Universal registration document 2023

Including the integrated report and the financial report

Nexans

ELECTRIFY THE FUTURE

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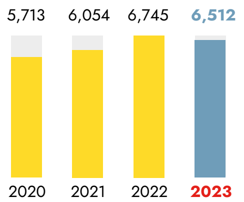
The sections of the Annual Financial Report are identified in the contents with the |AFR| pictogram

Financial and Extra-Financial Performance

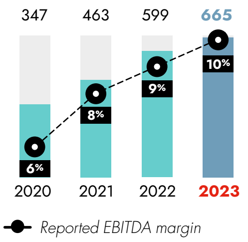
KEY FINANCIAL FIGURES

Standard sales[1]
(in billion of euros)

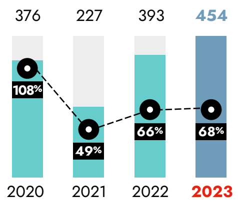


(1) Standard copper price of €5,000/ton

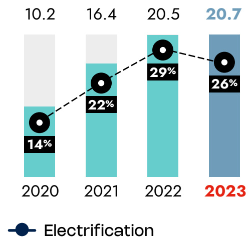
Reported EBITDA (in millions of euros and as a % of standard sales)



Normalized FCF generation
(in millions of euros)



ROCE (in %)



75%
of sales generated by products and services that contribute to energy efficiency

-36%
Reduction in Scopes 1, 2 and 3 GHG emissions

49%
of electricity from renewable sources

S&P Global
2023
BB+

NON-FINANCIAL KEY FIGURES IN 2023

CDP	A
ecovadis	Top 1%
SUSTAINALYTICS	19.8
MSCI	A
ISS ESG	B-

SBTi validation of Nexans' 2030 climate commitments:

-46%
reduction in Scopes 1 and 2 GHG emissions

-30%
reduction in Scope 3 GHG emissions

AMF — Autorité des marchés financiers

The Universal Registration Document was filed on March 25, 2024 with the AMF, in its capacity as competent authority under EU Regulation 2017/1129, without prior approval, in accordance with Article 9 of said Regulation. The Universal Registration Document may be used for the purpose of a public offer of financial securities or the admission of financial securities to trading on a regulated market only if supplemented by a transaction note and, if applicable, a summary and all amendments to the Universal Registration Document. The group of documents then formed is approved by the AMF in accordance with Regulation (UE) 2017/1129.

Joint Interview

Jean Mouton
Chairman of the Board of Directors

Christopher Guérin
Chief Executive Officer

Where does Nexans Group stand today? How would you sum up 2023?

Jean Mouton The Group is right where it belongs, among the main global players in the sustainable electrification of the world. Nexans has established itself as a leader with a key role to play in the energy transition.

This central position was not achieved by chance. It is the result of the commitment shown by our workforce in addressing the biggest challenge of our age, combined with a mode of corporate governance that I would describe as both robust and efficient. All shareholders are aligned in pursuit of a strategy decided with all parties; everyone is making a contribution to the collective goal.

Christopher Guérin I would say that Nexans reached maturity in 2023. We are reaping the full benefits of the strategy initiated in 2018 and expanded in 2021.

By refocusing on what we do best, i.e. the activities and services relating to sustainable electrification of the world, we have been able to center our entire organization on the offering generating the highest added value. By adopting a systemic approach, we have further amplified the positive effects of this shift, which is following its natural course with the sale of our telecoms business and the acquisition of REKA Cables.

From a commercial standpoint too, deploying a simplified offering to create more value is a decision that has met with real success. It is no coincidence that Nexans won several major flagship contracts in 2023, including the frame agreement with TenneT and the Great Sea Interconnector (formerly EuroAsia).

Reflecting its good overall health, the Group is currently building its third cable-laying vessel. The high level of investment required by a project of this type reflects a healthy situation.

All these robust indicators are meaningful in that they have a direct impact on our financial performance, opening up new scope for investment.

What was the Group's strategy in 2023 to address current market challenges?

CG We are living in a permanent and global state of crisis. Rather than a series of isolated crises, we are faced with an accumulation, spilling over in a protean and multi-faceted mass, in health, finance, business, geopolitics, the climate and other areas.

As a result of this instability, big companies are facing what we might describe as a double bind. Profit versus rationalization, abundance versus scarcity, the need to generate margins in an age of inflation, the quest for meaning in a world that has lost its bearings – the list is endless.

Faced with two seemingly irreconcilable requirements, Nexans has invented and deployed a method that is able to take advantage of this situation, turning rationalization into a driver of performance and profitability, through the E3 model.

By breaking down the silos between business requirements, environmental obligations and the essential engagement of our workforce, we are able to adopt a holistic approach, giving us more room for maneuver and significantly increasing available cash flow, by focusing on the creation of value rather than volume.

EBITDA has risen by 69% since 2019, a trend continued in 2023. Over the same period, our carbon footprint fell by 36%. Effectively linking financial, environmental and social performance, our performance model comes into its own in a world of constraints and challenges.
Our business model is not about systematically increasing volumes. Our aim is to strike a fine balance between three components (economy, environment, engagement), and this is becoming Nexans' trademark in the global capital goods market.

JM I'd like to come back to the question of Group governance, which I see as an essential component in our success. Naturally, for a company to thrive, the executive needs to build a robust, structured long-term strategy tailored to its markets. Going by our results, we appear to be on the right path in this respect.

Nevertheless, we also need to remember that no strategy can be effective unless corporate governance is fully aligned.

And if we consider effective deployment to be important for success, then from this standpoint too, we are on track. Together, we have shown the determination to push through on the promise made in 2021: "simplify to amplify". We have simplified operations at all levels of the Group. Governance is a natural part of this, with frequent and transparent communication between all levels. I see all these successes as the result of effective and systemic management.

How are you approaching the issues of sustainability, energy efficiency and environmental impact in your business sector, and what role will Nexans play in the positive transformation of the industry over the next few years?

CG More than ever, our role in the energy transition and in climate change remains central to our purpose.

We cannot continue to take more than the global ecosystem can give, year after year. Electrification is the basis of our DNA, but it can be both virtuous and vicious, if we fail to show caution. We are fully aware of our role in this respect. We have a responsibility to present and future generations to deliver electrification that is sustainable and – wherever possible – carbon neutral.

For the first time in human history, clean, decarbonized and abundant electricity will be required everywhere, at the same time, all over the world, regardless of latitude or hemisphere.

This mass electrification will lead to an unprecedented surge in demand for raw materials, particularly copper and aluminum, which mines and metallurgical plants are unable to supply. We will therefore need to find alternative solutions over the next two decades to make up for depleting resources. Planning ahead, we have decided to keep our metallurgy business, which gives us special mining extraction rights. At the same time, we are launching a major plan to promote the circular economy and recycling. Our ambition is to recycle 30% of our cables by 2030.

As copper is the easiest non-ferrous metal to recycle (over 90%), we are confident of achieving our aim. Through our involvement in waste collection and recycling, we are anticipating a major trend whereby the waste of today becomes the markets of tomorrow.

To this end, we are not focusing solely on recycling or the circular economy, we are also looking at our production system with Industry 4.0 and seeking to make the entire supply chain virtuous in terms of its carbon footprint. We can already see results, since we have reduced our carbon footprint by more than 30% since 2019.

Last, we believe that our role is to group, engage and inspire all the players involved in the energy transition. This is the thinking behind Nexans Climate Day, an event held first in Paris, followed by Stockholm and New York. This year, it will be held for the first time on the African continent in Morocco, a driving force behind the decarbonization of electricity on this great continent where Nexans has been investing for many decades.

JM At Nexans, our approach to the energy transition and to ESG in general, is not confined solely to operational aspects.

As part of our systemic approach, we wanted to make sure that these issues were also addressed in their own right by the Board of Directors.

For this reason, we have appointed a director specifically for this key program. He has a broad remit extending well beyond a director's natural duty of oversight. His role is also to become directly involved, to monitor and inspire, building on his long experience in these areas, particularly in relation to circularity. He is fully aligned with the policy deployed in this area, allowing us to pool our forces in order to accelerate deployment and increase impact.

Nexans recently gained official recognition for this specific commitment and approach, becoming a member of Aluminium Forward in 2023.

We are also improving our sustainability ratings. The not-for-profit environmental ratings agency CDP has raised our score from A- to A, and our EcoVadis rating has also risen by two points to 80/100.

What are the main strategic initiatives and priorities identified by Nexans for 2024?

JM As I have already explained on numerous occasions, the Group's Board of Directors is fully aligned with the strategic plan presented by the executive in 2021.

We are more than aligned with strategy. We are stakeholders and, as such, we have a role to play in the success of an outstandingly ambitious project. According to some, it was too ambitious, but we have clearly demonstrated its relevance and effectiveness.

Few specialists expected us to be where we are today, and we are proud to say that we are regularly ahead of our own roadmap.

In 2024, alongside its regulatory role, the main task of our Board of Directors will naturally be to provide strong and dynamic support for Executive Management in the implementation of the strategic plan.

CG The Group is facing another pivotal year in 2024. As Jean Mouton just said, we have deployed the strategic roadmap outlined in 2018 and detailed by our CMD in 2021.

In the last quarter of 2024, we will be sharing the strategic plan and roadmap to be followed by the Group over the next five years. This will be a key event for all employees, managers and directors. It will explain and declare what we are, where we are going, how, and at what pace.

I can say now that there will be no revolution or change of course. We will continue to focus on sustainable electrification of the world, making rationalization a driver of performance and profits as part of a simplified approach, and deploying our E3 systemic model more widely than before.

The world is changing but, after several difficult years, Nexans is back on the road to confident and robust performance, and the results are there to see.

We have regained our leading position. Once again, we are building our appeal in the eyes of customers, motivating our workforce, inspiring confidence in analysts and investors, and claiming our position as a driving force in the industry.

Nexans is back, and the best is yet to come.

A Leading Group

and Global Player in Sustainable Electrification

THE COMPANY AT A GLANCE

A **global** electrification leader providing advanced cable solutions and services

Headquartered in **Paris**, France

Global **sales** presence

120+ years of operation

Present in **41** countries

60+ plants

TALENT NETWORK

28,500 employees committed to have a positive impact on society

14,000 in core electrification business

105 nationalities

Typical profile
40 years old
average age

9 years
average tenure

64.4%
frontline workers

Gender profile
27% women
in management positions

TRANSPARENCY AWARDS 2023

In 2023, Nexans has been named to Labrador's list of top 20 most transparent companies in France.

THE GLOBAL COMPACT
NOUS SOUTENONS LE PACTE MONDIAL

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

Cables. And much beyond

For more than 120 years, Nexans has played a central role in providing electrification to the planet. Helping bringing energy to all continents, serving the common good.
As a leader in the design and manufacturing of cable systems and services, Nexans empowers its partners with an offer that spans the entire electrification journey, through unwavering expertise, turnkey projects, intelligent management systems and comprehensive offers.
From the expansive realms of offshore wind farms to the intimacy of domestic spaces, the Group provides distinctive solutions and simplifies the life of its customers at every stage of their venture.

For a new world of electrification

Nexans is determined to lead the way towards an all-electric future. We are now facing new challenges associated with global warming, and electrification is a crucial element for achieving the world's net zero ambition.
While demand for electricity is increasing globally, sustainable energy solutions and grid modernization are leading the energy transition. Nexans, as a key provider of critical elements for electrification, is ready to become a pure player in sustainable electricity and a driver of the energy revolution that is underway.

Nexans makes the difference

Becoming a pure player in global electrification: this is what Nexans strive for.
The Group is refocusing its activities through the whole value chain of electrification, from energy production to its consumption, to transmission and distribution.
Building on its strategy of growth in value rather than volume, Nexans focuses on its premium offerings, seeking to continuously improve its high-value-added solutions.
By placing its powerful E3 performance model, which intrinsically links Economy, Environment and Engagement, at the heart of the Group's management, the Group instills a mindset and define how it wants to electrify the world.
Nexans' success rests upon the collective energy and the fervent dedication of 28,500 employees present in 41 countries, driven by a desire to have a positive impact on what future will be.

What Makes Nexans Unique

1

The Nexans' disruptive E3 Model

Nexans implemented its innovative E3 performance model to drive environmental performance, employee engagement and economic results on the same level.

Find out more about E3 page 20 of the 2023 Integrated Report.

2

A strategic focus on electrification

Nexans has been refocusing its activities on the supply of cables and associated services across the electrification value chain, from energy production to transmission, distribution, and consumption, to become an electrification pure player. This is all the Company's expertise, all its heritage. They are thus strongly focused on a single ambition.

3

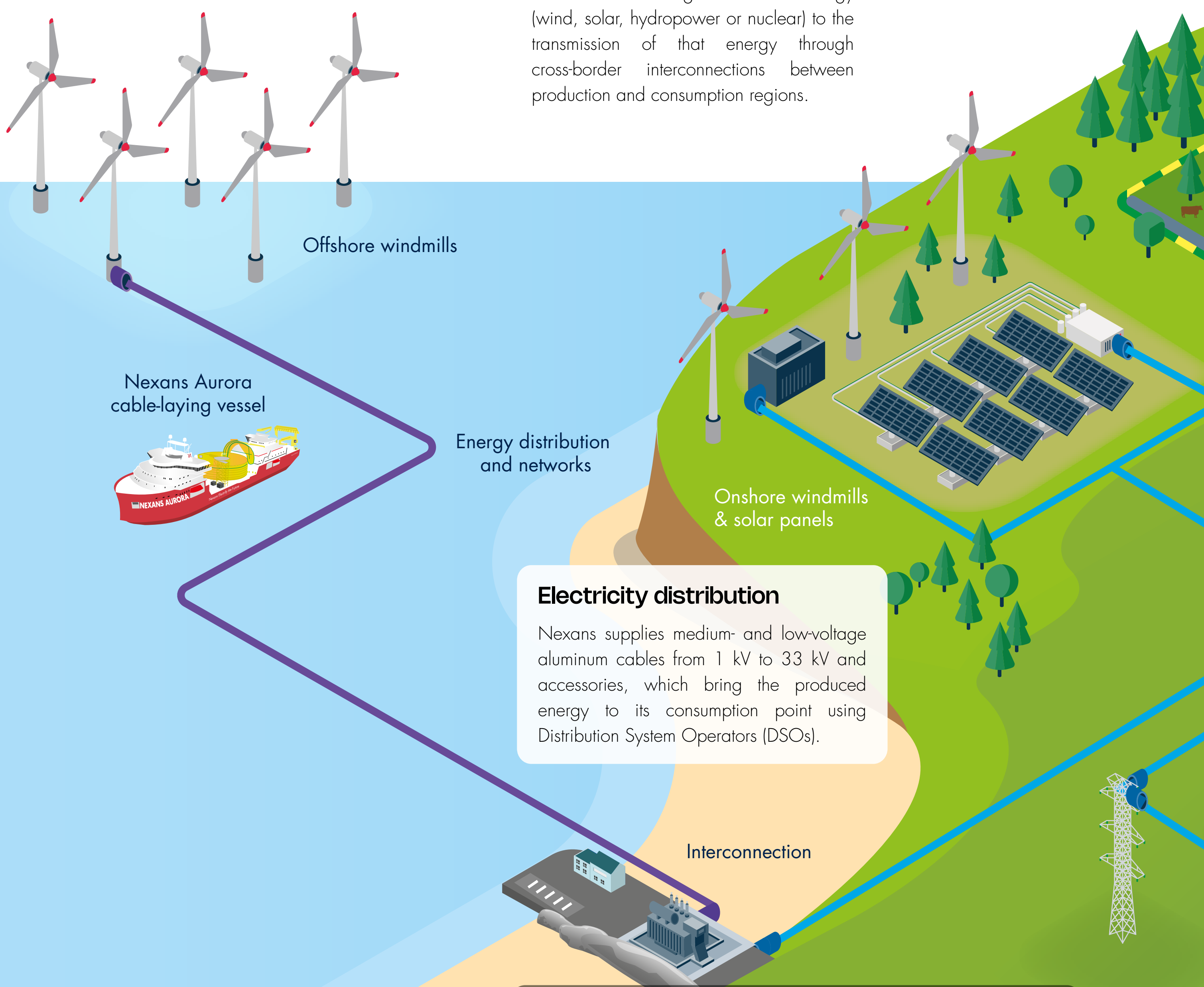
Premiumization

Nexans strives to continuously improve high value-added solutions that transcend cables. The Group provides expertise, turnkey projects, intelligent cable management systems, and an overall comprehensive offer in electrification systems.

Everyday Electrification **by Nexans**

Generation & Transmission

Nexans provides high voltage cables and services from the generation of energy (wind, solar, hydropower or nuclear) to the transmission of that energy through cross-border interconnections between production and consumption regions.



Electricity distribution

Nexans supplies medium- and low-voltage aluminum cables from 1 kV to 33 kV and accessories, which bring the produced energy to its consumption point using Distribution System Operators (DSOs).

Metallurgy / Recycling

Nexans is the world's leading vertically integrated manufacturer of cables, offering it direct access to the copper cathodes of mines located mainly in Chile, Peru, Europe and Canada. The Group uses an increasing volume of recycled copper in its production process. It also offers a complete recycling solution via RecyCâbles, a joint venture between Nexans and Suez since 2008.

Legend

- Low voltage power cables and wires
- Medium voltage
- Land-based high voltage
- Submarine high voltage

Usage

Nexans designs, manufactures and distributes low-voltage cables (<1kV) and related accessories for electrical systems connecting the terminated point of the energy distribution network to the end user's power outlet. This market sector is intended for the use of electricity in the residential, industrial and tertiary sector buildings (including data centers and hospitals), and infrastructures (including electric mobility) end markets.

Industry & Solutions

Nexans offers innovative cable and connectivity solutions that support original equipment manufacturers (OEMs) and engineering, procurement and construction contractors (EPC) in all their energy, data transmission and automation needs. The Group also provides logistics services and services in five sub-segments: Auto-harnesses - Transportation - Industry - Renewables - Resources.

POSITIONED TO SEIZE **MEGATRENDS** AND LEAD THE **ENERGY TRANSITION**

In a world of permacrisis...

In the past, world events were usually linear. Humans faced crises that succeeded one another, and that could usually be tackled one by one.

Today, the world faces several crises all at once which tend to be multi-faceted, deep-rooted, more intense, with global impact, and seemingly permanent. Some of the recent worldwide crises have revolved around climate, a pandemic, inflation, the scarcity of raw materials and skills, the shortage of components, geopolitical instability, and wars. Leaders find themselves navigating crises that pile up, one on top of the next.

In this context, here are the megatrends for Nexans' markets.

3 megatrends in electrification

Nexans has assessed its operating environment and strategic focus to define the trends that pose risks to its business, and that also provide the most significant opportunities for profitable development.

#1 Climate change

Climate change has already generated widespread, serious, and sometimes irreversible negative impacts on our Planet.

With the Paris Agreement, most of the world's countries agreed to limit warming to well below 2°C above pre-industrial temperatures, with efforts to limit global warming to 1.5°C. This begs the question: what do companies do to ensure that they decarbonize their activities and products?

More than just adapting its activities accordingly, Nexans has a paramount role to play in a world faced with global warming. As a leader in electrification, the Group is paving the way to a new world of safe, sustainable and decarbonized electricity accessible to everyone.

#2 Unprecedented needs for electrification

Electricity currently accounts for 20% of energy worldwide. However, it is expected to grow to 30% by 2030 and by an unprecedented 50% by 2050*.

As the world decarbonizes its sources of energy, electrification – and particularly renewable sources of electricity – becomes an increasing and exceedingly important factor in the energy equation.

To meet implicit energy capacity requirements expected by mid-century, the world will need to create new energy sources equivalent to the entire U.S. and European electricity generation and transmission capacity in existence today!

#3 Scarcity of raw materials

The forecast scarcity of raw materials is shaping economic landscapes and sustainability considerations. With increasing demand for finite resources, such as for metals, nations and companies face a sensitive balance between supply and demand. Climate change impacts further resource availability, adding urgency to the quest of sustainable alternatives.

Recycling isn't new to Nexans. The Group began scrap recycling at its plants over 35 years ago. Thanks to its recycling solutions, the Group recovers all types of aluminum and copper cables at the end of their life.

Thus, Nexans is the world's leading vertically integrated manufacturer of cables, meaning it is self-sufficient in copper units for its cable production needs.

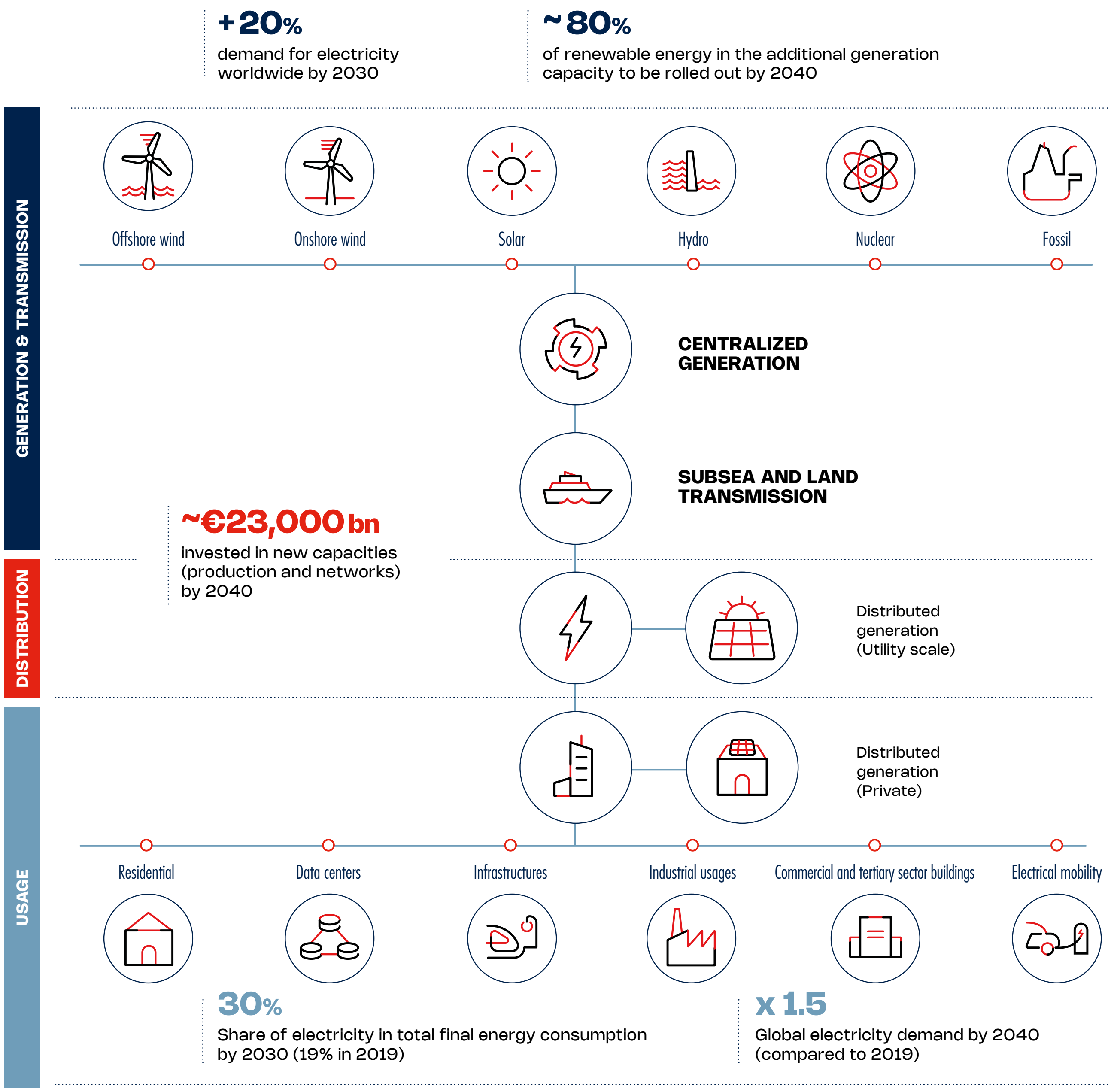
See the "Circular Economy" subsection of the 2023 Universal Registration Document (Chapter 3) for more information on Nexans' recycling activities.

* *Source: World Energy Outlook 2019 Roland Berger*

A Strategy

in Tune with the Electrification Industry's Challenges and Opportunities

What is **Electrification?**



Source: World Energy Outlook 2019 Roland Berger

Refocusing on Electrification: Analysis of a Success

In a strategic leap forward, Nexans unveiled its strategic plan for 2021–2024, signaling a resolute commitment to refocus on its core electrification business.

Cash generation over the three years of the plan (before mergers and acquisitions)

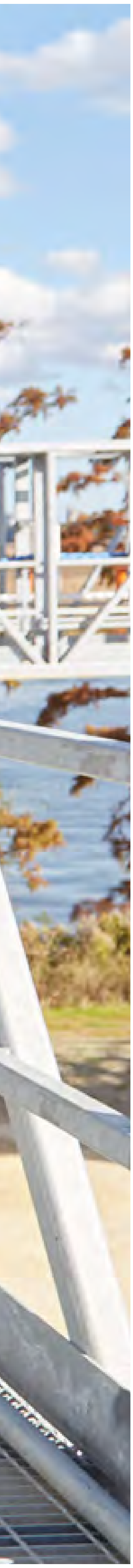
(in millions of euros)

€500 to 600m

2022-2024

€280-330m

2019-2021



This strategic move comes on the heels of the 2018 strategic roadmap, solidifying Nexans' ambition to evolve into a company propelled by unprecedented profitability and cash generation.

In the latest strategic blueprint, Nexans declares a return to its roots, realigning itself with the core electrification business.

This bold decision is underpinned by the Company's unwavering dedication to leveraging its unparalleled expertise, that has been supported for 120 years by the people who have shaped the Group's know-how. Nexans aims to ride the wave of significant growth projected in the electrification sector, set to expand at an impressive CAGR of nearly 5%+. Anticipating a remarkable surge, the cable sector is poised to reach an estimated value of 156 billion euros by 2030, mirroring the unstoppable momentum of the ongoing energy transition.

In 2023...

1 Cession

This translates into the cession of non-core businesses: the Group completed the sales of Telecommunications & Data business in the third quarter of 2023.

1 Selective acquisition in electrification

REKA Cables (Finland): specializing in the manufacture of low- and medium- voltage cables, REKA Cables is one of the leaders of the Finnish market with a strong position across the Nordic countries.

Nexans also benefited of full year impact of the acquisition of **Centelsa** (Colombia). Located in Cali, the company is a manufacturer of high-end cables, specializing in electricity Distribution and Usage applications, and serving Latin America's largest markets. Nexans and Centelsa share a culture that emphasizes premium customer service and experience.

Nexans' strategy,

built on four sectors, touches on every aspect of electrification:

- **Generation:** offshore wind turbines, solar power plants, and other sources of renewable energy
- **Transmission:** interconnecting countries
- **Distribution:** including the modernization of infrastructure to support the future demand for electricity
- **Usage:** public and industrial infrastructure, critical buildings (hospitals, data centers), etc

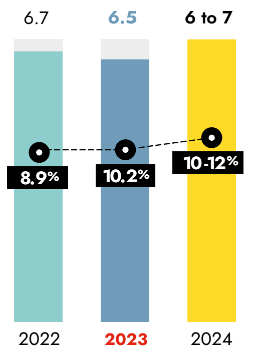
The financial objectives of Nexans' strategic plan, to be achieved at year-end 2024, are:

IN FIGURES

SALES AT STANDARD METAL PRICES

Group scope

(in billion of euros)

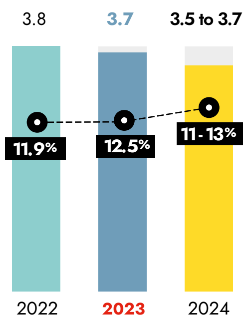


----- *Reported EBITDA % of sales*

SALES AT STANDARD METAL PRICES

Existing Electrification scope (organic, including strategic CAPEX)

(in billion of euros)



CONTRIBUTING TO NET-ZERO BY 2050

Reduction of

46%

in absolute value of Scopes 1 and 2 greenhouse gas emissions by 2030

Reduction of

30%

in absolute value of Scope 3 greenhouse gaz emissions by 2030

Simplify to Amplify

The reconfiguration and simplification of Nexans' portfolio allowed the Group to amplify its impact in electrification markets, to round out its offer, to scale up its value proposition and strengthen its position worldwide.

The Group's Transformation Platform: Growing the Value of Nexans' Businesses

SHIFT PERFORMANCE:

- An analytical framework with 20 transformational levers to conduct deep analyses of profit drivers of the businesses in the Group's portfolio, and to eliminate complexity

SHIFT PRIME:

- Focuses on Customers and Innovation and accelerates initiatives that enable the premiumization of Nexans' offer through value-creating innovation
- Remains as close as possible to the uses of Nexans' customers
- Has been rolled out in 17 countries over the course of 2023
- Powered by the creation of Design Labs and the implementation of life cycle management of Nexans' offerings, from innovation to launch

Through SHIFT Prime, Nexans is developing a new recurring revenue model, focusing on the growth of its connected objects – available to customers through subscriptions to Nexans' solutions – driven by constant innovation and the launch of new value-added products, services and solutions.

AMPLIFY:

- A program for the dedication of R&D and innovation resources to the electrification segments to fully fulfill current and future customer needs across the sector's value chain
- Supported by a resourceful network of partners, who bring differentiated know-how and assets to Nexans' value propositions

NEXANS' INTERNET OF THINGS

540,000+ connected users

37,000+ connected devices

A portfolio from 17,000... to 4,000 customers

Simplify to Amplify isn't only a philosophy to Nexans' activities, it transformed the company's portfolio as well. It ensured it shift from being a commodity to a valuable service and solutions provider.

New Large-Scale Contracts for **Generation & Transmission**

Several new contracts were signed for the transmission of renewable energy, propelling Nexans' order book to record levels in this business line.

THE GREAT SEA INTERCONNECTOR PROJECT:

In July 2023, Nexans was awarded a major turnkey contract valued at €1.43 billion for the section of the Great Sea Interconnector that joins Greece to Cyprus.
The 525 kV high voltage direct current (HVDC) cable will be the world's longest and deepest, running under the Mediterranean Sea at depths of more than 3,000 meters.

TENNET FRAME-AGREEMENT:

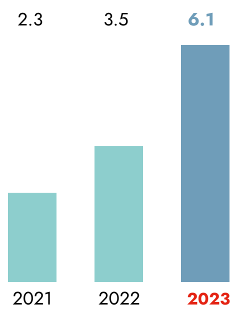
In May 2023, Nexans was awarded a frame agreement by the transmission system operator for the Netherlands and parts of Germany for turnkey HVDC projects entailing offshore wind farms. The initial value is €1.7 billion, with major subcontracted works to be added once the project-specific call-offs are signed. Under this frame, Nexans will be responsible for three grid projects, connecting the future offshore wind farms BalWin 3, LanWin 4, and LanWin 2 in the German North Sea to the mainland.

