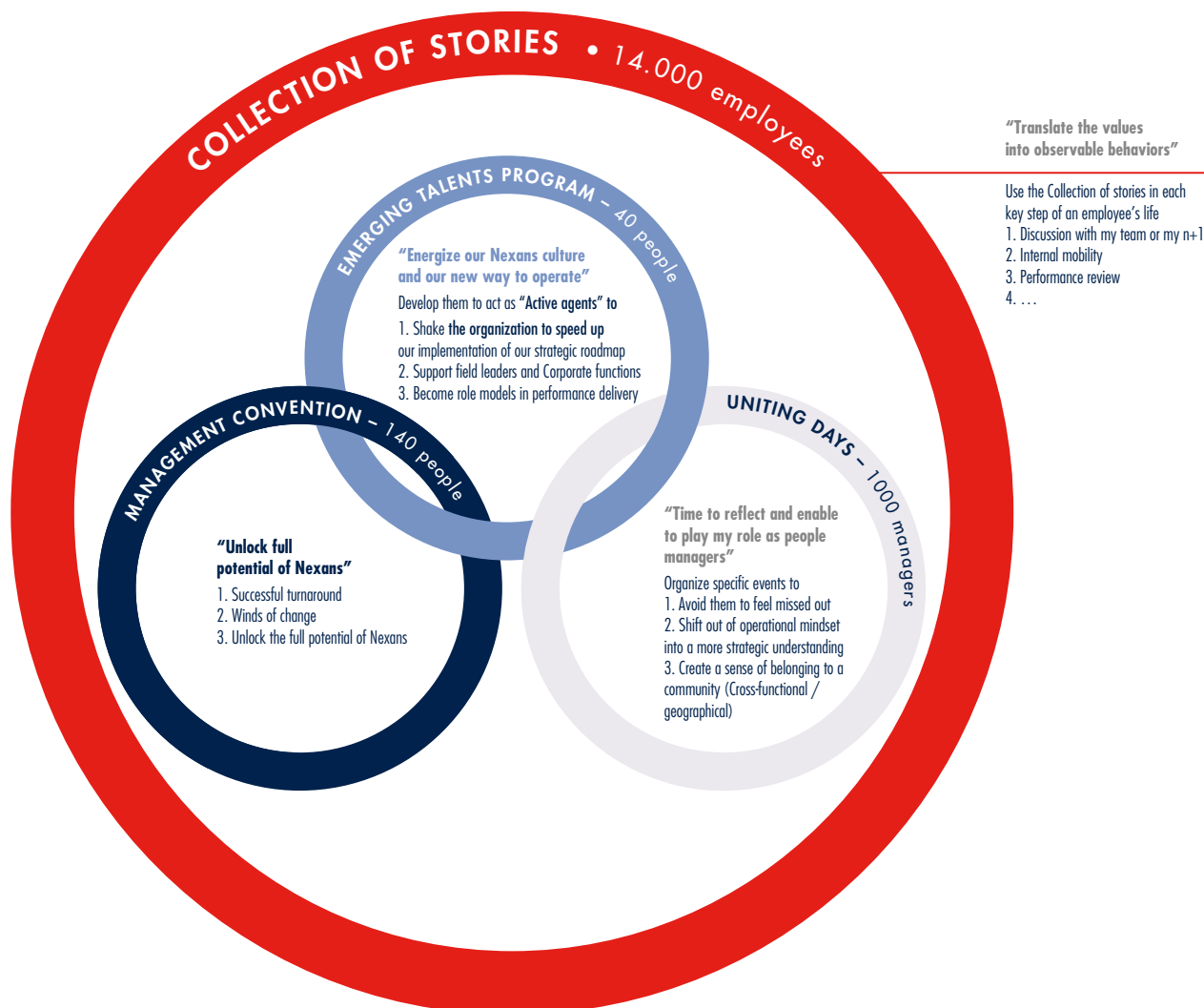
Following the “Nexans Living Values” workshops in 2021, more than 25% of Nexans employees stories were collected, including the behaviors the Group does and does not want to illustrate its 3 values and to bring them to life. The “Collection of Stories”, is Nexans behavioral model. The “**Collection of Stories**” is to be used as a referential, anchored all along the employee life cycle (from onboarding to reward, to internal mobility, to performance discussion, to feedback...). It has been published in 18 languages and each employee has received its own copy.

THE UNITING DAYS

In order to ensure that Nexans values and behaviours are embodied at all levels in the organization, the Group launched the Uniting Days virtual interactive sessions targeting 1,000 people managers. The goal is two-fold: first to provide support to these 'middle' managers in their role of mobilizing their teams, but also to increase collaboration between teams and to increase transversality above sites/BUs, as expected from Nexans Living Voices.

In these sessions participants are exchanging with their peers to better face their challenges, while having the opportunity to appropriate what means the Equity Story for them and their teams, and the role they have to play; they experiment also problem solving technic.

PURPOSE & VALUES MOBILIZATION



THE NEXANS REMARKABLE PEOPLE PROGRAM

The Nexans Remarkable People program is an annual recognition award which could be described in one word ... WOW ! Every year the Group sees incredible contributions from employees that go above and beyond their job scope and that reflect and embody its three values; Pioneers, Dedicated and United.

Nexans has talent everywhere and is proud to have recognized nearly 600 employees all over the globe since the inaugural year in 2016.

The program works thanks to managers who can propose an employee or a team of people for a "Remarkable" contribution during the previous calendar year. Their proposals are made on a dedicated intranet site which also serves as a library of best

practices and showcase for previous winners. The applications are reviewed by the Award Selection Committee, a group of 14 people representing all the functions, geographies and business in Nexans and which also reflects gender parity. In 2022 this Committee reviewed all the applications and proposed a short-list of 63 to the Executive Committee. After deliberation the final winners were announced in October – 24 applications representing 98 employees were deemed worthy of the Remarkable People accolade.

What the winners appreciate most is not the trophy or different prizes they get, but the fact that they are surprised in person by the Executive Committee member they report to at a dedicated announcement either face to face on site or via a teams meeting. Seeing their smile and pride at the surprise announcement is true recognition.

3.3.5. Inclusion and diversity: key enabler to succeed in the Group transformation

3.3.5.1. Description of risks and opportunities

Nexans takes careful steps to create a diverse, talented and engaged workforce. Diversity, in all its dimensions, brings great value to the organization, as performance and innovation are fueled by diverse ways of looking at things. Inclusion and Diversity, not only help an organization improve their financial performance, but also the employee experience and their sense of belonging. Inclusion and Diversity therefore resonate with Nexans' strategy and its 3 values, PIONEERS, DEDICATED and UNITED.

In an inclusive work environment, employees feel included and valued as their authentic selves, actively engaged in the organization, and recognized without judgment for their contributions.

There is a greater focus on inclusion and sense of belonging – the business is increasingly looking to leaders to be able to demonstrate real and measurable impact on engagement and performance.

3.3.5.2. Group policy

The Group wants to make sure that everyone at Nexans feels comfortable being who they are, because everyone is unique. No one should be harassed or discriminated against because they are "different". The Group places great importance on eliminating all forms of discrimination in terms of employment and professional activities (gender, age, race, political affiliation, religion, etc.) and pays special attention to professional equality, gender equality, the employment of seniors and young people, the employment of people with disabilities, and access to training. The Group is also committed to protecting human rights.

These principles are stated in the Group's Code of Ethics and Business Conduct, and its Human Resources policy, and are in line with the United Nations Global Compact, which Nexans joined in 2008. (see section 3.4.1.2. "Human Rights and fundamental freedoms risks").

A more inclusive culture must be promoted at all levels of the organization and at every Nexans plant and site and the Group's governance structure has a rich cultural diversity (see section 4.3.3. "Diversity policy among governance bodies"). People from nearly 30 nationalities work at the Group's head office.

In March 2021 for the first time, Inclusion and Diversity policy which sets out the Group's goals to improve diversity and inclusion was distributed to all employees.

3.3.5.3. Inclusion and diversity initiatives

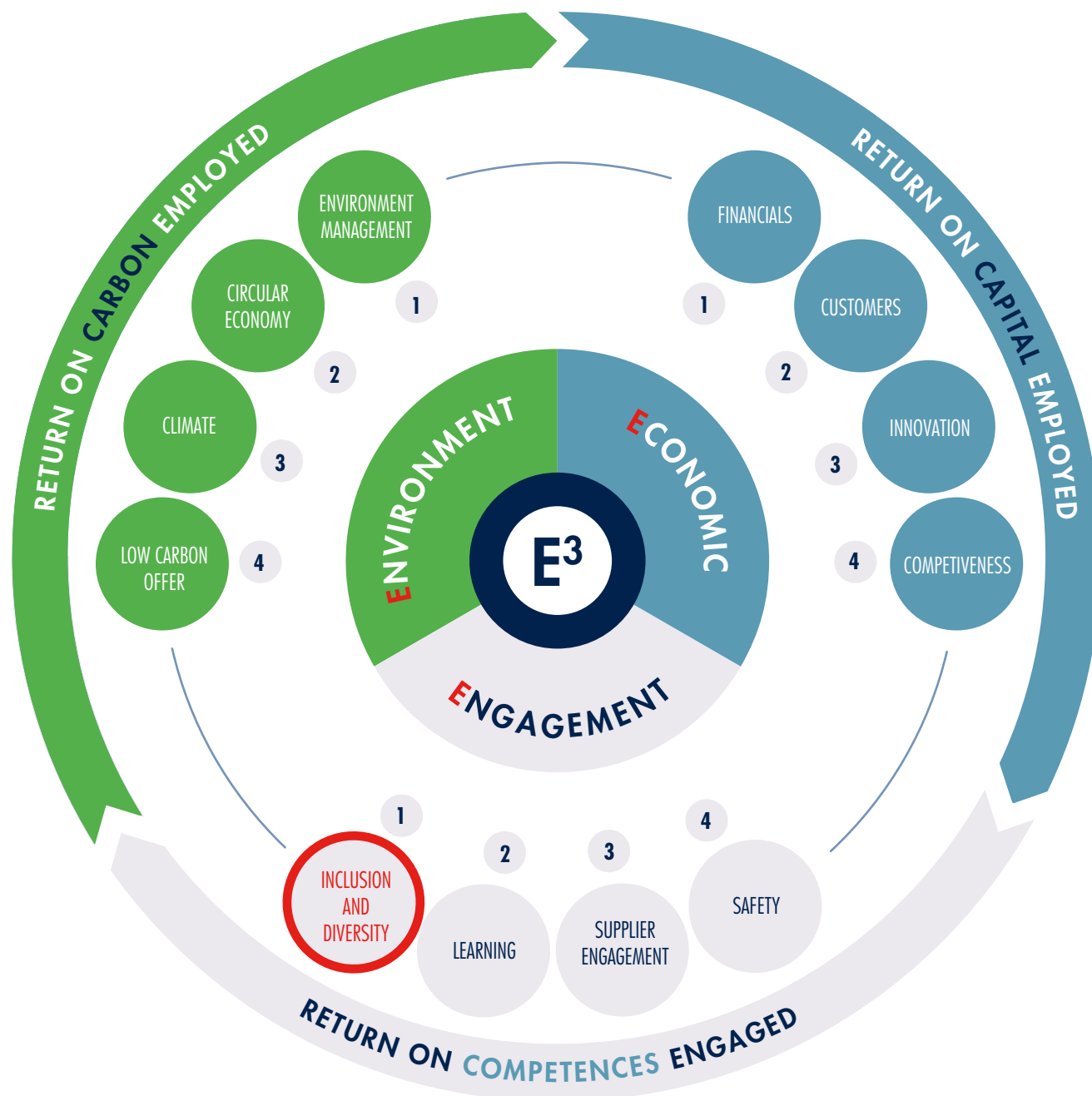
In addition to the Inclusion and Diversity policy, the Group implemented a dedicated governance:

- a dedicated global network, WiN – WE in Nexans, made up of men and women from different organizational levels within the Group;
- a steering committee led by the Director of Inclusion and Diversity.

The WIN network has accelerated its growth since 2020 by increasing the number of members and implementing a wider range of actions worldwide.

Working with the Training and Learning team, the network sponsored a digital training course to raise awareness about unconscious employee biases. The course was a great success. Due to its immense popularity, a face-to-face version was developed, especially for "unconnected", or offline, employees.

INCLUSION AND DIVERSITY IS STRONGLY EMBEDDED IN E3 AS A LICENSE TO OPERATE



To define the Inclusion and Diversity roadmap, the Group has heard some employees to precise what are the type of diversity to focus on. Gender diversity is the ground and remains one of the priority, the Group has also targeted 3 additional priorities: disabilities, socio-economic backgrounds and sexual orientation.

A) PROMOTE GENDER BALANCE

Nexans wants to better reflect the society and strives to a more balanced representation of women at all levels of the organisation.

The Group has therefore set two specific targets to improve and monitor gender balance:

- women in managerial positions (graded positions): target of 26% by 2023 – compared to 27% in 2022 and 24.5% in 2021;

- women in top management: target of 18-20% by 2023 – compared to 19% in 2022, and 17% in 2021.

When hiring, the Group makes sure at least one female candidate is selected in the final recruitment process for each position. Women are also encouraged to change positions internally. They receive guidance on their career development through a specific performance assessment.

Attracting women to positions as operators is not always easy for an industrial group. However, one of the Group's factories in China met this challenge with the ergonomic adjustments to production equipment which proved beneficial for both female and male operators.