SSEN TRANSMISSION (Scotland):

In November 2023, Nexans signed an agreement with Scottish SSEN Transmission to supply and install around 100 kilometers of 220 kV high-voltage cables, both onshore and offshore, to connect the Orkney Islands to the Scottish mainland. Renewable energy production from the Orkney Islands could help decarbonize the UK's electricity production.

IN FIGURES

EVOLUTION ADJUSTED BACKLOG GENERATION & TRANSMISSION
On December 31
(in billion of euros)



Empowering Future: Strategic Investments in Nexans' Electrification Transformation

+2 extrusion lines…

…in Halden's plant (Norway) for the production of subsea HVDC cables to support the Group's electricity generation and transmission business.

1 new Medium Voltage Plant…

…in Morocco. Nexans and several Moroccan government entities including the Ministry of Industry and Trade; Ministry of Energy Transition and Sustainable Development; Ministry of Investment, Convergence and Evaluation of Public Policies; National Office of Electricity and Drinking Water; and Moroccan Investment and Export Development Agency, signed two agreements to build the company's third plant for medium-voltage cables in Morocco by 2026, in addition to its facilities in Casablanca and Mohammedia. This project strengthens Nexans' commitment to the energy transition in Morocco and across Africa, and is expected to create 200+ jobs.

3rd cable-laying vessel…

…added to Nexans' fleet. This expansion in the offshore wind and interconnection market will enable the Group to meet the growing demand for electrification, especially in the American and European markets and is in line with the company's commitment to the Environment.

€40m investment…

…in Autun's plant (France) over three years, starting in 2023. With this site, a hub of global innovation, sustainable development and social commitment, the Group seeks to accelerate automation and digitalization as a showcase for the company's transformation. This will make the Autun plant an essential European benchmark in fire safety technology.

NEXANS' NEW VESSEL AT A GLANCE

Launch: 2026

Upgrade from the Nexans Aurora (design & comfort)

3 turntables

13,500T loading capacity

Can lay up to 4 cables at once

Ideal for large-scale projects with specific customer requirements

Advanced hybrid power system and biodiesel capabilities

The 2 Powerful Levers Behind the Strategy

#1 Capitalizing on Vertical Integration

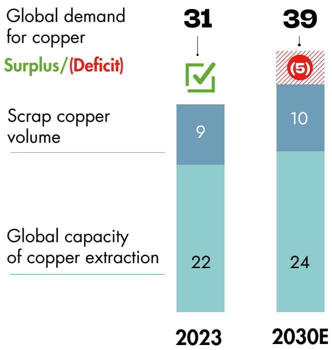
Nexans has made the strategic decision to be vertically integrated and to operate from a position of copper self-sufficiency across its value chain. Nexans' capabilities span metallurgy through to the recycling of cables. By addressing vertical integration, Nexans places the scarcity of raw materials at the center of the Group's strategic priorities and risk management.

Nexans:

- Is the **world's leading vertically integrated** manufacturer of cables, meaning it is self-sufficient in copper units for its cable production needs.
- Pioneers by avoiding the impact from the **scarcity of one of its primary raw materials**, and turning the anticipated growth in demand for copper into a strength.
- Processes copper cathode and scrap at **4 metallurgical plants** (4 rodmills including 1 JV) whose proximity to cathode manufacturers and geographic configuration ensure a reliable and constant supply pattern.

Addressing the anticipated global scarcity of copper

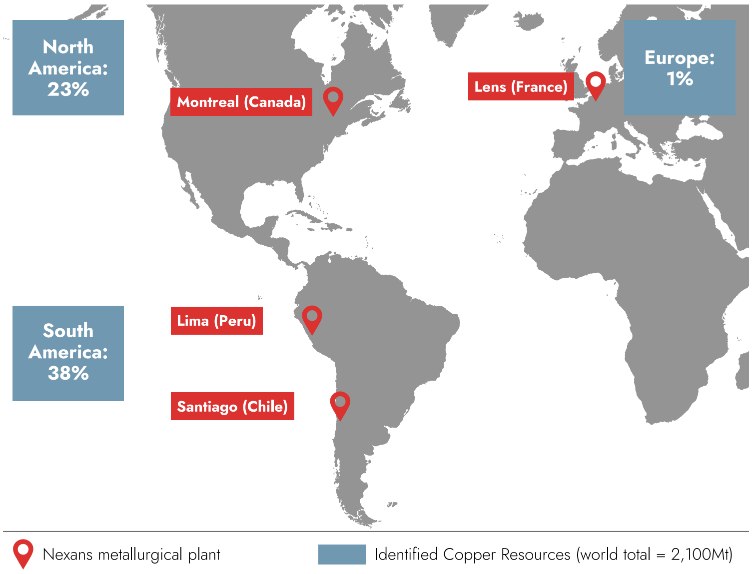
7-YEAR OUTLOOK FOR COPPER DEMAND AND SUPPLY
(in million of metric tons)



Source: Analyst reports and Nexans research

Electrical wire and cable can contain up to 70% copper.
It represents a crucial raw material for producers in the electrical cable industry.

Nexans' metallurgical plant locations versus identified regional copper resources



Nexans' vertically integrated metallurgical organization is made up of four copper rod mills located in Europe and the Americas. Nexans purchases cathode directly from upstream mining companies. The cathode are then transformed into copper rod for the production of cables.

NEXANS' METALLURGICAL CAPACITY

420,000
metric tons of wire rods produced per year

Additionnal
170,000
metric tons of excess capacity

Securing Success: Key Framework Agreements for Copper Cathode Supply in Place

- **In Europe:** early 2023, the Group signed a long-term evergreen contract with KGHM, a producer based in Poland, for the supply of copper cathode, spanning the years 2023 to 2027. The contract outlines the delivery of 22 to 28 thousand tons of cathode per year. KGHM's cathode are deemed to be of the highest quality and are produced within a framework of environmental responsibility. The cathode provided by KGHM will be processed at Nexans' rod mill facility in Lens, France.
- **In Latin America:** in 2022, Nexans signed a long-term evergreen contract with Chilean copper cathode producer Codelco for the supply of environmentally responsible, community-friendly, ethically sourced, and fully traceable copper cathode.

Nexans Awarded the Copper Mark™ for Responsible Copper Production

The Group became one of the first cable manufacturers and rod mill operators to receive this label in North America and Europe: Nexans' metallurgy facilities in Montreal (Canada) and Lens (France) obtained the Copper Mark™ in August 2023, thanks the dedication of 272 collaborators working in the Lens and Montreal sites.

The Group is building momentum to seek to obtain the Copper Mark™ for its two other rod mill facilities in Peru and Chile.

Transparency, Supply Chain Ethics and Circularity

The ability to select and to choose its copper cathode enables three main ethical and environmental advantages:

#1 TRANSPARENCY:

Nexans knows the precise origin of the copper it processes, whether cathode or scrap.

#2 SUPPLY CHAIN ETHICS:

Each of Nexans' suppliers has signed the Group's CSR charter.

#3 CIRCULAR ECONOMY:

Nexans is able to recover metal scrap for recycling.

Nexans maximizes and increasingly incorporates a significant portion of recycled copper into its upstream process. Copper taken from the dismantling of old electrical networks, or "scrap" from Nexans' customers, is used to supply the Group's plants.

RecyCâbles — an unprecedented joint venture with Suez to recover and recycle end-of-life cables

In 2008, Nexans and Suez formed the joint venture RecyCâbles as a complete cable recycling solution. Since its inception, it has become a European leader for cable recycling and recovery. RecyCâbles handles all types cables across their lifecycle, from collection and recovery of cables at the end of their useful life, to cabling production scrap. The cutting-edge processes used result in 99.9% pure copper granules.

MATERIAL RECYCLED BY RECYCÂBLES

(Per year)

Cables processed

36,000 tons

Metal granule recovered

18,000 tons

Plastic recovered

13,000 tons

#2 Innovation as a Differentiating Factor

Nexans is committed to developing and maintaining a portfolio of cutting-edge products and solutions, in partnership with a solid ecosystem of electrification sector operators. Nexans' offer provides the highest level of service and innovation, an absolute differentiating factor in the Group's markets.

Leading the energy transition

Innovation at Nexans is crafted to perfectly address the monumental challenge of the massive growth of demand for electricity and fashioned to lead the energy transition: in 2030, electricity is expected to represent 30% of all energy sources.

Expanding Nexans' offer of low-carbon products and services

The Group's innovation strategy is built on the conviction of the key role it plays in the energy transition. Nexans' innovative products and solutions are placed at the service of low-carbon electrification across the globe.
The Group innovates through design-thinking and prioritizes the usages of its customers as they decarbonize and address the limitations of aging infrastructure.

KEY FIGURES

€80m to €100m
budget per year

+800 **engineers, researchers and experts**

60
new inventions
protected under first patent applications in 2023 across all regions

2,000
patents portfolio
Nexans is the top patent applicant in its industry

NEXANS HAS STRUCTURED ITS INNOVATION STRATEGY ON FOUR PILLARS:

1 EFFICIENT SUPPLY AND TRANSMISSION OF DECARBONIZED ELECTRICITY (wind, solar and nuclear sources)

The Group has developed products to address its customers' expanding needs:

- **Adding "electricity highways"** to ensure transmission and distribution of additional electricity by adding cables to existing networks
- **High performance isolators and large cables** to enable increased voltage and to ensure greater resistance to avoid short circuits
- **Superconductor technology** to distribute a maximum amount of electricity to densely-populated urban areas, without electricity losses

2 RELIABILITY OF ELECTRIC NETWORKS

The Group has developed a suite of digital and artificial intelligence (AI) solutions to monitor aging transmission and distribution networks. Nexans' **digital solutions** enable measuring and increasing electricity flow through cables (helping to avoid blackouts), and information to minimize electrical fires

3 AFFORDABILITY

Nexans has a total cost of ownership (TCO) mindset in the development of its cabling systems and solutions

- **Nexans engineers total solutions** that ensure value over the life of electricity-generating or transmitting assets, not just at purchase or installation
- The Group engineers cables to **save time at installation**, rendering the process more efficient for the entire value chain

4 SUSTAINABILITY

- **Carbon footprint:** Nexans' cables and solutions produce less electricity loss, lower emissions, and a lower Scope 3 impact
- **Circular economy:** Nexans is active in recovering and recycling copper and other materials
- **Substances:** Nexans assesses which products contain substances of concern and develops substitution solutions

Developing a personalized and premium offer to drive value growth

Nexans' innovation:

- Has objectives that are in line with the Company's strategy to **prioritize value growth** and to develop premium solutions
- Transcends manufacturing and **spans the domain of service provision**. To achieve optimal state-of-the art solutions, Nexans uses digitalization, AI and IoT tools
- Addresses the **risks inherent in growing electrification**, such as the increased risk of fire outbreaks, through its **FireSafety** solution
- Focuses on **digitalization**, with products developed for optimized logistics, transforming a cable from a product to a service, and for security. The Group is also working on artificial intelligence-driven solutions at the service of efficiency.

Nexans launched the first low-carbon power grid cable offering in France

In May 2023, Nexans launched a new range of low-carbon distribution grid cables, the first on the French market. By adopting a holistic approach all along the value chain and throughout the cable life cycle, the Group succeeded in reducing the greenhouse gas emissions of its low-and medium-voltage cables from 35% to 50%, depending on the product. Nexans' AmpaCity Innovation Center in Lyon, France, embodies the Group's commitment to dedicate all research to sustainable electrification. AmpaCity brings together and leverages Nexans' entire innovation ecosystem.

Find out more about AmpaCity on Nexans' website (www.nexans.com).

Flagship Innovative Products: Focus on Value-Added Solutions

Safe Products

Today, a fire linked to an electrical failure occurs every two minutes in Europe, for a 330 billion euros economic impact.

Nexans tackles this essential issue and revolutionizes the safety of buildings and residential infrastructure with a breakthrough product: the FireSafety Solution.

The increase of fire risks are inherent in growing electrification. FireSafety consists of new electrical cables that are more fire efficient and more resistant than was previously possible and that remain functional when exposed to more than 1,000°C. FireSafety cables continue to supply electricity to safety devices such as alarms, fire doors, and safety lighting during a fire.

Connected Products and IoT

Nexans ULTRACKER is a suite of four primary solutions for supply chain management that leverages the Internet of Things (IoT), artificial intelligence (AI), and cloud services. Proprietary software, developed with Microsoft Azure, it enables continuous monitoring throughout the entire supply chain with access to live updates of their cable delivery status, drums geolocation, and anti-theft alarms, providing customers with real-time detailed information on their products. The efficiencies enabled by the use of the ULTRACKER solution drive operating working capital optimization and a better customer experience.

Smart Packaging

With its new MOBIWAY range of cable packaging solutions, MOBIWAY MOB and MOBIWAY UNREEL, Nexans offers electrical installers the opportunity to facilitate their transport, unwinding and installation work. There are dedicated offers to transport and unwind each specific type of cable more efficiently. The MOBIWAY range enables installers to work with ease and safety, thus saving them up to half of the installation time.

CSR

Corporate Social Responsibility at Nexans:

Empowered by the E3 Business Performance Model

E3: Nexans' Unprecedented Home-Grown Management Model

CSR brings significant value to the Group's strategic position, improves financial performance, and meets the increasing demands of its stakeholders. It is the very essence of how Nexans chooses to operate.

This is where E3, Nexans' groundbreaking performance model, comes into play.

Entailing a paradigm shift: this is the proposition of E3, the innovative performance management model developed by the Group. We are now entering a world in permacrisis, in other words, an era where crises are piling up.

Nexans has become a pioneer in translating the CSR imperatives into this disruptive operational model.

Under no circumstances can ecological performance be separated from economic results. No more than employee well-being.

These facets of the Group's activity complement and strengthen one another. They build resilience and competitive advantage into Nexans and allow managers to make their decision on the three elements in a systemic and coherent way.

In this context, sobriety becomes the engine of Nexans' profitability.

E3 is based on a simple principle: all Nexans' sites are now managed according to three following pillars, in equal measure:

E3 started to be developed in 2021 and was deployed across Nexans in 2022. Its implementation accelerated in 2023 with the first E3 scoring for all sites.

Nexans is in the process of embedding E3 as the unifying thread that runs throughout the Group and brings together its sites and people toward this objective.

Learning from Nexans' best performers

After a statistical analysis of the Group's units one by one on the three parameters, the conclusion was clear: those with the best economic performance were in 85% of cases virtuous on the climate part (CO_2 emissions, recycling, multimodal transport…). Even more striking, they also obtained strong results on the social part (safety, rate of training and feminization of management).

This is where the E3 best practices come from:

Principles of E3

#1
Operate in **inter-connected** process through a **holistic** approach
End **silos** and management paradoxes

#2
Place environmental, economical & employee engagement considerations on a **balanced footing**

#3
Simplification of operations and offer & diminution of **complexity** cost

#4
Focus on **value creation** and **profitability** rather than volume growth

E3 Model: **Engagement**

Employee Engagement, the Heartbeat of the Company

Employee Engagement is paramount to Nexans' success.

Nexans has developed an engagement approach that brings together the many elements of managing an engaged talent community.

Nexans People Strategy's three core pillars: Culture, Talent and Business Impact

#1 Our Identity

Culture

- Purpose, values and behaviors
- Safety & Well-being
- Engagement
- E3 leadership
- Inclusion and Diversity

#2 Our Capabilities

Talent

- Talent acquisition
- Onboarding
- Learning and Development
- Succession planning
- Workforce planning
- Employee retention

#3 Our Performance

Impact

- Performance management
- Compensation & Benefits
- Organization effectiveness

Culture is key

A collective endeavor and a shared sense of purpose:
Pionneers, Dedicated and **United** are the three core values that drive Nexans' people.

Learning and Development at the service of Nexans' People Strategy

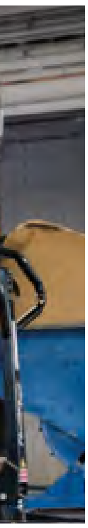
The Group proposes a number of activities and programs (recognition ceremonies, well-being programs, continuous learning…) fostering the E3 approach among employees.

A "learn it all" culture underpins the training philosophy at Nexans, defined by a lifelong learning mindset that promotes personal and professional growth.

FIVE DIMENSIONS OF EMPLOYEE ENGAGEMENT

The Engagement component of E3 is stimulated by Nexans' 5 Dimensions of Employee Engagement.

1 **Culture & Purpose**	Purpose and mission of the Company, the values, commitment to creating an environment of respect, professionalism, diversity, and inclusion in the workplace
2 **Work environment**	Workplace safety, the physical environment at work, and ensuring employees have the right tools to do their jobs
3 **Compensation and Benefits**	Compensation (salary, bonuses, long-term incentives) and social benefits (health insurance, savings plans, pension program…)
4 **Professional and personal development**	Learning opportunities, training, career advancement programs
5 **Work/Life integration**	All support provided to employees to balance their professional and personal lives



All committed to Safety, utmost principle at Nexans

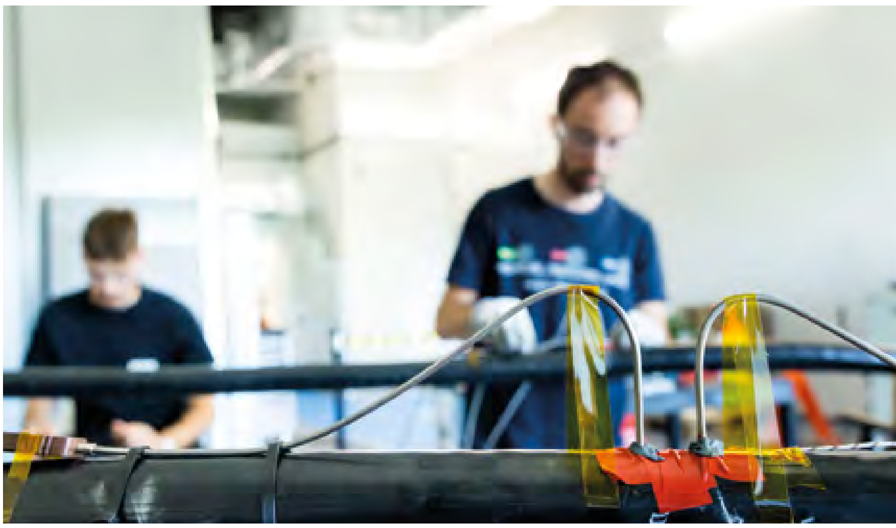
Above all, safety is the Group's top priority and obligation.
All employees are responsible for it.

At the foundation of this philosophy: a structured annual safety plan that translates into governance, KPIs, training and coaching, and external support. Specific support is provided to sites that are not performing adequately on safety measures.

Some of Nexans' sites inaugurated Safety Dojos, accessible to all employees,visitors and contractors. These areas serve as important safety resource tools in promoting positive safety awareness.

Striving for Excellence: Nexans' Dynamic Approach to Employee Feedback and Engagement

Employee feedback plays a pivotal role in assessing commitment within Nexans. The company evaluates its overall performance through an annual engagement survey known as Nexans Living Voices (NLV).



E3 Model: Environment

Environmental Embrace: A Dedicated Focus

The E3 model removes the “silos” that exist between Economy and Environment, and therefore encompasses environmental considerations and variables, regarding:

- The carbon price that Nexans applies to generate profits, on industrial sites and within the value chain
- And the contribution to the sustainability objectives of Nexans and its customers

Establishing a Baseline and Scoring Nexans' Manufacturing Sites

This leads managers to analyze their business models and to conduct a deep analysis of their customer/product portfolio, taking into account many aspects of the value chain that entail carbon emissions.

- 14 criteria establish the environmental reality and baseline of each operating unit and its ability to deliver on the profitability goals, in tandem with the imposed environmental concerns
- 7 of these criteria are external and are imposed by the structural or contextual environment
- 6 of the criteria are internal and linked to the operating performance of the site
- Energy efficiency of production sites is measured within both the external and internal criteria, and are evaluated on performance and maturity

E3 Performance Clusters are Key for Environmental Improvement

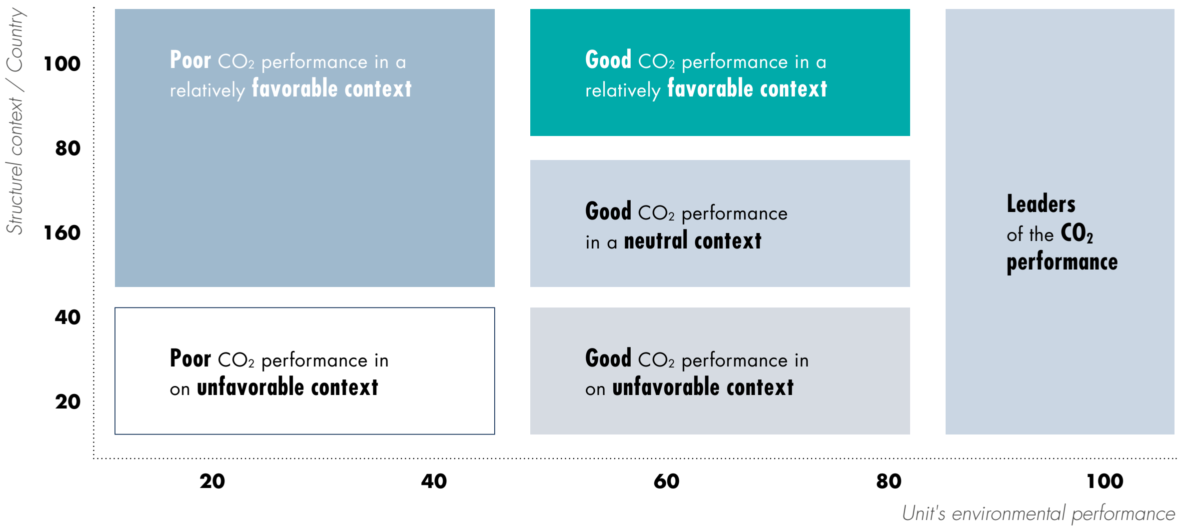
The Group segments its plants into clusters based on a weighting of profitability, cash, Return on Capital Employed (ROCE), and margins versus GHG emissions. To accomplish this, Nexans:

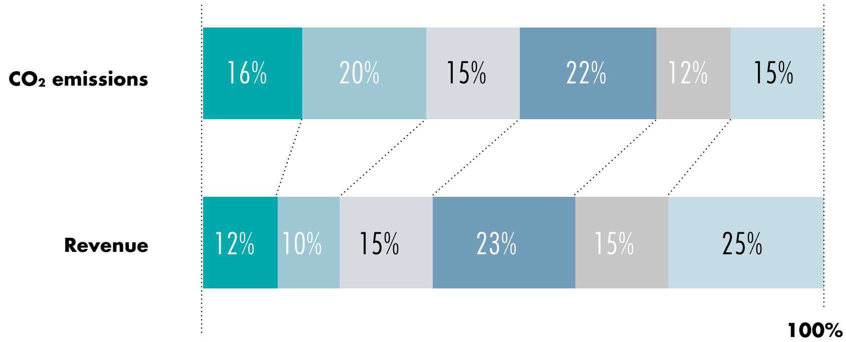
- Maps the performance of sites, cross referencing the three dimensions of E3;
- Clusters the sites and identifies categories of performers;
- Uses clusters to define targets and actions;
- Defines a methodology for actions deployment, applicable to each clusters;
- Analyzes what parameters lead them to success;
- Leverages the good practices it has identified to other sites or business when relevant.

Nexans even takes this a step further: all of its business decisions now factor in the price of carbon - an internal price that places a financial value on each ton of CO_2 emitted by the Group. The Group uses it in its calculation of the return on investment (ROI) of projects. This practice will help to establish decarbonization roadmaps for each site.

Towards one paramount goal: a diminished carbon footprint and sustainable profitability growth.

Units segmented by structural constraints and economic performance





Breakdown of CO_2 emissions and weight of turnover by cluster
(data for illustration purposes)

Source: Finding our way again, Christopher Guérin, Cherche Midi, 2023

Promoting circularity

Circularity is a key objective for Nexans. It is shared by all its sites, and captured within the Environmental part of the E3 model.

Assessing the entire value chain

Nexans acts from the premise that, beyond a commitment to Net-Zero, the Group is shaping an entire ecosystem around climate change. This leads to bold commitments and decisions along the whole value chain, such as vertical integration or dedicating the plants exclusively to sustainable electrification.

The Group has endeavored to assess the entire chain of product and services to identify the opportunities for environmental optimization.

Leveraging the E3 model for transparency and value-creation in the upstream value chain

For Nexans, sustainable electrification relies on an ecosystem of suppliers, 300 of which have been identified by the Group as crucial in order to reinvent value creation.

Nexans' pioneering E3 Supplier Platform provides the Group with a powerful tool to help select partners whose values and priorities are most aligned with Nexans' focus on sustainable electrification and value creation.

Local-for-local: Restructuring the downstream value chain in line with E3 principles

The Group's "local-for-local" approach is built on the following premise: the vast majority of customers should be served from a reasonable distance. This commitment optimizes the Group's transport-related carbon footprint.

In this respect, Nexans also participates in several initiatives aiming at the reduction of CO_2 emissions from transport, such as the FRET21 program and makes use of multimodal transport when feasible.

To comply with this strategy, the E3 model calls for evaluating each client to assess the GHG emissions required to produce for and service them, combined with their respective economic performance. Nexans assesses the activities implicit across all of its relationships and the various phases of meeting clients' needs, including production, assembly, and installation.

E3 Model: Economic Performance

Cracking new codes for profit

Volume is not Nexans focus and priority. The Group aims at reducing complexity to generate greater performance: this is the purpose of Nexans' SHIFT transformation program.

The traditional assumption is that manufacturing businesses need to produce more volume to cover fixed costs. But some costs – such as the cost of complexity – are less visible while hindering profitability. Here is another commitment resulting from Nexans' philosophy: the use of fewer raw materials and reduced carbon emissions, while still improving profitability and increasing profits.

As Nexans leveraged the power of data to answer new challenges, it began to forge the path to amplifying its value creation and growing its profitability while meeting its own demand of reducing GHG emissions and scaling down its materials use.

Assessing and categorizing manufacturing facilities

To successfully deploy E3, the Group's manufacturing sites were classified according to their financial performance in the SHIFT method's five categories:

1. Innovation drivers
2. Profit drivers
3. Transformation candidates
4. Strategic Investments/Cash seekers
5. Value burners

Optimizing Nexans' client portfolio to reduce complexity

Nexans found that focusing its business on its top 4,000 customers, as measured by a number of criteria including E3 parameters, enabled the Group to drive profitability while simplifying its operations and driving out complexity.

Leveraging E3 to significantly increase profits

With insights and learnings generated through the use of programs such as SHIFT, Nexans was able to streamline its product offer, refocus actively on value creation, and put its E3 model into practice, leading to a significant increase in its profitability.

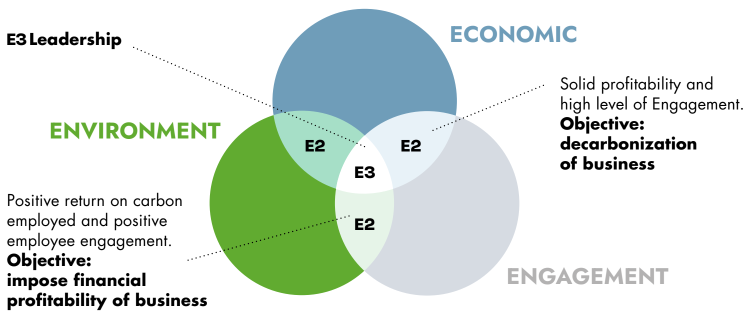
Nexans' streamlined portfolio and profitability

	2019	2023
Products and services – # of SKUs	350,000	250,000
# of customers	20,000	4,000
ROCE	11.1%	20.7%

Nexans' ROCE improvement was generated on flat revenue, underscoring that the E3 realignment is working in its value creation objectives.

In 2023, Nexans demonstrates a record normalized free cash flow generation of €454 million.

Convergence of E3



This evaluation methodology helps the operating units understand their systemic performance and identify their areas for improvement, as illustrated in the figure above. Every year Nexans communicates internally to all its sites on the three leading E3 performers, and works with lagging E3 performers to improve their results. E3 incentives are aligned: Management is compensated partially based on E3 model results.

The Example of Ghana, Chile and Sweden

Three countries have achieved exemplary results with regard to the E3 criteria. Some have been doing so for many years and others specifically performed during the 2023 financial year.

Nexans Sweden's Success Story

Nexans Sweden has been performing for many years, obtaining good scores and setting an example, with an ability to deliver a very good achievement on all 3 pillars. Above all, Nexans Sweden managed to sustain this performance over time.

In 2023, Nexans Sweden maintains exceptionally low CO_2 emissions. It has been exclusively sourcing 100% renewable electricity for years and aims for Net-Zero of scopes 1 & 2 by 2026.

Nexans Sweden holds the ISO 50001 certification in progress (to be potentially the first Nexans site to be certified) and prioritizes innovation in eco-design.

It also experiences profitability growth through value improvement rather than volume increase, while demonstrating a positive diversity and feminization rate in leadership. It boasts the lowest absenteeism rate in the Group, and sustains an employee commitment rate above average.

Nexans Ghana: an exceptional E3 score...

...thanks to high performance in all three pillars: Engagement, Environment and Economic Performance.

This year, Nexans Ghana achieves low CO_2 emissions and significantly contributes to a reduction of Nexans' carbon footprint. It also attains low product complexity and manufactures with high efficiency.

Nexans Ghana displays a very low absenteeism rate (TOP 5), as well as an employee engagement score above the Group average (TOP 11).

Nexans Chile: A very high E3 score thanks to the Engagement and Economic pillars...

...while having to continue working on the Environment pillars to improve its performance.

Nexans Chile demonstrates a low absenteeism rate, as well as a higher than average Engagement score.

Corporate Social Responsibility Strategy: Three Priority Commitments

CSR is fully embedded in Company's Strategy and has been a fundamental aspect of Nexans' DNA for over 10 years.

Nexans' CSR substantial performance in 2023, and the importance that the Group gives to continuously improving its ethical and environmental practices, highlights its positive contribution for society as a whole.

By combining financial, societal and environmental dimensions, Nexans delivers to customers the most environmentally-friendly products and services at the service of society.

Nexans' ESG commitments are organized on three pillars:

Pillar 1

ENVIRONMENT

An **environmental commitment** that focuses on decarbonization, the circular economy, natural resource protection, and biodiversity

Pillar 2

PEOPLE & CULTURE

An **inclusive work environment** that encourages the development of talent, diversity, social dialogue, and the promotion of health and safety at work

Pillar 3

ECOSYSTEMS

Activity that abides by **business ethics**, involving stakeholders and promoting a positive impact on communities

The Group monitors its performance across these three priority commitments by measuring key indicators.

Senior management compensation tied to CSR results

Nexans CEO's compensation comprises a fixed and a variable portion. The variable portion is structured in two parts, one consisting of a series of collective goals, accounting for 60%, and the other consisting of several personal goals that account for 40% of the CEO's variable pay. Within the personal goals, Nexans' ESG goals account for 25% the total. These objectives are:

- Safety: workplace accident frequency rate (FR1) <= 0.9
- Definition of the Company's three-year climate strategy and 2024-2026 objectives
- Deployment of the new E3 Clusters
- Implementation of non-financial communication around E3 and new performance management tools such as E3
- Diversity: update of the inclusion and diversity policy; focus on increasing the proportion of women in senior management positions

A portion of Mr. Guérin's long-term incentive compensation is also contingent upon achieving certain sustainability targets.

Environment

			2022	2023	Variation	Target 2023	Target 2024
Focus on decarbonization	3.2.2	Reduction of GHG emissions (base year 2019) Market based [a]	-20.2%	-28.4%	↘	-17%	-21%
		Proportion of renewable and decarbonized energy [b]	72%	76%	↗	72%	77%
Environmental management	3.2.3	Industrial sites certified ISO 14001	90%	95%	↗	93%	100%
Promoting circular economy	3.2.6	Total production waste recycled [c]	75%	80%	↗	80%	81%
		Proportion of cable drums connected and recyclable [d]	14%	15.6%	↗	80%	90%
Driving the energy transition	3.2.1	Sales generated from products & services that contribute to energy transition and efficiency [e]	60%	75%	↗	70%-80%	70%-80%

People & Culture

			2022	2023	Variation	Target 2023	Target 2024
Workplace safety, health and well-being: a priority for Nexans' employees	3.3.2.2	Workplace safety rate [f]	2.31	1.78	↘	0.9	0.8
		Workplace severity rate [g]	0.12	0.11	↘	< 0.10	< 0.10
Talent Equal opportunities for all	3.3.1	Graded positions staffed internally [h]	47%	46%	↘	60%	60%
	3.3.2.4	Women in Management positions	27%	27.4%	↗	26%	27%
		Women in Senior Management [i]	18.6%	18.7%	↗	18%-20%	20%-22%
	3.3.2.7	Employees eligible to Long Term Incentive with CSR criteria [j]	100%	100%	→	100%	100%
Employee Engagement	3.3.2.3	Employee engagement index [k]	77%	N/A	N/A	78%	80%

Ecosystems

			2022	2023	Variation	Target 2023	Target 2024
Deliver a respectful and ethical business	3.4.1	Completion rate of Compliance awareness training [l]	100%	100%	→	100%	100%
Third Party Management Process	3.3.3.2	Number of suppliers within the Supplier Panel (available for purchase order) with a valid EcoVadis CSR Score ≥ 35% (or equivalent) [m]	465	593	↗	500	600
Nexans Foundation	3.3.4.2	Amount allocated by the Nexans foundation	€300,000	€400,000	↗	€300,000	€400,000

(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 reductionversus 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 3.2.2.

(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 3.2.2.

(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 3.2.6.

(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's side. The total number of cable drums delivered in 2023 to Nexans worldwide has been extrapolated from the number of cable drums delivered in France and the share of Nexans' business in France. This rate was 14% in 2022 according to the same methodology. See 3.2.6.

(e) Offshore wind, interconnection projects, utilities, smart grids (energy transition), energy efficiency (building), accessories, solar energy, wind energy, eco-mobility and asset management (excluding Metallurgy activities not part of Electrification / Non Electrification segment information). See 3.2.1. 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 internal and temporary workers. See 3.3.2.2.

(g) Severity rate: number of days lost because of work accidents/hours worked) x1,000. This rate relates to internal workers only. See 3.3.2.2.

(h) 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. See 3.3.1.

(i) Top management: Category of employees defined by the Group's Executive Committee based on the Nexans Grading system. See 3.3.2.4.

(j) Among the employees benefiting from a long-term Incentive plan validated by the Board of Directors, 100% include a CSR criterion. See 3.3.2.7.

(k) The group has decided to postpone its annual engagement survey to the first quarter of 2024 to strengthen the alignment of the engagement strategy with Nexans' annual business cycle. The engagement rate indicator could not be measured in 2023. See 3.3.2.3.

(l) 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. See 3.4.1.

(m) Number of suppliers within the Supplier Panel (available for purchase order) with a valid EcoVadis CSR score ≥ 35% (or equivalent). Suppliers are categorized based on the EcoVadis supplier CSR risk map. See 3.3.3.2.

A Strong and Agile Leadership

A Diverse **Board of Directors**, Providing Informed Oversight

1 Chairman of the Board of Directors

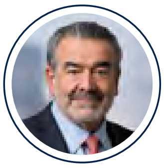
Jean Mouton

14 Members

4 Directors proposed by the main Shareholders

Karine Lenglart
Bpifrance representant ● ● ●

Oscar Hasbún Martínez C
Invexans representative



Andrónico Luksic Craig
Invexans representative

Francisco Pérez Mackenna ● ● ● ●
Invexans representative

5 Independent Directors

Anne Lebel
Lead Independent Director C C

Jane Basson ● ● ●

Laura Bernardelli C

Sylvie Jéhanno ● ● ●

Marc Grynberg ●
Director responsible for monitoring climate and environmental issues

1 Non-independent Director

Hubert Porte ●

3 Directors representing employees and employee shareholders

Angéline Afanoukoé ●

Erik Nyborg Bjorn

Selma Alami

Employee shareholders

PARTICIPATION IN A COMMITTEE

- C *Chairman / Chairwoman*
- ● *Accounts, Audit and Risk Committee*
- ● *Appointments and Corporate Governance Committee*
- ● *Compensation Committee*
- ● *Strategy and Sustainable Development Committee*

GOVERNANCE IN FIGURES

54.5%
Independence

45.5%
Women

56.5 years
Average age

57.1%
Dual nationals or foreign nationals

8
Board meetings

96%
Attendance rate

4 Board Committees

Accounts, Audit and Risk

Chairwoman
Laura Bernardelli

4 Members
4 Meetings
50% Women
75% Independent members
100% Attendance rate

Appointments and Corporate Governance

Chairwoman
Anne Lebel

5 Members
5 Meetings
80% Women
60% Independent members
92% Attendance rate

Compensation

Chairwoman
Anne Lebel

6 Members
6 Meetings
80% Women
60% Independent members
94.4% Attendance rate
1 Employee representative

Strategy and Sustainable Development

Chairman
Oscar Hasbún

6 Members
8 Meetings
33% Women
33% Independent members
97.9% Attendance rate

The Board of Directors' Internal Regulations, which are updated on a regular basis, set forth the rules governing the membership structure, roles, responsibilities, and reporting procedures for each Committee of the Board. These regulations comply with all legal requirements.

A Collective Skill Set Providing Broad-Based Expertise

The members of Nexans' Board of Directors gather a wide range of the skills required for the oversight of Nexans' business and strategy.
The qualifications and expertise of the directors are analyzed by external firms and by the Appointments and Corporate Governance Committee as part of the recruitment and selection process for new members.

Industry	85.7%
Energy	78.5%
Services	57.1%
Bank Finance	57.1%
HR, Ed., Comm.*	50%
CSR, SD, Compliance**	28.5%
Strategy	78.5%
Digital	35.7%
Knowledge of the Group and its activities	71.4%
Executive functions	85.7%
International experience	85.7%

* *Human Resources, Education, Communication*
** *CSR, Sustainable Development, Compliance*

The Board actively oversees Climate and Environmental issues

1

Corporate Governance

- Marc Grynberg appointed responsible for climate and environmental issues
- 10 meetings with management on Nexans' Climate Strategy and roadmap, Board Climate Awareness, and discussions with shareholders on climate-related matters at the Annual Shareholders' Meeting

2

Climate and environmental Training program

During the year, Board members participated in an awareness session on climate and the environment, and held a joint session of the Audit Committee and the Strategy and Sustainable Development Committee to discuss the European CSRD regulation.

3

E3 Strategy Seminar

In 2023, Board members participated in a two-day Strategy Seminar at Nexans' Lens industrial site in northern France. The purpose of the meeting was to examine the various aspects of the Group's strategy, including social and environmental issues, and the impact of the E3 business performance model on Nexans' strategy.

For more information, see the governance section (Chapter 4) of the 2023 URD.

ExCom
An Experienced Executive Team

Nexans is privileged to be led by a highly experienced team of executives, many of whom have long tenures with the sector.

1 **Jérôme Fournier**
Corporate Vice President Innovation, Services & Growth

2 **Vincent Dessale**
Chief Operating Officer & Senior Executive Vice President

3 **Juan Ignacio Eyzaguirre**
Executive Vice President Industry Solutions & Projects, Telecom Infrastructure & Automotive Harnesses

4 **Christopher Guérin**
Chief Executive Officer

5 **Maria Lorente Fraguas**
Senior Corporate Vice President & Chief Human Resources Officer
Also responsible for CSR

6 **Jean-Christophe Juillard**
Deputy Chief Executive Officer & Chief Financial Officer
Also responsible for IS

7 **Pascal Radue**
Executive Vice President Generation & Transmission

8 **Vijay Mahadevan**
Executive Vice President Distribution & Usage Americas, Middle East and Africa

9 **Julien Hueber**
Executive Vice President Distribution & Usage Europe / APAC

10 **Nino Cusimano**
Senior Corporate Vice President, General Counsel and Secretary General

The Executive Committee is chaired by CEO, Christopher Guérin. The primary roles of the Executive Committee are:

- To define the Group's strategy, resource allocation, and organizational structure
- To ensure appropriate processes for the management of the Group

The newest addition to the executive team is Pascal Radue, Executive Vice President of Generation and Transmission, who joined Nexans in September 2023. Mr. Radue has more than 20 years of experience leading teams around the world in a wide range of senior positions in the power generation industry, with a focus on large turnkey projects and international transformation. Mr. Radue will is a key contributor to Nexans' ambition to become a pure player in electrification globally.

THE EXECUTIVE COMMITTEE COMPRISES

4 heads of geographic areas and Business Groups

5 heads of operating divisions

6 different nationalities

18–20% Gender diversity objective for 2024

Managing Risk in a Permacrisis World

During its 100+ year history Nexans demonstrated that adaptation is in its DNA. We are currently evolving in a world of permacrisis, and Nexans' risk management organization is designed to adapt to this unstable context.

Adaptability and agility are key elements of Nexans' risk management taking into account megatrends that are reshaping the electrification industry.

Nexans has fashioned its strategy and business model to adapt to these megatrends.

In this spirit, Nexans is developing a mindset of adaptability. Nexans seeks continuous improvement in its ability to manage risks and seize opportunities. This translates into a change of culture and approach to risk management by which managers are to be prepared to manage simultaneously major disruptions. As part of it, business units and business groups are consistently asked to identify and assess risks as well as measures to adapt and materialize the related opportunities.

As in a permacrisis world any organization may have to manage crises, the Group has decided to strengthen business units' ability to manage crises by deploying in 2024 a crisis management training.

Leveraging the E3 Model to address the Group's "double materiality" risks

As part of the implementation of the EU Commission's Directive as regards corporate sustainability reporting (CSRD), Nexans has conducted a double materiality assessment to determine in particular:

- the impact of Nexans' business on the environment and on people;
- the impact of social and environmental factors on the Group's business performance.

Nexans has already an edge over: the E3 model's focus on the evaluation of the environmental impact of each Nexans site already imposes a structure for assessing the Group's environmental risks and minimizing its environmental footprint. The Engagement portion of the E3 model also sets forth ways of approaching the social aspects prescribed in the new regulatory framework.

For a complete view of the Group's Risk Management approach and structure see the Chapter 2 of the 2023 URD.

Crisis Management: the Example of Nexans Turkey

"Since October 2019, we, at Nexans Turkey, are operating in a double digit inflationary environment, where the risk premium increases and cost of hedging become expensive.

For the purpose of protecting Nexans assets, profitability and our people, we needed to have a holistic view of the ecosystem, in order to be able to anticipate and act accordingly as many things are changing very quickly and simultaneously.

Nexans Turkey strategic pillars are based on applying an adaptive and alert mindset.

In this context, we have set several actions, such as the implementation of an adapted pricing strategy, the improvement in the control of hidden costs and the use of more adapted tools and digital applications to monitor more closely the Turkish monetary policy. These actions helped in maintaining the business and the production, in controlling costs and complexity, and in anticipating trends in the Turkish economy.

Last but not least, we took care of our employees, who are key for the protection of our company's assets and business activities."

Atilla Kurtis, D&U Central Asia & Levant Lead

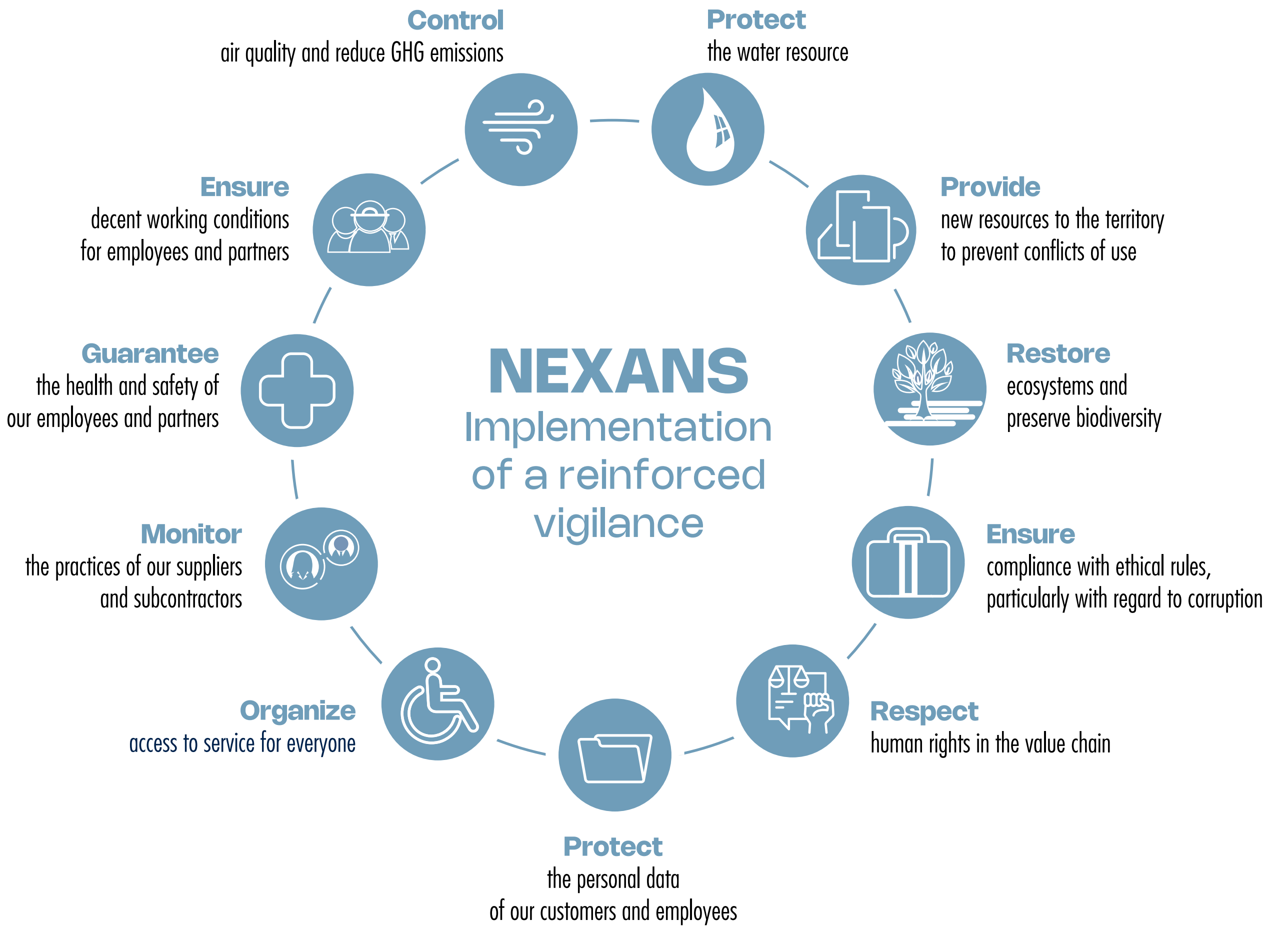
Nexans Fosters a Strong Culture of Ethics through Employee Training

Nexans is committed to transparency and exemplarity, based on respect for regulations and standards. The imperative to conduct business in line with best practices regarding ethics and compliance guides all the Group's interactions and relations with customers, suppliers, sub-contractors, and other third parties. This commitment underpins a key element of Nexans' CSR.

Ethics is a crucial element of Nexans' culture and strategy. The Group's employees are provided with training on the Company's compliance system, and tools are made available to them so they may carry out the controls required by the compliance system.

Compliance Week for Successful Execution of the Compliance Program

- A 100% digital training program
- Mandatory for managers
- Open to all of the Company's employees
- New edition available in 11 languages
- Nexans Code of Ethics and Business Conduct now includes a Human Rights Charter
- **In 2023, 100% of managers received Ethics and Compliance Training.**



Nexans' Unique Business Model

Inputs and Drivers

ENGAGEMENT

TALENT NETWORK
28,500 employees driven by 3 values: Pioneers, United, Dedicated
A strong employee engagement index in 2022: **77%**
18.7% women in Top Management positions
Total time devoted to training vs previous year: **+27%**

A SAFETY-DRIVEN COMPANY
1 mandatory Safety Day every year
15 Safety Golden Rules at Group level

A DEMONSTRATED COMMITMENT
+33% budget allocated to Fondation Nexans vs prior budget
13 projects in 2023

A VERTICAL INTEGRATION AND SELF-SUFFICIENCY IN KEY RAW MATERIALS

Nexans produces itself **~420,000** metric tons of wire rods per year
Annual copper production capacity: **481,000** metric tons

ACCREDITED AND MONITORED ENVIRONMENTAL MANAGEMENT
95% of sites ISO 14001-certified
100% of production sites equipped with GHG emissions monitoring
76% of renewable and decarbonized energy used
Local-for-local approach

ECONOMY

A ROBUST BALANCE SHEET
€214m net debt / **€1,931m** liquidity
€2bn in capital employed

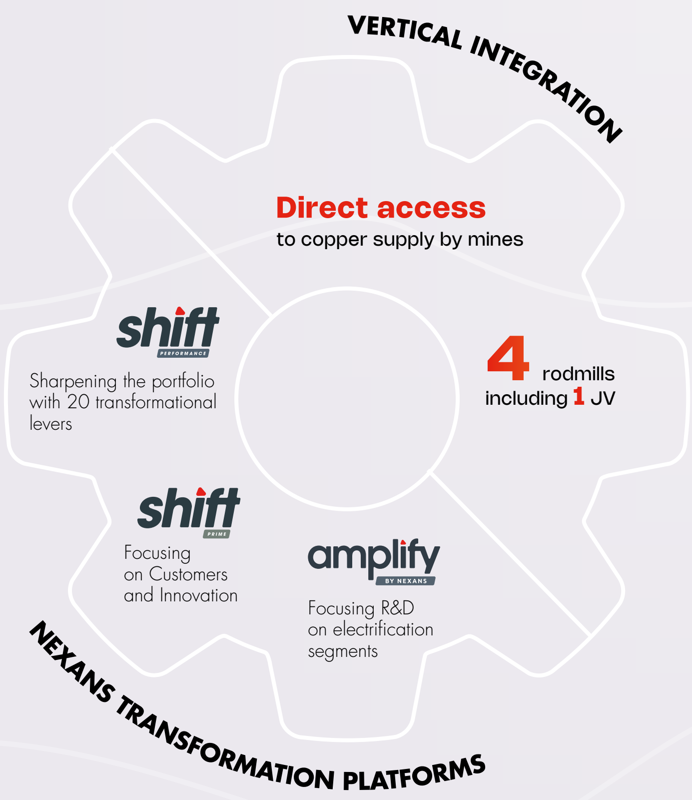
A GLOBAL INDUSTRIAL PRESENCE
€435m in Capital Expenditure
Manufacturing sites in **41** countries
84 production sites and logistical centers

A DEMONSTRATED CONTINUOUS INNOVATION
€89m invested in R&D
3 innovation hubs

Nexans' integrated solutions,

CREATING SUSTAINABLE SOLUTIONS

Strategic Enablers



Climate change:
3 CHALLENGES AND OPPORTUNITIES

1 **The energy transition from fossil fuels:** driving the growth of electrification

2 **The power grid enhancement:** enabling and sustaining the growing demand for last-mile infrastructure and renewables

tailored on customer's needs

WITH THE E3 MODEL

- Leveraging the Group's DNA in cabling and electrical systems
- Focusing on a premium offering

REFOCUS ON ELECTRIFICATION
57% OF SALES

EMPOWERING A WIDE RANGE OF MARKETS AND SECTORS

Generation & Transmission	Distribution	Usage
13% of sales	18% of sales	26% of sales

CUSTOMERS:

- Energy suppliers
- Transmission / Distribution System Operators (DSO & TSO)
- Local Authorities
- Distributors and installers
- Electricians

NON-ELECTRIFICATION

Industry & Solutions
27% of sales

Others, including metallurgy
16% of sales

CUSTOMERS:

- Extractive and process industries
- EPC
- OEMs

3 **The growing demand for electricity:** implying the need of an efficient, resilient, reliable and safe power distribution

Value created

ENGAGEMENT

REMUNERATION, ENGAGEMENT AND EQUITY

€1bn in total compensation paid
3.62% of share capital held by employees
673,844 hours of employee training

A POSITIVE IMPACT ON COMMUNITIES

Fondation Nexans: **2.67m** project beneficiaries since 2013
Cultural, scientific, medical research, environmental and sporting **partnerships**

ENVIRONMENT

IN TUNE WITH THE ENERGY TRANSITION

75% sales generated from products & services that contribute to energy transition and efficiency
CDP "A List"
-36% GHG emissions in 2023 (Scope 1-2-3 overall)

ECO-CIRCULARITY ON THE SPOTLIGHT

42,600 MT of raw materials recycled, including 33,600 MT of copper
80% recycled production waste

A DECARBONIZED SUPPLY CHAIN

>€5bn in purchases
Sustainable purchasing policy embedding CSR risk mapping, charter, scorecard and audit
>60% of spend assessed with CSR scorecard, 80% with CSR Charter

ECONOMY

Revenue €6.5bn

ECONOMIC VALUE CREATED

Adjusted EBITDA: **€665m**, up +8%
Normalized FCF at **€454m**
Value created for shareholders: proposed dividend of **€2.30** per share

CUTTING EDGE R&D AND INNOVATION

2,000 patents in the portfolio
AI, IoT and Cloud-based solutions

SELECTIVE ACQUISITIONS IN ELECTRIFICATION

2022: **Centelsa** (Colombia)
2023: **REKA Cables** (Finland)

INVESTMENT IN ELECTRIFICATION

1st U.S. based **subsea high voltage cable plant** in Charleston
Third generation **cable laying vessel**
New plant for medium-voltage cable in Morocco by 2026

Meaning as a **driving Force**

Fondation Nexans: **10+Years of Positive Impact**

Fondation Nexans was created in 2013 with the purpose of providing financial support to electrification projects that aim to reduce energy insecurity and poverty around the world. In 2023, the Board of Directors renewed the Foundation's charter for five more years.

Across all the projects it supports, the Foundation prioritizes disruptive projects that have the greatest social and environmental impact and seeks to have a long-lasting positive impact on beneficiaries, stakeholders, and society at large. Nexans employees are often active in local projects as well, providing them the chance to give back to communities in their countries.

Fondation Nexans, whose goals align with the Group's Corporate Social Responsibility priorities, aims to support:

- Projects that work to provide **access to energy** for underprivileged communities throughout the world, by working with grassroots organizations that promote reliable and sustainable solutions
- The provision of technical, energy-related, and environmental **education and training** to local groups in underprivileged communities
- **Environmental research** related to electrification, including climate, energy sobriety, resource protection, and biodiversity.

2013-2023 AT A GLANCE

projects in
38
countries
across Africa, Latin America, and the Middle-East

158
projects implemented
over 10 years, of which 13 implemented in 2023

71
partner NGOs

2.67 million
beneficiaries

€400k
annual budget
allocated in 2023
(+33% versus previous budget)

ALIGNING WITH THE UN SDGS

Focus on an Impactful Project in 2023

Safe and Sustainable Lighting in Peru

Nexans' employees participated in a volunteer day as part of "Light to the neighborhood" (Luz al Barrio) project in partnership with TECHO Peru. The volunteers helped to install 12 lighting poles with solar panels in a low-income community in Peru. The safe and sustainable lighting installed by the Nexans team will improve the well-being of more than 100 families living in Talleres Artesanales, a community in the district of San Juan de Miraflores, on the outskirts of Lima. All Nexans employees involved in the project found their participation personally rewarding, and said that they would gladly participate in a community project of this kind again.

Nexans
Serves the Public Good

Nexans is committed to sponsoring activities, prioritizing different areas of action:

Health

Supporting the Institut Curie, the foremost cancer research center in France.

Innovation

Partnering with the Edison Innovation Foundation as a gold sponsor to promote the Edison Legacy contest.

Sport

Proudly supporting the Racing Club de Lens soccer team.

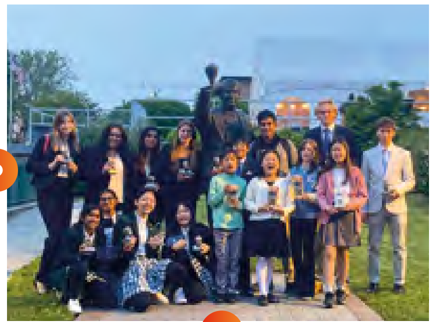
Nexans is deeply rooted in Lens since 1929 with the presence of the last copper foundry in France. This partnership illustrates shared values of commitment and team spirit, and allows an unique fellowship between Nexans Lens operators and Racing Club de Lens players.

Environment

Sponsoring skipper Fabrice Amedeo, whose boat is equipped with oceanographic sensors collecting valuable data for the understanding of the impacts of global warming and pollution on the oceans.

Heritage

Protecting Notre Dame from future fires by the supply of fire safety technologies and cable solutions. 200 kilometers of cables will be installed over the course of 2024.



See Chapter 3 of the 2023 URD to find out more about Nexans' sponsoring activities.

A Continuous Thought **Leadership**

The importance of the energy transition and today's major challenges make it more important than ever to exchange points of view. That's why Nexans is committed to be at the forefront of thought leadership in its sector. The Group seizes the opportunity throughout the year to share the expertise and learnings of its executives and workers on matters related to climate change, the energy transition, and sustainable electrification.

Nexans Climate Day

Since 2020, the Group organizes an annual Climate Day. Three events have been carried out to-date, in Paris, Stockholm, and New York City. The Climate Days bring together international experts on global warming, the energy transition, and sustainable electrification. Specific topics covered in the three Climate Days carried out so far include the challenges of sustainable electrification, issues affecting sustainable generation and transmission, offshore wind power generation, and building a clean energy sector in the United States. The next Climate Day, to be carried out in Rabat, Morocco in September 2024, will address the topic of sustainable electrification and the energy transition as an opportunity for the African continent.

E3 Model Transmission and HEC Chair

Nexans, HEC – one of France's leading business school – and the HEC Foundation, have entered into a five-year partnership to launch the "Orchestrating sustainable business transformation" Chair to support companies in their sustainability journeys. The Chair is directed by an associate professor of accounting and management at HEC, Professor Becker, and includes drafting a report on the transformation journey undertaken at Nexans. It is a paramount opportunity for the Group to share its expertise in the E3 performance management model, including through the presentation of new teaching modules and the participation in the certificates offered by HEC Paris around sustainability and the climate transition.

About the integrated report

Nexans' integrated report is intended for all Group stakeholders. This edition, in the form of a single document with the URD, particularly focuses on demonstrating how the project of creating a pure player in electrification is part of a long-term vision, driven by Nexans' strategy and through its E3 performance commitment. Inspired by the reference framework proposed by the IIRC, the integrated report is the result of collaborative work involving the Group's various departments. The integrated report provides a comprehensive overview of Nexans' activity and its value creation strategy.
For a more comprehensive approach to the 2023 fiscal year, please refer to the Universal Registration Document.

01

01

Presentation of the Group and its activities

1.1 History of the Group

A cable pioneer

1879: Thomas Edison created his first high resistance, incandescent electric light. At the same time, two entrepreneurs, the Swiss engineer François Borel and business man Edouard Berthoud, invented a waterproof electric cable. They formed Berthoud, Borel et Cie to develop the system, which consisted of wrapping wire with bituminous paper, which was then sealed with lead. The invention caused a revolution in a number of nascent industries, notably in the telecommunications and electrical power industries.

They created Société d'Exploitation des Câbles Électriques (SCE) to build the first cables: Nexans was born.

1881: Société d'Exploitation des Câbles Électriques successfully presented its lead sheet at the first International Electricity Exhibition in Paris and was awarded the lighting of the Champs Elysée for the 1900 Paris Exhibition.

1897: Creation of Société Française des Câbles Électriques in Lyon, an affiliate of the Swiss company Berthoud, Borel et Cie, to manufacture cables using the Berthoud and Borel system.

1912: The Compagnie Générale d'Électricité (CGE) took a majority holding in Société d'Exploitation des Câbles Électriques which had already become one of the most prominent companies in France's growing electrical power sector, with operations spanning across both power generation and distribution, and manufacturing.

1917: The cable manufacturing business of CGE was renamed Compagnie Générale des Câbles de Lyon.

1925: Merger of Compagnie Générale des Câbles de Lyon with CGE. Câbles de Lyon became a division of CGE.

1938: CGE acquired Société Industrielle des Téléphones of which cable plants in Bezons and Calais were transferred to CGE-Câbles de Lyon.

1968: CGE-Câbles de Lyon acquired French company Câbles Geoffrey et Delore.

1969: CGE acquired Alcatel, founded in 1879 as Société Alsacienne de Construction Mécanique, and which had become one of the leading manufacturers of telecommunication technologies. The Alcatel acquisition boosted CGE's own telecommunication business, CIT. The two companies merged to form CIT-Alcatel, stepping up Câbles de Lyon's business.

Building scale

1979: CGE-Câbles de Lyon added to its French holdings Câbleries de Lens.

1980: CGE-Câbles de Lyon added a subsidiary in Greece with the acquisition of Chandris Cables.

1981: By the early 1980s, CGE-Câbles de Lyon already held a leading position in the European cable market. The Company entered the United States, with the purchase of a stake in Chester Cables.

1982: CGE was nationalized by the French government and pursued its acquisition strategy with Kabel-und-Metallwerke, Germany's fourth largest manufacturer of cables and wires.

1983: The French government transferred another nationalized company, Thomson, to CGE. As a result of that merger, Câbles de Lyon absorbed two Thomson subsidiaries, Kabeltel and Thomson Jeumont Câbles. Câbles de Lyon also took over the cable manufacturer Gorse.