In 2021, the Group launched the “Women Leadership Program” designed for women identified as high potential, to foster the emergence of future female leaders and to enhance their leadership, professional communication and networking skills. The Group aims at enabling them to work for themselves, their teams and for Nexans, and take higher top management positions in the Group throughout their career.

A specific “HR referent” has been created to support each women and to ensure they will grow and be able to take Top Management positions.

B) NEXANS AND EMPLOYMENT OF PEOPLE WITH DISABILITIES

Nexans is pursuing its long-term commitment to disability in France and is committed to implementing the necessary means to aim for “100% inclusion”, whether in terms of recruitment, training, compensation, quality of life at work, or career development and support. 2022 signaled a major step towards this with the signature of a Group agreement on disability, in partnership with our social partners.

The first challenge is to encourage disabled employees to declare themselves as such. To achieve this, Nexans relies on four pillars:

- communication and information
- flexible working hours and paid time off to carry out the administrative procedures
- the possibility of directing donations to dedicated associations
- confidentiality in procedures for declaring one’s situation in order to guarantee discretion.

Recruitment is also a major factor in the retention and professional development of disabled employees. To meet this challenge and illustrate our desire to be disability friendly, Nexans will work with the French Cap Emploi network and local players such as associations, training centers, integration structures and specialized recruitment firms.

Once recruited, disabled colleagues can count on the mobilization of all departments, management lines and the Nexans’ disability referents who are present on all sites. This network will be fully trained and responsible for facilitating and steering actions and acting as ambassadors for the employment of people with disabilities. They also provide the essential link with the occupational health department, in particular for adapting to the workstation: schedules, telecommuting, organization, training, equipment, ergonomics, presence of a life assistant.

Communication actions are carried out at local and national level, such as the European Week for the Employment of People with Disabilities: conferences, sharing time, testimonials, digital communication. In 2022, Nexans France also participated in the Duo Day event on several sites. The principle is simple: a disabled person spends a day with a Nexans employee to discover the Group and our businesses.

Other concrete commitments include a contribution to finance the remaining cost of hearing or optical aids and home improvements, flexible working hours, paid leave of absence for medical reasons and also the donation of a portion of its apprenticeship tax to specialized training centers.

With 6.1% of the workforce declared with disabilities, this is above the national average of 4% for French companies. By working on all the topics above the Group has the ambition to increase this number.

At Nexans Group level, the percent of employees with a disability in 2022 was 1.8%. Nexans believes that improving disability disclosure in every area of the organization will lead to better performance, better compliance and a more inclusive workplace.

C) COMMITTED TO A MORE INCLUSIVE SOCIETY

Nexans is committed to a program supported by companies, namely *Le Collectif pour une économie plus inclusive*.

This group was initiated by the Chairman and CEO of Danone at the end of 2018. Nexans joined it in 2021 and rolled it out in France. In this context, and in conjunction with employment actors (Pôle Emploi, Local Missions, Maison de l’Emploi, Forums, e-forums during the pandemic) coaching of young people was set up.

For more than two years, the Group is betting on the future of our young people with a rate of 5% of apprentices of Group total employees and the establishment of a partnership with *Nos Quartiers ont des Talents*, an association working for equal opportunities to promote the professional integration of young graduates, aged under 30, from modest social backgrounds and from rural areas, through a sponsorship system involving our volunteer employees. To date, more than 60 mentors are registered throughout France: 82 young people are being mentored, 85% of them which have already found a job or training program following their mentoring.

Since 2020, the partnership with Pole S, association located in a disadvantaged neighborhood and working in the social and solidarity economy, allows employees especially blue collars employees in difficulty to benefit from days of training in the use of digital tools.

The year 2022 ends with the unanimous signature of the trade unions of a Disability collective agreement at the level of Nexans France Group, an ambitious action plan which aims to implement the necessary means to aim for “100% inclusion” direct or indirect, whether in terms of recruitment, training, remuneration, quality of life at work, or even professional development and support.

D) SEXUAL PREFERENCES – LGBT+

Our first initiative for Pride Month in June 2021 with a video of the Chairman of the Board alongside the Head of Inclusion and Diversity and a Nexans employee advocating LGBTQ+ issues. In 2022, other sites and countries held their own local events to support Pride.

As an example, in Brazil, Nexans invited a local artist to paint a drum with the rainbow flags colours and exhibited it in our site with an informative message about Pride. Employees could interact with the drum and post pictures on their personal social media and also that of the We in Nexans social media account on yammer. They also held a talk with a Partner at Ernst Young Brazil and also member of the Executive Committee of the LGBT+ Business and Rights Forum.

In its inclusion & Diversity roadmap, the group will continue to focus on sexual preferences.

3.3.6. Social dialogue, the source of the Group's collective resilience

3.3.6.1. Group policies

Through its adherence to the Ten Principles of the Global Compact, Nexans demonstrates its strong support for freedom of association and collective bargaining as universal fundamental rights. Nexans agrees to uphold local legislation at all times in every country where the Group operates and to develop the best internal labor standards for its employees. The Code of Ethics and Business Conduct remains the Group's shared set of standards that applies to all its employees around the world. This Code of Ethics and Business Conduct is derived from the Ten Principles of the UN Global Compact, the Universal Declaration of Human Rights and international labor standards, especially those concerning forced labor and child labor.

Social dialogue is handled at country level by country managers and HR managers who work with employee representative bodies and labor unions. At the transnational level, the Nexans European Works Council (NEWCO) is responsible for most of Europe.

Social dialogue is also fully integrated into the Group's social reporting system.

As for obligations under the Labor Act no. 2016-1088 of August 8, 2016, relative to work, the modernization of labor relations and job security, the Group continues to look forward to the publication of the decree.

3.3.6.2. A strong and proactive social dialogue

The Covid-19 global health crisis has disrupted traditional organizational structures at companies by creating a need for heightened coordination within a very short time span.

The strength of its social dialogue empowered the Group to meet this challenge, enabling the business units to rapidly implement all the necessary health measures to protect employees and therefore continue safely producing and delivering our products.

Local management teams worked with employee representative bodies to adjust these measures as needed on the ground to keep the organizations agile and responsive in dealing with the crisis.

In many countries, digital communication methods played an important role in maintaining regular dialogue with employee representatives via virtual meetings. This new form of expression for social dialogue made it possible to maintain a thorough annual collective bargaining process, with 57 collective bargaining agreements signed in 17 countries in 2022.

The agreements signed during the year concerned the following topics.

- workplace health and safety;
- arrangements for implementation and financial compensation for furloughed workers;
- compensation and benefits (salaries, bonuses, profit sharing, etc.);
- organizational issues (skills and performance, job classifications, employment planning, etc.);
- working conditions (working time, training, paid leave, psychosocial risks, strenuous working conditions, equitable treatment, gender equality, etc.).

In 2020 and 2021, there was an unprecedented shift towards remote working so that the functions that could were able to maintain operational continuity from outside the workplace, while reducing the risk of Covid-19 contamination. An agreement on remote working had been signed by Nexans France a few years earlier.

The Group collected feedback on the measures taken since 2020 and maintained in 2021 to improve current systems by taking an adapted, structural approach in line with national regulations.

SOCIAL DIALOGUE IN BRAZIL

As a result of an intensive negotiation with the representatives of employees' Union during 2022, Nexans Brazil signed a bonus agreement to the non-graded population, fully based on industrial goals, focused on the reduction of scrap, overconsumption and customer complaints, and also the achievement of production program in a regular basis.

Since 2019, Nexans Brazil has been working in a model that promote both a higher engagement and teamwork, by encouraging employees' commitment to the business result, allowing them to follow in a monthly basis their achievement and promoting the concept of thinking together in solutions to improve the achievements of the established goals.

Therefore not only the agreement has been a tool to boost employees motivation and productivity, but also it is considered as one of the most efficient of the region and sector, an opportunity to recognize the efforts and share the company's fruits with employees.'

SOCIAL DIALOGUE IN CANADA

Two major collective agreements has been signed in 2022 to renew the CBA and planned the salary increase for the next 3 years covering the sites of Montreal and Weyburn.

PARTNERSHIP WITH ILO GHANA THROUGH SCORE PROGRAM

Nexans Kabelmetal (Ghana) Ltd had the opportunity to partner ILO Ghana in october 2022 by participating in one of their organized trainings – SCORE program.

The objective of this program is to offer in-factory and practical consulting to improve productivity and explore better ways of doing things within the organization and to ensure continuous improvement.

The benefit of this partnership through the score training is for employees to have a practical training and workplace coaching program to improve productivity, working conditions for employees and health & safety at work involving the local and national Unions representatives.

The training was impactful because it has changed the mindset of the participants towards workplace co-operation for continuous improvement.

The Group committed to promoting this partnership by devoting the necessary resources and to ensure that more employees are trained in 2023.

SOCIAL DIALOGUE IN MOROCCO

In 2022, an annual collective bargaining was signed with the social partners, one of the key measure was the launch of a process involving the unions representatives to recruit temporary workers: evaluation criteria (skills grid, behavioral evaluations, etc.) were shared and set up in a very constructive and positive discussion.

A second major achievement was the involvement of social partners in a project to reduce the absenteeism rate, particularly for Mohammedia site (awareness, action etc). As a consequence, the absenteeism decreased significantly.

Last year, new unions representatives were elected (elections take place every 6 years). A training and workshop in social and labor law was provided to all members (always within the framework of a constructive partnership).

Social partners are also very involved in social events: Safety Day, Family day, etc.

SPECIFIC INITIATIVE IN QATAR

QICC, Nexans Qatar was awarded for its dedication towards its workforce.

In a ceremony held by the Ministry of Labor in Qatar in February 2022, QICC has been awarded for its outstanding efforts in establishing joint committees and upgrading its workforce, leveled to the labor market locally and internationally.

3.3.6.3. A European body dedicated to social dialogue

Set up in 2003, the Nexans European Works Council (NEWCO) is dedicated to sharing information, exchanging views and opinions, and discussing labor issues at the European level.

It serves as a veritable transnational body, with a role that is separate from but complementary to that of the national representative bodies and with its own specific prerogatives.

Ordinary plenary meetings are held twice a year and it is informed, and if necessary consulted, on cross-border issues that have an impact on Group employees. NEWCO has a committee comprising four members (elected by their peers) which meets at least four times a year to prepare and review issues to be raised at the plenary meetings, as well as to discuss and share information with Group Management.

After an exceptional 2021 year with 8 meetings held including 6 extraordinary ones to display the followed 2022-2024 strategic roadmap, "Electrify the Future", the NEWCO has focused its activities on the new legal entities setting follow up and the consequences of war in Ukraine.

2 ordinary meetings have been organized on April and November 2022 in order to deep dive this subject and to present the Group Nexans Living Survey results in Europe.

The NEWCO representatives will be renewed for a new 4 years mandate on January 2023 according to the collective agreement which rules the NEWCO.

SOCIAL DIALOGUE IN FRANCE

As a result of constructive dialogue, teamwork and mutual trust between Nexans France management and the union representatives, 65 collectives bargaining have been signed .

These agreements cover:

- Social dialogue
- Inclusion and Diversity (with focus gender, disability etc)
- Economic conditions (salary increases, allowances and bonuses)
- Working conditions and well-being (work shifts, safety, training and development etc),

3.4 Ecosystem: sharing Nexans' values and ethics standards with all stakeholders

The Group is acting within an ecosystem gathering numerous and different types stakeholders: employees, customers, suppliers, shareholders, investors, banks, communities. Nexans applies the same ethical standards in the way it engages with all.

At every level of its value chain, the Group nurtures a position of exemplary leadership in a constant concern to comply with ethical rules by offering its partners sustainable solutions and developing a responsible sourcing and purchasing approach. The Group is convinced it is the only way to deliver a positive social impact in communities.

3.4.1. Deliver a respectful and ethical business

Business ethics is a top priority of the Group which is committed to maintain a compliant framework and fair business practices.

Every year, as part of their annual performance review, all managers are asked to sign a compliance certificate to pledge their commitment to apply the Code of Ethics and Business Conduct and to complete their compliance curriculum.

3.4.1.1. Business ethics and compliance governance

Compliance with rules on ethics is one of Nexans' underlying commitments in conducting business. Nexans' Code of Ethics and Business Conduct reflects this commitment and lays down the ethical rules and values with which Group and its employees are required to comply with when conducting business. Nexans' external stakeholders are also expected to comply with these rules and values. This set of rules covers notably anti-bribery and corruption, competition law, human rights, internal trade sanctions, export controls, money laundering and personal data protection matters.

All new joiners receive a copy of the Code of Ethics and Business Conduct and pledge to apply it by signing the annual compliance certificate. Certain Group Management Procedures mirror our Code of Ethics and Business Conduct and address specifically processes to mitigate the risk associated to compliance issues in a decentralized model.

EXECUTIVE MANAGEMENT COMMITMENT

Nexans' Executive Management is the cornerstone in this commitment, which it firmly upholds. This is reflected in the CEO's opening statement to the Code of Ethics and Business Conduct, which underscores everyone's responsibility and interest in complying with these rules, and a zero tolerance for any stakeholder not abiding by its rules. This commitment also took form in Nexans' adherence to the United Nations Global Compact and its ten fundamental principles.