1986: CGE and ITT announced their agreement to merge their telecommunications operations into a new joint venture, Alcatel NV, to be held at 65% by CGE. Under an extension to the original joint venture agreement, CGE agreed to add a 65% stake in Câbles de Lyon, which was then combined with ITT's Valtec fiber optics and other cable operations to create a newly enlarged Câbles de Lyon. The Group continued acquiring scale, adding Tréfilerie et Laminoir de la Méditerranée and Câbleries de Charleroi in Belgium.

1987: Privatization of CGE.

1988: CGE-Câbles de Lyon purchased Thomson Cuivre in France, in a move toward vertical integration, as well as Société Nouvelle de Câblerie Barelec in France, Manouili Hellas Cables in Greece, and Manuli Cavi, the second largest cable maker in Italy.

1989: CGE-Câbles de Lyon raised its European position with the acquisition of Câbleries de Dour in Belgium.

1990: CGE-Câbles de Lyon began the construction of a new fiber optic cable plant in the United States.

1991: CGE-Câbles de Lyon was renamed Alcatel Cable.

The Company bought Canada Wire and Cable, a subsidiary of Noranda and the largest cable and wire manufacturer in the country. The purchase also provided an entry into the South American market. In addition, the Company bought four companies in Germany, Vacha Kabel, Lacroix & Kress, Ehlerskabelwerk and AEG Kabel, a division of Daimler-Benz. These purchases raised Alcatel Cable position to the number two in Germany and to number one worldwide. The Company also amplified operations in Turkey with the acquisition of Erkablo.

1993: Alcatel Cable acquired Berk-Tek Inc. in the United States, adding electronic and fiber optic cable operations.

1994: Acquisition of Cortaillod-Cossonay in Switzerland which was inherited the original Berthoud, Borel & Cie.

1996: Alcatel NV took over the remaining 35% of Alcatel Cable, and the company became a wholly owned subsidiary of the Group.

1998: Alcatel Cable acquired the North American and Portuguese subsidiary of Japan's Optec Dai-Ichi Denko Co., part of the Mitsubishi Group.

2000s: The birth of Nexans

2000: Alcatel NV announced its intention to spin off Alcatel Cable as a separate company, called Nexans.

2001: In June, successful IPO of Nexans on the Paris Stock Exchange and SBF 120. Alcatel kept 15% of Nexans share capital. Nexans took over of Daesung in South Korea as acquisition remained a key part of its strategy.

2002: Nexans acquired Petri, a German manufacturer of power cable accessories, and reached an agreement to acquire another Korean company, Kukdong Electrical Wires Company.

2005: Alcatel exited Nexans' share capital.

2006: Nexans acquired Olex, Australia's cable industry leader, for about 310 million euros (515 million Australian dollars), in line with its strategy to expand in the Asia-Pacific region.

2008: Madeco (now Invexans), leader of cable manufacturing in Latin America, transferred its assets in Chile, Argentina, Peru, Brazil and Colombia to Nexans in exchange for 448 million dollars in cash and 2.5 million Nexans' shares.

The same year, Suez and Nexans created a joint-venture in order to collect, process and recover cables.

2009: Fonds Stratégique d'Investissement (FSI - now Bpifrance Participations) acquired a 5% stake in Nexans increased to 7.8% in 2013.

2011: Creation of the CSR department, Corporate Social Responsibility.

2012: Nexans acquired AmerCable in the United States and Shandong Yanggu Cable Group in China. Invexans Limited reached 22.4% of the share ownership of Nexans.

2013: Nexans joined the United Nations' Global Compact and was the first company of its industry to create a Foundation supporting sustainable initiatives bringing access to energy to disadvantaged communities worldwide.

2014: Invexans Limited increased its stake in Nexans to 29.0% of its share capital.

2015: In December, Nexans concluded the divestment of its Argentinean activities.

2017: Nexans launched Nexans Recycling Services to allow the Group's customers and partners to monetize and dispose of their leftover copper and aluminum cables while contributing to the circular economy.

The "New Nexans"

2018: In January, Nexans acquired BE CableCon in Denmark, an expert supplier of cable kits to Europe's most important wind turbine companies.

In July, Christopher Guerin was appointed Chief Executive Officer.

In November, he launched the 2019-2021 "New Nexans" plan to transform Nexans' value delivery model from volume growth to value growth.

In December, Nexans announced a new management team to drive its new strategic roadmap and build future successes.

2019: In February, Jean Mouton was appointed Chairman of the Board.

In December, Nexans, Eversource and Ørsted signed a framework agreement for the development of offshore wind farms in North America. The agreement provides for the supply of up to 1,000 kilometers of energy export cables for Ørsted's projects in the United States until 2027.

2020: In February, Nexans announced its active commitment to fight global warming and aim to contribute to carbon neutrality by 2030.

In June, Nexans announced the signing of a sale agreement with Mutares SE & Co. KGaA concerning Nexans Metallurgie Deutschland GmbH (NMD), a Nexans subsidiary specializing in the production of oxygen-free copper rod and drawn wire.

In September, Nexans completed the sale of Berk-Tek Inc., a US based manufacturer of local area network cables, to Leviton.

In November, the Group strengthened its environmental commitments with the launch of its first Climate day, bringing together experts from different backgrounds.

2021: In February, the Group presented "Winds of change" its 2022-2024 strategic ambition to become a Pure player in electrification.

During the year, Nexans strengthened its Generation & Transmission business with the inauguration of its Charleston plant, the only subsea high-voltage cable plant in the United States, and Nexans Aurora, the most advanced cable-laying vessel in the world.

At the same time, the Group won major contracts for offshore wind and interconnection projects, including a contract for the Moray West offshore wind farm in Scotland, and a project worth more than 650 million euros for the Tyrrhenian Links interconnection between Sardinia and Sicily.

In November, the European Investment Bank (EIB) granted a 200 million euros loan facility to Nexans to accelerate its active role in the world's energy transition and commitment to contribute to carbon neutrality by 2030.

2022: In February, S&P Global Ratings raised its long-term rating from BB to BB+.

In April, Nexans finalized the acquisition of Centelsa, a manufacturer of high-end cables for Usages & Distribution applications in Latin America, from Xignux SA.

In May, Nexans' ambitious climate targets for 2030 were validated by the SBT (Science Based Targets) initiative, illustrating Nexans' commitment to decarbonization.

In June, Nexans inaugurated AmpaCity, its global research and innovation center in Lyon dedicated to low-carbon electrification.

In November, Nexans signed an agreement with Reka Industrial PLC for the acquisition of Reka Cables in Finland.

On the strength of its position in the United States, the Group won several contracts for American offshore wind farms, in particular a turnkey cable contract for the Empire Wind 1 project of the joint venture between Equinor and BP and the Ørsted and Eversource projects South Fork and Revolution Wind. The Group also achieved major successes in interconnection projects between countries, such as the Celtic Interconnector project, enabling the direct exchange of electricity between France and Ireland.

2023: In February, S&P Global Ratings reviewed Nexans outlook from stable to positive on 'BB+' long-term rating.

In April, Nexans announced the completion of its acquisition of Reka Cables, a premium medium and low voltage cables manufacturer in Finland, from Reka Industrial. In addition, Nexans announced the successful issuance of its inaugural euro Sustainability-Linked Bond for an aggregate nominal amount of 400 million euros with a 5-year maturity. Invexans Limited reduce its share ownership of Nexans to19.2% through a private placement to institutional investors by way of an accelerated book building offering.

In May, Nexans has been awarded a frame agreement by TenneT worth 1.7 billion euros for turnkey HVDC offshore wind farms projects.

In July, Nexans has been awarded the turnkey contract, valued at 1.43 billion euros, for the section of the EuroAsia Interconnector that connects Greece and Cyprus. The interconnector will deliver up to 2,000 MW of energy to Europe and will be the largest interconnector project in history, supplying over 3 million homes with electricity. Nexans also announced that it is investing in a new cutting-edge cable laying vessel to support a record project backlog and meet future needs in a booming offshore wind and interconnection market.

In September, Nexans announced that its production facilities in Montreal (Canada) and Lens (France) have been awarded the Copper Mark in recognition of responsible and sustainable copper rod production practices.

In October, Nexans announced the completion of the sale of its Telecom Systems business, rebranded to Aginode, to Syntagma Capital, a Belgium-based private equity fund. This transaction marks a final step in Nexans' exit from the telecom and data activity in line with its strategy to simplify its activities to amplify its impact in Electrification markets.

In December, Nexans and Moroccan partners signed two agreements involving a 100 million euros investment to build the company's third plant for medium-voltage cable in Morocco by 2026.

1.2 Description of business segments and markets

With a unique level of integration, from metallurgy to recycling, the Group offers its customers a unique proposition: cutting-edge cabling technologies and services, tailor-made support and solutions for the entire value chain - engineering and design, production, installation and maintenance.

1.2.1 Electrification businesses

1.2.1.1 Generation & Transmission

2023 KEY FIGURES

€870m sales (13% of Group standard sales); €83m adj. EBITDA; 4 plants; 2 cable-laying vessels in operation and 1 under construction.

DESCRIPTION OF GENERATION & TRANSMISSION

The Generation & Transmission segment (previously High-Voltage & Projects) is at the heart of the energy transition and sustainable electrification. It provides high-voltage cables and services for the connection of offshore wind farms to land, short or long distance, as well as for transnational land or submarine interconnection projects between electricity production and consumption areas.

The Group also manufactures submarine data transmission, monitoring or power cables connecting floating vessels to subsea infrastructure or interlinking subsea infrastructures.

Nexans provides a fully integrated business model from early engagement, design and engineering, manufacturing and installation to business continuity solutions such as inspection, maintenance and repair. The Group's value proposition is based on four pillars:

- solid experience in project execution;
- strong risk management skills through a unique risk-reward modeling process and continuous innovation to detect any failures;
- state-of-the-art production and facility assets;
- cutting edge technologies: mass impregnated (MI), cross-linked polyethylene (XLPE) and dynamic cables.

Nexans has made several major investments in this activity in recent years. In addition to its subsea high-voltage facilities in Halden (Norway) and Futtsu (Japan), as well as its land high-voltage facility in Charleroi (Belgium) and special telecom facility in Roan (Norway), in 2021, Nexans officially opened in Charleston, South Carolina, the only US high-voltage subsea cable plant, best positioned to supply the American offshore wind market.

The Group announced further investments between 2021 and 2024 to expand the Halden plant, by adding two new extrusion lines, and to upgrade the subsea and land HVDC manufacturing capacity of the Charleston plant.

The Group currently owns and operates two cable laying vessels: Nexans Aurora, the most technologically advanced cable laying vessel in the industry with over 10,000 metric tons of cable load capacity, and Nexans Skagerrak, with the longest track record of the industry. In July 2023, Nexans has decided to invest in a new ultra-modern, technology advanced, cable-laying vessel to be equipped with a state-of-the-art logistics and handling system capable of laying four cables simultaneously and is expected to be operational by 2026. Nexans is able to install and repair cables at water depth beyond 2,000m, enabling critical links to be established in deep water environment such as the Mediterranean Sea.

As a long-term partner, Nexans has developed long lasting relationships and credentials with major offshore wind developers, such as Ørsted or Equinor, and Transmission Systems Operators (TSO), such as RTE, Terna, ADMIE or TenneT. In May 2023, Nexans secured a 1.7 billion euros frame-agreement from TenneT for turnkey high voltage direct current projects for offshore wind farms.

MARKET TRENDS

Though the development of offshore wind energy is still in its early stages, it already represents an important market for power cables. Indeed, about 275 gigawatts of new offshore wind capacity will be installed worldwide by 2030, and more than 390 gigawatts by 2032 [(1)], as part of accelerated efforts to decarbonize electricity supply. Global offshore wind capacity will also be driven by significant improvements in competitiveness, strong acceptance and regulatory pressure in favor of renewable energies. Planned and ongoing projects are increasingly larger, deeper and farther from the shore, turning technology and risk management into key differentiators for customers. With 250 to 400 million euros of cable per gigawatt installed, the cable market is expected to grow by +11.5% per year to reach 8 billion euros per year by 2030 [(2)].

The sustainable electrification of the world requires the increase in energy production capacities, in particular from renewable sources, but also the increase of interconnections able to transport more energy over longer distances at sea and on land, thus the exchange of energy between countries to fully exploit the potential of renewable energies, which are characterized by intermittent production. By increasing the connectivity between national electricity grids, it is possible to match electricity supply and demand at the transnational level, stabilize the electricity supply of countries, and reduce blackouts, shortages and price fluctuations.

(1) Global Wind Energy Council (GWEC) study – Global Offshore Wind Report 2023
(2) Roland Berger study

The interconnection cable market is expected to grow at a pace of +14.3% per year to reach 5 billion euros by 2030 [1] driven by an already strong pipeline of large planned or ongoing projects.

1.2.1.2 Distribution

2023 KEY FIGURES

€1,186m sales (18% of Group standard sales); €156m adj. EBITDA

DESCRIPTION OF DISTRIBUTION

Cables and electrical accessories are key elements of the electricity value chain to transport the energy produced to its point of consumption. Distribution system operators (DSO) provide distribution *via* overhead cables and underground cables.

Nexans designs and manufactures medium- and low-voltage aluminum cables from 1 kV to 33 kV. The Group offers fully integrated turnkey solutions to operators to gradually modernize their networks: these solutions range from cables and accessories (transformers, switches, splices and cable ends) to the most advanced services for the operation, optimization and maintenance of networks.

Nexans excels in this area, at the heart of its DNA, thanks to:

- long-term framework agreements with major energy distribution networks;
- turnkey solutions for electrification and bundled offers including cables and accessories; and
- a revolutionary technology: superconductivity.

In addition, the Group has developed innovative digital solutions: Asset Electrical, an asset management solution from Nexans specially designed to help network operators obtain maximum returns on their electricity network; or Ultracker Drums, a unique solution using IoT technologies to locate drums in real time, in order to optimize their management, logistics and turnaround times while avoiding the loss and theft of cables and reels.

The Group has a long-term relationship with its local DSO customers - ENEL, ENEDIS, E-ON FLUVIUS, UKPN, renewable energy operators such as ENEL Green Power, SSE, ERG; and, in some countries, major energy installers such as Engie Energy, Vinci Energy, etc.

The Distribution segment operates in Europe, North America, Asia-Pacific, Africa and the Middle East, with a local industrial presence.

MARKET TRENDS

Massive investments of around 10 trillion euros by 2030 [2] will be made globally for the development of networks, mainly due to global electrification and the development of renewable energies. All over the world, DSOs are facing an increase in investments to develop and replace electricity networks.

The expected investments in renewable energies should generate new connection needs, while the increasing electrification of emerging countries is leading to the development of new electricity grids to cover isolated areas.

In industrialized countries, massive investments will be necessary to modernize aging infrastructures and ensure the security and reliability of networks, particularly in Europe and North America.

In this context, the Distribution cable market is expected to grow by +4.2% per year by 2030 [3].

1.2.1.3 Usage

2023 KEY FIGURES

€1,679m sales (26% of Group standard sales); €229m adj. EBITDA

DESCRIPTION OF USAGES

The Group designs, manufactures and distributes low-voltage cables (<1kV) and related accessories for electrical systems connecting the terminated point of the energy distribution network to the end user's power outlet. This market addresses the usage of electricity in residential, infrastructures, industrial, commercial, datacenters and e-mobility end-markets.

Nexans focuses its offer on three areas:

- the electrical safety of end users;
- products that are easy to handle and install;
- smart products integrated into a digital ecosystem.

Nexans pursues a strategy of differentiation through technical performance and its ability to offer its customers solutions and systems beyond cable to support them in their projects before, during and after. This is supported by a wide range of services, including professional training, recycling services, shared inventory management at distributors' premises, and digital services for asset management.

The Group is expanding its range of solutions for clients by introducing new packaging solutions through the MOBIWAY smart packaging, and also providing a comprehensive fire safety offering, to electrify the future in a safer way for people and assets. The Group also develops sustainable and environmentally-friendly products in order to reduce their environmental impact, in particular by integrating recycled products into its cables or offering recycling solutions to its customers.

The Group's main customers are global specialized electrical distributors such as Rexel, Sonepar or Wesco, international purchasing groups like Imelco and Fegime, large electrical installers (Vinci, Eiffage, Bouygues Construction, etc.) and retail distributors such as Brico Depôt, Leroy Merlin, Sodimac and Bunnings.

(1) *Roland Berger study*
(2) *Internal Energy Agency (IEA) Report – World Energy Outlook 2023*
(3) *Roland Berger study*

The segment operates in Europe, North America (primarily in Canada), Asia-Pacific, Africa and the Middle East, thanks to its strong distribution network and a local presence to reduce transport-related CO2 emissions.

MARKET TRENDS

In an increasingly electric world, electricity consumption is expected to grow by +20% by 2023. In this context, the Uses cable market is currently estimated at 55 billion euros and is expected to grow at a rate of +3.6% per year to reach 81 billion euros by 2030 [1]. This dynamic is supported by different drivers depending on the region:

- emerging countries are mainly driven by ongoing urbanization, improvement of housing standards in urban areas, and electrification of buildings in rural areas;
- industrialized countries are mainly driven by heavy transformation: improvement of building safety, energy positive/smart buildings, decreasing energy consumption, transforming the role of buildings including local energy production, storage capacity and electrical charging stations.

1.2.2 Non-electrification businesses

2023 KEY FIGURES

€1,750m sales (27% of Group standard sales); €185m adj. EBITDA

DESCRIPTION OF INDUSTRY & SOLUTIONS

The Industry & Solutions segment supports Original Equipment Manufacturers (OEMs) and Engineering Procurement and Construction (EPC) players on international projects thanks to innovative cable and connectivity solutions for all their energy, data transmission and automation needs.

The Group works in close cooperation with its customers, to serve them with safe, lightweight, high performance and sustainable products and solutions to speed up their installation such as logistic services.

The Group also provides logistics and services. Nexans is a leader in various markets, and relies on multiyear frame-agreements to serve its customers, leaders in their respective industries in five subsegments:

- **Auto-harnesses:** wiring harnesses and vehicle wiring systems and cabling and safety components for hybrid and electric vehicles for global automakers.
- **Transportation:** cables for the world leading players in their industries in aerospace, shipbuilding, railways and rolling stocks.
- **Industries:** leader in automation cables and provider of healthcare micro-cables for medical equipment.
- **Renewables:** tier one supplier of wind turbine cables, accessories and kits for all onshore and offshore wind players as well as solar panel cables.
- **Resources:** special cables for mining, oil, gas, chemical and nuclear industries.

The Group mainly operates in Europe, North America and Asia-Pacific.

MARKET TRENDS

Growth in these segments is driven by market trends, in particular by:

- increasing demand for electricity, especially from renewable sources;
- the global mobility revolution implying an increasing share of hybrid and electric vehicles and railway expansion;
- smart infrastructures.

This cable market was estimated at 28 billion euros in 2019 and is expected to grow by +3.6% per year between 2019 and 2030 [2].

1.2.3 Other activites

2023 KEY FIGURES

€1,026m sales (16% of Group standard sales); €13m ajd. EBITDA; 3 copper rod mills and 1 joint venture

DESCRIPTION OF OTHER ACTIVITIES

The Other activities business primarily encompasses the Metallurgy business and Telecom System businesses. Nexans is the largest vertically integrated cable manufacturer in the world from copper rods to recycling. This is an advantage for Nexans which has direct access to copper cathodes from mines, mainly located in Chile, Peru, Europe and Canada. It also strengthens Nexans 'ability to increase the circularity of its business through recycling services and the increasing use of copper scrap in its production process.

Through its four rod mills based in Lens (France), Montreal (Canada), Lima (Peru) and a joint venture in Santiago (Chile), Nexans produces copper wire rod for the manufacturing of cables from copper cathodes and scraps. The Group can produce up to approximately 600,000 metric tons of wire rod per year and has solid know-how in copper and aluminum hedging.

Copper wire rods are used by the Group's cable manufacturing facilities, and by other cable producers that do not benefit from such vertical integration.

(1) CRU, Roland Berger study
(2) Roland Berger study

Committed to responsible copper production, Nexans announced that its Montreal (Canada) and Lens (France) rodemills have been awarded The Copper Mark. Nexans is one of the first cable manufacturers and rod mill operators to receive this award in North America and Europe. This recognition demonstrates Nexans' contribution to sustainable development and provides a comprehensive social and environmental insurance program for copper rod production.

To provide a comprehensive recycling solution, Nexans established RecyCâbles, a joint venture with SUEZ, in 2008. It has since become the European leader for cable recycling and recovery.

MARKET TRENDS

Several long-term trends are presently driving growth in copper demand and are expected to continue to in the coming decades. These trends include increased consumer use of electronics, wider uptake of electric vehicles, increased use of renewable energy sources and energy efficiency, all requiring significant amounts of copper.

Copper is therefore expected to experience a surge in demand from 31 million metric tons in 2022 to 38 million metric tons by 2030 [1]. In this context, the challenges of access to copper, its collection and its recycling are major issues.

(1) Goldman Sachs and Nexans estimates

1.3 Innovation and technology

With a unique vision on the market, fully dedicated to electrification, Nexans makes a point of offering all its customers the highest level of services and innovation.

This is not only a differentiating marker of the Company, but also plays a key role in the Group's financial and non-financial performance: it contributes to Nexans' growth in value through the development and marketing of new offers, while meeting the new challenges of its customers. The Group is positioned at the heart of promising markets thanks to its solutions for the energy transition, the climate and the protection of people and infrastructure.

The Group's spending on innovation amounted to around 89 million euros in 2023. This amount illustrates the Group's commitment to developing and maintaining a portfolio of innovations, often co-developed with a solid ecosystem of partners, to serve its operational excellence.

More than 800 experts and engineers work in dedicated entities or contribute to innovation through the development and marketing of new offers and products. Lastly, patented inventions contribute to the Group's competitiveness and the differentiation of its offers, and illustrate its capacity for technological innovation. With more than 60 new inventions protected under first patent applications in 2023 in various regions, Nexans is the top patent applicant in its industry. Nexans' global portfolio comprises more than 2,000 patents.

1.3.1 Innovate with ecosystems

Nexans relies on its Design Labs and Technocenters including AmpaCity, its new global innovation center, inaugurated in Lyon (France) in 2022, to federate its innovation ecosystems.

To meet and anticipate the challenges of its customers, Nexans has created a network of Design Labs responsible for managing the design, development and industrialization of new offers, based on an in-depth analysis of customer and market expectations:

- the **Digital Design Lab** is dedicated to the development of digital services and solutions based on technologies such as cloud, artificial intelligence (AI) and the Internet of Things (IoT);
- the **Electrical Grid Design Lab** helps network operators optimize the performance and reliability of their electrical infrastructure, from generation to distribution to the end user;
- the **Building Design Lab** focuses on the needs of customers, users and installers of cabling systems for buildings. It aims to facilitate the installation of cable networks, improve electrical safety and fire protection, and contribute to Smart Buildings.

The Group's new **Innovation Center** in Lyon embodies its commitment to dedicate all of its research to sustainable electrification. The research covers electrical insulation performance (including very high voltage and aging), the ability to anticipate and detect failures, the development of materials with reduced environmental impact, fire-rated cable systems, cable production processes and digital technology. The Innovation Center represents an investment of 20 million euros and employs 90 Nexans engineers and technical experts from different countries.

In order to accelerate the development of unique solutions, Nexans has **partnered with leading industrial and technological players**. In particular, Nexans has signed a partnership agreement with Orange Business Services for the provision of IoT connectivity and has set up partnerships with Microsoft Azure to develop enhanced artificial intelligence and cloud solutions to transform the customer experience and ensure just-in-time delivery.

The Group has signed strategic partnerships with leaders in its ecosystem such as Bureau Veritas, Digital Matter, Suez and Schneider Electric for a joint program to accelerate its digital transformation.

Nexans is also involved in **collaborations with universities and research centers** (SuperGrid, EnergyVille, universities, CNRS laboratories) for technology development projects, in particular on cable aging and the behavior of insulation under very high voltage, the development of recycling solutions, and new DC electrical architectures. In particular the Group is engaged in two collaborative projects supported by the France 2030 program: Ophelia for the development of medium voltage direct current solutions for long linear solar farms, and the RENOV initiative which is dedicated to the advancement of technologies for recycling cross-linked polymers.

In High voltage, early engagement and innovation with our platinum customers is an important vehicle to drive product and system development and close technology gap for future projects. During the year Nexans have had innovation projects with particular focus on dynamic export cables for floating offshore wind to address the challenges in the upcoming floating offshore wind market.

1.3.2 Innovation at the service of customers

The Group's commitment to serving its customers is based on three pillars:

Customer experience – Nexans supports its customers before, during and after their most demanding projects. The Group's offers go beyond the supply of cables as it also provides dedicated systems and services (in logistics, connected users, Internet of Things, etc.) meeting its customers' challenges while helping them optimize their capex and opex. Since the handling and installation of cables are two key stages, the Groups places a distinct emphasis on innovations aimed at simplifying these critical stages.

Digital – Digital technology is now part of all the Group's new offerings: while offering a better customer experience, it makes it possible to make better decisions and create differentiating solutions. Nexans is leveraging digital technologies, including the Internet of Things (IoT), the cloud and artificial intelligence. The ULTRACKER solution enables customers to track, monitor and manage assets anywhere in the world.

Sustainability – Nexans' capacity for innovation and its integrated model make it possible to offer cleaner and more sustainable solutions to reduce its customers' emissions and contribute to the Group's objective of achieving carbon neutrality by 2030. The Group offers services for the collection and recycling of end-of-life cables and multimodal transport.

1.3.3 Innovation for the energy transition

Nexans is developing concrete innovations for the electrification of tomorrow. All R&D is dedicated to low-carbon electrification, around four major areas:

- contribute to increasing the flow and supply of electricity to guarantee the reliability of the network and prevent the risk of blackouts;
- strengthen the digitization of electrical infrastructures and better monitor and anticipate risks; and
- minimize the impact on the environment.

Low-carbon electricity and innovation will play a critical role in the energy transition and the fight against global warming over the next decade. The Group is working on the ten major technologies that will shape the electrification of the world over the next ten years:

- transition from alternating current (AC) to direct current (DC): partial transition to direct current of low-, medium- and high-voltage electrical systems;
- new sources of renewable energy: development of floating offshore wind, solar trackers and floating solar;
- superconductivity: high transport capacity, without loss and with minimal impact;
- circular plastic: bioplastics, recycled plastics and materials recycling;
- hydrogen: green hydrogen, used to decarbonize heavy industry and transport, will be one of the main factors in electricity demand;
- electromobility: expanded and easier access to charging infrastructures;
- connected products: Internet of Things (IoT) and RFID;
- digital twins: modeling and forecasts using an electronic representation of the real world;
- Big Data and artificial intelligence: in-depth analysis and optimization of decision-making;
- smart and secure buildings: electrical and fire safety in an all-electric future.

1.3.4 Main innovations in 2023

During the year, Nexans innovated in each of its business lines to meet the challenges of sustainable electrification:

Generation & Transmission

- Enhance water depth capability: The Group marked a significant milestone by achieving a world first with the development of a groundbreaking 525kV mass-impregnated cable system capable of operating at depths reaching 3,000 meters across the Mediterranean Sea.
- Mitigating carbon impact: The Group developed SF6 gas-free cable terminations for 525kV DC, which include a dry-type Gas Insulated Switchgear (GIS) cable sealing end, a g3 gas-filled cable sealing end in collaboration with General Electric, and an outdoor composite cable sealing end. These SF6-free solutions not only enhance reliability and require lower maintenance but also contribute to a remarkable reduction in environmental impact, slashing greenhouse gas emissions by over 99%.
- Successful qualification of the Charleston plant for both HVDC and HVAC technologies.
- Elevating quality control: Continuing its commitment to excellence, the Group advanced the development of Surface Inspection and Control Algorithms (SURFICAL). This patented laser scanning quality control system provides a dependable digital analysis for on-site accessory installations, ensuring high-quality standards.
- Innovative monitoring systems: The Group introduced a state-of-the-art monitoring platform, facilitating the seamless integration of various monitoring solutions and sensors into a unified interface. This cutting-edge system enhances overall efficiency and effectiveness in monitoring operations.

Distribution

- Ensuring network resilience through Superconducting cables: With maximum transmission capacities and nearly zero energy losses, compact superconducting cables are revolutionizing urban energy networks. The Group achieved a groundbreaking milestone by securing an agreement for the supply of the world's first integrated superconducting cable system in a rail network, implemented at Gare Montparnasse in France. This innovation significantly enhances network resilience.
- Introducing France's first low-carbon power grid cable offering: Pioneering a holistic approach across the value chain and throughout the cable life cycle, the Group has successfully reduced greenhouse gas emissions from its low- and medium-voltage cables by 35% to 50%, depending on the specific products. This innovative offering is anchored in the guaranteed use of low-carbon aluminum and recycled plastic, along with the incorporation of renewable or decarbonized energies in the cable manufacturing process. Notably, access to the CO2 data of these cables is ensured, empowering all stakeholders in the chain to monitor and optimize their carbon emissions effectively.

Usage

Nexans introduced 10 new innovations across 8 countries, with a majority belonging to the Mobiway™ range—a range of connected, reusable packaging, and tooling solutions:

- Mobiway™ MOB Drum Kit, a revolutionary connected solution for transporting and installing cables in medium to large-sized building projects. Departing from traditional bulky and cumbersome cable drums, Nexans' Mobiway™ MOB is ingeniously designed to enhance the safety and ease of manipulating and unwinding cables during installation. With this innovation, a single person can efficiently handle cable manipulation, resulting in a 50% reduction in installation time.
- Mobiway Un'Reel brings a host of benefits to cable installers worldwide, simplifying the installation process through intelligent cabling. Successfully deployed in 10 countries in 2023, this innovative solution enables a 50% reduction in installation time and boasts a remarkable 3 to 5 times reusability factor. It stands as a testament to Nexans' commitment to making cable installation processes easier, quicker, safer, and more cost-efficient.

The Group is focusing on the growth of its connected objects and users in support of a new model of recurrence driven by constant innovation and value-added products and solutions. The Group now has more than 545,000 users and connected devices worldwide.

1.4 Strategy – 2022-2024 sequence

1.4.1 Pure player strategy for sustainable electrification

The electrification of the planet is key to fighting global warming and to achieving sustainable, balanced and equitable growth that benefits all of humanity.

The mega trends converge to the same conclusion:

- electrification of the planet will be the main energy challenge in the coming decades;
- electrification of the planet requires more and more renewable energies;
- electrification will require electrical grid network modernization and protection;
- electrification of the planet poses a considerable technological challenge.

Nexans has always played a major role in the history of electricity, from its discovery by Thomas Edison and Benjamin Franklin to this new electrified world, and will amplify its role by becoming a pure player in this field across the whole of the value chain from the production of electricity to its transmission, its distribution to its use.