Individually, each member of the Executive Committee is reviewing the annual compliance plan in her/his business scope. In addition, all the members of the Executive Committee ensure respectively that various elements of the Code of Ethics and Business Conduct are promoted through personal communication, notably during the Compliance Week.

Also, targeted messages from managers of different functions (Audit, Legal, Business Groups) are regularly sent by email, displayed on video screens at sites, or posted on the Group's Intranet.

In 2022, alerts were issued on risks relating to cybersecurity, money laundering, fraud, membership of a trade association and export control.

Any participation from legal and/or compliance teams in sales meetings, training sessions or events held within a function provides the opportunity to remind staff members of the management's commitment to the fight against corruption and unethical practices.

DEDICATED COMPLIANCE PROGRAM

The purpose of the Group's compliance program is to establish the action policies, guidelines and processes to prevent, detect and respond to any compliance matter within the Group.

Nexans Compliance Program is establishing a decentralized model to support a risk-based approach.

The Program is hence designed to answer in the most adapted way to the risk met by the Group worldwide through specific procedures and guidelines tailor-made. These procedures and guidelines explain and illustrate the rules and/or processes that all Group employees must follow in the areas of corruption prevention, gifts and hospitality, competition law, export controls and personal data protection.

Under each of its three pillars, the Program is set to provide to each of the Group's stakeholder guidance on the applicable rules and processes attached.

The cascade of these messages are reinforced not only from the Executive Committee but also by managers of different functions (Legal and Compliance function, Audit, or leaders of Business Groups). They regularly communicate on the Group values by email, video screens at sites, or posted on the Group's intranet. In addition, any participation from legal and/or compliance teams in business meetings, training sessions or events held within a function provides the opportunity to remind every employee, the Group commitment to fight against corruption and unethical practices.

To ensure everyone complies with this commitment, Nexans has set up an alert system to respond to any misconduct reported. In 2022, over fifty alerts were raised including on risks relating to cybersecurity, money laundering, fraud and export control.

DEDICATED SYSTEM TO EVALUATE THIRD-PARTY QUALIFICATION

A company determined to do the right thing, Nexans requires a due diligence on the ethical standards of its agents and business partners, ensuring they know and comply with applicable international regulations relating notably to anti-bribery and corruption, anti-money laundering and trade sanctions.

Nexans expects its suppliers and business partners to adhere to values and principles consistent with our own.

In that order, the Group has implemented a digital tool to optimize the mandatory process for integrity checks of any third-party engaged with prior qualification.

Detailed due diligence procedures on ethics and compliance are also conducted prior to any mergers and acquisitions, investments, real estate transactions, or collaboration with sales intermediaries.

TARGETED AND MOTIVATED ACTIONS

Each year, a specific action plan is established and rolled out throughout the Business Groups to answer in the most effective and appropriate way to the risk as identified in the risk mapping exercise. The Business Groups plan is designed in accordance with the Group Compliance Program and is reviewed by top management and executive management at operating entities and subsidiaries level.

It includes, in particular, the consistent review of the third-party qualification tool, the annual signing of compliance certificates, the roll-out of Group designed communication campaign, the participation to the training curriculum, the declaration of any misconduct or deviation to the Code of Ethics and Business Conduct that would have been observed through the Internal alert system.

The annual planning of the Business Groups must ensure risk population (e.g. sales and purchasing teams, finance teams) is constantly made aware of Group's requirements through dedicated face-to-face trainings.

Lastly, to embed its value throughout the Group with the development of a strong internal culture of compliance, the annual review of managers' performance encompasses their compliance with and their teams' implementation of the Group's rules and procedures covered in the areas of the Code of Ethics and Business Conduct.

HIGH ACCOUNTABILITY AND INVOLVEMENT FROM OPERATING DEPARTMENTS

The Compliance Program is a risk-based program and is developed a decentralized model. It means that not only the central functions but also - and mostly - all the Group's subsidiaries that implement the Compliance Program through clear yearly objectives captured in the annual compliance plan are required to be involved in the strengthening of the guidelines, the monitoring of the procedures implementation, the reporting, and the communication.

MONITORING COMPLIANCE WITH RULES

Together with internal control and internal audit, the Tgroup Compliance Officer monitor the completeness of the various elements of the program based on the reporting provided by the Business Groups. Internal audit review this monitoring during regular audits of the business.

The continuous improvement of the Groupe Program itself is monitored also by mean of a regular yearly audit carried out at the request of the Group General Counsel.

WHISTLEBLOWING PROCEDURE

As part of the respond pillar of the Compliance Program, the whistleblowing alert system is made available to all Group employees but also to anyone outside the Group, including suppliers, customers and subcontractors, to report any possible violations of Nexans Code of Ethics and Business Conduct. Reports can be submitted via a digital tool, a toll-free line or through the Line Management, Human Resources or any member of the Compliance team.

The digital tool can be easily accessed through the Intranet, through the Internet using a key word search on any search engine (i.e., "Nexans alert").

Regular communication to employees is made to inform them of the existence of the whistleblowing system and the digital reporting tool. The alert system is always advertised during the annual Compliance Week, in internal podcasts, and routinely mentioned through intranet communications and training messages.

Nexans encourages internal alerts and conduct its investigations while placing the protection of the whistleblower at the forefront of its priorities. Reports are investigated without disclosing the identity of the persons involved or their data. Each report is investigated pursuant to the principles of anonymity and impartiality set out in the Code of Ethics and Business Conduct. Investigations may, depending on the situation, lead to corrective action and/or disciplinary measures.

The Group Compliance officer is in charge of the governance of internal investigations and reports directly to the Group General Counsel and Company Secretary. Analysis of the cases reported is shared with the Accounts, Audit and Risk Committee and the Governance and Social Affairs Committee at least once a year.

In 2022, more than fifty cases were reported through the online whistleblowing system. This figure does not include reports submitted via Human Resources or Line Management. None of these reports raised a significant non-compliance risk for the Group.

PROGRAM COORDINATION

About 20 people are involved in managing and coordinating the compliance program, which comes under the responsibility of the Group's General Secretary and the Group Compliance Officer, including:

- the Group Compliance Officer, who is responsible for designing the program and supporting managers in its rollout;
- the Data Protection Officer;
- 11 in-house lawyers and compliance professionals throughout the Group;
- other key functions representatives.

Executive Management regularly encourages employees to embrace the values and fundamental principles of compliance. The Finance Team and Internal Audit carry out verifications and Human Resources make sure employees, especially senior managers, agree to uphold ethical practices when they are hired.

ACHIEVEMENTS IN 2022 AND GOALS FOR 2023

The following actions were taken in 2022:

- a "Compliance Week" was organized in digital format. Composed of nine items, the Compliance Week program included videos, training sessions and quizzes. As part of the Group's continuous improvement approach, some different subjects were covered in the 2022 edition. The subjects covered included conflicts of interest, corruption risks, antitrust law, cybersecurity risks, protection of personal data, climate etc... and intellectual property. All course content was offered in eleven languages (English, French, Chinese, Korean, Spanish, Portuguese, Italian, German, Swedish, Norwegian and Turkish). The Compliance Week training is compulsory for Group managers and is also available to the non-managers who have access to the online training module. At the end of 2022, 100% of the target Group employees had completed the Compliance Week program.
- in addition, 100% of Group managers and a large part of managerial and non-managerial sales and marketing employees signed their annual compliance certificate, stating that they are aware of the applicable internal procedures governing compliance, conflicts of interest and antitrust law;
- communication was improved on how to use the whistleblowing procedure, which more than doubled the number of reports received;
- the 2020-2023 Sustainable Purchasing action plan, which includes anti-corruption and supplier integrity checks, was implemented according to schedule (see 3.4.8. "Duty of care plan");
- concerning personal data protection, the Group continued its measures to standardize processes, with specific training provided on the right of access process. Golden Rules applicable to Human Resources employees were introduced Group-wide;
- there are now a total of 49 local data protection correspondents in 32 countries. Correspondents were also appointed in departments that are particularly affected by the issue, *i.e.*, HR, IT, Purchasing and Sales & Marketing;
- the local data protection correspondents' role is to map out and keep a log of their entities' personal data processing operations. In addition, the Group IT Department and Cybersecurity team are tasked with ensuring that Privacy by Design and Privacy by Default best practices are being properly implemented by issuing recommendations for security measures to be used for the Group's applications, from the project planning phase through to when applications are decommissioned. Actions were stepped up to raise employee awareness about privacy issues, with a new online training module covering all of the Group's best

practices for information security. In parallel, penetration tests are conducted once a year to identify any vulnerability that could jeopardize the security of Nexans data including personal data processed by Nexans.

As well as the recurring measures carried out yearly, the 2020-2023 CSR action plan included the following new initiatives:

- extensive update to the anti-corruption risk map, covering the Group's businesses and functions. The order in which this map is updated is aligned with the Group's targets announced at Nexans Capital Markets Day, taking into account corruption risks identified by Transparency International and the rigorous management of any risks related to sales agents (see 2.1.3.2. "Risk of non-compliance with anti-bribery legislation");
- more intensive rollout of targeted training programs, especially on antitrust law dedicated exclusively to rules applicable before, during and after meetings of trade associations for all employees identified as attending such organizations.

As part of its CSR ambitions relating to compliance, the Group has set a target to have all of its managers take part in the annual compliance awareness program by 2023. To date, 100% of them had taken part, and 100% of them had signed the compliance certificate.

3.4.1.2. Human rights and fundamental freedoms

Through its adherence to the Ten Principles of the Global Compact, the Group demonstrates its strong support for the fundamental human rights and freedoms that must be respected universally. The Group's employees agree to comply with local regulations at all times in every country where the Group operates. The Code of Ethics and Business Conduct remains the Group's shared set of standards that applies to all its employees around the world. Nexans business partners are also expected to comply with this Code (see section 3.4.6.1. "A guiding principle: Fair practices"). This Code of Ethics and Business Conduct is derived from the Ten Principles of the UN Global Compact, the Universal Declaration of Human Rights and international labor standards, especially those concerning forced labor and child labor.

The evaluation of the respect of human rights and fundamental freedoms by the Group's suppliers is addressed through the EcoVadis platform's questionnaire as part of the sustainable purchasing program (see section 3.4.8. "Duty of care plan"). The new version of the Supplier CSR Charter provides detailed expectations on these matters.

Due to the critical nature of this issue, the Group has strengthened its approach to managing human rights risks.

This is reflected in the following actions:

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

- a Human Rights Charter has been defined, co-developed with employee representative bodies, and incorporated into the Code of Ethics and Business Conduct. An action plan was defined to promote the distribution of the Charter and encourage each Group employee to adopt it. This process will take place in several stages:

- **Step I – Awareness**

In 2022, the new version of the Code of Ethics and Business Conduct has been included into the “Quick Start in Nexans” induction program.

- **Step II – Systematization**

The new version of the Code of Ethics and Business Conduct has been a key pillar of the Compliance Week 2022, focusing on a Human Rights issue.

- **Step III – Coming full circle**

The Group plans to create an interactive course to help each employee better understand the implications of the Nexans Code of Ethics and Business Conduct in their daily lives – Deployment scheduled for 2023.

- **Monitoring indicator**

Any issues raised with the Group's Ethics Correspondent concerning human rights and fundamental freedoms is dealt with within three months.

- **Governance**

These indicators are monitored by the Governance and Social Affairs Committee, and more regularly by the Human Rights governance team.

ASSESSMENT AND CONTROL

The Group has set up an internal control and risk management system to better prevent and reduce the risks to which it is exposed.

The internal control and risk management principles and procedures are described in Chapter 2 “Corporate governance”. These principles apply to all Group subsidiaries and employees, and state that they must comply with the Code of Ethics and Business Conduct and the principles of the United Nations Global Compact.

See also section 3.4.6.1. “A guiding principle: Fair practices”.

3.4.2. Duty of care plan

Under French law 2017-399 of March 27, 2017, corporations in France are subject to a duty of care with respect to safety, human rights and the environment, and are required to draw up a duty of care plan. The Group has set up various risk prevention and management procedures and systems in order to ensure it meets this duty of care.

In 2021, the CSR risk analysis covering the issues contained in the Group's Duty of care plan was updated and the section on human rights was further developed by the Human Resources Department.

The Duty of care plan resulting from the risk analysis covers the following risks:

- risk of accidental pollution (including hazardous waste/materials such as oils, fuels, solvents, etc.);
- risk of historical pollution;
- workplace safety risk;
- workplace health risk;
- risks related to human rights and fundamental freedoms.

The report on the implementation of the Duty of care plan for 2022, together with the key areas for improvement for the year to come, are submitted to the Board of Directors, and monitored by dedicated CSR Committees.

3.4.2.1. Duty of care plan for suppliers

SUPPLIER RISK MAPPING

CSR risks are mapped out using the methodology designed by EcoVadis, an expert in assessing sustainable supply chain practices. The EcoVadis methodology assigns an overall CSR risk rating to each supplier to help organizations prioritize actions.

The EcoVadis methodology is based on:

- country CSR Risk of the supplier;
- purchased category CSR Risk of the supplier;

with a CSR risk rating on a scale of 1 “very low” to 6 “severe” the highest risk.

Each Supplier gets a CSR risk rating between 1 and 6.

The Group pays particular attention to suppliers with which it does significant business or which have been assigned a CSR risk rating of 5 or 6. This represents approximately 1,770 suppliers for the entire Group.

Based on this CSR risk map, the Group defines its CSR Duty of Care plan and its yearly CSR roadmap with targets. In 2022, the Group focused on having suppliers sign Nexans Supplier CSR Charter and supporting suppliers to improve their CSR performance and CO2 performance.

STRENGTHENED DIALOGUE WITH SUPPLIERS

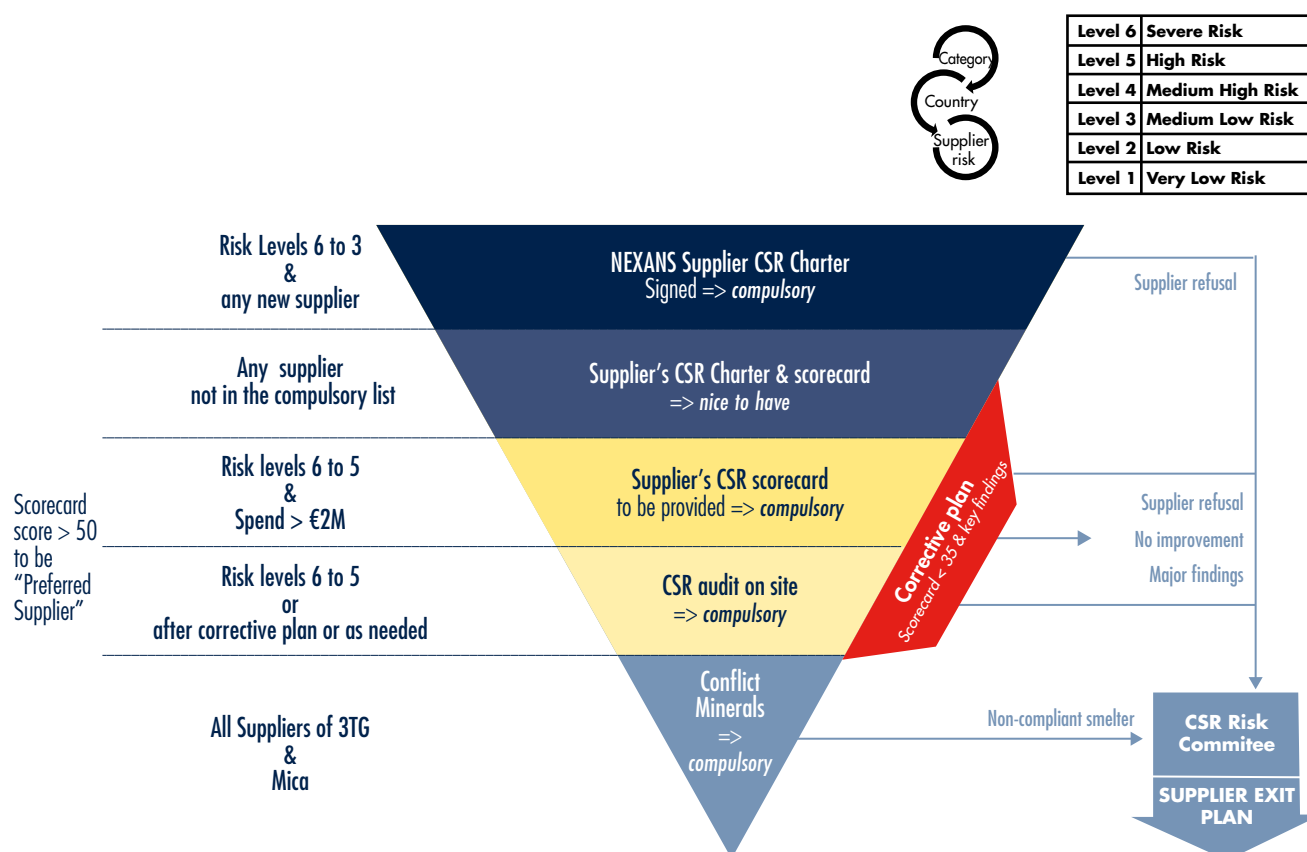
In 2022, Nexans continued to develop its CSR Duty of Care plan with its suppliers and supported its suppliers to improve their CSR performance.

Its first digital/physical Supplier Day was organized on September 6th, 2022 with 300 strategic suppliers, including 80 strategic suppliers physically present. At this event, Nexans' CEO, COO, VP Innovation, VP Purchasing Non Ferrous Metals and VP Purchasing Global portfolios clearly presented what Nexans expects from its suppliers on CSR topics. There was also a roundtable on sustainability, with examples of best practices to reduce the CO2 emissions on the Scopes 1, 2 and 3 and view on the future regulations for greener transport modes. The Group's aim is to inspire its suppliers and especially push suppliers to amplify their own carbon journey “do not wait for the future regulations to impose it”.

Also in 2022, the Group launched a carbon survey with its top 100 raw materials suppliers, to assess and quantify their carbon maturity. Based on this supplier carbon map, the Group defined priorities (e.g.: which suppliers to provide their EPD (Environmental Product Declaration) and identified carbon reduction actions to implement together (e.g. recycling plastics, etc.).

Moreover, as part of its supplier business review routine with its top 100 main suppliers at minima once a year, the Group discusses the whole range of sustainable actions, from CSR scorecards (how to improve the CSR score) to carbon reduction (e.g. lower carbon transport). Below is a summary of the CSR Duty of Care plan and the status of each element in 2022:

NEXANS SUPPLIER CSR DUTY OF CARE PLAN



A STRONG COMMITMENT: NEXANS' CSR CHARTER

In late 2020, the Group significantly enhanced its Supplier CSR Charter to make it stricter and more tangible, aligning it more closely with the issues currently faced by society.

This updated version of the Supplier CSR Charter includes new rules (e.g., reduction of greenhouse gas emissions, protecting personal data), a precise definition of principles (e.g., for the ban on child labor, a child is defined as a person under the age of 16), and concrete examples of best practices (e.g., measuring the number of accidents, etc.), with references to relevant international laws and initiatives.

By signing this Supplier CSR Charter, suppliers agree to apply these CSR principles for their employees and to ensure that their own suppliers adhere to the same principles. These are not mere intentions anymore, but actual commitments applicable to the entire supply chain. A signed Supplier CSR Charter is considered to be valid for a period of three years, except for the suppliers of conflict minerals, who must sign the Charter every year.

Nexans requires the following suppliers to sign the Charter:

- suppliers with the highest CSR risk rating, i.e., between level 3 (low to medium) and 6 (severe), based on the CSR risk mapping using the EcoVadis methodology;

- main suppliers (annual sales with Nexans of over 1 million euros);
- any new supplier. New suppliers must submit certain documents, including a signed copy of the new Supplier CSR Charter, to be referenced. Almost all new supplier accounts are managed centrally.

Other suppliers are also encouraged to sign and comply with the CSR Charter.

To ensure all its suppliers are aware of the CSR principles that Nexans wants its suppliers to respect, the Group has deployed a robust process since 2021 (dedicated team, mass mailing, phone campaigns, reporting, copy storage, escalation) to get Nexans Supplier CSR Charter signed. If a supplier decides not to sign Nexans Supplier CSR Charter and cannot demonstrate CSR commitments that meet Nexans' CSR requirements, Nexans reserves the right to delist the supplier. Thus, each week, the Group's Head of Sustainable Purchasing and the Group's Compliance Officer, in their role with the CSR Risk Purchasing Committee, check whether these suppliers' CSR commitments are aligned with Nexans' 14 key CSR requirements as listed in Nexans Supplier CSR Charter. Interestingly, the vast majority of suppliers that did not sign the Nexans Supplier CSR Charter in 2021 were large groups that have their own Code of Ethics or Code of Business Conduct and/or CSR scorecard (see paragraph scorecard below).

By the end of 2021, Out of the 23,406 supplier accounts contacted, suppliers representing 82% of the Group's total purchases in 2021, have either signed Nexans Supplier CSR Charter or have been approved by the CSR Risk Purchasing Committee after checking their compliance with our Supplier CSR Charter.

So in 2022, the Group's focus was on the remaining suppliers who had not signed yet Nexans Supplier CSR Charter, with a CSR risk rating 6 and 5 (the highest) in priority. These suppliers, mainly small and medium size companies, claimed that the main issue was the language barrier (CSR Charter available in 5 languages so far) and that they did respect the key CSR principles. Nexans considers that the Nexans CSR Charter signing campaign has made all its suppliers aware of the importance of the CSR principles in Human rights, Environment and Ethics and raised awareness that each supplier should also hold its own supply chain accountable, as it is the only way to achieve responsible sourcing.

A REGULAR ASSESSMENT PROCESS: CSR SCORECARDS

A supplier's CSR scorecard is a certificate with a score reflecting the supplier's CSR performance. CSR scorecards are based on an assessment carried out by an independent, internationally recognized CSR expert (EcoVadis or equivalent). Thus, EcoVadis assesses a supplier's CSR performance via an online questionnaire based on four pillars: (i) the environment, (ii) the Human rights, (iii) the ethics and (iv) the supply chain, including requirements under the Sapin II Act, the French anti-corruption legislation, and under the Duty of Care law. EcoVadis reviews the answers and documents provided by the supplier and issues a CSR scorecard, which contains an overall score reflecting the supplier's CSR performance, as well as a specific score for each pillar, the supplier's strengths and recommended improvements.

Nexans asks the following suppliers to provide a CSR scorecard issued within the last three years:

- suppliers with which Nexans generates annual sales of over 2 million euros; or
- suppliers with potentially the highest CSR risk rating, *i.e.*, between level 5 (high) and 6 (severe), based on the CSR risk mapping using EcoVadis methodology.

Nexans actually encourages all its suppliers to obtain such CSR scorecard. A CSR scorecard, reflecting the supplier's CSR performance, can be shared with all its customers and brings a competitive advantage.

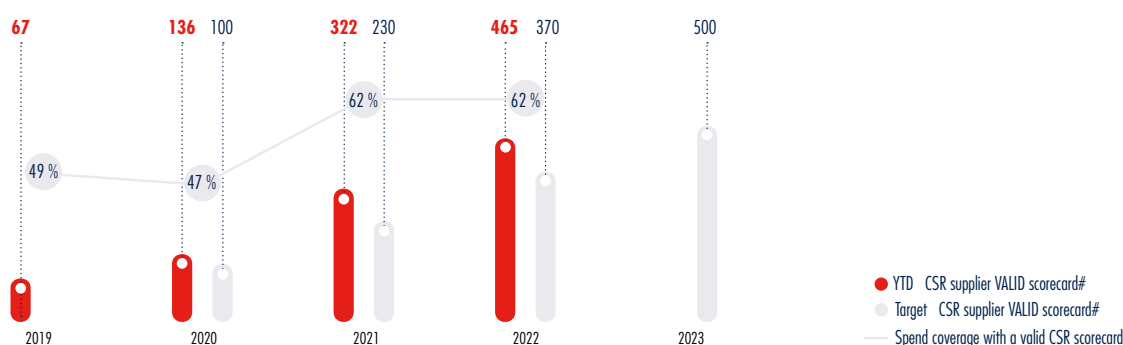
In 2018, Nexans began collecting CSR scorecards, by delegating EcoVadis to convince its suppliers. From 2020, Nexans Purchasers took over the whole process, to be efficient in managing the supplier CSR risk, starting with the most critical ones in terms of CSR risk.

The process covers i) training Nexans purchasers on CSR issues so that they can convince and support suppliers through the CSR assessment, ii) setting up annual targets for each purchaser, iii) implementing monthly reporting, iv) creating guidebooks on "how to do the assessment" to help suppliers, and finally v) supporting suppliers by the Group's Head of Sustainable Purchasing.

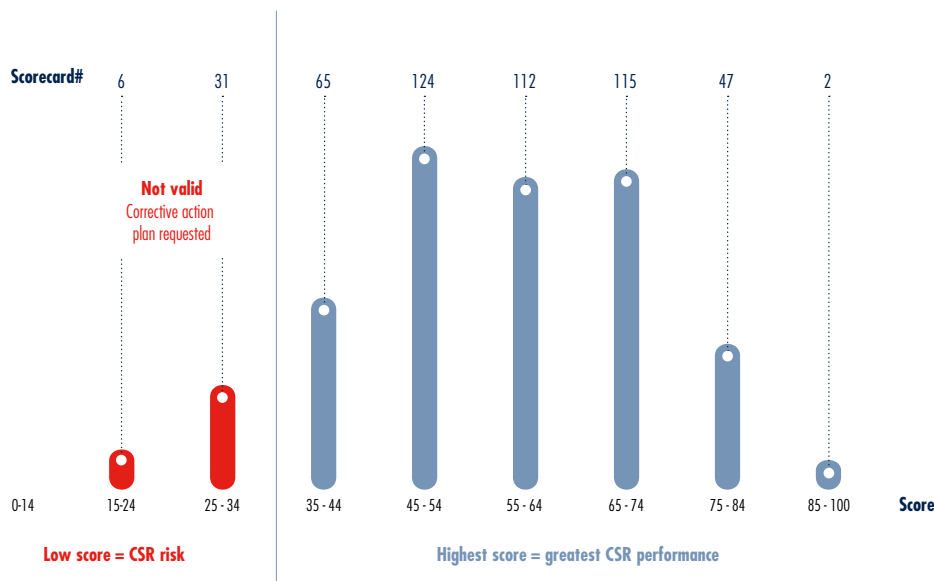
Nexans considers that a score of less than 35% is unacceptable. Suppliers with these scores have six months to devise and implement a corrective action plan and are reviewed at the monthly meeting of the CSR Risk Purchasing Committee, as presented below.