Nexans will transform itself in a sustainable way

Guided by its purpose "Electrify the future" and E^3 solution, a unique and powerful performance measurement tool, Nexans is leading the charge to the new world of electrification. The Group aims to contribute to carbon neutrality by 2030, promote a safe and inclusive workplace and reduce its environmental impact.

Every quarter, all of the Group's sites are required to reach the right performance balance among the three key dimensions: i) economy, ii) environment and iii) engagement. This performance is measured and monitored on the basis of three KPIs, i.e. Return on Capital Employed, Return on Carbon Employed, and Return on Competence Engaged.

The electrification market: tremendous growth potential

In 2023, Electrification represented 57% of Nexans' sales. The Group wants to focus its efforts on this market segment because:

- currently, electrification markets represent about 65% of world cable demand;
- the growth per annum for electrification is 4.3% for the next 10 years, higher than all others;
- the electrification market is still very fragmented, leaving room for M&A consolidation.

Continued transformation and value creation

Nexans will articulate its actions around two axes:

First, pursue the transformation program in all segments through three main actions:

- deploy an updated activity portfolio management method, enabling a stronger focus on cash generation;
- continue the implementation of cost and productivity improvement programs; and
- implement the SHIFT Performance program wherever it is still needed.

Second, amplify and accelerate growth in the electrification segments through:

1) MERGERS, ACQUISITIONS AND DISPOSALS

To achieve 100% of its revenue on electrification markets, Nexans will continue to rotate its portfolio to focus on electrification segments.

The Group has divested the Telecom & Data segment and focus its efforts on acquiring companies to enrich its offer in electrification through:

- geographical expansion: targeting sizable players in new markets;
- consolidation of existing markets: leveraging Nexans' strong local presence to make the right choices and ensure seamless integration of the targets;
- bolt-on acquisitions: to bring more value inside the electrification ecosystem.

Nexans will rely on its SHIFT methodology to ensure smooth integration and create synergies.

After successfully acquiring Centelsa in Colombia on April, 2022, and surpassing integration expectations, achieving over 12 million US dollars in synergies one year ahead of schedule, Nexans is continuing its strategy of expansion in Electrification markets. On April, 2023, the company completed the acquisition of Reka Cables, a Finland-based specialist in Distribution and Usages businesses. With a workforce of approximately 270 people, Nexans anticipates around 10 million euros in recurring synergies after full ramp-up. These two acquisitions enhance Nexans' global portfolio in key segments, contributing to a significant increase in the total annual sales of companies acquired in Electrification, reaching close to 500 million euros.

Additionally, in alignment with its strategic focus on exiting non-electrification sectors, Nexans has successfully concluded the divestiture of its Telecom Systems activity, on October 2023, now operating under the rebranded name Aginode. This transaction marked Nexans' exit from the Telecom Infrastructure and LAN cables and Systems segments within the broader Telecom & Data industry.

2) STRATEGIC INVESTMENTS IN THE POWER GENERATION & TRANSMISSION SEGMENT

Nexans has invested more than 500 million euros in state-of-the-art production and installation assets in the field of high voltage, strengthening its leading position in cabling solutions for offshore projects (offshore wind farms, interconnections, etc.).

In addition, Nexans invested over 200 million euros between 2022 and 2024 in new production capacities:

- the expansion of the Charleston plant to increase production capacity for submarine and terrestrial HVDC cables;
- the expansion of the Halden plant in Norway, with the addition of two lines for the production of HVDC cables.

The Group announced in July 2023 the launch of an investment in a third state-of-the-art cable laying vessel to address its record backlog.

3) SHIFT PRIME PROGRAM

Focused on customers and innovation, the SHIFT Prime program aims to accelerate marketing initiatives that allow the premiumization of offers through value-creating innovations, and as close as possible to the uses of Nexans' customers. This program focuses on strengthening the brand and developing innovations and value-added offers beyond cable in terms of service.

4) AMPLIFY PROGRAM

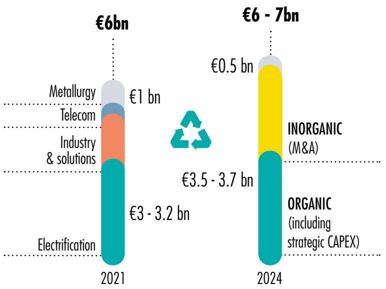
Nexans focuses all its R&D and innovation resources on the electrification segments in order to better meet current and future customer needs throughout the sector's value chain.

This initiative is supported by a strong network of partners, bringing differentiating know how and assets to Nexans value proposition.

1.4.2 The Group's financial ambitions for 2021-2024

OUR COMMITMENTS

AMPLIFY AND SCALE-UP WITH DISCIPLINE



SCALE-UP IN VALUE

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

(1) NCCR (Normalized Cash Conversion Ratio) defined as Normalized Free Cash Flow / EBITDA – NFCF excludes strategic capex, PP&E divestment, one off-change in working capital and material restructuring plans cash out. Segment NCCR computed after allocation of Group mutualized costs

(2) Excluding potential goodwill and PPA assets arising from M&A / Assuming Nexans cumulated depreciation ratios for acquired fixed assets

SUSTAINABLE & SOUND BALANCE SHEET

OWC % (3)	≤ 6%
CAPEX % (4)	≤ 2.5%
Leverage Ratio (5)	≤ 2.5x

(3) OWC% as Closing / (Previous Quarter Actual Sales x 4)

(4) CAPEX% as Recurring CAPEX / 12 months Standard Sales

(5) Leverage Ratio: Average of last two published net debt on Last Twelve Months EBITDA

Shifting revenue towards electrification

Nexans' **standard sales** are expected to reach around 6 to 7 billion euros in 2024 with a radically different structure:

- the existing electrification activities are expected to grow organically from 3 to 3.5 billion euros;
- the Industry & Solutions and Telecom & Data businesses will be replaced by about 2 to 3 billion euros of new electrification businesses;
- the Metallurgy business sales will be reduced by reducing external sales.

Improved profitability

On the existing **electrification activities**, the EBITDA margin will increase by 300 basis points to 11%-13% by 2024. This represents an EBITDA increase of +150 million euros over the three years of the plan coming from four levers:

- costs & industrial performance: streamline the cost base and improve industrial performance to cope with inflation –15 million euros expected from these actions;
- selective volume growth: additional volume from Distribution and Usages activities, and the ramp-up of the Charleston plant and the Nexans Aurora cable ship in the Generation & Transmission segment – 50 million euros expected;
- SHIFT programs: benefits from pricing improvements through innovation, as well as enhanced customer selectivity and reduced complexity – 40 million euros expected;
- strategic capex: the investments in the Generation & Transmission business to increase the capacity of the Halden plant by two additional lines of production will contribute 45 million euros EBITDA by 2024.

Nexans commits to deliver its achievements on a year-by-year basis.

The shift of the portfolio towards full electrification will be accretive for Nexans thanks to the SHIFT program and the expected synergies. The Group ratios in 2024 will improve as follow:

- the Group's EBITDA margin will expand to a range between 10% to 12% by 2024;
- the normalized cash conversion rate will double and exceed 40% [1];
- the Group has not committed on its return on capital employed in 2024 as this will depend on acquisition multiples.

Keep a sustainable and sound balance sheet

Nexans will maintain several strict ratios to protect its balance sheet:

- the operating working capital will not exceed 6% of current sales;
- the maintenance capex on standard sales will not exceed 2.5%;
- net leverage below 2.5x EBITDA.

Nexans will generate about 500 to 600 million euros of cash over the three years of the plan, before mergers and acquisitions. The cash allocation plan is as follows:

- the strategic investments will represent approximately 40% to 50% of the total cash generated by the Group. They mainly concern the additional capacities of the Generation & Transmission business;
- the dividends paid will represent 20% to 30% with a minimum and progressive pay-out ratio of 20% each year;
- the remaining part of the cash flow will be used to further reduce the Company's debt. Pre-M&A we expect that by 2024 Nexans will be debt free.

With a debt free balance sheet, and without exceeding a leverage of 2.5x EBITDA the estimated fire power available for M&A will be up to 2 billion euros. Adding expected cash from divestments, cash available will reach 2.5 to 3 billion euros.

1.5 2024 trends and outlook

In 2024, Nexans expects to benefit from continued buoyant market demand, supported by global megatrends in electrification, as well as its structural transformation and value-added solutions to support its growth and profitability improvements. The Distribution market is currently entering a hyper cycle of investment. The record risk-reward backlog in Generation & Transmission provides solid visibility, and the Group will benefit from the contribution of the ramp-up of the Halden plant in Norway.

At the beginning of the year, the macroeconomic context is marked by ongoing weak demand in some geographies in construction. Countries affected in 2023, proved to be resilient thanks to value-added offers, customer selectivity and the strong focus on cash generation. In this demanding context, some initiatives are already in place and Nexans will draw on the agility and commitment of its teams to adapt to changes and continue to focus on cash generation. A progressive improvement is expected throughout the year and datacenters, industrial and mobility markets are expected to remain resilient.

In this context for 2024, assuming there are no conjunctural effects and excluding non-closed acquisitions and divestments, Nexans expects to achieve:

- Adjusted EBITDA of between 670 and 730 million euros;
- Normalized Free Cash Flow of between 200 and 300 million euros.

Moreover, the Group is confirming its 2024 Capital Markets Day targets and will continue the implementation of its strategic roadmap and priorities.

(1) *Free cash flow excluding strategic capex, disposal of tangible assets, impact of material activity closures and assuming project tax cash out based on completion rate.*

1.6 Group operations during 2023

1.6.1 Consolidated results of the Group

1.6.1.1 Overview

In 2023, sales at **standard metal prices** reached 6,512 million euros. At constant scope and currency, organic growth was -0.9% compared to 2022, and +3.0% excluding Other activities, which are being scaled-down in line with the Group's strategy. Electrification businesses (Generation & Transmission, Distribution, and Usage) declined by -1.5% organically reflecting (i) the exit from the Umbilical activity in the Generation & Transmission segment, (ii) the focus on profitability and product mix toward higher value-added solutions despite some normalization in the Usage segment, and (iii) excellent momentum in the Distribution segment on the back of buoyant utilities demand. The Non-electrification business was up +13.7% reflecting new developments in Auto-harnesses, recovery in Aerospace and solid momentum in Mining, while Other activities continued to be downsized by a strong -17.9% organically compared to 2022.

The scope effect included the positive contribution of two acquisitions in the Distribution and Usage businesses, partly offset by the divestment of the Telecom Systems business, Aginode, finalized in October 2023. After successfully acquiring Centelsa in Colombia in 2022, and achieving over 12 million eurosin synergies one year ahead of schedule thanks to the SHIFT programs roll-out, Nexans is continuing its strategy of expansion in Electrification markets. On April 26, 2023, the Group completed the acquisition of Reka Cables in Finland. Nexans anticipates 11 million euros in recurring synergies after full ramp-up, meaning +4 million euros run-rate synergies to be delivered 6 to 12 months ahead of the initial plan.

Adjusted EBITDA [1] reached 665 million euros in 2023, up by a strong +8.2% versus 616 million euros in 2022. **Adjusted EBITDA margin** was strong at 10.2% versus 9.1% in 2022, supported by cable businesses and illustrating Nexans' value-driven model and embedded focus on performance. Electrification achieved a record adjusted EBITDA margin of 12.5% in 2023 thanks to the product mix shift toward innovative, higher value-added solutions, and structural profitability improvements in the Distribution and Usage segments, more than offsetting the decline in the Generation & Transmission segment affected by one-offs in the first half of the year.

In 2023, **specific operating items** included 13 million euros related to share-based payment expenses, and 40 million euros in relation to additional costs on long-term projects impacted by past reorganizations. These additional costs led to subsequent losses at completion which are not representative of the actual business performance. In 2022, EBITDA included 16 million of specific operating items related to share-based payment expenses.

EBITDA (including share-based payment expenses) amounted to 652 million euros in 2023, above the guidance upgraded in July, versus 599 million euros in 2022.

ROCE pursued its record-high trajectory, reaching 20.7% for the Group (20.5% in 2022), and 26.4% for the Electrification businesses.

Operating margin totaled 432 million euros in 2023, representing 6.6% of sales at standard metal prices (versus 6.2% in 2022).

1.6.1.2 Detailed analysis by segment

GENERATION & TRANSMISSION

Generation & Transmission standard sales came in at 870 million euros in 2023, up +0.8% organically compared to 2022, and +17% excluding the Umbilicals activity which the Group is currently discontinuing. Business was strong in the fourth quarter due to the execution of Sunrise Wind, Empire Wind 1 in the United States and the Tyrrhenian Link projects.

Despite the rebound initiated in the second half of 2023, the segment's adjusted EBITDA reached 83 million euros in 2023, down -48% compared to 2022. The adjusted EBITDA margin was 9.5% in 2023, versus 16.6% in 2022. The gradual margin upturn in the second half of 2023 to 10.8% (versus 7.8% in the first half) came from improved project execution, and the US-based Charleston plant being fully ramped-up, partially offsetting the dilutive impact of the execution of legacy projects and unfavorable currency effect.

Customer activity remained robust, and in line with its risk-reward selectivity approach, the segment's adjusted backlog reached 6.1 billion euros at December 31, 2023, up by 74% compared to December 31, 2022, boosted by the fourth-quarter order for the Great Sea Interconnector (formerly EuroAsia) and the Orkney project in the United Kingdom. On December 22, 2023, Nexans received an advance payment from IPTO as part of the First Notice to Proceed of the Great Sea Interconnector. This marked the first significant step in the contract signed last July.

The robust visibility of manufacturing and installation asset loads has been extended through 2030. Strategic investments continued as planned throughout the year, with the completion of the Halden plant extension in Norway early 2024 and the launch of an investment for a third cable-laying vessel to address substantial backlog growth.

(1) EBITDA renamed Adjusted EBITDA to align with the AMF recommendations. No change in definition compared to June 2023: starting 2023, Adjusted EBITDA is defined as operating margin before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) some other specific operating items which are not representative of the business performance. In 2022, adjusted EBITDA excluded €16 million of share-based payment expenses while there were no other recurring operating items that were not representative of the business performance.

DISTRIBUTION

Standard sales in the Distribution segment rose organically by +4.5% compared with 2022 to 1,186 million euros. Demand was solid reflecting secular megatrends, including grid modernization and renewable energy projects in Europe and North America. South America and Asia Pacific were slower due to the timing of orders, while the Middle East and Africa remained strong. In this context, the Group announced the signing of an MoU to build a new plant in Morocco the expand its production capacities.

Adjusted EBITDA rose by a sharp 78% year-on-year to 156 million euros, supported by new frame-agreements, operational excellence and the contribution from the Reka Cables acquisition completed in April 2023. In this context, the adjusted EBITDA margin reached a record 13.2%, compared with 8.1% in 2022.

USAGE

Standard sales in the Usage segment amounted to 1,679 million euros in 2023. Sales were down -6.3% organically compared with the prior year, reflecting the normalization of volumes mainly in Canada as anticipated. The Group benefited from a continued product mix improvement toward higher value-added solutions, driven by the accelerated pace of adoption of fire safety cables and the launch of new products and solutions. In this context, the Group announced the launch of a 40 million euros investment program over the next three years at its Autun site in France, in order to accelerate its industry 4.0 and fire safety offer. Europe was resilient despite the construction slowdown in some areas and destocking in the fourth quarter. Demand was weak in Asia Pacific, while Middle East and Africa remained well-oriented.

Adjusted EBITDA reached 229 million euros, up by 3.7% year-on-year, supported by sustained strength in pricing by higher value-added solutions, and the contribution from Reka Cables starting April 30, 2023, offset by a negative currency effect mainly reflecting the depreciation of Canadian currency and the devaluation of the Turkish currency. In this context, adjusted EBITDA margin reached the high level of 13.6% (vs 12.0% in 2022).

INDUSTRY & SOLUTIONS

Standard sales in the Industry & Solutions segment were 1,750 million euros in 2023, representing strong organic year-on-year growth of +13.7% supported by solid momentum in Auto-harnesses, Shipbuilding, Rail and Mining, as well as a recovery in Aerospace. Automation witnessed a slowdown in the second half reflecting weakening orders after a period of solid execution.

Adjusted EBITDA rose by +37% to 185 million euros, with an adjusted EBITDA margin of 10.6%, versus 8.6% last year, reflecting operational improvements and product mix.

OTHER ACTIVITIES

The Other Activities segment – corresponding for the most part to copper wire and telecom sales, and including corporate structural costs that cannot be allocated to other segments – reported standard sales of 1,026 million euros in 2023. Sales were down -17.9% organically year-on-year, mainly linked to the Group's strategy to reduce copper wire external sales through tolling agreements in order to mitigate their dilutive effect.

The segment's adjusted EBITDA was stable at 13 million euros in 2023, versus 13 million euros in 2022, reflecting profitability enhancement within the Metallurgy activity, more than offsetting the divestment of Aginode which marked the exit of the Group from the Telecom System business. Starting 2023, the segment's adjusted EBITDA excluded share-based payment expenses amounting to 16 million euros in 2022 and 13 million euros in 2023.

1.6.2 Other items in the consolidated financial statements

1.6.2.1 Core exposure effect

The core exposure effect represented an expense of 12 million euros in 2023 compared with an expense of 30 million euros at December 31, 2022. The negative impact on the Group's 2023 results reflects both some volume reductions and the lower average copper prices over the period.

The definition of core exposure is provided in **Note 1.E.c** to the consolidated financial statements.

1.6.2.2 Reorganization costs

Reorganization costs came to 49 million euros in 2023 (see breakdown in **Note 23** to the consolidated financial statements), compared with 39 million euros in 2022:

- In 2023, they covered several restructuring and transformation projects launched during the year throughout the Group, both in Electrification and non-Electrification businesses.
- In 2022, they covered several projects launched during the year throughout the Group, as well as the continued transformation of the Charleston plant in the United States.

The Group's restructuring plans include assistance measures negotiated with employee representative bodies as well as measures aimed at limiting lay-offs and facilitating redeployment.

1.6.2.3 Other operating income and expenses

Other operating income and expenses represented a net income of 1 million euros in 2023 versus a net income of 46 million euros the previous year. The main year-on-year changes were as follows:

- **Impairment movements** represented a positive impact of 23 million euros in 2023 versus a net expense close to 0 million euros in 2022.
- In 2023, it related to two reversals in Australia for 17 million euros and in the US entity Amercable for 7 million euros;
- As a reminder, in 2022, the impairment of net assets included an impairment of 14 million euros on property, plant and equipment in Ukraine; this impairment mainly resulted from the update of the discount rate used. It was offset by two reversals in Brazil and in the US entity Amercable for 7 million euros each.
- The Group carries out impairment tests on goodwill at least once a year and on other intangible assets and property, plant and equipment whenever there is an indication of impairment. The main assumptions used for these impairment tests and explanations of the impairment losses recognized during the year are set out in **Note 7** to the consolidated financial statements.
- **Gains and losses on asset disposals** amounted to a negative 9 million euros in 2023, mainly related to the divestments of Telecom business and of the equity investment IES Energy. They represented a net gain of 54 million euros in 2022, mainly related to the sale of the industrial site in Hanover Germany, with a net impact of 55 million euros.

1.6.2.4 Net financial expense

The net financial expense amounted to 83 million euros in 2023, compared with 57 million euros in 2022.

The cost of net financial debt amounted to 59 million euros in 2023 compared to 35 million euros in 2022 mainly due to higher interest expenses on bonds, local loans and the commercial paper program, as well as to the negative effect of exchange rate fluctuations on bank accounts and debts in foreign currency.

Other financial income and expenses represented a net expense of 24 million euros in 2023 versus a net expense of 22 million euros in 2022. Limited changes on the impacts of exchange rate fluctuations on operating flows are compensated movements on impairments on assets related to non-consolidated entities (see **Note 9** to the consolidated financial statements).

1.6.2.5 Income .taxes

The income tax expense for 2023 amounted to 68 million euros, compared with 90 million euros in 2022. The lower income tax expense is mainly due to the some deferred tax assets recognition.

1.6.2.6 Consolidated balance sheet

The Group's total consolidated assets increased to 6,536 million euros at December 31, 2023 from 6,402 million euros at December 31, 2022. Changes in the structure of the Group's balance sheet between those two reporting dates were as follows:

- Non-current assets amounted to 2,740 million euros at December 31, 2023, versus 2,393 million euros one year earlier.
- Operating working capital requirement (trade receivables plus inventories less trade payables and accounts related to long-term contracts) improved by 217 million euros in 2023.
- Net debt amounted to 214 million euros at December 31, 2023 versus 182 million euros at December 31, 2022.
- Provisions for contingencies and charges – including for pension and other long-term employee benefit obligations – were increased by 28 million euros over the year to 436 million euros at December 31, 2023. Of this amount, 237 million euros related to pension benefit obligations, compared with 232 million euros in 2022.
- Total equity stood at 1,711 million euros at December 31, 2023 compared with 1,667 million euros at December 31, 2022.

1.6.2.7 Main cash flows for the period

Cash flow from operations before gross cost of debt and tax totaled 520 million euros in 2023.

The positive cash impact of the decrease in working capital requirement amounted to 262 million euros, reflecting the positive impact of prepayments collection in the Generation & Transmission segment – the impact of copper price fluctuation being not significant on cash generation.

The cash flows related to the investment corresponded to a cash outflow of 440 million euros in 2023, corresponding to tangible investments of 377million euros (mainly related to investments in Norway and in a new vessel for the Generation & Transmission business) and to the acquisition of the Reka Group for 60 million euros (net of cash acquired).

The cash flows related to financing were negative for 215 million euros, mainly due to the following items:

- net negative impact on loans movements for 58 million euros, as repayment of local loans offset the net positive impact of the bonds refinancing;
- 59 million euros in interest payments;
- 93 million euros paid in dividends;
- 6 million euros net cash-out related to the net payment on treasury shares' transactions.

Overall, taking into account the effect of currency translation differences, net cash and cash equivalents decreased by 15 million euros during the year to 1,114 million euros at December 31, 2022 (corresponding to 1,131 million euros in cash and cash equivalents reported in the balance sheet less 16 million euros in short-term bank loans and overdrafts).

1.6.2.8 Other significant events of the year

CHANGES IN SCOPE

Acquisition of Reka Cables

In November 2022, Nexans entered into an agreement with REKA Industrial Plc to acquire REKA Cables (the "Transaction"). This acquisition enables the Group to strengthen its position in the Nordic countries, particularly in the Building & Territories businesses.

Founded in 1961, REKA Cables specializes in the manufacture of low- and medium-voltage cables for Building & Territories activities. With a workforce of 270 employees and an estimated revenue of more than 160 million euros in 2022, this company, present in four countries, is one of the leaders in the Finnish market and enjoys an excellent reputation in the Nordic countries. In November 2021, it became one of the first cable manufacturers to achieve carbon neutrality (Scopes 1 and 2).

Nexans successfully completed the acquisition of REKA Cables from REKA Industrial after obtaining approval from the Finnish competition authority at the end of April 2023.

The details and conditions of this transaction as well as the provisional goodwill are presented in **Note 11** to the consolidated financial statements.

REKA entities have been fully consolidated since April 30, 2023. Their activities contributed to the Group's consolidated financial statements for the year 2023 for revenue at current metal prices of 101 million euros and an Operating Margin of 5 million euros.

On a 12-month basis, considering, for example, that REKA was acquired on January 1, 2023, the contribution to recurring revenue and Operating Margin can be estimated at 152 million euros and 7 million euros respectively.

Sale of the Telecom business

On October 31, 2023, Nexans completed the sale of its Telecom Systems business, renamed Aginode, to Syntagma Capital, a private equity fund based in Belgium.

This activity constituted the major part of the former "Telecom and data" segment. Its contribution is presented under "Other Activities" in the segment information.

This transaction marks the final step in Nexans' exit from the telecom and data segment, in line with its strategy to simplify its activities to amplify its impact on the Electrification markets.

FINANCING

Issuance of sustainability bonds

Nexans completed its first sustainability bond issue in April 2023, for a total nominal amount of 400 million euros, with a five-year maturity and an annual interest rate of 5.50%.

This first sustainability bond issue is part of Nexans' Sustainable Financing Framework, which is a central pillar of its refinancing strategy and a concrete step towards the integration of sustainable development into the Group's fundamental values.

The bonds issued are linked to the climate objectives that Nexans has set for December 31, 2026, for the reduction of its Scope 1 and 2 greenhouse gas emissions, as well as for the Cradle-to-Shelf portion related to the CO_2 content of Scope 3 emissions products.

Repayment of the bonds maturing in 2023

On May 10, 2023, Nexans redeemed early the 325 million euros bond issue, whose initial maturity was scheduled for August 8, 2023.

1.6.3 Alternative performance measures

1.6.3.1 Standard sales

Sales figures based on a standard price for copper and aluminum in order to neutralize the effect of fluctuations in non-ferrous metal prices and therefore measure the underlying sales trend. Starting on January 1, 2020, these references are set at €5,000 per metric ton for copper and €1,200 per metric ton for aluminum and are then converted into the currencies of each unit, thus taking into account the specific economic conditions of the units.

1.6.3.2 Organic growth

Standard sales growth as a percentage of prior-year standard sales. Organic growth is a measure of growth excluding the impact of changes in the scope of consolidation and changes in exchange rates.

1.6.3.3 Operating margin

Operating margin measures the Group's operating performance and comprises gross profit on goods sold based on the order cost of non-ferrous metal valued at the metal price specific to each customer order, as allocated through the hedging mechanism (replacement cost), administrative and selling expenses and research and development costs.

The operating margin is assessed before the impact of: (i) the revaluation of the core exposure; (ii) impairment of property, plant and equipment, intangible assets and goodwill resulting from impairment tests; (iii) the change in fair value of non-ferrous metal financial instruments; (iv) capital gains and losses on asset disposals; (v) related acquisition costs for completed acquisitions and costs and fees related to planned acquisitions; (vi) expenses and provisions for antitrust investigations; (vii) reorganization costs; (viii) share in net income of associates; (ix) net financial income; (x) taxes; and (xi) net income from discontinued operations.

Core exposure impact is the temporary price difference between the accounting value of copper used in production and the actual value of this copper as allocated to orders through the hedging mechanism (cf. **Note 1.E.c** to the consolidated financial statements for more details).

1.6.3.4 Adjusted EBITDA

Starting 2023, Nexans consolidated adjusted EBITDA is defined as operating margin before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) other specific operating items which are not representative of the business performance.

1.6.3.5 Backlog

Backlog is defined as the cumulative firm order intakes booked to date for which all suspensive conditions are met and for which the related revenue is not yet booked in sales.

1.6.3.6 Adjusted Generation & Transmission backlog

Cumulative order intakes for the Generation & Transmission business for which contracts have been signed but for which all suspensive conditions have not been met at the closing date.

1.6.3.7 Operating working capital requirement

Operating working capital is defined as the operating current asset (inventories and work in progress, contract assets, trade receivables) minus operating current liabilities (contract liabilities and trade payables).

1.6.3.8 Free Cash Flow & Normalized Free Cash Flow (NFCF)

Free cash flow is a financial indicator that provides useful information to measure the net cash generated from our operations that is available for merger & acquisition (net of divestments), for debt repayments and for payments to shareholders. Free cash-flow is determined from EBITDA adjusted net for change in provisions including pensions and other post-employment benefits, share-based payments and other non-cash items. It also includes net changes working capital, capital expenditures net of disposal proceeds, other investing cash-in/out but excluding those related to sale/purchase of shares in a company with change in consolidation method, restructuring cash-out, financial interests paid and income tax paid.

Normalized Free Cash Flow is calculated as Free Cash-Flow excluding Strategic Capex, disposal proceeds of tangible assets, impact of material activity closures and assuming project tax cash-out based on completion rate rather than termination.

Strategic capital expenditures correspond to the investments in the Halden (Norway) and Charleston (United States) plants, as well as cable-laying vessels in the Generation & Transmission segment.

1.6.3.9 Normalized cash conversion ratio

Normalized Cash Conversion Ratio is calculated as Normalized Free Cash Flow / adjusted EBITDA.

1.6.3.10 Net debt

Net debt is defined as (i) the sum of long-term debt, short term debt and lease liabilities minus (ii) the sum of cash and cash equivalents.

1.6.3.11 Return on capital employed (ROCE) and return on capital employed for electrification

Return on Capital Employed is defined as 12 months Operating Margin on end of period Operational Capital Employed, excluding antitrust provision.

Operational Capital employed includes operating and non-operating working capital items, intangible and tangible assets, loans and receivables, deferred taxes, reserves excluding pensions and other employee benefit reserve and restructuring reserve.

In line with its ambition to become a pure electrification player, as announced during the Investor Day of February 17, 2021, the Group also monitors the return on capital employed for the electrification activity corresponding to the Generation & Transmission, Usages and Distribution operating segments.

1.6.3.12 Normative net income

The normative net income corresponds to the sum of the operating margin, the cost of financial debt (net), the other financial income and expenses (excluding impairment of financial assets where applicable), and the corporate income tax.

This normative income tax is calculated by restating the tax on published profits for the normative tax impacts of all items excluded from the aggregate normative net income, i.e. (i) items recognized between operating margin and operating income, (ii) impairment of financial assets and (iii) changes in net deferred tax assets, the level of recognition of which is limited where applicable.

1.6.4 The Company

1.6.4.1 Activity and results

Nexans S.A. (the "Company") is a holding company. Consequently, its business consists of managing the equity interests it holds in other companies.

For the year ended December 31, 2023, the Company reported sales of 41 million euros, derived primarily from services billed to Group subsidiaries (40 million euros in 2022).

After taking into account net operating expense of 55 million euros, net financial income of 136 million euros, net exceptional charges of 17 million euros, the net income stands at a profit of 105 million euros (versus 73 million euros in 2022).

Total equity amounted to 1,908 million euros at December 31, 2023, compared with 1,895 million euros one year earlier.

PAYMENT PERIODS OF TRADE PAYABLES

In accordance with Articles L.441-6-1 and D.441-4 of the French Commercial Code (Code de commerce), it is hereby disclosed that the Company had outstanding trade payables of 1,177,066 euros at December 31, 2022 and 510,564 euros at December 31, 2023.

At December 31, 2023	1 to 30 days	30 to 60 days	Beyond 60 days	Total
Invoices received not past due by maturity				
Total amount of invoices concerned in euros (including taxes)	475,599	-	-	475,599
Number of invoices concerned	8	-	-	8
Invoices past due by late payment tranche [a]				
Total amount of invoices concerned in euros (including taxes)	701,407	-	-	701,407
Number of invoices concerned	3	-	-	3
Percentage of purchases	1.74%	-	-	1.74%
Accrued invoices not received at December 31, 2023				18,598,474
Accrued external Supplier invoices (including taxes)				4,545,274
Accrued Intra-Group invoices (including taxes)				14,053,200

(a) Reference payment terms used to calculate late payment are the contractual terms (usually 30 days or 15 days from date of invoice).

PAYMENT TERMS FOR TRADE RECEIVABLES

With the Company's receivables comprising mainly amounts receivable from Group companies (97% of the balance on December 31, 2023), certain information required by Article D.441-4 of the French Commercial Code is not included below as it is deemed irrelevant. Trade receivables totaling 13,102,482 euros (including taxes) at December 31, 2023 (2,956,935 euros at December 31, 2022) break down as follows:

- Trade receivables not past due: 12,783,432 euros;
- Trade receivables past due: 319,050 euros.

At the year-end, unbilled revenue amounted to 12,998,921 euros (including taxes) and only concerned intra-Group receivables.

1.6.4.2 Proposed appropriation of 2023 results and dividend payment

The Annual Shareholders' Meeting to be held in the first half of 2024 will be asked to appropriate the Company's results for the year – corresponding to net income of 104,843,114 euros as follows:

- Retained earnings brought forward from prior years: 67,697,740 euros;
- Net income for the year: 104,843,114 euros;
- Total distributable income: 172,540,854 euros.

At the Annual Shareholders' Meeting of May 16, 2024, the Board of Directors will recommend a dividend payment of 2.30 euros per share.

In the event that the Company holds any treasury shares at the time the dividend is paid, the amount corresponding to the dividends not paid on those shares will be allocated to the retained earnings account.

In compliance with Article 243 *bis* of the French General Tax Code (*Code général des impôts*), it is hereby disclosed that all of the Company's shares are of the same class and that all dividends paid will be eligible for the 40% tax relief applicable to French tax residents as referred to in Article 158, section 3, subsection 2 of said Code.

The total amount of dividends paid for the last three fiscal years and the total amount of the dividends qualifying for the 40% tax relief were as follows:

	2022 (paid in 2023)	2021 (paid in 2022)	2020 (paid in 2021)
Dividend per share	€2.10	€1.20	€0.70
Number of shares qualifying for the dividend	43,657,466	43,337,074	43,730,007
Total payout	€91,680,678.60	€52,004,488.80	€30,611,004.90

1.7 Other relevant information on Group activities

1.7.1 Investments

The Nexans Group's tangible and intangible capital expenditure came to 377 million euros in 2023 compared to 303 million euros in 2022.

Investments related to the following strategic areas:

- Strategic Capex in the Generation & Transmission segment encompassing mainly the expansion of the Halden high-voltage cable plant in Norway, addition of capabilities at the Charleston plant in the United States and a new cable laying vessel. In 2023 Strategic Capex amounted to 199 million euros, versus 157 million euros in 2022;
- Nexans' World Class manufacturing program to improve sites' industrial; performance, digital transformation and Industry 4.0 notably in Autun (France);
- The decarbonization of the Group's own operations, by investing progressively in energy efficiency, site electrification, renewable energies, and electric vehicles. In 2023, these investments amounted to 8.7 million euros;
- The evolution of the Group's products and solutions.

In 2023, the Group's investments were distributed as follows: 64% Generation & Transmission, 8% Distribution, 8% Usage, and 4% Non-electrification business.

1.7.2 Material contracts

Apart from the contracts entered into in the ordinary course of business, including those pertaining to acquisition, divestment and financing transactions, or in respect of the financing mentioned in this Universal Registration Document (outstanding bonds, Multicurrency Revolving Facility Agreement confirmed credit line and loan agreements concluded with a view to financing the Nexans Aurora cable-laying vessel, on the one hand, and with the European Investment Bank, on the other hand, described in **Note 27** "Financial risks" of the notes to the consolidated financial statements 2023.

No other material contracts were entered into by the Company and/or any other member of the Group in the two years immediately preceding the publication of this Universal Registration Document which contain provisions under which any member of the Group has an obligation or entitlement that could have a material impact on the Group's operations, financial position or cash flow.

1.7.3 Legal and arbitration proceedings

To the best of the Company's knowledge, other than the cases referred to in this Universal Registration Document, there are no governmental, administrative, legal or arbitration proceedings (including any such proceedings that are pending or threatened) which may have, or have had in the past twelve months, a material impact on the financial position or profitability of the Company and/or the Group, taking into account provisions already recognized, insurance coverage in place and the possibility of recourse against third parties, and based on Management's assessment of the probability of a material impact occurring in view of these factors. The cases referred to in this Universal Registration Document are described in (i) Chapter 2, section 2.1, Risk factors, and (ii) **Note 23** Provisions and **Note 30** Disputes and contingent liabilities to the 2023 consolidated financial statements.

1.7.4 Property, plant and equipment

The Group's plants and facilities are located in 41 countries around the world, and they represent a wide range of sizes and types of business.

Most of the Group's property, plant or equipment do not individually represent a material amount for the Group as a whole (i.e. an amount exceeding 5% of the Group's total gross property, plant, and equipment – replacement value). Only two sites exceed this 5% proportion: Halden in Norway (approximately 7%) and Cortaillod in Switzerland (just over 6%).

As an industrial group, Nexans does not own significant non-operating real estate assets.

1.7.5 Significant subsequent events for the Group

AGREEMENT FOR THE ACQUISITION OF LA TRIVENETA CAVI

On February 9, 2024, Nexans signed a major agreement for the acquisition of La Triveneta. Based in Italy and present in 30 countries, this emblematic company is renowned for its excellence in the European medium- and low-voltage cable markets. Triveneta Cavi mainly produces low-voltage cables for the construction, infrastructure, flame-retardant cable system and renewable energy sectors. The company employs around 700 people and has recorded annual sales of more than 800 million euros over the last twelve months.

Financing was secured by a bridge-to-bond agreement signed on February 8, 2024. The transaction will be financed through debt. The financing of the acquisition will have a limited impact on the net debt to adjusted EBITDA ratio, thus allowing the Group to maintain strong credit indicators. After financing the transaction, the net debt to adjusted EBITDA ratio will not exceed one.

Completion of the transaction is subject to regulatory approvals and customary closing conditions.

NEW BOND ISSUE

On March 11, 2024, Nexans issued a bond for 350 million euros. This 6-year maturity issue (maturing on March 11, 2030) carried an annual coupon of 4.25%. The bonds were issued at par.

As a consequence of the realization of this bond issue, the confirmed credit facility signed on February 7, 2023 for 325 million euros is cancelled. This credit facility, reduced to 200 million euros in April 2023, aimed at securing the Group's liquidity and refinance bond issues maturing in 2023 and 2024.

No other significant event has occurred since December 31, 2023.

1.8 Information on the Nexans Group and company

1.8.1 General information about the Group

1.8.1.1 Company identity

Name and registered office: Nexans

4, allée de l'Arche, 92400 Courbevoie, France

Phone: +33 (0)1 78 15 00 00

The Company is registered in the Nanterre Trade and Companies Register under number 393 525 852. Its APE code is 7010Z.

The Legal Entity Identifier (unique identifier of financial market participants) of Nexans is: 96950015FU78G84UIV14.

1.8.1.2 Legal form and applicable legislation

Public limited company under French law, subject to all the texts governing commercial companies in France, and in particular to the provisions of the French Commercial Code.

1.8.1.3 Documents accessible to the public

The Company's Bylaws, its parent company and consolidated financial statements, the reports presented to its Meetings by the Board of Directors and the Statutory Auditors, as well as the Internal Regulations of the Board of Directors and the Code of Ethics and Business Conduct and all other corporate documents may be consulted by shareholders in accordance with the legal and regulatory provisions in force. They are available for consultation at the Company's registered office and on the website: www.nexans.com, which contains regulated information published in accordance with Articles 221-1 *et seq.* of the General Regulations of the AMF.

1.8.1.4 Date of incorporation and term

The Company was incorporated on January 5, 1994, under the corporate name "Atalec" (replaced by "Nexans" at the Shareholders' Meeting of October 17, 2000), for a period of 99 years, until January 7, 2093. Nexans results the consolidation of most of the cable activities of Alcatel, which is no longer a shareholder of Nexans, and was listed on the stock exchange in 2001 (for more information on the history of the Company, see section 1.1 of this Universal Registration Document).

1.8.1.5 Corporate purpose (summary of Article 2 of the Bylaws)

In all countries, study, manufacture, operation and trade all apparatus, hardware and software relating to domestic, industrial, civil or military and other applications of electricity, telecommunications, data processing, electronics, space industry, nuclear energy, metallurgy and, in general, any means of production or transmission of energy or communications (cables, batteries and other components), as well as, in the alternative, all activities relating to operations and services relating to the means referred to above. The acquisition of stakes in all companies, whatever their form, associations, French or foreign groups regardless of their corporate purpose and activity; and, in general, all operations industrial, commercial, financial, movable and immovable relating, directly or indirectly, in whole or in part, to any of the objects indicated in the statutes and to any similar or related objects.

1.8.1.6 Fiscal year

The Company's fiscal year begins on January 1 and ends on December 31.

1.8.2 Simplified organizational chart [(a)]

NEXANS S.A.

— NEXANS PARTICIPATIONS S.A. (FRANCE)

— Europe	France	Nexans Power Accessories France, Eurocable, Lixis, Nexans Wires, TLM, Nexans Solar Technologies, Nexans Aerospace France, Nexans Industrial Solutions France, Coveral, Offisys, Nexans Financial and Trading Services [(b)], Recycables [(d)]
	Germany	Nexans Deutschland, Nexans Industrial Solutions, Nexans Power Accessories Germany, Nexans Autoelectric, Elektrokontakt, Metrofunkkabel-Union, Kabeltrommel [(d)], Kabeltrommel GmbH & Co (4), Logistics Warehousing Systems[(d)]
	Belgium	Nexans Benelux, Nexans Network Solutions, Nexans Services
	Bulgaria	Makris GPH, Elektrokabel Bulgaria
	Denmark	Nexans Industry Solutions, Reka Cable A/S
	Spain	Nexans Iberia, Nexans Industrial Solutions Iberia, Takami Investments
	Finland	Nexans Finland Holding Oy, Reka Cable Oy
	Greece	Nexans Hellas
	Italy	Nexans Italia, Nexans Intercablo, Nexans Partecipazioni Italia, Nexans Wires Italia
	Lithuania	Gerhardt Petri Vilnius
	Luxembourg	Nexans Re [(c)]
	Norway	Nexans Norway, Nexans Skagerrak, Nexans Subsea Operations, Nexans Marine Operations, Nexans Vessel Management, Reka Cable AS
	Netherlands	Nexans Nederland
	Poland	Nexans Polska, NPAP, Nexans Industry Solutions
	Czech Republic	Elektrometall, Nexans Power Accessories Czech Republic
	Romania	Nexans Romania, Elektrokontakt, Autoelectric Process Services S.R.L., Elektromodul Romania
	United Kingdom	Nexans UK, Nexans Logistics, Nexans Power Accessories UK
	Slovakia	Elektroconnect
	Sweden	Nexans Sweden, Axjo Kabel, Reka Cable AB
	Switzerland	Nexans Suisse, Confecta, Voltimum [(d)]
	Ukraine	Elektrokontakt Ukraina
— Middle East, Africa	South Africa	Nexans Trade, Isotech Systems
	Angola	Nexans Angola
	Ivory Coast	Nexans Côte d'Ivoire
	United Arab Emirates	Nexans PCABU Dubai DMCC
	Ghana	Nexans Kabelmetal Ghana
	Kenya	Nexans Power Network Kenya
	Morocco	Nexans Maroc, Sirmel, Tourets et Emballages du Maroc, Coprema, Imouka, Nexans Aerospace Maroc
	Nigeria	Nexans Kabelmetal Nigeria [(d)], Northern Cable Processing and Manufacturing Company [(d)]
	Qatar	Qatar International Cable Company [(d)]
	Tunisia	Nexans Tunisia, Electrocontact Tunisie, Assemblage Cable Tunisie
	Turkey	Nexans Turkiye Endustri Ve Ticaret

(a) Simplified operational structure at December 31, 2023. Nexans' main direct and indirect subsidiaries are listed in Note 32 to the 2023 consolidated financial statements.
(b) The company responsible for the Group's cash management.
(c) The Group's captive reinsurance company.
(d) Companies in which Nexans holds a minority interest.

NEXANS S.A.

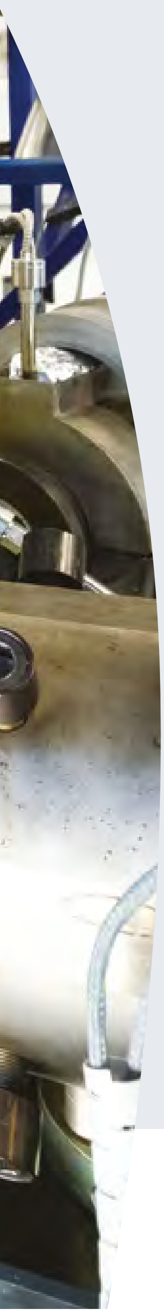
— NEXANS PARTICIPATIONS S.A. (FRANCE)		
— North America	Canada	Nexans Canada
	United States	Nexans USA, Nexans Energy USA, Nexans Magnet Wire USA, Autoelectric USA, Nexans High Voltage USA, AmerCable Incorporated, Nexans Specialty Holding, Nexans Industrial Solutions
— South America	Brazil	Nexans Brazil
	Colombia	Nexans Colombia, Cobres de Colombia [e], ESG Industriales (e), Centelsa [e], Alcatek [e]
	Ecuador	Cedetec
	Mexico	Elektrokontakt S. de RL de CV, Mexico
— Asia-Pacific	Australia	Olex Australia Pty, Olex Holding Pty, Nexans Australia Holding Pty
	China	Nexans (China) Wires & Cables Co., Nexans Hong Kong, Nexans Autoelectric (Tianjin), New Rihui Cables Co., Nexans (Suzhou) Cables Solution Co., Nexans Cable (Tianjin) Co., Ltd.
	South Korea	Nexans Korea, Kukdong Electric Wire Co., Nexans Daeyoung Cable
	Indonesia	PT Nexans Indonesia
	Japan	Nippon High Voltage Cable Corporation
	New Zealand	Olex New Zealand Pty
	Singapore	Nexans Singapore Pte
— INVERCABLE	Chile	Nexans Chile, Cotelsa, Colada Continua [d], Inversiones Nexans Uno, Centro de Estudios y capacitación Nexans
— INVERCABLE	Peru	Indeco (Perú), Negocios Inmobiliarios Lima Industrial, Cobrecón [e]
— NEXANS FRANCE SAS	Lebanon	Liban Cables, Liban Cables Contracting, Liban Cables Packing

(a) Simplified operational structure at December 31, 2023. Nexans' main direct and indirect subsidiaries are listed in Note 32 to the 2023 consolidated financial statements.
(b) The company responsible for the Group's cash management.
(c) The Group's captive reinsurance company.
(d) Companies in which Nexans holds a minority interest.
(e) Companies held by Takami Investments.

02

Main risk factors and risk management

02



2.1 Risk factors

In an ever-evolving environment, Nexans is dedicated to protecting the safety and health as well as the interests of its employees, the interests of its shareholders, clients, suppliers, and all of its stakeholders, while achieving its objectives. To navigate this landscape, Nexans has implemented a proactive risk management policy to efficiently respond to any internal and external threats likely to affect its finance, operations, reputation or future prospects. Given Nexans' global presence, the competitive nature of the cable industry and the diversity of its businesses, Nexans faced a variety of risks, both endogenous and exogenous. Nexans diligently manages Strategic, Operational, Legal and Compliance, and Financial risks to not only minimize their occurrence but also to mitigate their potential impact. To achieve this, the Group has established and consistently enhances its risk management processes and organization.

As part of Nexans' risk management process, the Group has conducted an assessment to identify the primary risk factors it faces.

Pursuant to the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, this chapter outlines the main specific risks that could, on the date of this Universal Registration Document, impact the Group's business, financial condition, outlook reputation, operational results or ability to achieve its objectives. The 15 risks are clustered in four categories (Strategic Risks, Operational Risks, Legal and Compliance Risks, and Financial Risks). These 15 risks are, however, not exhaustive and other risks or uncertainties, whether unknown or not considered herein at the date of this Universal Registration Document, could occur or arise and have a material adverse effect on the Group.

In term of methodology, the 15 identified risks are those which are specifically pertinent to Nexans and have the most significant net impact. The ranking is based on the assessment of i) the highest level of criticality (potential impact on the Group multiplied by probability of occurrence), and ii) for each risk the effectiveness of the risk mitigation measures deployed by the Group to prevent and/or minimize their impact. The risks are ordered by their level of importance, and within each category, those with the greatest residual exposure are presented first. The Group classifies the residual risks on a scale ranging from "low", "moderate", "material" to "critical".

This chapter exclusively outlines risks that have been assessed as either "material" or "critical".

- Other risks such as health and safety as well as human risks:
  - These risks relate to issues of primary and vital importance for Nexans. Although they may not be categorized as specific to Nexans, the Group constantly deploys and monitors preventive measures or actions to limit the occurrence of those risks and minimize their impacts.
  - A comprehensive overview of the main non-financial risks and the policies in place to prevent or mitigate their occurrence are presented in detail in the Non-Financial Performance Statement.
- Other risks such as talent scarcity:
  - These risks, which are not specific to Nexans, relate to Group's internal and external development partly dependent on its ability to hire, integrate and retain new talents in all the regions in which it operates. More generally, the Group may be face difficulties in hiring talents and developing the skills and talents of all staff members.
- Other risks such as market and innovation risks:
  - These are risks with medium or long-term trends that may impact the Group's strategy and business model.
- Other financial risks such as risk of internal control and tax risks:
  - These risks are considered "moderate risks" in the current context. Measures are deployed to prevent and/or mitigate their potential impact.

RECESSION ENVIRONMENT

Nexans is committed to maintaining and improving its performance, even in the face of geopolitical and economic uncertainty. In terms of potential risk of recession, Nexans deems it non-specific and not material for the following reasons:

- the Generation & Transmission business is minimally affected thanks to its robust backlog providing visibility, and a surge in demand for high voltage cables, especially within the renewable energy sector. Any impacts, if at all, might be associated with customers deferring projects due to cost increase stemming from an inflationary environment;
- the impacts on the Distribution business is limited thanks to 2 to 3 years frame-agreements with key customers ensuring committed volumes, as well as the increased demand for medium voltage cables aiming at strengthening and modernizing the power grid. Any impacts, if at all, might be associated with customers deferring projects due to cost increase stemming from an inflationary environment;
- the Usages segment is more exposed to economic slowdowns. However, Nexans considers it can mitigate its impacts for the following key reasons:
  - Nexans' business model prioritizes value growth over volumes, providing a resilient foundation,
  - the economic slowdown doesn't uniformly affect the entire Group and the Group leverages its presence in different regions. For instance, in 2023, economic slowdowns were particularly acute in countries such as Ghana, Colombia, Lebanon and China, but lower in other countries,
  - the Group actively anticipates risks of slowdown and deploy proactive measures to mitigate the effects such as cost reductions, or shift to other markets.

STRATEGIC RISKS

1. Geopolitical, political and social instability risk
>> Critical

2. Risk related to the competitive environment of the Group's operating subsidiaries
>> Material

3. Risk related to M&A
>> Material

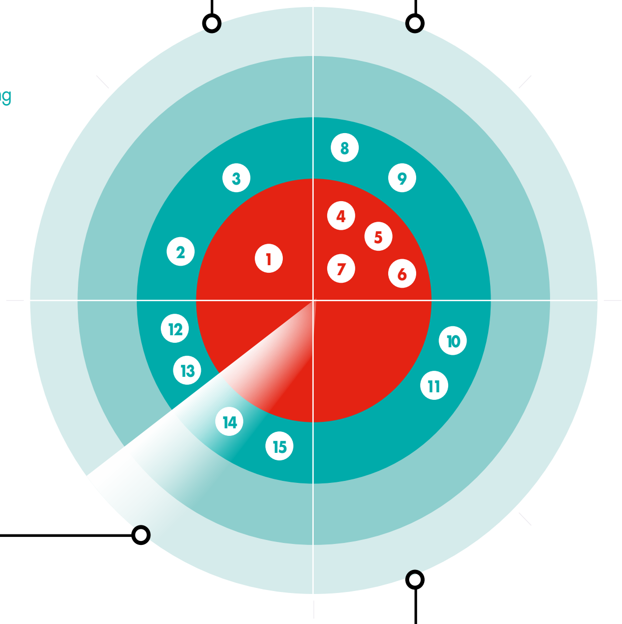
FINANCIAL RISKS

12. Metal price and hedging risk
>> Material

13. Interest rate risk
>> Material

14. Liquidity risk
>> Material

15. Currency risk
>> Material



OPERATIONAL RISKS

4. Risk related to cyber security, continuity and performance of information systems
>> Critical

5. Risk related to climate change and natural hazards
>> Critical

6. Risk related to Generation & Transmission turnkey projects
>> Critical

7. Risk related to price fluctuations and availability of non-ferrous metals
>> Critical

8. Industrial related risks
>> Material

9. Risk related to contractual liability: product liability
>> Material

LEGAL AND COMPLIANCE RISKS

10. Risk related to non-compliance with antitrust laws
>> Material

11. Risk of non-compliance with anti-bribery legislation
>> Material

● **Critical** ● **Material** ● **Moderate** ● **Low**

2.1.1 Strategic risks

2.1.1.1 Geopolitical, political and social instability risk

RISK RANKING

Potential impacts on the Group	Main correlated Risks
• Impact in the assets' integrity and safety of employees, loss of human resources to other less affected industries • Impact on the performance of the facilities • Decrease in sales volumes	• Risk related to the safety of Nexans employees • Risk related to the security of Nexans assets • Risk relating to business development • Counterparty risks • Currency risk • Liquidity risk

RISK DESCRIPTION

Certain high-growth regions playing a role in the Group's strategic are exposed to significant geopolitical risks. In 2023, around 9% of the Group's sales at current non-ferrous metal prices were generated in the Middle East & Africa region and around 2% from countries classified by the Group's credit insurer as having "a very unsettled economic and political environment" or posing a very high risk. With respect to the conflict between Russia and Ukraine, Nexans maintains a presence in Ukraine through Nexans Autoelectric a unit specializing in the manufacturing of automotive harnesses, operating three plants in Western part of Ukraine. The Group's total assets in Ukraine represent less than 1% of the consolidated balance sheet of the Group.

A key element of Nexans' strategy involves expanding in high-growth regions, including South America and Africa, which may be subject to geopolitical, political and social instabilities. Early 2023 social instabilities and political tensions in Peru and Ecuador following respectively destitution of the Peruvian President in December 2022 and Presidential elections in 2023 might have impacted business activities, and were closely monitored and managed.

The evolving relations between China and the United States are also factor of risks and uncertainties, encompassing potential trade policy changes that may affect customs protection and export controls regulations.

US political approach to windfarm may affect our business activity for G&T business group.

The enduring Gulf crisis continues to alter the export opportunities for the Group's subsidiary in Qatar (consolidated by equity method) to the Gulf states, with conditions remaining uncertain.

With respect to Lebanon, since 2020, persistent political and economic instability has led in particular to a strict foreign exchange control policy by Lebanese banks, affecting activities of the subsidiary in Lebanon. Additionally, since October 2023, Lebanon is affected by the military conflict between Israel and Palestine.

In an environment shaped by chronic budget deficits in emerging countries in the past several years, governments are tending to introduce stricter tax laws in order to maximize their income from taxes and levies. Consequently, these governments take positions that could lead to legal disputes or double taxation issues. In some countries (in particular in non OCDE countries), the Group may face issues of tax instability and uncertainties which could affect the financial results of Group's operating entities.

Lastly, economic recession in some countries may lead to economic and social instabilities, with potential implications materializing in 2024 and subsequent years.

RISK MANAGEMENT RESPONSE

The Group closely monitors its industrial and commercial operations and its turnkey projects in countries exposed to geopolitical risks, including but not limited to Ukraine, Brazil, China, Colombia, Ivory Coast, Ghana, Qatar, Lebanon, Libya, Tunisia, Philippines, Nigeria and Turkey.

The systematic and continuous review of the most current geopolitical situation is embedded in the Group's investment decision-making processes, including for M&A initiatives.

To minimize any potential impacts of geopolitical, political and social instability risk, the Group is i) developing a policy of diversification of suppliers and internal sourcing and ii) continuously enhancing its Business Continuity Management processes at its industrial sites.

Finally, for several years, the Group has been vigilant in monitoring export control regulations.

With respect to the military conflicts between Ukraine and Russia as well as between Israel and Palestine, since the beginning of the conflicts, the Group has been monitoring the related risks very closely, focusing first on protecting employees as well as the supply chain and business continuity. In order to limit its exposure to Russia, end of July 2022, the Group has divested its minority shareholding in Impex, a company based in Russia.

Low Moderate Material Critical

2.1.1.2 Risk related to the competitive environment of the Group's operating subsidiaries

RISK RANKING	
Potential impacts on the Group	**Main correlated Risks**
• Decrease in sales volumes • Pressure on the selling price	• Risk related to M&A operations

RISK DESCRIPTION

The number and size of competitors of the Group's operating companies vary depending on the market, geographical area and product line.

The medium and low voltage cable markets are very competitive, both regionally and internationally.

In addition to large-scale global competitors, new market players have more recently emerged, which are drawing on low-cost production equipment and organizational structures and therefore creating additional capacity and an extremely competitive environment (both domestically and internationally). These players have emerged over the last ten years and are growing rapidly, in many regions of the world including in Southern and Eastern Europe, the Middle East, South Korea, China but also in South America and Africa.

In the high voltage cable market an escalation in competition both from existing operators and from new players, not necessarily from the industry but with leaner and more flexible organizational models, and/or significant financial resources, could have an impact.

RISK MANAGEMENT RESPONSE

In high voltage markets, throughout the years, Nexans has prioritized on innovative technologies, investment in differentiating assets such as the Nexans Aurora cable-laying vessel, building up its EPCI know-how, and consolidating its track record. This focus ensures smooth project execution, the delivery of high quality product and centricity customer approach, while always abiding by this risk-reward mindset. Nexans' risk management starts at the very earliest stage and as early as the tendering phase. In order to abide by Nexans commitment to focus and generate value, the Group ensures strict and comprehensive selectivity criteria. For each project, notably for Interconnections and Wind Offshore activities representing a value above 5 million euros, Nexans/rigorously applies its risk and reward analysis, combining three fundamental dimensions: i) financial modelling, ii) technological risk and iii) the terms and conditions. This holistic approach ensures the maintenance of a healthy and balanced backlog, aligning with Nexans' commitment to excellence and risk mitigation.

In medium and low voltage businesses, Nexans relies on its diversified and strong local presence. As part of its SHIFT Prime program, the Group is strengthening its brand and customer relationship, and provides a full portfolio of solutions for customers from product to sub-systems and services.

Nexans also reinforces its offer in selected markets through strategic acquisitions.

2.1.1.3 Risk related to M&A

RISK RANKING	
Potential impacts on the Group	**Main correlated Risks**
• Difficulty in realizing identified synergies • Difficulty of integration endangering operating performance of the facilities	• Non-compliance risk • Risk of liquidity

RISK DESCRIPTION

Nexans pursues a strategy to become an electrification pure player, through a portfolio rotation relying on both acquisitions in electrification markets and the disposal of non-core activities.

The primary risk associated with this strategy lies in the Group's effectiveness in concurrently divesting non-electrification activities while acquiring identified targets in the electrification sector.

RISK MANAGEMENT RESPONSE

The Group is conducting detailed market analysis to identify the best merger and acquisition opportunities aligning with its strategy. Strategic fit of potential targets is closely evaluated, considering factors such as the market attractiveness of the business, the potential to create value and potential synergies with Nexans. This diligent approach ensures that each pursued opportunity not only aligns with the Group's overarching strategy but also possesses the potential to enhance market positioning, create sustainable value, and leverage synergies for mutual benefit.

Low *Moderate* *Material* *Critical*

The Group has implemented specific processes and governance structure for each project, in particular the Mergers and Acquisitions Committee responsible for reviewing and approving all acquisition and divestment projects.

Each acquisition undergoes a robust due diligence process with the support of internal specialists and/or external experts or advisors as the case may be. This approach enables to identify potential risks related to the acquired company and implement mitigation action, whether by obtaining a price reduction or contractual provisions such as indemnification clauses. In addition, an integration plan process led by an integration project manager is executed under the supervision of a member of the Executive Committee.

With respect to disposals, the Mergers & Acquisitions Department leads initiatives with the support of recognized external advisors to prevent any risks.

Based on the above, the Group has successfully completed the following transactions, and for acqsuisitions deployed synergies ahead of plan:

- Acquisitions:
  - on April 1, 2022, Nexans finalized the acquisition of Centelsa, a premium cable maker in Latin America active in the production of low and medium voltages cables from Xignux,
  - on April 26, 2023, Nexans announced that it has completed the acquisition of REKA Cables, a Finnish company active in the manufacturing of low and medium voltages cables for the Usages and Distribution applications. This acquisition will strengthen Nexans' position in the Nordics notably in the segment Distribution and Usages;
- Disposals:
  - on October 31, 2023, Nexans has completed the sale of its Telecom Systems business, rebranded to Aginode, to Syntagma Capital, a Belgium-based private equity fund.

2.1.2 Operational risks

2.1.2.1 Risk related to cyber security, continuity and performance of information systems

RISK RANKING	
Potential effects for the Group	**Main correlated Risks**
• Financial impact • Reputational impact • Operational impact • Competitiveness impact (Loss of sales/contracts/customers)	• Risk of business interruption/disruption • Risk of data loss and/or disclosure • Risk of fraud • Risk related to quality and safety of Nexans employees • Risk of third-party claims

RISK DESCRIPTION

Nexans' business fully relies on information technology, systems and infrastructure (datacenters, servers and networks). Like any organization using information technology, the Group is exposed to the risk of cyber-attacks. Cyber-attacks could originate from within the Group (system obsolescence, configuration or human errors, lack of infrastructure maintenance, malicious acts) – or from outside Nexans (criminal organizations acting on their own behalf or that of State organizations).

Technically advanced in the world of information systems as well as in industrial systems, benefiting of important means, these attacks are becoming increasingly sophisticated and can lead to business interruption, theft of know-how or confidential information, fraud attempts or ransomware with financial and reputational impacts which can be potentially extremely high. It is important to highlight that any crisis, such as the Covid-19 pandemic, is capable of exacerbating the risk of cyber-attacks also due to the widespread policies of remote and home working activities.

Due to the global presence of the Group, Nexans' business activity requires multiple and often interconnected information systems, IT applications as well as industrial information systems. In addition, the implementation of more digital initiatives, new services for customers and partners, and potentially disruptive technologies increase Nexans' potential exposure to cyber security threats, including without limitation, denial of service attacks, industrial espionage, and ransomware attacks.

Any disruption or interruption of service could potentially affect multiple regions and businesses, with significant disruption on i) industrial processes (disturbance of production or distribution activities) and ii) the capacity for internal communication. It could also affect our business partners, customers and suppliers. Finally, it could also affect Group's image.