As of the end of 2022, Nexans collected CSR assessments from 465 suppliers (compared to 67 in 2019 and above the 2022 target of 370), with a score of 35/100 or higher and covering 62% of total purchases made in 2022 (compared to 49% in 2019). The average score of these CSR scorecards was 55.8/100 in 2022 (compared to the average EcoVadis score of 44.9/100 for all customers). Additionally, 37 suppliers have also provided their CSR scorecard, but with a score of less than 35/100. A corrective action plan is currently being implemented for these suppliers as described below.

SUPPLIER' CSR SCORECARD: NUMBER & SPEND COVERAGE



SUPPLIER'S CSR SCORECARD SCORE DISTRIBUTION



CHECK ON SITE: ON-SITE CSR AUDIT

Nexans started on-site CSR audits in 2020, conducting 3 CSR audit on the site of three Mica tape suppliers in 2020, as this product has a CSR risk rating of 6, the highest.

CSR Audits are performed by independent, internationally recognized audit firms (Bureau Veritas or Intertek), using the WCA (Working Condition Assessment) or SMETA (Sedex Members Ethical Trade Audit) methodology.

Despite the challenging environment due to the pandemic situation especially in China in 2022, Nexans conducted 14 on-site CSR audits at suppliers classified with a CSR risk rating of 5 or 6, supplying plastic materials, aluminum wires, copper wires and civil works.

These audits revealed major key findings such as: i) hours worked above standard (e.g., between 72 and 91 hours/week), ii) safety (e.g., insufficient number of fire extinguishers or emergency exits), iii) anti-corruption process (no risk assessment, no written policy) and/or iv) responsible sourcing (e.g., no due diligence with their suppliers, no monitoring).

The major key findings trigger a demand for corrective action plans systematically, see the next paragraph. CSR audits will be conducted every year.

DEFINING AND MONITORING CSR CORRECTIVE ACTIONS

Nexans systematically requires a CSR corrective action plan when:

- the supplier's CSR audit reveals one or more key findings; or
- the supplier's CSR scorecard has a score lower than 35.

In 2022, corrective action plans were requested from all the audited suppliers (who get CSR audit key findings). During a follow-up call with the purchaser and the Group's Head of Sustainable Purchasing, each supplier has to present its corrective actions with deadlines and pictures/documents as proof. The aim of Nexans is to support suppliers to improve their CSR performance, whatever their current maturity level, in priority in terms of working conditions for the wellness of the employees.

In 2022, corrective action plans were initiated with the 37 suppliers who had a scorecard's score of less than 35/100. After checking, all the suppliers confirmed that they had answered the CSR questionnaire without providing document as proof (except ISO certificate), which penalized their score. The lack of document is due either to the reluctance of the suppliers to disclose internal, confidential documents. Nexans gets EcoVadis to reassure the suppliers that only EcoVadis can see the suppliers' documents. Or the lack of document is due to the fact that the suppliers have no idea which document to provide as proof. Support is provided by Nexans or EcoVadis to define which action to implement and/or which document to provide as proof.

Thus, one of these suppliers decided to do again the assessment properly (with documents as proof) right away, to get a new scorecard's score reflecting its true CSR performance, going from 33/100 to 48/100 score now. The other suppliers are requested to open a corrective action plan, with deadlines and documents as proof directly on EcoVadis ePlatform.

SPECIAL FOCUS – CONFLICT MINERALS

As Nexans is not listed on any US stock exchange, it is not required to comply with the US Dodd-Frank Wall Street Reform and Consumer Protection Act on conflict minerals coming from conflict areas (Democratic Republic of the Congo and adjoining countries). However, the Group follows OECD guidance on minerals from conflict-affected and high-risk areas. Due to the sale of its German metallurgy business in 2020, the Group buys much smaller volumes of tin ore, but still within the tin ore in wire threshold of 1,500 kg defined by the EU Regulation 2017/821 on conflict minerals.

Nexans takes the rules governing conflict minerals seriously, in line with its CSR commitments, especially to the United Nations Global Compact, and is committed to complying with these rules. Nexans confirms that it will continue to apply its duty of care policy to conflict minerals in the future, notwithstanding the amount purchased, address this issue within its own supply chain, and respond to its customers' inquiries.

Thus, every year, the Group checks with its suppliers that the purchased minerals originate from conflict-free zones and exercises its duty of care until it obtains completed CMRTs (Conflict Minerals Request Templates) from 100% of its relevant suppliers, proving that all its supply sources are conflict-free. Should it transpire that one of its supply sources is not conflict-free, the Group will take all necessary actions to remedy the situation, in line with the Group's Conflict Mineral Policy signed by the Vice President for Purchasing, and the sustainable purchasing policy updated in 2020.

The CMRT is a free and standardized reporting template created by the Responsible Minerals Initiative (RMI). RMI has grown into one of the most utilized and respected resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chains. The CMRT was designed for downstream companies to disclose information about their supply chains up to the smelters. The CMRT facilitates the transfer of information through the supply chain regarding mineral country of origin and SORs (Smelters or Refiners) being utilized and supports compliance with legislation. The CMRT also facilitates the identification of new smelters and refiners to potentially undergo an audit via the RMAP (Responsible Minerals Assurance Process), which is managed by the RMI (Responsible Minerals Initiative).

Regarding the four minerals covered by the applicable regulations (gold, tin, tungsten and tantalum), Nexans only purchases tin for its cables from qualified suppliers. No one-off purchase of minerals from non-qualified suppliers is allowed since the Group's Non-Ferrous Purchasing Department must approve the creation of a new tin supplier account.

In 2022, the Group bought tin ore to manufacture its own tinned copper wires from one supplier. The Group also bought tinned copper wires from 28 suppliers, these tinned copper wires do not fall within the scope of EU Regulation 2017/821 on conflict minerals. Our investigations with all our suppliers have confirmed that supplies come from "conflict-free" sources, as defined by the Dodd-Frank Act. Our investigations also showed that one smelter of one of our tin copper wire suppliers was neither conformant with, nor in the active list of the RMI (Responsible Minerals Initiative). So the Group did its due diligence with the said supplier to make the faulty smelter start the registration process with the RMI or to change smelters for a compliant one. Finally, the said supplier was able to confirm Nexans that a second smelter, conformant with the RMI, was qualified as well as that the first, faulty smelter has started the registration process with the RMI (Responsible Minerals Initiative). Due diligence case closed satisfactorily, in line with the Group's Conflict Mineral Policy, signed by the Executive Vice

President for Purchasing, and the sustainable purchasing policy, updated in 2020.

The Group may also purchase components with electronics that might contain conflict minerals. As per our duty of care, the Group launched a survey with its top 167 suppliers, representing 80% of the yearly spend, to check either the components supplied to Nexans contain any of the conflict minerals. If yes, suppliers were requested to provide their CMRT. So far, 60% of the suppliers confirmed no conflict minerals, 15% confirmed yes containing minerals, however "conflict-free" sources and 24% have not answered yet. The Group will continue its efforts to get 100% of the suppliers' feedbacks and their complete CMRT when eligible. In 2023, the Group will tackle the next wave of 150 suppliers, in order to have the supplier coverage as large as possible. The same due diligence process applies to these components suppliers as the tin suppliers.

Besides the official 4 conflict minerals, the Group also does its due diligence on Mica tape suppliers. Mica is not covered by any regulation. However, Mica is a sensitive minerals because of alleged child labor in some Mica mines.

In 2020, the Group developed its own Mica template, freely inspired from the CMRT (Conflict Minerals Request Template) of the RMI (Responsible Minerals Initiative). Its Mica tape suppliers were requested to fill in this template listing their suppliers' country up to/including the Mica mines. The Group also carried out a CSR audit on site of each of its Mica tape suppliers in 2020 and 2021 (see previous paragraph on CSR audits), except for one supplier who provided a recent CSR audit on site report, based on the SMETA methodology, carried out by another customer.

In 2022 and onwards, the Group decided to use the EMRT (Extended Minerals Request Template) of the RMI (Responsible Minerals Initiative) as the RMI manages also the Mica from now on. The Extended Minerals Reporting Template (EMRT) was formally launched on October 20, 2021 for the first time. The EMRT is a free, standardized reporting template developed by the RMI to identify pinch points and collect due diligence information in the Cobalt and Mica supply chains. The EMRT facilitates the exchange of information through the supply chain regarding mineral country of origin and processors being utilized. In doing so, it supports companies' exercise of due diligence in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. The EMRT also facilitates the identification of refiners and processors. Exceptionally the EMRT was revised five times by the RMI over a year as the RMI starts managing the Mica. From then, the EMRT and the Mica processor list will be up-dated by the RMI once a year (like the CMRT). Therefore, Nexans requested all its Mica tape suppliers to provide their EMRT completed and up-dated twice in 2022. Nexans also requires its suppliers to get their Mica processors start the registration process with the RMI, by end of 2023 when the next EMRT will be released by the RMI.

The Responsible Purchasing policy specifically defines the following four actions to strengthen our vigilance on the conflict minerals suppliers:

- suppliers of conflict minerals must sign the Nexans CSR Charter every year;
- suppliers of "conflict minerals" must provide a CSR scorecard every three years;
- the CSR audit must be conducted on suppliers of conflict minerals as a priority; and
- the CSR Risk Purchasing Committee reviews the suppliers of conflict minerals as a priority.

ADAPTED GOVERNANCE – CSR RISK PURCHASING COMMITTEE

At the end of 2020, the Group set up a CSR Risk Purchasing Committee to review the suppliers who present an identified CSR risk, define corrective measures and monitor these actions. If there is no satisfactory improvement to CSR performance within six months, the Group reserves the right to delist a supplier. The suppliers reviewed during these CSR Risk Purchasing Committee meetings are:

- suppliers who refuse to sign the Nexans CSR Charter;
- suppliers with a CSR risk rating from 3 (low to medium) to 6 (severe) using EcoVadis methodology;

- suppliers who do not show a significant improvement within the agreed timeframe (six months) after a request has been sent to the suppliers for a CSR corrective action plan.

The Committee is composed of the Group's Vice President for Purchasing, Head of Sustainable Purchasing, the Head of Risk and the Compliance Officer. It reports to the CSR Committee every year on the progress of the actions undertaken.

In 2022, 613 suppliers were reviewed, no supplier was delisted for non-compliance.

See also sections 3.4.8. "Duty of care plan" and 2.1.2.5. "Risks related to raw materials and supplies".

3.4.3. Measures to protect employees and consumers' health and safety

Protecting consumers' health and safety is a priority for the Group. See in section 3.2.3.3. "Substitute Hazardous Substances" the Group activities to limit risk associated with hazardous substances.

3.4.3.1. Health and safety

The Group is vigilant about Health and Safety. See in section 3.2.2. the Group's existing procedures and actions.

3.4.3.2. Environmental risks

The Group is exposed to a number of internal and external risks such as those listed in section 3.2.3. "Reducing pollution and other environmental risks". The main risks identified by the Group are described in Chapter 2 "Main risk factors and risk management within the Group".

3.4.4. Data protection & digital trust

3.4.4.1. A cybersecurity ambition

At Nexans, cybersecurity and data protection are integral to Nexans' business strategy and its digital transformation. At all levels of the Group, Nexans is developing a Group-wide cybersecurity culture.

As set forth in Chapter 2, Nexans is building its cyber security culture on 4 pillars:

- *Empowerment*: people in Nexans are placed at the center of its detection and response capabilities. For this purpose, Nexans is constantly communicating on cyber threats to raise awareness of employees and is deploying training programs on cybersecurity and

data protection. In 2022, 3,743 employees benefitted from 1,420 hours of training on cybersecurity and data protection;

- *Protection*: protect key technological assets and among others industrial activities by controlling access to information and their treatments;
- *Response*: respond to any threat and cyber incident as soon as possible to limit the adverse impact on the business and industrial operations. Nexans is constantly monitoring, detecting, responding, and learning from cyber incidents or events;
- *Control*: by checking the effectiveness of operated security tool and controls.

The ambition of Nexans is to reinforce cyber discussions with our customers, suppliers, and partners to improve resilience across the value chain and build trust in our ecosystem. For this purpose, Nexans is partnering with leading companies and experts in the field of cybersecurity.

3.4.4.2. Data protection

As part of its commitment to respect fundamental human rights, Nexans is engaged in the protection of personal data and privacy. As such,

Nexans has in place a Data Protection Policy aligned with the principles set forth in the European Union General Data Protection Regulation ("GDPR") with corresponding processes and controls.

Nexans has established an organization of data protection correspondents in 30 countries which missions are to maintain up to date data protection registers and training to employees and managers.

Nexans has also strengthened its processes, in particular with respect to IT assets privacy assessment processes as well as with respect to data breach management and notification process.

3.4.5. Fighting tax evasion

Nexans has established a policy of managing tax matters responsibly and takes steps to uphold transparency and comply with laws in the countries where it operates.

As such, the Group bases its tax policy on the following principles:

- complying with international tax standards set out by the OECD (Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations) to ensure that its intercompany transactions are in line with the arm's length principle;
- not evading taxes by using complex and opaque corporate structures;

- this means that the Group does not use shell companies or other legal structures that would not be consistent with its operational targets. The Group has no legal entities located in countries singled out as jurisdictions that are not in line with France's tax rules;

- promoting professional and cooperative relations with the tax authorities in countries where the Group operates. The Group complies with its country-by-country tax reporting requirements (CBCR) and regulations on the disclosure of information required by the French tax authorities.