This risk enrolls itself in a context of reinforced regulatory requirements related to protection and confidentiality of data.

RISK MANAGEMENT RESPONSE

The cyber security team, led by the Chief Information Security Officer, is a core part of the Risk Management Department and is fully committed to cyber risk. It outlines and executes policies and projects pertinent to the cyber security program as well as personal data protection. It also devises guidelines for the use of information and industrial systems across the Group. Cybersecurity Incident Management is integral part of cyber risk management. The cybersecurity team proactively manages alerts of cybersecurity incidents, conducts detailed investigations of the said alerts, and implements remediation of identified cybersecurity incidents. Additionally, the cyber security team is tasked with carrying out regular security audits and testing on the Group's critical business and industrial assets, with the support of external service providers.

Operational teams of the Corporate Information System Department and of the Business Groups Information System Departments in collaboration with the cyber security teams are continuously strengthening Group's cyber security processes and tools. This commitment is structured around the three fundamental axes of cybersecurity: to prevent, detect, and respond to cyber incidents, in close collaboration with their service providers.

Low Moderate Material Critical

In recent years, cybersecurity governance has been enhanced through the development of a network of correspondents within Business Groups and factories. This network facilitates the effective dissemination and application of Nexans General Management Procedure regarding cyber risk management, in synergy with the central cyber team. Cyber securities issues and measures implemented to safeguard against cyber security are evaluated annually with the Business Groups EVP and presented on a regular basis to the Nexans Executive Committee. Besides, with the support of the Risk Management Department in 2023, central cyber team run a cyber security risk assessment to support the design of the cyber security action plan.

In addition, Cyber security program and realization of the actions plan are regularly presented to the Accounts, Audit and Risk Committee.

The cybersecurity team has designed a cyber security program based on 4 pillars:

1) raise awareness and empower Nexans' employees and contractors to effectively thwart threats by placing them at the center of its detection and response capabilities:
- an online training is required for all new employees and any person failing a phishing campaign,
- monthly communications are published reminding Cybersecurity user's best practices. In addition, a Cyber Month is organized in October with communication tailored to specific targeted populations, such as Industrial Workers, the Legal Team…,
- phishing campaigns are performed several times per year. In 2023, 7 phishing campaigns were performed,
- Nexans' Information and Cyber Risk policy is regularly updated, to be adapted to emerging threats. In 2022 the End-user Security policy has been updated and communicated during Nexans annual Compliance Week. The objective of this End-user Security policy is to advise users on key rules to be applied when using Nexans' information system tools so that to avoid cyber incidents;

2) protect key technological assets and among others industrial activities by controlling access to information and their treatments:
- any IT project is analyzed to assess the level of business impacts in case of a security incident. Based on a risk analysis, security controls – technical, operational as organizational – are defined and their implementation controlled,
- as part of our Industry 4.0 transformation program, a dedicated stream is deploying an OT Threat detection and protection solutions in our factories. This deployment will continue in the coming years to reach all industrial sites,
- based on an approach of defense, the teams of the Information System Department have deployed security technologies such as web filtering, email analysis, endpoint detection and response on workstations and servers, network segmentation,
- Nexans has implemented access control solutions of last generation enhancing management of access and their related controls;

3) respond to any threat and cyber incident as soon as possible to limit the adverse impact on the business and industrial operations:
- threats are constantly monitored and security incidents detected thanks to our enhanced Security Operations Center (SOC), including in the industrial environment,
- cybersecurity incidents are timely and adequately handled by means of an internal crisis response team integrating internal and external experts in cyber security thanks to specialized probes,
- to prevent any situation such as a Cyber security attack whereby Nexans would forbid its employees access to Nexans IT systems, the Group has acquired a tool to manage crisis which is independent from Nexans IT system,
- Nexans has subscribed a cyber security insurance whereby an insurer is partnering Nexans should the Group was to face cyber incidents or attacks;

4) control the effectiveness of operated security tool and controls and provide means of continuous improvement:
- cyber penetration tests are performed on a yearly basis on Group's key business and industrial systems to identify the main vulnerabilities and develop mitigation actions,
- specific security acceptance tests are performed in the phase of development of business, industrial and IT projects before going into production.

2.1.2.2 Risks related to climate change and natural hazards

RISK RANKING

Potential effects for the Group	Main correlated Risks
• Business impact – Disruption of activity • Financial impact • Destruction of physical assets	• Risk related to the safety of Nexans employees • Assets physical risk • Business continuity risk

Low Moderate Material Critical

RISK DESCRIPTION

With respect to physical risks, some of the Group's manufacturing sites are located in areas at risk of natural disasters (earthquakes like in Morocco in 2023, tornadoes, floods, heat waves, etc.).

For example, the Charleston plant in the United States is located next to a river and enjoys access to the sea; the area is prone to hurricanes. The site is therefore subject to natural disaster risks that were taken fully into account at the time of its construction. Although the Group draws up a systematic audit plan of its sites in cooperation with its property insurer for the purpose of implementing plant integrity risk management processes, it is impossible to rule out all risks of production stoppages.

Climate change is creating new sources of risk for the Group by increasing the frequency and impacts of perils (like floods, droughts, cyclones, etc.). The occurrence of such perils may cause disruption to the Group's organization or operations which may have a significant impact on the business.

Lastly, like other international organizations, Nexans activities may be exposed to a risk of energy transition (which arise from the transition to a low-carbon economy).

The Group is also committed in reducing its environmental impacts. This responsibility applies not only to the Group's sites but also to the design of its products as well as to its value chain.

The Group also designs energy efficiency products and solutions. Nevertheless, it may be unable to meet stakeholders' expectations in terms of addressing environmental and climate risks such as for decarbonization efforts and the increasing expectation from stakeholders in energy consumption reduction.

RISK MANAGEMENT RESPONSE

Nexans is continuously assessing risks related to natural disasters with the support of its property insurer reviewing in the meantime the mitigations plan to be implemented to better mitigate the impacts of such risks should a natural disaster occur.

With respect to perils related to climate change, the Group has decided to lead, with the support of a recognized service provider, a physical risk analysis more detailed compared to 2021 study and covering this time all industrial sites of Nexans Group. Based on this physical risk analysis giving the gross risk, the Group has launched with the most exposed industrial sites an assessment of the adaptation measures already implemented and will decide in a second stage a further detailed adaptation plan if needed (see section 3.2.2.6: The resilience of the Group's business model to the impact of climate change – Chapter 3, for more details).

When investing in industrial sites especially when exposed to high risks of natural hazards, the Group ensures technical solutions are defined to reduce impacts of such natural disaster risks. This has been the case like in Charleston or more recently for the extension of Halden. For example, In Charleston, several adaptation measures have been implemented to mitigate the risks:

- in the facility design: several measures have been taken such as all roof elements are attached with Hurricane Approved fasteners;
- in the site design: for illustration, the site was purposely built up to have the Building Elevation at 15 foot (4.5 meters);
- with an emergency management plan in particular relate to hurricane where designated plant personnel follow and coordinate with local county and state emergency Management Departments when a hurricane has formed in the region.

Additionally, employees are regularly trained to adequately react should natural disaster event take place. Business continuity plans are developed, and crisis management processes are in place to manage exceptional natural events.

With respect to transition risk, the Group has led, with the support of a recognized service provider, in 2023 a further detailed study (aligned with TCFD guidelines) to assess the risks and opportunities related to climate (see section 3.2.2.6: The resilience of the Group's business model to the impact of climate change – Chapter 3, for more details). From the study, it appears that climate change could lead to business opportunities for Nexans.

2.1.2.3 Risks related to Generation & Transmission turnkey projects

RISK RANKING	Critical
Potential effects for the Group	**Main correlated Risks**
• Group reputation • Financial impact	• Risk related to claims and legal proceedings • Risk related to contractual liability: product liability • Risk related to the competitive environment of the Group's operating subsidiaries

RISK DESCRIPTION

The majority of contracts as part of turnkey projects involve both subsea and land high-voltage cable operations. The sales generated on such projects vary from one year to another and represent approximately 12% of Group consolidated sales at constant non-ferrous metal prices.

The individual value of these contracts is often high and they contain penalty and liability clauses that could be triggered if a Group company does not comply with the delivery schedule and/or with quality requirements (for example, technical defects requiring major intervention after installation). The two market segments in which Nexans is mainly engaged are, on the one hand, the interconnection and electrification projects (land and subsea), and on the other hand, the offshore wind projects. Trends in these two markets are i) the increase in the size of projects, and ii) increased technical complexity with increased water depths, bigger size cables and dynamic applications. In this regard, it is to be noted that these trends take place in a context where some customers have increased their requirements as to the level of risk-liability that suppliers must be prepared to assume in order to be awarded the project.

Low Moderate Material Critical

Risk related to the expansion in the United States

The US market for high voltage cables is expected to show strong growth, driven by the development of offshore wind farms to support the energy transition. The United States are targeting 30 GW of installed offshore wind capacities by 2030. For this purpose, the Group has transformed its high voltage subsea cable plant in Charleston, South Carolina, United States, to supply the rapidly expanding US offshore wind market. The one-of-a-kind subsea, sole high voltage cable plant in the United States of America, contributes to the development of a local supply chain and supports for the offshore wind industry.

The Group is exposed *inter alia* to the following risks:

- cancellations and or delays to awarded projects;
- duration of the permit process dependent of the political context;
- market dependent of subsidies/financing. For the sake of illustration, New York Public Service Commission rejected in September 2023 the request for higher rates from offshore wind developers;
- costs increase which may render projects less profitable; and
- regulations changes at Federal State and/or local States level which could incur a reinforcement of local content regulations and potentially impact Nexans sales in the US market.

Risk related to projects size and complexity

Due to the amplification in complexity and/or size of interconnection subsea projects (such as Great Sea) as well as of offshore wind projects (Empire Wind 1) together with the increased volume of backlog, Nexans operating entities have to manage multiple subcategories of risks such as:

- high value sub-contract packages (in particular off-shore protection, on-shore civil works) requiring from Nexans operating entities a high level of expertise in such packages as well as the ability to select robust subcontractors and to manage them;
- technical challenges such as increased voltages and depth of installations;
- potential claims related to delivery schedule and/or with quality requirements;
- price volatility on raw materials and energy costs in particular in a context of inflation;
- complexity of the costing scheme in the pricing of the turnkey project;
- delays in the manufacturing schedule. The Group might face difficulties in assessing when final award of turnkey projects will take place as this depend on several factors, *inter alia* of the customers' ability in finding financing. Delays could impact Nexans forecasts and ability of Nexans to bid for such turnkey projects.

Risk related to human resources

The Group's internal and external development is partly dependent on its ability to hire, integrate, train, motivate, promote and retain new talent in all the regions in which it operates for its high voltage activity (in particular in the US market). Due to the increase in complexity and size of the projects of interconnection subsea projects as well as of offshore wind projects, the need to manage important sub-contract portion and the significant increase in key assets to manage.

Risk of contractual liability

This risk is significative due to i) the increase in the size of the projects and ii) the number of projects taken which make the cumulative exposure higher.

Risk related to deterioration of key assets

Should Nexans suffer damage and/or deterioration on key assets for the land and subsea high voltage activities (including vessels or industrial sites), this could result in particular delays in projects.

Risk in project execution

Projects can depend on and/or be affected by the occurrence of unforeseen events or the existence of circumstances that were not taken into account during the project preparation phase. When such events or circumstances arise, the Group company concerned sometimes are able to agree with the customer to amend the related contractual provisions, but that company may have to temporarily or permanently carry extra costs.

If a Group company is held liable for a problem in connection with a turnkey contract, this could have a material adverse effect on the financial position and earnings of the Group as a whole as (i) heavy penalties may be incurred, (ii) all or some of the cables concerned may have to be replaced (before or after delivery), (iii) claims may be filed against then Group company involved, (iv) warranty periods may have to be extended, and/or (v) the liability may result in other more far-reaching consequences such as production delays for other projects. Should the Group or its companies be subject to any such claims, the Group takes their impact into account when calculating the margins recognized on the contracts concerned, as described in Note 1.E.a to the consolidated financial statements.

RISK MANAGEMENT RESPONSE

For US expansion

To address the risks related to US expansion, the following measures are in place:

- Nexans has signed a framework agreement with Eversource and Ørsted to supply the first US-made subsea high voltage export cables for the projects and will deliver up to 1,000 km of cables for Ørsted's and Eversource offshore wind farms in North America up until 2027;
- a dedicated team has been appointed to ensure a timely ramp up of our high voltage subsea cable plant in Charleston;

- in addition of the decision to transform its high voltage subsea cable plant in Charleston, South Carolina, United States, Nexans is closely following and monitoring any potential evolution of regulations in relation with local content issues;
- Nexans will continue the project Empire Wind 1 (the US offshore wind export cables turnkey contract awarded in 2022). The project is part of the larger Empire Wind offshore wind farm that will generate enough renewable energy to energize over one million homes in New York state.

For amplified complexity and size in turnkey projects

To address the risks on turnkey projects, the Group has developed detailed risk management system for turnkey projects based on the following:

- all major contracts entered into by the Group's operating subsidiaries are subject to a systematic risk-assessment procedure and all bids representing over 25 million euros for the Business Group Generation & Transmission are submitted to the Group Tender Review Committee. Particular focus is placed on ensuring that the Group's sales and technical teams are able to pinpoint the risks inherent in sales contracts and that they involve the Legal Department in contractual negotiations;
- the execution of the projects are directly managed by a Project Director who relies on specialized teams tasked with delivering the project within budget, with the right quality and on time. In addition, the teams ensure the proper implementation of the Group's risk management policy. In this context, the teams implement a continuous risk assessment and implementation of actions to identify and mitigate risks which may appear during project execution;
- quality policy and control procedures are in place to monitor quality in production;
- production sites are ISO 9001 and ISO 14001 certified;
- technology aimed at guaranteeing customers reliable industrial processes as well as high quality and performance of the products;
- launching of the manufacturing of a new vessel for implementation of new installation capacity in addition to Skagerrak and Nexans Aurora;
- the Group has subscribed a Construction All Risk (CAR) insurance program specifically designed to address turnkey project risks;
- Nexans is in partnership with Bureau Veritas aimed at certifying Nexans' organization and risk management processes for the execution of turnkey projects;
- cables are tested several times: i) before the start of manufacturing, ii) before delivery subject to factory acceptance tests (FAT) and iii) after installation and before entry into service (Site Acceptance Test);
- entering into strategic partnerships with sub-contractors;
- experienced staff resources to manage early engagement of sub-contractors from tender stage onwards;
- the recruitment of qualified human resources *via* post graduate programs and the development of retention program.

The Business Group Generation and Transmission continuously review its processes and organization to better adapt to this change in project size and complexity.

2.1.2.4 Risk related to price fluctuations and availability of non-ferrous metals

RISK RANKING

Potential effects for the Group	Main correlated Risks
• Financial impact (liquidated damages for delay, claims for damages, etc.) • Business interruption • Sales decline	• Metal price risk and hedges of price volatility

RISK DESCRIPTION

The cable industry is highly dependent on the supply of core raw materials (in particular copper, aluminum and lead).

Copper, aluminum and lead are the main non-ferrous metals used by the Group's operating companies, with copper and aluminum accounting for the vast majority of their raw material purchases.

Consequently, price fluctuations and product availability have a direct effect on the Group's business. In that respect, the Group is constantly assessing the risks of supply tension on raw material prices and availability.

Copper purchases in 2023 amounted to around 413,000 tons (*versus* 460,000 tons in 2022), excluding the approximately 132,000 tons processed on behalf of customers. To cover their main requirements, Group companies enter into annual contracts with various copper producers for the purchase of pre-determined amounts. The Group's aluminum purchases in 2023 totaled 99,000 tons (*versus* 108,000 tons in 2022).

Risk of shortages

The Group does not rule out the possibility that supply and demand tensions on copper and aluminum markets could lead to supply shortages and thus have an impact on its activities.

Global shortages, supply interruptions or the inability to obtain non-ferrous metals at commercially reasonable prices could have an adverse effect on the Group's earnings.

Low Moderate Material Critical

Risk of price volatility

With respect to price volatility, should the price of its supplies increase, the Group may not be able to fully pass on the increases to its customers and may face pressure on credit line of copper suppliers who will be requiring payments spot. In addition to price risk, due to its multi-country and multi-zone sourcing policy, the Group has an indirect exposure to foreign exchange risk on its purchases of oil by-products (plastics, etc.), natural gas and steel, which together account for a large proportion of total raw materials purchases other than non-ferrous metals.

Additional risks can also be linked to the fact that non-ferrous metal markets (copper, aluminum and lead) work on the basis of take or pay contracts.

Finally, apart from cyclical events, the tensions on the commodities market are also due to structural factors. These elements are linked to an increasing demand for green energy supply, net zero emissions targets and broader climate issues. They are driving a sharp increase in the consumption of certain raw materials, while also impelling a search for substitute raw materials that are more environmentally friendly.

RISK MANAGEMENT RESPONSE

To reduce risks related to non-ferrous metals, the Group has developed various mitigation actions including in particular:

- the Group's policy is to secure its non-ferrous metals requirements under long-term contracts including significant upward and downward flexibility in order to make sure the Group's requirements are always met;
- as regards to copper supply, thanks to Nexans' vertical integration with 4 rodmills worldwide, the Group enjoys a privileged supply position with the mining industry;
- as a general principle, risks related to the supply of non-ferrous metal are specifically monitored by non-ferrous metal management. The supply strategy based on close relationships with a number of key partners is aimed at reducing the Group's exposure to shortages. The Group assesses the financial vulnerability of its most critical partners and ensures that they have robust business continuity plans in place. The Group's policy is to develop alternative sources of supplies for non-ferrous metal used in the manufacturing of Nexans products ("multi-source strategy");
- the Group has developed alternative sources to Russian origin metal.

The financial instruments used by Group subsidiaries to manage exposure to commodities risks for copper and aluminum are described in the notes to the consolidated financial statements (Note 27 "Financial risks", paragraph C, Foreign exchange and metal price risks). The sensitivity of the Group's earnings to copper prices is described in paragraph E, Market risk sensitivity analysis of the same note.

2.1.2.5 Industrial related risks

RISK RANKING

Potential effects for the Group	Main correlated Risks
• Stoppage of the industrial activity • Group's reputation • Fines/claims/legal proceedings • Decrease/Loss of sales	• Risk related to health & safety of the employees • Risk related M&A (selection of targets) • Risk related to the competitive environment of the Group's operating subsidiaries

RISK DESCRIPTION

Production sites maintenance and capital expenditure

As the Group's operating companies carry out manufacturing activities, they are exposed to the risk of damage to their production sites as well as major machinery breakdown incidents, which could lead to production stoppages and significant adverse consequences.

Some aging industrial sites require permanent investment to avoid deterioration of the working conditions and participate actively to workplace safety. In that respect, employee safety is an absolute priority for the Group and remain an important area of focus of the management.

In view of the importance to the Group of the subsea high-voltage cables market, the Group has implemented significant capital expenditure project to support business growth:

- first, to meet the demand of the market for subsea high voltage cable worldwide, Nexans is making significant capital investments to extend its industrial site of Halden (Norway) and further enhance the capability of Charleston (USA). The ramp of the extension of Halden site will be critical for the development of Nexans Norway activity to meet the high demand of the market;
- second, the Group is launching the manufacturing of a new cable-laying vessel capable of performing installation contracts within the required timeframes in addition of its current cable-laying vessels (the Skagerrak and the Aurora which, for the last one, came in operation on May 2021). The delivery on time of the new vessel targeted in spring 2026 will be key to meet the increase demand in cable-laying;
- third, in view of the significant increase of the electrification of the grids, the Group has announced a major investment in Morocco to support the development of the Distribution segment. This greenfield will be a major asset for the Group to continue is role in the expansion and renewal of medium voltage grids.

Low Moderate Material Critical

When implementing capital expenditure projects, the Group is exposed to the risk of failing to achieve its targets in particular should Nexans operating entities fail to fill its increased production and/or installation capacity or lack ability to deliver cables and services under the required technical specificities or according to the expected schedule. This could have a material impact, particularly in the case of new equipment or new plants built with a view to enabling the Group to break into markets where it does not have an operating presence or has a limited presence.

Environmental Impact

As is the case for any industrial player, the Group is subject to numerous environmental laws and regulations in the countries where it operates. These laws and regulations impose increasingly strict environmental standards, particularly concerning emissions to air, water and land, wastewater disposal, the emission, use and handling of toxic waste and materials, waste disposal methods and site clean-up operations. Consequently, the Group's operating subsidiaries are exposed to the possibility of liability claims being filed against them, and of incurring significant costs (*e.g.*, for liability with respect to current or past activities or related to assets sold).

In the United States, the Group's operating companies are subject to several federal and state environmental laws, under which certain categories of entity (as defined by law) can be held liable for the full amount of environmental clean-up costs, even if no fault against said entity is determined or even if the relevant operations comply with the applicable regulations.

The Group may also be subject to certain clean-up obligations (remediations works and/or monitoring obligations) including when it discontinues operations of a site.

As of December 31, 2023, consolidated provisions for environmental risks amounted to approximately 5 million euros and mainly included amounts set aside for (i) clean-up costs for several manufacturing sites and (ii) a dispute with the purchasers of a plot of land and the local authorities in Duisburg, Germany concerning soil and groundwater pollution. The Group has also performed surveys at its sites in order to establish whether any environmental clean-up processes may be required. It estimates that any site clean-up costs it may incur that have not already been provisioned should not have a material impact on its earnings in view of the value of the land concerned, which in the past has always exceeded the amount of any required clean-up costs.

The Group cannot guarantee that future events, in particular changes in legislation or the development or discovery of new facts or circumstances, will not lead to additional costs that could have a material adverse effect on its business, earnings or financial position.

For more details, refer to Chapter 3 – section 3 "The environment: a responsible and sustainable approach".

Asbestos

The manufacturing processes used by the Group's various operating subsidiaries do not involve any handling of asbestos.

In the past (and particularly to comply with French army specifications), asbestos was used to a limited extent, within the framework of applicable laws and regulatory provisions, to improve the insulation of certain kinds of cables designed for military purposes. It was also used in the manufacture of furnaces for enamel wire at two sites in France and in continuous casting at one site in France. The manufacture of furnaces for enamel wire activity was discontinued a long time ago. Several claims and lawsuits have been filed against the Group by current and former employees, in France and abroad, concerning alleged exposure to asbestos.

In March 2015 the site concerned was classified by the French government as a site that could entitle workers to retire early as a result of their exposure to asbestos (known as ACAATA sites). In 2020, the Administrative Court of Appeal confirmed a decision of administrative court to cancel the classification by the French government.

As of the date of this Universal Registration Document, only 3 judicial proceedings remain regarding 3 plaintiffs. Some 235 judicial proceedings regarding some 226 plaintiffs have been closed with limited financial impact.

Similar proceedings are also under way in France for other industrial sites for three Nexans' employees among which two judicial proceeding concern employees who alleged to have suffered exposition to asbestos in industrial sites which were not at the time under Nexans responsibility.

In addition, for historical reasons, in some buildings built before asbestos bans adopted locally country by country, there can be presence of asbestos.

RISK MANAGEMENT RESPONSE

- As regards capital expenditure, the Group has designed internal procedure to assess risks related to capital expenditure projects and assess return of investment. With the implementation of such capital expenditure projects, the Group defines actions plan to ensure the new assets will be properly used under formalized and detailed industrial processes as well as properly maintained. Prevention plans are defined to mitigate identified risks and vulnerabilities.
- To mitigate risks of obsolescence regular investments are made in modernization and maintenance of industrial facilities.
- Regarding safety, the Group has developed a strategy for safety based on 4 initiatives : i) provide safe equipment and work conditions for employees; ii) eliminate risks using tools for detection, observations (JSA, Safety Walk for managers), and risk identification (SUSA Cards, Take 5 for employees); iii) implement operational discipline, positive recognition, and consequences management; and iv) create conditions to guide teams towards a 'independent' or even 'interdependent' safety culture (Bradley curve) (see below further details in section 3.3.2.2.: Workplace safety, health and well-being: a priority for Nexans' employees).

- Industrial sites are continuously developing business continuity plans with the aim to secure ability of the industrial sites to identify risks and define back up/mitigation actions plan should a risk materialize.
- With respect to capital expenditures in Halden plant and with the new laying vessel, dedicated teams have been designed to ensure respectively a smooth ramp up of the site extension to meet expected return on investment in due time (the same process was implemented in relation with the capital expenditure made in Charleston site). In addition, a robust planification and quality, health and safety monitoring of the new laying vessel construction has been designed to meet expected delivery date and technical specifications.
- In relation with the environmental risk, the Group ensures that its manufacturing sites have sufficient resources to identify and track regulatory requirements that concern them, as well as changes in those regulations, and also that they have the financial resources they need to ensure regulatory compliance (see below, section 4.2. Planet, for a description of the Group's environmental management system). Environmental due diligence Phase 1 or initial soil pollution diagnosis have been run in all its Nexans sites. Environmental due diligence Phase are run by international recognized specialized service providers.
- In the meantime with respect to environmental risks, Nexans is leading on an annual basis, a detailed survey to identify and define all potential risks and assess the means of prevention for each. This risk assessment is based on the following process: i) the identification of risks, ii) the assessment of the risks criticality and iii) the definition of potential complementary actions required to reduce the risk. It also enable a better follow-up of the implementation of the defined mitigation actions as well as of the assessment of the results. The above also participates to the spread of risk culture within the operating entities and in particular to a proactive industrial risk management across the Group.
- In relation with asbestos risk, monitoring to check compliance with local regulations is lead under the responsibility of industrial business unit managers. In addition, industrial business unit managers develop and keep up to date elimination plans.

2.1.2.6 Risk related to contractual liability: product liability

RISK RANKING

Potential effects for the Group	Main correlated Risks
• Financial impacts	• Risk related to Claims and litigations • Risk related to turnkey projects

RISK DESCRIPTION

The manufacturing and commercial activities of the Group's operating companies expose them to potential product quality issues and possible claims for damage to property or third parties allegedly caused by its products. In particular, supplying Group's products to certain sectors such as the automotive or the aerospace industries, could expose the Group's operating companies to possible product recalls or grounding campaigns for example as a result of serial product defects that can affect a large number of vehicles or aircrafts.

Also, industry and market practices and trends have been evolving over the past years, and customers push for longer product warranty periods, and more stringent contract conditions (in particular related to liabilities). In the meantime, the warranties extended to the Group's various companies by their suppliers of materials and components used in these companies' products may remain shorter or be less extensive than the warranties granted by the Group's subsidiaries to their own customers (for example PVC materials and others).

In some countries such as in South America and Europe (like in France and Italy), utilities are imposing their terms and conditions whereby no limitation of liability is accepted for some categories of cables. In the same spirit, in certain industries such as in the automotive business, customers are imposing their terms and conditions with no limitation of liability.

Low Moderate Material Critical

RISK MANAGEMENT RESPONSE

To limit these risks related to product liability, the Group has developed the following control systems:

- all major contracts entered into by the Group's operating subsidiaries are subject to a systematic risk-assessment procedure and bids representing over 5 million euros for businesses other than high-voltage business are submitted to a Group Tender Review Committee. Particular focus is placed on ensuring that the Group's sales and technical teams (i) are able to pinpoint the risks inherent in sales contracts and (ii) involve the Group's Legal Department in contractual negotiations;
- a sales contract policy aiming at limiting the overall liability exposure of the Group's operating companies towards their clients in case of occurrence of a contract execution issue (such as delay, quality problem);
- in order to mitigate product liability risk, the Group has set up stringent product quality control procedures. The majority of its units are ISO 9001-certified. Many of them also hold certifications that are specific to their business (e.g. IRIS for rolling stock, ISO 9100 for aerospace…). In addition, each unit tracks a set of indicators on a monthly basis in order to assess progress made in terms of quality and customer satisfaction. The Group currently has third party liability insurance that covers product liability, which it considers to be in line with industry standards and whose coverage amounts largely exceed any past claims. However, the Group cannot guarantee that its insurance policies would provide sufficient coverage for all forms of liability claims (see the section entitled Insurance below) and if several entities suffer claims in the same year as although the coverage amounts are high, they are capped at annual levels and the policies contain standard exclusion clauses, notably concerning the cost of the product itself and late-delivery penalties.

2.1.3 Legal and compliance risks

2.1.3.1 Risk related to non-compliance with antitrust laws

RISK RANKING

Potential effects for the Group	Main correlated Risks
• Financial impact (Fines, indemnities…) • Ban from Clients & Public tenders • Reputational impact	• Risk related to M&A • Risk related to the competitive environment of the Group's operating subsidiaries • Risk related to Claims and litigations

RISK DESCRIPTION

In late January 2009, antitrust investigations were launched in several countries against various cable manufacturers including Group companies in relation to anticompetitive behavior in the submarine and underground high-voltage power cables sector.

On April 7, 2014, Nexans France SAS and the Company were notified of the European Commission's decision, which found that Nexans France SAS had participated directly in an infringement of European antitrust legislation in the submarine and underground high-voltage power cable sector. The Company was held jointly liable for the payment of a portion of the fine imposed on Nexans France SAS by the European Commission.

In early July 2014, Nexans France SAS paid 70.6 million euro fine imposed on it by the European Commission.

Nexans France SAS and the Company appealed the European Commission's decision to the General Court of the European Union. The appeal was dismissed on July 12, 2018. Nexans France SAS and the Company appealed the General Court's judgment before the European Court of Justice, which, in turn, dismissed the appeal on July 16, 2020.

In April 2019, certain Group entities received claims from customers filed before the courts in the United-Kingdom, the Netherlands and Italy against Nexans and other defendants.

Low Moderate Material Critical

In the United-Kingdom, Prysmian is one of the main defendants in certain antitrust damages claims initiated by National Grid and Scottish Power in 2015. Contribution claims have been brought by Prysmian against Nexans France SAS and the Company in these cases. Prysmian and the other main defendants have now reached a settlement with National Grid and Scottish Power.

In April 2017, Vattenfall initiated a claim for alleged antitrust damages against Prysmian and NKT before the High Court in London. On June 12, 2020, Nexans France SAS and the Company were notified of a contribution claim brought by Prysmian. Following a transfer from the High Court, to the UK Competition Tribunal, NKT reached a settlement with Vattenfall. Vattenfall's claim against Prysmian and Prysmian's contribution claim against Nexans France SAS and the Company remain pending.

In May 2022 an application for a collective proceedings order was lodged in the UK before the Competition Appeal Tribunal (CAT) seeking authorization to bring an action for damages on behalf of certain individuals against Nexans, Prysmian and NKT. The prospective claim is based on the European Commission's 2014 "Power Cables" decision. A hearing before the CAT will to decide whether to grant the application is scheduled for April 2024, such approval being required before any claim can proceed. The claimant has secured financing from a professional third-party litigation funder. As part of its assessment the CAT will scrutinize the funding agreement to determine, inter alia, whether the proposed defendants' costs would be sufficiently covered in the event that the claimant is unsuccessful in the claim.