3.4.6. Engagement for communities

As part of the ecosystem, local communities are an important stakeholder of electrification. In 2013, the Group created the Nexans Foundation, devoted to the access of energy for local communities. On top of that, the Group is acting as a responsible company, making sure to participate positively to local communities.

3.4.6.1. The Nexans Foundation: solidarity through electrical power

Nexans created a Foundation in 2013 to act and serve in the general interest of society. The Nexans Foundation aims to:

- support initiatives that help bring electrical power to disadvantaged communities throughout the world by giving priority to grassroots-level organizations and reliable and sustainable solutions;
- support education and training;
- support environmental studies linked with electrification.

THE NEXANS FOUNDATION AND THE UN'S SUSTAINABLE DEVELOPMENT GOALS

This commitment follows on from the call from the United Nations (UN) in 2012 to promote awareness worldwide about energy

poverty and the importance of developing access to energy. In 2015, the UN took this initiative further by including an energy component in its new Sustainable Development Goals (SDGs) – to ensure access to affordable, reliable, sustainable and modern energy for all (SDG 7) – a priority long recommended by the International Energy Agency (IEA)⁽¹⁾, which advocates universal energy access by 2030.

Energy not only provides access to light, it also eradicates extreme poverty (SDG 1), ensures access to education and promotes learning (SDG 4), improves conditions of well-being and of access to health care (SDG 3), empowers women and girls (SDG 5), promotes employment and contributes to economic growth (SDG 8), Make cities and human settlements inclusive, safe, resilient and sustainable (SDG 11), establish sustainable consumption and production patterns (SDG 12), takes urgent action to combat climate change and its impacts (SDG 14), ensure that the environment is sustainable (SDG 13) and preserve and restore terrestrial ecosystems (SDG 15). These are ways of transforming living conditions, economic development and respect for the environment.

Today, the United Nations Development Program (UNDP)⁽²⁾ estimates that one billion people do not have access to electricity, with most of them living in rural areas of the developing world. And over 40% of the world's population, 3 billion people, rely on polluting and unhealthy fuels for cooking.

(1) www.iea.org

(2) www.undp.org

NEXANS FOUNDATION GOVERNANCE

The governance of the Nexans Foundation is organized into two separate bodies: the Project Selection and Review Committee and the Board of Directors.

The Project Selection and Review Committee is made up of employees from different countries and functions and meets every year to review the projects submitted in the annual call for projects.

A short-list of projects is then presented to the Board of Directors' meeting, which is chaired by the Group's CEO and includes six members divided into three groups (founding companies, employee representatives and qualified experts).

In October 2022, the Board of Director decided to:

- renew the five year mandate of Nexans Foundation;
- increase the budget from 300,000 euros to 400,000 euros.

SUPPORTING 67 ORGANIZATIONS AND HELPING OVER 2,220,000 PEOPLE SINCE 2013

With an annual budget of 300,000 euros, the Nexans Foundation has supported 145 projects in 38 countries in partnership with 67 organizations since it was created. These projects have brought, or plan to bring, electrical power to over 2,220,000 people.

Due to the ever growing involvement of the Group's local entities, the Nexans Foundation supports large non-profits that are well known in the area of access to energy such as Electriciens sans frontières, GERES (Group for the Environment, Renewable Energy and Solidarity) and FONDEM (Fondation Energies pour le Monde) for large-scale projects, as well as smaller organizations, such as Shekina, Accesmad, experts solidaires, Techo Chile, Techo Peru, Ecoswell.

It works in all countries, primarily those affected by energy poverty. While most of the Foundation's projects are developed in sub-Saharan Africa (in 19 countries), there are also projects in Morocco, Lebanon, Turkey, Asia (in nine countries), South America (in six countries) and France.

An activity report must be submitted to ensure that the project meets all the necessary requirements to receive financial assistance.

For more information on the Nexans Foundation, please visit www.fondationnexans.com.

3.4.6.2. Regional and social initiatives

On top of Nexans Foundation activities, business units are leading several important initiatives for communities. Various partners are involved: could be global events, universities, youth, donations.

GLOBAL EVENTS

- In September 2022, the Group organizes its third Climate Day during the Climate Week in New York City. This was the opportunity to gather several players around the importance of climate change and the way to limit it, especially thanks to electrifications and renewable energies;
- In May 2022, in Chile for the event *Cobre, el protagonista de la transición energética* (Copper, the enabler of energy

transition), in September 2022, in Canada for the event "Change the current", in November 2022 in Peru for the event *cobre para el mañana* (Copper for tomorrow), the Group organizes such event to show the importance of copper in the energy transition, the risk of scarcity and the importance of decarbonation plans;

- In September 2022, the Group organizes a Supplier Day, gathering main suppliers of the Group, explaining them the Sustainability roadmap of Nexans, and how critical their support is for that.

UNIVERSITIES, R&D AND EDUCATION

As a responsible company, the Group considers it its duty to share this knowledge as much as possible and to promote sustainable and responsible energy consumption with communities, especially with schools, universities, customers or all communities interested in learning more about electricity:

- in 2021 and 2022, the Group sponsored the ship of Fabrice Amedeo (Imoca Nexans), who collected water samples in the last Vendée Globe race. Samples were analysed by the university of Bordeaux, determining the level of cellulose and microplastic within the ocean. This supports the understanding of marine pollution from searchers and university;
- Nexans chose to sponsor Institut Curie, the first French cancer research center founded in 1909 by Marie Curie. Institut Curie is a leader in developing fundamental and applied scientific research in physics, chemistry, biology, radiobiology and medicine, with the aim of putting science at the service of people to help them fight cancer and develop existing or future medical breakthroughs. Institut Curie combines an internationally renowned research center with a state-of-the-art hospital complex that treats patients with all types of cancer, including the rarest forms of the disease;
- the Group has joined The Edison Innovation Foundation to promote Edison legacy, and organize contests in favour of scientific skills, technological innovation and entrepreneurship;
- several business units located in France, Morocco, Côte d'Ivoire, Ghana, Colombia, Peru have dedicated training centers to educate electricians and installers about electrical installations. As an example, the Nour Center in Casablanca, Morocco, was launched in 2022, with a dedicated teacher;
- the Group has a YouTube channel called "What's Watt". The host, Frédéric, is one of the Group's enthusiastic employees. He explains, in a very simple and original way, electrification and the vital role it plays in today's world. In 2022, What's Watt had over 3,700 subscribers, primarily in the 18-34 age range, and each episode averaged more than 7,700 views;
- Nexans is partnering with the Paris Museum of Modern Art to develop an educational tool for one of its iconic frescoes: *La Fée Électricité* by Raoul Dufy. This educational tool is designed to become a scalable content platform, through its dedicated website and a program of themed podcasts. In October 2022, the Group participated to the Science Festival at the Paris Museum of Modern Art with dedicated animation for children.

OTHER CHARITY INITIATIVES ESPECIALLY DURING CRISIS

The Group is also responsive to the various crisis in the world, supporting urgent electrification.

- Nexans France, and humanitarian crisis:
 - in November 2021, to respond even faster to handling humanitarian emergencies, Nexans France, along with ten other leaders from the electricity industry, formed a partnership in with the crisis center of the French Ministry for Europe and Foreign Affairs and Electriciens Sans Frontières. In the event of a humanitarian crisis, Electriciens Sans Frontières intervenes to restore access to energy,
 - Madagascar: after the passage of tropical cyclone "Batsirai", which caused nearly 120,000 people to be affected and numerous material losses Nexans France supported financially a shipment 10 m³ of electrical equipment, to the district of Mananjary, on the east coast of the island, the epicentre of the cyclone, where 90% of the constructions were affected,
 - in March 2022, to support the needs of displaced Ukrainian refugees in Slovakia, Nexans France supported financially a

shipment of equipment to Slovakia, including generators, protection boxes and electrical cables. The equipment was used to meet the daily and essential needs of access to water and electricity for heating and power;

- in addition to the above, there were several important initiatives for Ukraine:
 - Nexans France and its plant of Autun also delivered to Electriciens sans Frontières Distingo cables. The equipment was used to meet the daily and essential needs of access to water and electricity for heating and power of displaced Ukrainian refugees in Slovakia,
 - other units located in Germany, Romania, Czech Republik, Ukraine, Belgium organized funds collection, food & goods donation, first home for refugees. As one subsidiary of Harnesses is located in Ukraine, the Group is very sensitive to the country situation.

The Group's interaction on a regional level is based on fostering close links with local organizations and communities. Through the nature of its business, the Group contributes to local employment and therefore plays a role in regional development.

3.4.7. A policy of dialogue with its employees and stakeholders

The Group has a policy of encouraging frequent high-quality dialogue with its stakeholders. This policy is underpinned by a rigorous and proactive ethical and CSR approach.

The Group focuses on better taking stakeholder expectations into account.

Examples of dialogue with stakeholders

Stakeholder	Type of dialogue	Department
Customers	Regular satisfaction surveys Online publication of environmental data on products Trade fairs and exhibitions Customer events Publication of environmental data on products	Market lines, Marketing, Innovation, Services & Growth, Communications
Shareholders and investors	Quarterly conference calls to present results Investor Day Meetings with investors (roadshows, conferences, etc.) and ESG events Governance roadshow Meetings with all shareholders (AGMs, etc.) Information meetings Universal Registration Document Quarterly shareholder newsletters Response to non-financial rating agencies Response to questions from analysts Individual meetings with analysts List of published press releases	Finance, Communications, Legal, Site Management, Sustainability
Suppliers	Supplier CSR Charter ^(a) Supplier CSR risk map Supplier audits	Purchasing
Employees	Intranet NewsWire, electronic newsletter Annual Engagement Survey Employee forum at European sites Corporate values: Nexans Living Values workshops Safety Day Individual skills development meetings Social dialogue with employee representative bodies	Human Resources, Communications, Site Management
ESG analysts and investors^(b)	Response to rating questionnaires Individual meetings ESG events	ESG, Finance
Technical and Research Centers	Collaborative approach, setting up and participating in competitiveness clusters, R&D programs University chairs and trade associations Partnerships with universities - Taking on apprentices and interns - PEPecopassport® program	Innovation, Services & Growth
Communities, NGOs	Corporate citizenship programs Partnerships with local NGOs Open house days	CSR, Communications, Countries

(a) CSR: Corporate Social Responsibility.

(b) Environment, Social and Governance.

Employees

The Group has made it a priority to improve the engagement rate of its employees (see section 3.2.4. "Employee engagement: Mobilizing for higher performance").

Customers

Customer relations remains a priority CSR ambition.

Meetings with customers continued in 2022, more specifically with customers that had already set CSR commitments. These meetings are organized to present the Group's and the customer's respective CSR policies and find opportunities to create synergies that will enable them to develop, in particular, collaborative projects on low-carbon solutions, ways of improving the supply chain, and commitments to reduce greenhouse gas emissions.

The aim is to take a proactive approach and develop common projects, in which everyone can work towards meeting the targets set, especially for a low-carbon offering, which is one of the key objectives of the Group's Climate roadmap.

Suppliers

As part of its sustainable purchasing policy, the Group has worked with all its suppliers to educate them about key CSR requirements, for instance, by having them sign the new Nexans Supplier CSR Charter and by launching corrective CSR action plans with suppliers that fail to meet CSR performance standards. In September 2022, a Supplier day occurred and was the opportunity to indicate to them the place of sustainability in Nexans strategy, and to engage them on this journey (innovative product with low carbon content, high recycling content, decarbonation proposal on transportation, climate commitments, PEP/EPD...).

One of the objectives of the Group's Purchasing policy is to ensure to work with a base of high-performing and reliable suppliers who can help Nexans achieve its business objectives while at the same time respecting export control requirements and environmental, financial, ethical and social obligations, as well as national and international compliance rules.

The Group strives to develop fair and sustainable relations with its subcontractors and suppliers while taking into account the social and environmental impacts of their activities.

For more information on the sustainable purchasing policy, see 3.4.8. "Duty of care plan" and 3.4.8.1. "Duty of care plan for suppliers").

Non-financial rating agencies

The Group's ESG performance is measured regularly by non-financial rating agencies. Nexans maintains structured relations with analysts and takes their scores into account as part of its continuous improvement policy.

Financial community

The Group maintains regular dialogue with the financial community, particularly with the 13 financial analysts covering Nexans.

In 2022, the Executive Management and Investor Relations team met with over 400 investors during non-deal roadshows, conferences and a number of individual meetings in Europe and North Africa.

These meetings offer the opportunity to talk with investors about the Group's strategy, performance, transformation and sustainability roadmap.

In 2022, for the third year in a row, Nexans has received top-rankings including Capital Goods Small & Midcap Best CEO, Best CFO, Best IR program and Best ESG by investors. These awards demonstrate the Group's ability to be a pioneer in a variety of areas such as ESG, and are a recognition from the financial community.

Sphere of influence

Nexans engages in lobbying in line with the Code of Ethics and Business Conduct. These activities primarily take place through professional organizations of which Group companies are a member. They cover issues relating to cable manufacturing, especially renewable energy and safety, but can also involve policy in technical areas such as governance, labor relations or taxation.

Membership in responsible organizations

Nexans is proud to announce that on July 22, 2021, it joined Copper Mark, an organization that promotes responsible practices and recognizes the contribution of copper industry participants to the United Nations Sustainable Development Goals. This milestone demonstrates Nexans' commitment to promoting responsible copper production practices. Two Nexans plants are currently following the certification process of Copper Mark.

Copper plays a key role in Nexans' production of advanced cabling solutions for power and data transmission and in the transition to being a pure player in electrification through sustainable energy. As the only vertically integrated company in its category, ensuring responsible copper production with Copper Mark members reinforces Nexans' overall commitment to the UN's Sustainable Development Goals.

3.5 Environmental and social indicators CSR concordance tables

Environmental indicators

Change 2022/2021		2022	2021	2019
Sites management				
Number of sites monitored	↗	79	80	82
Number of ISO 14001 certified sites	↗	71	71	65
% of ISO 14001 certified sites	↗	90%	89%	79%
	→			
	↘			
Energy				
Energy purchased (MWh)	↗	1,173,998	1,104,558	1,176,992
Energy intensity (MWh/M€) ^(b)	↘	140	150	181
• o/w grid electricity (MWh)	↘	376,618	392,435	692,029
• o/w renewable electricity (purchased or produced) (MWh)		239,660	211,731	
o/w non renewable electricity produced (MWh)		18,451		
• o/w fuel oil (MWh)	↗	142,313	93,920	48,879
• o/w gas (MWh)	↗	394,175	403,736	434,781
• o/w steam (MWh)	↗	2,781	2,737	1,302
Water				
Water consumption (m ³)	↘	1,766,973	1,702,391	2,159,174
Water intensity (m ³ /M€) ^(b)	↘	211	231	333
Raw materials & consumables				
Copper consumption (tonnes) ^(c)	↗	,	475,000	525,000
Aluminum consumption (tonnes) ^(c)	↘	,	95,000	110,000
Solvent purchased (tonnes)	↗	352	347	448
Waste				
Total waste generated (tonnes) ^(d)	↘	70,736	70,670	105,889
Waste intensity (tonnes/M€) ^(b)	↘	8	10	16
• o/w hazardous wastes (tonnes)	↗	3,382	3,192	4,700
Hazardous wastes intensity (tonnes/M€)	↘	0.40	0.43	0.72
GHG emissions (Scopes 1-2-3)				
GHG emissions Location Based (tonnes CO ₂ eq)	↘	95,161,933	107,889,902	132,396,848
GHG emissions intensity (tonnes/M€) ^(b)	↘	11,371	14,631	19,658
• o/w Scope 1 (tonnes CO ₂ eq.)	↘	122,841	114,566	119,288
• o/w Scope 2 (location based) (tonnes CO ₂ eq.)	↘	136,862	149,467	157,549
• o/w Scope 2 (market based) (tonnes CO ₂ eq.)	↘	101,433	110,098	193,536
• o/w Scope 3 (tonnes CO ₂ eq.)	↘	94,902,230	107,625,869	132,120,011

(a) EHP: Highly Protected Environment – the Group's Internal Environmental label.

(b) Intensity calculations are based on sales at current metal prices.

(c) The tonnes consumed correspond to the tonnes sold to external Group customers during the year.

(d) The 2019 data has been updated following the correction of an erroneous data in 2019.

CO₂ emissions were calculated using GHG Protocol methodology, which categorizes emissions into three Scopes (1, 2 and 3).

Type	Description	Indicators included to date
Scope 1	= Direct emissions from mobile and stationary sources	Energy: natural gas, fuel oil, refrigerant gases
Scope 2	= Indirect emissions from purchased electricity = Indirect emissions from purchased steam/heating/cooling	Energy: electricity, steam, heating and cooling
Scope 3	= Other indirect emissions associated with other stages of the life cycle: manufacturing, transport, end of life	Transportation and distribution, energy, raw material purchases, product use and end-of-life, employee commuting and business travel, purchased goods and waste services

The unit of measurement is tonnes of CO₂ equivalent.

The emission factors used to calculate CO₂ emissions are mainly those recommended by ADEME (the French Environmental Agency)

in its Base Carbone (latest available values). The emission factors for location-based electricity are calculated by the IEA and Carbone 4 consultancy firm, while for market-based electricity, emission factors are calculated by AIB and e-GRID.

Social indicators

NEXANS GROUP

Change 2022/2021		2022	2021	2020	2019
Nexans Group					
TOTAL HEADCOUNT	↗	27,932	25,129	24,248	25,945
Europe	↗	13,661	13,557	12,997	14,142
Asia-Pacific	↗	1,935	1,887	1,843	2,317
North America	↗	3,357	2,842	2,611	3,199
South America	↘	2,263	1,344	1,346	1,372
Middle East, Russia, Africa	↗	6,716	5,499	5,451	4,915
% Female managers (of manager population)	↗	26,7%	24.5%	24%	24%
EMPLOYMENT DATA					
Absenteeism rate	↗	7.4%	7.1%	6.7%	5.5%
SAFETY					
Global workplace accident frequency rate ^(a)	↘	2.31	1.81	1.87	2.7
Global workplace accident severity rate ^(b)	→	0.12	0.15	0.15	0.15
TRAINING					
Total number of training hours ^(c)	↗	530,772	419,275	400,502	523,492

(a) Overall workplace accident frequency rate: total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. Since 2019, this rate has related to internals and interim workers. Beforehand, it integrated internals and externals.

(b) Overall workplace accident severity rate: total number of lost calendar days (due to accidents at work)/total number of hours worked x 1,000. Since 2020, this rate is only available for internals. Beforehand, it integrated internals and externals.

(c) The 2019 data has been updated following the correction of an erroneous data.

CABLE BUSINESS

Change 2022/2021		2022	2021	2020	2019
Cable business					
HEADCOUNT CABLE BUSINESS	↗	14366	13,483	13,612	15,454
% Female overall employees	→	17%	17%	17%	16%
% Female managers (of manager population)	↗	27%	25%	24%	24%
Average age (years)	→	44.1	44.1	44.3	44.2
Average length of service (years)	↗	12.8	12.6	12.7	12.5
% Temporary employees	↗	7.6%	6.7%	7.0%	7.3%
Disabled employees ^(a)	↗	294	291	297	378
Employment data					
Natural departures	↗	(1,553)	(1,410)	(1,433)	(1,605)
Restructuring	↘	(86)	(273)	(744)	(309)
New hires	↗	1,604	1,593	1,011	1,418
Impact of changes in Group structure	↗	911	0	(623)	0
Mobility (net variation)	↘	3	6	8	1
Employee turnover rate ^(b)	↗	10.7	10.1%	9.8%	10.4%
Overtime rate ^(c)	↗	5.9%	1.4%	4.8%	5.5%
Part-time contracts	↗	236	247	245	341
% Fixed-term contracts	↘	5.9%	6.6%	5.5%	5.8%
Absenteeism rate	↗	5.8%	5.3%	5.6%	5.0%
Safety					
Global workplace accident frequency rate ^(d)	↗	3.85	3.21	2.94	4.06
Global workplace accident severity rate ^(e)	↘	0.22	0.28	0.25	0.26
Training					
Total number of training hours ^(f)	↗	186,060	166,997	135,887	210,625

(a) This figure does not take into account countries where this information is not disclosed due to local regulations. The number of disabled employees in the cable business in 2021 was 273 instead of 291.

(b) Employee turnover rate: number of departures (resignations, contract expirations, individual terminations, death) excluding departures due to retirement, restructuring, business disposals and employee mobility transfers/average headcount x 100. For the Harnesses business, it should be noted that turnover is inherent in the very agile business model of this activity, which generates numerous hires.

(c) Overtime rate: number of overtime hours worked/total number of hours worked. The overtime rate in 2021 was 4.9%

(d) Overall workplace accident frequency rate: total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. Since 2019, this rate has related to internals and interim workers. Beforehand, it integrated internals and externals.

(e) Overall workplace accident severity rate: total number of lost calendar days (due to accidents at work)/total number of hours worked x 1,000. Since 2019, this rate is only available for internals. Beforehand it integrated internals and externals.

(f) The 2019 data has been updated following the correction of an erroneous data.

AUTO-HARNESSES BUSINESS

Change 2022/2021		2022	2021	2020	2019
Auto-harnesses business					
HEADCOUNT HARNESSES BUSINESS	↗	13,566	11,646	10,636	10,491
Europe	↗	5,669	5,558	4,864	5,098
Asia-Pacific	↗	412	286	192	509
North America	↗	2,345	1,882	1,748	1,694
Middle East, Russia, Africa	↗	5,140	3,920	3,832	3,190
% Female overall employees	→	62%	62%	60%	60%
% Female managers (of manager population)	↗	22%	21%	23%	21%
Average age (years)	→	35.2	35.2	34.6	34.8
Average length of service (years)	↗	5.1	5.3	5.2	5.0
Employment data					
Natural departures	↗	(4,525)	(3,262)	(2,937)	(4,808)
Restructuring	↘	(13)	(66)	(310)	(150)
New hires	↗	6,463	4,339	3,394	4,369
Impact of changes in Group structure	→	0	0	0	0
Mobility (net variation)	↘	0	-1	0	-1
Employee turnover rate ^(a)	↗	35.1	28.2%	28.0%	43.9%
Absenteeism rate	↘	9.1%	10.0%	8.3%	6.2%
Safety					
Global workplace accident frequency rate ^(b)	↗	0.45	0.10	0.34	0.74
Global workplace accident severity rate ^(c)	↗	0.01	0.00	0.01	0.01
TRAINING					
Total number of training hours ^(d)	↗	344,712	252,278	264,615	312,867

(a) Employee turnover rate: number of departures (resignations, contract expirations, individual terminations, death) excluding departures due to retirement, restructuring, business disposals and employee mobility transfers/average headcount x 100.

(b) Overall workplace accident frequency rate: total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. Since 2019, this rate has related to internals and interim workers. Beforehand, it integrated internals and externals.

(c) Overall workplace accident severity rate: total number of lost calendar days (due to accidents at work)/total number of hours worked x 1,000. Since 2019, this rate is only available for internals. Beforehand, it integrated internals and externals.

(d) The 2019 data has been updated following the correction of an erroneous data.

CSR concordance tables

The CSR concordance tables are available in section 8.5.

These tables include the following components:

- concordances between Articles R.225-104 *et seq.* of the French Commercial Code and the GRI-G4 indicators;
- concordances with the principles of the Global Compact;
- concordances with the TCFD guidelines;
- the Sustainability Accounting Standard (SASB) concordance table.

3.6 Data compilation methodology for CSR indicators

3.6.1. Data compilation methodology for environmental indicators

The environmental indicators are presented in section 3.5 “Environmental and social indicators – CSR concordance tables”.

The Group’s environmental data is tracked, analyzed and consolidated by the Group Operations Department.

The information disclosed in section 3.3 “The environment: a responsible and sustainable approach” above is based on environmental data collected annually, by entity, through an internal data collection system (EMP – Environmental Management Plan), as well as discussions with teams during site visits and internal audits.

If an error is brought to the attention of the person in charge of the Group’s environmental reporting process, only he or she can make the necessary changes.

If an indicator has already been officially published (Management Report), it will not be amended after the fact in subsequent publications (comparison table). However, a footnote will be added for the indicator showing the change and the reason for it.

Scope – The scope of consolidation for the environmental data covers all of the Group’s manufacturing sites (78 sites) along with four non industrial sites in France, such as the Sales Office France based in Lyon, the logistics platform in Nanterre, the research center in Lyon and the Group’s head office. This scope includes companies that are over 50%-held by the Company, either directly or indirectly. Sites acquired in year Y are included in the scope of environmental

reporting in year Y+1. Administrative and logistics sites are not included in the scope of consolidation as their environmental impact is not significant. Where information is provided on resource consumption per tonne of cable produced, the scope is limited to the Group’s cable entities (excluding harnesses, accessories and metallurgy), corresponding to 47 sites.

Referential – The indicators referred to are based on the Group’s standard definitions set out in the Group Environmental Manual.

Definitions of key indicators used:

- **energy consumption** – Fuel oil consumption corresponds to purchases made during the year rather than actual consumption;
- **raw materials** – Solvents consumption corresponds to purchases made during the year rather than actual consumption;
- **waste production** – Waste sent by one Nexans production site to another Nexans site – whether for recycling or not – is counted as waste. Waste is counted as such once it leaves the site where it was generated, except for the Lens site in France, whose waste generated from wire drawing activities is transferred for reuse in casting operations;
- **controls** – Consistency controls are performed by entities when data is entered and by the Group at the end of the data collection process. Any inconsistency in data is discussed with the entities concerned, and corrected as necessary.

3.6.2. Data compilation methodology for social indicators

Scope

The consolidation scope of social data covers companies directly and indirectly owned by the Group in accordance with financial consolidation rules.

Acquisitions: in 2022, Nexans acquired a Colombian group owning subsidiaries in Colombia, Ecuador and Peru, and counting for a total of 970 employees.

- Cobres de Colombia SAS (Colombia);
- Centelsa - Cables de Energia Y De Telecomunicaciones S A (Colombia);
- Alcatek - Alambres Y Cables Tecnicos S A - (Colombia);
- CEDETEC SA (Ecuador);
- Cobrecon (Peru).

Cobrecon (Peru) became in 2022 an entire Nexans entity, thus counting 100% of the entity’s data in 2022 compared to 48.36% proration in 2021.

Indicators selection

Social indicators are selected on the basis of their impact and risks associated with the activities they measure.

To measure its human resources policy and social commitments, Nexans uses a combination of 3 main levels of social indicators:

- the French law requirements including the ones specified in the French Commercial Code Articles R.225-104 and R.225-105;
- the GRI standards;
- specific indicators reflecting Nexans internal policies in terms of employee engagement and human rights.

Nexans Business Units and Entities can use their own additional indicators based on their local and specific challenges.

Indicators consolidation and controls

Nexans social information is tracked, analysed and consolidated by the Corporate Human Resources Department (HRIS Department) as follows:

Quantitative information: workforce-related information is captured, every quarterly, from each entity using Nexans HR Reporting System. The information is a combination of manual input and automatic imports from the Nexans HR Master System. Data are checked and submitted by the entities themselves thanks to the automatic controls in the Reporting System and Business Intelligence System.

Data imported from the HR Master System go through thorough controls before they arrive in the Reporting System. The HR Master System sends on a weekly basis automatized consistency checks to

every entity with a description of the discrepancy and the actions to take to fix it.

The HRIS Department consolidates data captured in the HR Reporting System across the whole scope and carries out data consistency checks in details at Group level, including consistencies within and with previous periods, data crossing with HR Master System (internal workforce) and Industrial System (Data on health and safety are analysed jointly with the Industrial Management Department).

If an error is detected on a particular indicator that has already been officially published (Management Report), it is not amended after the fact in subsequent publications (comparison table). However, an explanation is added in the footnote together with the correction of the figure.

Qualitative information: qualitative human resources information is captured annually at country level, through a questionnaire sent to each country. The Cable workstream and the Harnesses workstream produce their own country reports. The HRIS Department compiles the information at Group level. Discussions may take place on the information provided in these questionnaires in order to obtain further details and to fine-tune snapshot analyses of the Group's HR situation.

Reporting Materials: materials such as Group guidelines, indicator definitions, reporting processes and timelines are updated regularly and can be accessed and downloaded by the HR contributors from a shared network.

User access: user access list is updated in the Reporting System prior to each quarterly campaign and leavers lose access automatically at termination date. Access to the HR Master System though is inherited from the employee position allowing a live update of the employee scope.

Definitions of HR indicators:

- **Headcount:** include employees who have a direct employment contract with Nexans (permanent or fixed-term contracts, people on work placements, and employees whose employment contracts have been suspended). Are excluded from the headcounts: internships and external workforce (Temporary Workers, Outsourcing, Volunteers for International Experience, etc.);
- **Absenteeism rate:** number of absence hours to theoretical workable hours ratio. Absences include illness, work accidents, commuting accidents, maternity/paternity leaves, strike, non-authorized absence and approved unpaid leave of absence;
- **Workplace accident frequency and severity rates:**
 - **Frequency Rate:** number of accidents divided by the actual hours worked and multiplied by 1,000,000. The Frequency Rate takes into account fatal accidents when they occur.
Nexans tracks two frequency rates:
 - the Frequency Rate with lost time (Workplace accidents with more than 24 hours of lost time),
 - the Frequency Rate with and without lost time.
 The Frequency Rate includes both Internal workforce and Temporary Workers. Outsourced personnel accidents are tracked separately and are excluded from the Frequency Rate (working hours are unavailable in some countries);
 - **Severity Rate:** number of calendar days lost because of work accidents divided by the actual hours worked and multiplied by 1,000.
The Severity Rate includes only Internal workforce. Absence days of Temporary Workers and Outsourcing (are unavailable in most countries);
 - **Training hours:** include training hours during both working time and outside working time as long as Nexans contributes partially or entirely to their cost;
 - **Turnover rate:** number of natural departures (excluding internal mobility, restructuring, changes in scope and Non-permanent to Permanent contracts) divided by average headcounts.

A number of calculation formulae are provided below the table on HR indicators provided in section 3.5 "Environmental and social indicators – CSR concordance tables".

3.6.3. Data compilation methodology for societal data

The data set out above was compiled as follows: ethics data was compiled by the Internal Audit Department, anti-corruption data by the Legal Department, and the other data by the departments concerned (Communications Department, Human Resources Department, Technical Department).

The Group's subcontractor data is tracked, analyzed and consolidated by the Purchasing Department. The share of subcontracting corresponds to the amount of product purchases in relation to the total annual amount of external purchases, and is also calculated in relation to the total amount of sales.

As regards the supplier CSR assessment process via the EcoVadis platform or equivalents, the Group Purchasing Department

consolidates them. The proportion of suppliers with a CSR performances evaluation (EcoVadis questionnaire or equivalents) corresponds to the annual amount of purchases with these suppliers, compared to the total annual amount of external purchases. Only internal Group purchases are excluded.

Beforehand, internal purchases and copper and aluminum purchases were excluded.

Under Article R.225-105-2 of the French Commercial Code, organizations must report on the issues of food insecurity, respect for animal welfare, and responsible, fair and sustainable food. These issues are not monitored as the Group is not directly concerned by them.

3.7 Report by one of the Statutory Auditors on the verification of the consolidated non-financial statement included on a voluntary basis in the Group management report

For the year ended December 31, 2022

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our capacity as Statutory Auditor, member of Mazars Group and accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated extra-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Statement") for the financial year ended December 31, 2022 (hereinafter respectively the "Information" and the "Statement"), presented in the management report of the group in application of the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" and the evidence we collected, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement.

Restrictions due to the preparation of the Information

As mentioned in the Statement, the Information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the Statement.

The entity's responsibility

The Board of Directors is responsible for:

- selecting or setting appropriate criteria for the preparation of the Information;
- preparing the Statement with reference to legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and also, the Information required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- and implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or error.

Responsibility of the Statutory Auditor

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of Information (observed or extrapolated) provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

As it is our responsibility to express an independent conclusion on the Information prepared by management, we are not authorized to be involved in the preparation of such Information, as this could compromise our independence.

This is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the Information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and the fight against corruption and tax evasion);
- the truthfulness of the Information provided for in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and the professional doctrine of the French National Association of Auditors.

Means and resources

Our work was carried out by a team of 8 people between October 2022 and February 2023 and for 7 weeks.

We conducted interviews with the people responsible for the preparation of the Statement, representing the CSR, Environment and Human Resources departments.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.

We estimate that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, when appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the Information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the

Information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;

- we verified that the Statement presents the business model and a description of principal risks associated with the entity's activity all the consolidated entities' activities, including when relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and;
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix; concerning certain risks (compliance, responsible purchasing, conflict minerals, business ethics, environmental regulations), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities;
- We verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 20% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We are convinced that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

La CNCC considère que la traduction n'est pas signée, dans la mesure où il s'agit d'une traduction libre en anglais du rapport original établi en français. En effet, la signature est le graphisme par lequel une personne s'identifie dans un acte et par lequel elle exprime son approbation du contenu du document. En outre, l'apposition d'une signature sur un rapport lui confère la qualité d'être un original. Or, au cas particulier, l'original est représenté par la version française du rapport.

Appendix: Information considered as most significant and selected entities tested in detail

The qualitative information (actions and results) that we considered to be the most important is that relating to the main risks:

- Environmental contamination;
- Environmental regulation;
- Biodiversity;
- Talent development and retention;
- Workplace safety;
- Working conditions;
- Conflict minerals;
- Compliance;
- Investment Socially Responsible;
- Human rights;
- Duty of care.

The key performance indicators and other quantitative results that we considered the most important:

Themes	Audited Indicators	Entities / Departments audited
HUMAN	Headcount at 31/12	- Germany: DE01-Nexans Deutschland GmbH DE09-Nexans Logistik GmbH DE31-Nexans Industrial Solutions GmbH DE32-Nexans Advanced Networking Solutions GmbH - South Korea: KR01-Nexans Korea Ltd. KR02-Nexans Daeyoung Ltd. KR03-Kukdong Electric Wire Co. Ltd. - Turkey: TR01-Nexans Türkiye Endüstri Ve Ticaret A.Ş. - Mexique: AUTO Mexico - Norway: NO01-Nexans Norway AS - Greece: GR01-Nexans Hellas i.s.a
	Rate of female managers	
	Frequency rate of accidents at work (with and without lost time)	
	Severity rate of accidents at work	
	Turnover rate	
	External recruitment	
	Training hours	
	Absenteeism rate (including sickness absence)	

Themes	Audited Indicators	Entities / Departments audited
ENVIRONMENT	Share of waste recycled	- Autun (France) - Noyelles (France) - Denizli (Turkey) - Montreal (Canada) - Battipaglia (Italy) - Mesaieed (Qatar) - Halden (Norway) - Nahr Ibrahim (Lebanon)
	Energy consumption	
	Water consumption	
	Quantity of solvents purchased	
	Reduction of GHG emissions (n vs n-1)	Corporate Industrial Management Groupe Direction Digital Direction
	Share of Nexans cable drums worldwide that are recyclable and connected to digital platforms	
	Share of industrial sites certified with ISO 14001	
		Environment Direction
	Share of industrial sites with a minor or moderate risk level (chemical substances)	
	Share of renewable or decarbonized energy	
ECOSYSTEM	Amount allocated by the Nexans Foundation	
		CSR Direction Legal Direction
	Share of managers and executives with CSR criteria in their annual performance objectives	
	Employee engagement index	
	Revenues generated by products and services contributing to energy transition and efficiency	
	Share of managers who have completed the Compliance Week training course	
	Number of the Group's main suppliers and suppliers "at CSR risk", with a valid CSR assessment $\geq 35\%$ delivered by EcoVadis	Purchasing Direction

APPENDIX 1: Information considered as most significant and selected entities tested in detail

Key performance indicators and other quantitative information (action and results) that have been considered as most important topics are those related to the main risks:

- Responsible purchasing and Conflict minerals;
- Workplace safety;
- Talent Development and Retention;
- Climate;
- Environmental pollution;
- Compliance.

The key performance indicators and other quantitative results that we considered the most important: *

Themes	Audited indicators	Entities/Departments audited
HUMAN	Headcount at 31/12	Auto Mexico (Harnesses)
	Rate of female managers	Nexans Deutschland GmbH
		Nexans Logistik GmbH
	Frequency rate of accidents at work	Nexans Industrial Solutions GmbH
	Severity rate of accidents at work	Nexans Advanced Networking Solutions GmbH
		Nexans Hellas i.s.a
	Turnover rate	Nexans Korea Ltd.
	External recruitment	Nexans Daeyoung Ltd.
		Kukdong Electric Wire Co. Ltd.
Environment	Training hours	Nexans Norway AS
	Absenteeism rate (including sickness absence)	Nexans Türkiye Endüstri Ve Ticaret A.Ş.
	Share of waste recycled	Elouges (Belgium)
		Noyelles (France)
	Energy consumption	Erembodegem (Belgium)
		Charleroi (Belgium)
	Water consumption	Rio (Brazil)
		Lamia (Greece – electricity only)
		Lima (Peru – electricity only)
ECOSYSTEM	Quantity of solvents purchased	Nahr Ibrahim (Lebanon – fuel only)
		Montreal (Canada – water only)
	Reduction of GHG emissions (n vs n-1)	Corporate Industrial Department
	Share of Nexans cable drums worldwide that are recyclable and connected to digital platforms	Digital Department
	Share of renewable or decarbonized energy	Environmental Department
	Amount allocated by the Nexans Foundation	
	Employee engagement index	CSR Group Department
		Legal Department
	Percentage of managers who have completed the Compliance Week training course	
ECOSYSTEM	Number of the Group's main suppliers and suppliers "at CSR risk", with a valid CSR assessment ≥35% delivered by EcoVadis	Purchasing Department

APPENDIX 2

EU TAXONOMY TURNOVER TABLE - ELIGIBILITY AND ALIGNMENT [2022, KEUR]

[illegible]

EU TAXONOMY CAPEX TABLE - ELIGIBILITY AND ALIGNMENT [2022, KEUR]

Economic activities	Codes	Absolute CapEx	Proportion of total CapEx	Substantial contribution criteria										DNSH criteria (Does Not Significantly Harm)				Taxonomy-aligned				Category (transitional activity)
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystem	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystem	Minimum safeguards	proportion of turnover					
																	%	%	%	%	%	
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1. Environmentally sustainable activities (taxonomy-aligned)																						
Manufacture of renewable energy technologies	3.1	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	0%	n.a.	E		
Manufacture of energy efficiency equipment for buildings	3.5	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	0%	n.a.	E		
Manufacture of other low carbon technologies	3.6	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	0%	n.a.	E		
Transmission and distribution of electricity	4.9	98,738	38%	38%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	38%	n.a.	E		
Other environmental CapEx		2,630	1%	1%	0%	0%	0%	0%	0%	0%	0%							1%	n.a.			
CapEx of Environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		101,368	39%	39%	0%	0%	0%	0%	0%	0%	0%							39%	n.a.			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)																						
Manufacture of renewable energy technologies	3.1	1,094	0%																			
Manufacture of energy efficiency equipment for buildings	3.5	1,652	1%																			
Manufacture of other low carbon technologies	3.6	28,898	11%																			
Transmission and distribution of electricity	4.9	3,666	1%																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		35,310	14%															0%	n.a.			
TOTAL (A.1 + A.2)		136,678	53%															39%	n.a.			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
CapEx of Taxonomy-non-eligible activities (B)		122,373	47%																			
TOTAL (A + B)		259,051	100%																			

A. TAXONOMY-ELIGIBLE ACTIVITIES