In July 2022, London Array Limited and others commenced a claim in the CAT against Nexans France SAS and the Company in relation to the European Commission's decision. Nexans France SAS and the Company are defending the claim, which is scheduled for trial in April 2025.

Italian company Terna S.p.A. launched an antitrust damages claim before the Court of Milan. Nexans Italia filed a defense on October 24, 2019 focusing on Nexans Italia's lack of standing to be sued. On February 3, 2020 the judge ruled Terna's claim to be null for lack of clarity. Terna has since supplemented its claim and the case is ongoing. A final outcome is not expected before end of 2024.

The claim in Netherlands was made jointly by Electricity & Water Authority of Bahrain, Gulf Cooperation Council Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, against certain companies of the Prysmian Group and its former shareholders, and companies in the Nexans Group and ABB Group. This action has been brought before the Court of Amsterdam. On December 18, 2019, Nexans and other defendants filed a motion contesting jurisdiction. The court issued its judgment on November 25, 2020, declaring itself incompetent with regard to the claims against the non-Dutch defendants, including the non-Dutch subsidiaries of the Company. The court also ordered the claimants to pay the costs of the proceedings. The claimants appealed this ruling and the matter has since been referred to the European Court of Justice for a ruling.

Investigations carried out by the American, Japanese, New Zealand and Canadian authorities in the high-voltage power cable sector were closed without sanctions. During investigations led by the Australian antitrust authority (ACCC), the Australian courts dismissed ACCC's case and refused to sanction Nexans and its Australian subsidiary in the high-voltage power cable sector in a case pertaining to the sale of low- and medium-voltage cables.

Investigation in Brazil by the General Superintendence of the antitrust authority "CADE" in the high-voltage power cable sector was concluded on February 11, 2019. On April 15, 2020 the Administrative Tribunal of CADE condemned the Company, together with other cable manufacturers. The Company has paid the 1 million euro (BRL equivalent) fine and has appealed the decision. The case is ongoing.

Investigation by the antitrust authority in South Korea ("KFTC") in the high-voltage power cable sector has not been officially closed but Nexans understands that the statute of limitations should be considered expired.

Nexans' local Korean subsidiaries have cooperated with the KFTC in investigations initiated between 2013 and 2015 in businesses other than the high-voltage. As a result, full leniency (zero fine) has been granted by KFTC in 15 cases, and for two other cases the Korean subsidiaries were granted a 20% reduction of fines and were ordered to pay the KFTC a total of approx. 850,000 euros. All such investigations are now closed, and the risks associated with the majority of claims brought by customers in connection with them are now all closed.

On November 24, 2017 in Spain, Nexans Iberia and the Company (in its capacity as Nexans Iberia's parent company) were notified of a decision by the Spanish competition authority ("CNMC"), which found that Nexans Iberia had participated directly in an infringement of Spanish competition laws in the low and medium voltage cable sectors. The Company was held jointly liable for the payment of part of the fine levied on Nexans Iberia by the CNMC. In early January 2018, Nexans Iberia settled the 1.3 million euro fine levied by the CNMC. Nexans Iberia and the Company have appealed the CNMC's decision. On May 29th 2023, the Court of appeal decision has been rendered in favor of Nexans. The Spanish Court ruled that a single and continuous infringement of Spanish competition laws, for the period between 2002 and 2013, in the low and medium voltage cable sectors, cannot be proven. Appeal of the decision was made to the Spanish Supreme Court.

On July 27, 2020, Nexans Iberia was served with a claim filed by Iberdrola before the Commerce Court of Barcelona, on the basis on the CNMC's decision (which also sanctioned one of Iberdrola's subsidiaries). Iberdrola is seeking a total of 9.4 million euros in damages from all the defendants, including Prysmian and several local Spanish producers. Nexans Iberia has filed defense arguments and the case is pending.

During the first semester of 2022, four additional claims were files by Spanish claimants against Nexans Iberia on the basis of the CNMC decision in the low / medium voltage case. Nexans Iberia's sales to such claimants, if any, are non-substantial and Nexans is litigating these claims for which two are pending the appeal judgment against the CNMC decision and two have been re-instated in January and March 2023 respectively.

On January 20 and May 10, 2022 the German Federal Cartel Office (FCO) carried out searches at three of Nexans' sites in Germany. The searches are part of an investigation on cable manufacturers concerning alleged coordination of industry-standard metal surcharges in Germany. The FCO also conducted inspections at the premises of other companies in Germany. Nexans successfully challenged the validity of the search. However, the investigation is ongoing and on February 20, 204, the FCO carried out searches at another site in Germany.

Lastly, on January 30, 2024, the French Competition Authority (FCA) carried out searches at three of Nexans' sites in France in relation to alleged anti-competitive activity in relation to the distribution of energy cables in French overseas territories.

As of December 31, 2023, the Group has maintained a contingency provision of 64,8 million euros to cover all the investigations mentioned above as well as the direct and indirect consequences of the related rulings that have been or will be handed down and in particular the follow-on damages claims by customers (existing or potential claims). The amount of the provision is based on management's assumptions that take into account the consequences in similar cases and currently available information. There is still considerable uncertainty as to the extent of the risks related to potential claims and/or fines. The final costs related to these risks could therefore be significantly different from the amount of the provision recognized.

The Group's risk prevention and compliance systems have been strengthened regularly and significantly in recent years. However, the Group cannot guarantee that all risks relating to practices that do not comply with the applicable rules of ethics and business conduct will be fully eliminated.

The compliance program includes means of detection which could generate internal investigations, and even external investigations. As consistently communicated by the Company in the past, unfavorable outcomes for antitrust proceedings and/or investigations as well as the associated consequences could have a material adverse effect on the results and thus the financial position of the Group.

RISK MANAGEMENT RESPONSE

Policy

As a complement to the section of the Code of Ethics and Business Conduct dedicated to fair competition, the Group's Antitrust Guidelines provide guidance on the application of basic competition law rules. The Antitrust Guidelines are applicable to all affiliates and subsidiaries everywhere Nexans does business.

Training

All top executives, managers and key personnel throughout the Group must complete the Compliance Week training every year. The training includes an antitrust section with test questions based on realistic business cases.

In addition, more in-depth/spot trainings are conducted to most exposed positions (sales & purchasing managers as well as members of a Trade association) and/or when a specific issue is identified.

Specific mitigation measures subsequent to the risk mapping

The Group has integrated all competition law aspects to the compliance risk mapping carried out pursuant to the "Sapin II" legislation.

These antitrust risks identified are managed through centrally monitored mitigation and remediation measures, including the use of dedicated digital tools which facilitate second and third level control.

Whistleblowing

Employees are encouraged, through internal communication and trainings, to use the Group's incident report system to raise concerns including about any breach of business ethics and anticorruption rules, whether within Nexans or by business partners.

The incident report system is also available, in 17 languages, to anyone outside the Group, by phone, through an application, or remotely through the website www.nexans.com. In addition, a simple search "Nexans alert" on any Internet search engine will direct to the incident report system portal.

For further information on the Group's incident alert system, please refer to section 3.4.1.: "Deliver a respectful and ethical business".

Internal controls and internal audit

The Group Audit Department controls compliance with antitrust rules in the framework of the regular audits of operational entities and also performs missions dedicated to specific antitrust issues.

2.1.3.2 Risk of non-compliance with anti-bribery legislation

RISK RANKING

Potential effects for the Group	Main correlated Risks
• Financial impact (Fines, indemnities…) • Ban from Clients & Public tenders • Reputational impact	• Risk related to M&A • Risk related to the competitive environment of the Group's operating subsidiaries • Risk related to Claims and litigations

RISK DESCRIPTION

With a global presence worldwide and activities in a diversity of sectors such as in energy infrastructure, large international projects for high voltage, employees worldwide might be confronted to bribery and corruption practices.

The Group generates approximately 17% of its turnover in countries with a high-risk profile (rated 40 or below as per the Corruption Perception Index by Transparency International). In 2022, the Group had physical presence in Brazil, Colombia, Lebanon, Morocco, Nigeria, Peru, Turkey, Ivory Coast, Ecuador, and Ukraine.

In addition, the Group relies on an ecosystem of commercial partners, including sales intermediaries, resellers, and distributors. This ecosystem may represent a risk for the Group.

RISK MANAGEMENT RESPONSE

Policy

As a complement to the sections of the Code of Ethics and Business Conduct dedicated to anti-bribery and corruption, the Group has issued a number of specific guidelines to support its zero tolerance for such practice:

- the Corruption Prevention Policy sets out the rules and processes to be applied for preventing corruption and/or bribery in daily business with sales representatives and other business partners and keeping justification thereof;
- the Gifts and Hospitality Policy, also governing invitations, charity and donations;
- the Conflicts of Interests Policy explaining how to identify, disclose and manage potential and actual conflict of interest situations;
- the Tender Review and Contract Risk Management Policy ensures that sales offers, bids, quotations submitted or sales contracts signed by all Nexans subsidiaries are compliant with the Group ground rules, notably the Corruption Prevention Policy;
- the Charter for Responsible Public Advocacy issued end of 2021 which lays down the main commitments applicable to all Nexans employees and in particular those in charge of public advocacy activities.

These Guidelines are applicable to all affiliates and subsidiaries, everywhere Nexans does business.

Training

Nexans has developed a 3 year strategy regarding compliance trainings and has identified key categories of population : (i) online strategy and (ii) offline strategy.

For online trainings, yearly all employees with a Nexans e-mail address – hence top executives, managers and key personnel as well as administrators – are invited to complete compliance e-learnings launched during the annual Compliance Week. These courses are robust trainings on anti-bribery and corruption, conflict of interests, gifts and hospitalities, sponsorship and donations or trade sanctions. The courses may also include reminders on Human Rights, Inclusion & Diversity, Data Privacy or Cybersecurity governing principles.

New joiners are also assigned to the recently developed “Living the Code of Ethics at Nexans” course when joining the Group, to ensure full understanding and adherence to Nexans working principles.

For offline strategy, colleagues working on lines and all over the globe must receive the “Living the Code of Ethics at Nexans”, adapted for face-to-face, course.

In addition, high exposure employees as identified by Business Groups in key functions must conduct more in-depth trainings face-to-face. Over a three year period, high exposure employees must therefore follow anti-bribery and corruption, antitrust and trade sanctions trainings.

It has to be stressed that face-to-face trainings can occur as a mitigation measure when a specific issue is identified.

Specific mitigation measures

As part of its continuous improvement process , the Group is currently further enhancing the anti-bribery and corruption risk mapping. A fully digitalized exercise has been launched in 2023 across the Group. This exercise will further allow the Group to ensure robustness of its process to mitigate risk adequately.

As an example, through past risk mapping exercise conducted by the Group, sales representatives were identified as representing a potential anti-bribery and corruption risk. Specific risk mitigation activities, including specific due diligence, have been introduced through a dedicated online platform, enabling the Group to have a centralized tool to mitigate risk that sales intermediaries could represent.

In addition, all relevant employees who find themselves in a potential conflict of interest situation or are politically exposed have an obligation to disclose their situation through a centralized and automated digital tool. The system allows a harmonized management of cases, facilitating second and third level controls.

Furthermore, managers, similarly to new joiners, must sign a compliance certificate pledging to comply with Nexans’ Code of Ethics and Business Conduct.

The Group also performs compliance due diligence in the framework of contemplated Merger and Acquisitions transactions so as to be able to identify compliance issues with potential acquisition targets early on.

Finally, in 2023, the Group has further defined its vigilance plan which includes a strengthened compliance due diligence for the categories of purchasers identified as most at risk. Please report to section 3.3.3.2.: “Duty of Care Plan for Suppliers" for further information with respect to sustainable purchases.

Whistleblowing

Employees are encouraged, through internal communication and trainings, to use the Group’s incident report system to raise concerns about any breach of business ethics and anticorruption rules, whether within Nexans or by business partners.

The incident report system is also available, in 17 languages, to anyone outside the Group, by phone, through an application, or remotely through the website www.nexans.com. In addition, a simple search “Nexans alert” on any Internet search engine will direct to the incident report system portal.

For further information on the Group’s incident alert system, please refer to section 3.4.1.: “Deliver a respectful and ethical business”.

Internal controls and internal audit

The implementation of the Group Compliance Program is audited regularly by the Internal Audit Team to ensure robustness of controls. The Group Audit Department also controls compliance with anticorruption rules in the framework of the regular audits of operational entities and performs missions specifically dedicated to anticorruption issues.

Further information with respect to the fight against corruption in the Group can be found in section 3.4.1.: "Deliver a respectful and ethical business".

2.1.4 Financial risks

This section should be read in conjunction with Note 27 "Financial risks" to the consolidated financial statements, which also sets out a sensitivity analysis for 2022.

Please also refer to Note 1.F.c to the consolidated financial statements as well as Note 7 "Net asset impairment", which sets out the assumptions used for the purpose of impairment testing.

Metal price and hedging risk

RISK RANKING	
Potential effects for the Group	**Main correlated Risks**
• Financial impact on EBITDA and financial results	• None

RISK DESCRIPTION

The nature of the Group's business activities exposes it to volatility in non-ferrous metal prices (copper and, to a lesser extent, aluminum and lead) as non-ferrous metal represent a significative portion of the cables. For illustration purposes, during the last years 2022 and 2023, the price of copper has been subject to high volatility in a range of 3,000 USD/ton between the lowest and the highest prices. With respect to aluminum and lead, the Group may face lack of liquidity to secure a long term hedging.

Besides, for the sake of illustration, at the end of 2021, the low liquidity on the futures markets for metals generated high volatility on forward quotations and on the renewal of hedges. This phenomenon was probably linked to an increase in the demand. It is currently difficult to know whether this level of liquidity is a cyclical or structural phenomenon.

In the recent years, numerous banks exited the metal market as it mobilized too many resources compared to the level of risk. In 2022, new players strengthened their capacity to offer commodity hedges allowing the Nexans Group to secure access to the metal derivatives market.

RISK MANAGEMENT RESPONSE

In line with general practice in the cable industry, the policy of the Group's operating subsidiaries concerned is to pass on metal prices in their own selling prices and to hedge the related risk either through a natural hedge or by entering into futures contracts on metal exchange market. In addition, a dedicated team at Group level is fully monitoring the risk of volatility of non-ferrous metal prices.

Despite this general policy, the Group remains exposed to non-ferrous metal price volatility risk due to the nature of activities of the Group (such as long-term contracts…).

In that respect, the Group's strategy for managing non-ferrous metal price risks, the potential impact of fluctuations in copper prices and the hedges put in place are described in Notes 27.C and 27.E to the consolidated financial statements.

Interest rate risk

RISK RANKING	
Potential effects for the Group	**Main correlated Risks**
• Financial impact on EBITDA and financial results	• None

RISK DESCRIPTION

Main part external debts (bonds, EIB) approximately 800 million euros are on fix rates. Recent evolution of the economic environment (inflation and interests rates hikes) will have an impact on Group structure financing. A sensitivity analysis concerning changes in interest rates is provided in Note 27.E to the consolidated financial statements.

RISK MANAGEMENT RESPONSE

This risk is monitored closing by the Group Treasury and Metal Direction with a regular update to Group CFO during the monthly Financing Committee.

The renewal of long term debts will be done through fixed debt (bond or loans) in order to have a limited percentage of gross debt with floating interest rates.

Low Moderate Material Critical

Liquidity risk

RISK RANKING	
Potential effects for the Group	**Main correlated Risks**
• Financial impact on EBITDA and financial results	• None

RISK DESCRIPTION

The Group's main liquidity risk relates to:

- its obligation to repay or redeem its existing debt, primarily corresponding to (i) one issue of bond maturing in 2024, (ii) trade receivables securitization programs used within the Group, (iii) to a lesser extent, short-term debt taken out by a number of the Group's subsidiaries and (iv) commercial papers programs (NEU CP); and
- the Group's future financing requirements (including working capital fluctuations).

RISK MANAGEMENT RESPONSE

To mitigate the liquidity risk of the Group, the Group has:

- extended the maturity of Nexans syndicated loan signed on October 26, 2022 (for an amount of 800 million euros – see Note 27.A to the consolidated financial statements for further details) to October 2028 and for an amount of 800 million euros; and
- a commercial papers program for an amount up to 600 million euros (see Note 27.A to the consolidated financial statements for further details);

Details of the Group's cash requirements and resources (especially cash surpluses and credit facilities), together with its policy for managing and monitoring liquidity are described in Note 27 to the consolidated financial statements.

Currency risk

RISK RANKING	
Potential effects for the Group	**Main correlated Risks**
• Financial impact on EBITDA and financial results	• None

RISK DESCRIPTION

The foreign exchange risk to which the Group is exposed is described in Note 27.C to the consolidated financial statements. Apart from in relation to non-ferrous metal transactions (see below), the Group considers its exposure to foreign exchange risk on operating cash flows to be limited for the Group as a whole, due to its underlying operational structure whereby most subsidiaries primarily operate in their domestic markets, with the main exception being export contracts in the high-voltage business.

On account of its international presence, the Group is also exposed to foreign currency translation risk on the net assets of its subsidiaries whose functional currency is not the euro. It is Group policy not to hedge these risks.

RISK MANAGEMENT RESPONSE

Currency hedges are set up by a dedicated team of the Group in order for operating units' cash flows to remain denominated in their functional currency. This is notably the case for the Group's subsidiaries in Brazil (BRL *vs* USD), Canada (CAD *vs* USD), Norway (NOK *vs* EUR, GBP, JPY and USD), Switzerland (CHF *vs* EUR) and Turkey (TRY *vs* EUR, USD).

A sensitivity analysis concerning fluctuations in the two main currencies that present a foreign exchange risk for the Group (the US dollar and the Norwegian krone) is provided in Note 27.E.

Low *Moderate* *Material* *Critical*

2.2 Insurance

Nexans Insurance Department is in charge of subscribing, negotiating and deploying insurance programs throughout the Group. It seeks the best coverage available in the insurance market at an optimum price for its specific exposures with highly reputed insurance companies with strong financial ratings, and negotiating insurance programs based on regular risk assessments.

The Group's insurance policies cover current identified risks while taking into account new acquisitions or disposals that may occur during the year. Working closely with international brokers, the Insurance Department always seeks to optimize costs while ensuring adequate coverage based among other criteria on the Group's claims experience, advice from brokers with industry benchmarks as well as specific risks and/or actuarial studies. On a regular basis, the Insurance Department launches insurer and broker bids.

The overall cost of insurance policies (excluding life & health and accident insurance) taken out at Group level represents less than 0.5% of consolidated sales at constant non-ferrous metal prices.

To contain insurance premiums and secure coverage, Nexans reinforces the use of its reinsurance captive in the insurance structures and is permanently studying the opportunity to add new risks. Finally, the Group is permanently reassessing its risk appetite to counter the negative impact of the current insurance market.

Apart from the directors and officers liability policy, the main insurance programs taken out by the Group are as follows:

Property damage – business interruption

Covers Nexans assets worldwide and consequential interruption of business in the case of a loss.

In certain geographic areas, insurers will only provide limited coverage for natural catastrophe risks, much less than the insurance values, making it increasingly difficult to obtain sufficient coverage for a reasonable price.

As part of its risk management process, the Group set up in 2021 a loss prevention governance procedure aimed at helping to prevent industrial losses and based to a large extent on the recommendations of its insurers.

Third-party liability (including Product liability)

Covers the Group for third-party liability claims due to either its operations or products manufactured or services rendered to clients.

The policy also provides some coverage for removal & reinstallation, product recall and accidental pollution.

Transport

Covers the *ad valorem* values of supplies and deliveries according to incoterms for any transport by any means of conveyance including transfers between sites.

Comprehensive construction insurance for laying land and subsea cables

Site work relating to the laying of both land and subsea cables is covered by two specific insurance programs tailored to the operations concerned. Coverage depends on the specific nature and characteristics of each project and it is sometimes necessary to set up separate installation-specific policies, notably for very large contracts which exceed the coverage limits in these framework insurance programs. The insurance market has severely contracted it providing insurance capacity especially for the offshore wind energy projects and some gaps in coverage should be noted.

Coverage for the Group's cable-laying ship Nexans Skagerrak & Nexans Aurora

The Group's cable-laying ships, Nexans Skagerrak and Nexans Aurora are covered by hull & machinery/loss of hire, war risks and protection & indemnity insurance.

Short-term credit risk insurance covering receivables for certain domestic and export customers

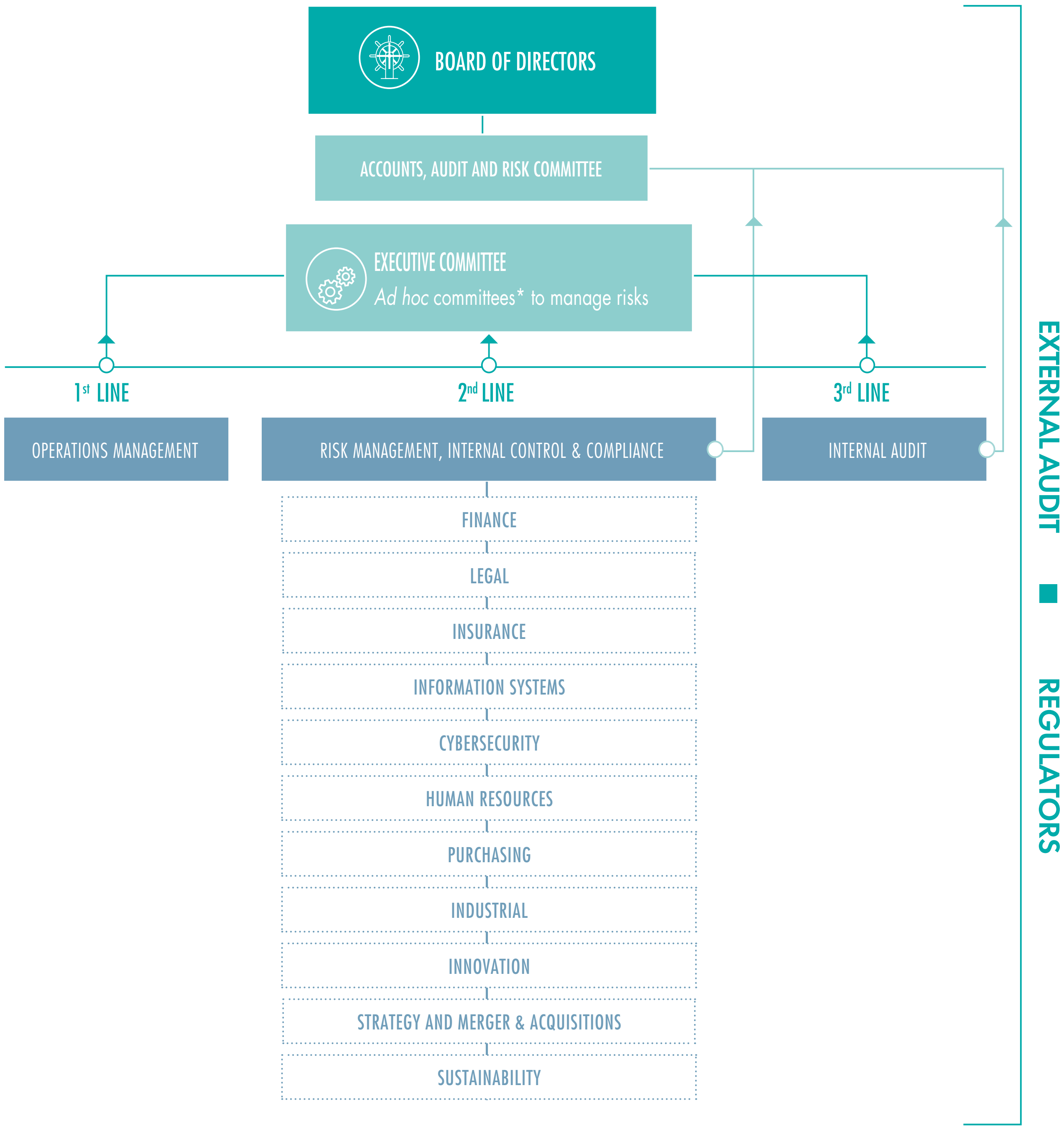
A short-term credit insurance policy is deployed throughout the Group covering most of its subsidiaries Specific insurance is taken out if necessary for long term credit contracts.

Captive reinsurance entity

The Group has a reinsurance entity – Nexans Re – aimed at optimizing and managing the Group's risk retention strategy. It currently includes the Property Damage and, Third Party Liability policies with the addition of the transport policy in 2023.

2.3 Risk management within the Group

The main items of Nexans' risks management and internal control system are described in the chart below and are based on three risk control lines.



*Ad hoc Committees:

- Disclosure committee
- Tender Review Committee
- Purchase Contracts Review Committees
- Mergers & Acquisitions Committee
- Corporate Social Responsibility (CSR) supported by two expert committees, The Governance Social Committee and the Environment and Products Committee

2.3.1 Three lines of defense

Risk management organization in Nexans is structured around three main lines of defense.

First Line of defense – Business Groups and operating entities	The Business Groups and operating entities play a front-line role in managing risks in their respective geographic and business areas. Their departments are responsible for applying all of the Group Management Procedures in their areas of responsibility, covering compliance with applicable laws and regulations and with the Group's Code of Ethics and Business Conduct and Management of Incident reports.
Second Line of Defense – Risk Management, Internal Control and Compliance	Coordinated by the Departments of Risk Management, Internal Control and Compliance together with the functional departments in their fields of expertise, the second line of defense aims at designing and piloting a system of control of the Group activities, in particular by: • assisting operating units in the identification and assessment of the main risks within their scope of expertise; • designing Group policies and procedures by area of activity; • contributing, with operating units, in designing adapted controls systems or mechanisms; • raising awareness on risk management, internal control and compliance by communicating on best practices and training operating employees.
Third Line of defense – Internal Audit	Internal Audit Department is to provide Nexans' Board of Directors and Executive Committee with reasonable assurance on the robustness of the system of risk management, internal control and compliance management of the Group in realizing audits of functions and business units on the deployment of risk management, internal control system and compliance management as well as related procedures.

2.3.2 Coordinated risk management system

Main responsibilities	Reference framework and/or mechanisms
• Design and deploy risk Management tools & procedures (*i.e.* For Risk mapping, Business Continuity Plan, Crisis Management…) • Map the main risks of the Group • Follow up of the implementation of action plans as defined during risk mappings • Raise awareness & train employees on risk management	• Group policies and procedures • Annual assessment of Group risk (impact and level of control of risks)

Objectives

Risk management is a dynamic system for the purpose of:

- enabling managers to identify and analyze the main risks in their operating scope and toward the Group's strategic objectives; and
- adopting mitigation actions to keep the risks at an acceptable level.

Nexans is committed to develop and disseminate a risk management culture within the Group, through a decentralized model, around key principles:

- responsibility & Risk ownership: Risk management is everyone's responsibility;
- regular risks assessments and follow up of defined mitigation plans: Risks that could affect the ability of Nexans to achieve its objectives are to be identified, analyzed and evaluated, and action plans controlled;
- communication and escalation: Risks are to be communicated within the organization and escalated to the appropriate management level.

Global Nexans Risk management system is designed to meet, in particular, the following objectives:

- to ensure the health and safety of Nexans' employees;
- to guarantee the compliance with Nexans Code of Ethics and Business Conduct and the other Group processes and procedures;
- to ensure that Nexans meets its strategic objectives;
- to preserve Nexans values as well as business activities, assets and reputation of the Group.

Organization

The Group has put in place risk management procedures to identify and manage the risks related to its activities. These procedures enable the Group to identify the risks to which it is exposed and to better control these risks so that it can deploy its strategy properly. They are a key part of its governance structure. In accordance with the law, the Accounts, Audit and Risk Committee monitors the effectiveness of risk management procedures.

The Risk Management Department initiates, develop and manages the risk management system and checks its effectiveness in ensuring that the Group meets its objectives, working in partnership with the Internal Control Department and the Internal Audit Department. Risk Management Department, reporting to Nexans Accounts, Audit and Risk Committee, participates actively i) to the design and implementing an overall risk management process for the organization, which includes an analysis of the financial impact on Nexans when risks occur and ii) the building of risk awareness amongst staff by providing support and training within Nexans.

In particular, it participates in identifying and monitoring strategic risks alongside the Business Groups and functional departments including the Strategy Department.

It is responsible for managing the insurance programs and ensuring that they are consistent with the Group's risk exposures and appetite.

In 2020, the decision to have the Cyber Security team reporting to the Nexans Group Risk Manager was taken. Cyber risk, related to all information systems of the Group and connected industrial machines/assets, is identified as a critical risk for the Group.

2.3.3 Coordinated internal control system

Main responsibilities	Reference framework and/or mechanisms
• Define and maintain Group internal control standards • Provide internal control training	• Group policies and procedures (*e.g.* Nexans Basic Internal Controls manual) • Internal control training material

Objectives

Nexans Basic Internal Controls manual (based on the AMF "Risk management and Internal Control systems" issued in 2010 to adapt the 2007 AMF Reference Framework) states that internal control is a company's system aiming at ensuring that:

- laws and regulations are complied with;
- the instructions and directional guidelines set by Executive Management or the Board of Directors are applied;
- the Group's internal processes are functioning correctly;
- financial information is reliable; and generally, contributes to the control over its activities, to the efficiency of its operations and to the efficient use of its resources.

Organization

The Internal Control Department – which is combined with the Internal Audit Department and works closely with the Compliance Department and Risk Department – contributes to the drafting of rules and compulsory controls to limit *ex ante* their occurrence, particularly transaction-related risks. These controls help *inter alia* to limit the risk of errors and fraud.

Nexans operational departments and support functional departments are committed to implement internal control systems as defined in Nexans procedures.

In that perspective, Nexans' internal control manual defines internal controls to be implemented in a variety of processes (Segregation of Duties, Purchases to Cash, Inventories Management, Sales to Cash, Reporting, Cash and Foreign Exchange Risk Management, Metal Risk Management, Accounting, etc.).

The Internal Control Department supports their implementation in the entities.

2.3.4 Coordinated Compliance management system

Nexans pays particular attention to compliance issues. For that purpose, Nexans has appointed a Group Compliance Officer and a Group Data Protection Officer. The Compliance team works very closely with the Risk Department as well as with the Internal Control and Internal Audit Department. Group Compliance Officer and Risk Group Data Protection Officer as well as Risk Department report to the Group's General Counsel, member of the Executive Committee, and meet at least once a year with the Accounts, Audit and Risk Committee.

Under the management of the Group Compliance Officer, Nexans has put in place a whistleblowing system to raise concerns about any breach of business ethics and anticorruption rules, whether within Nexans or by business partners. The system, accessible anywhere, enables the strict confidentiality and protection of the exchange with the whistleblower. The incident report system is also available to anyone outside the Group, by phone or remotely through the website www.nexans.com.

The Compliance Officers of Business Groups and/or Business Units with the support of Human Resources Departments or Finance Departments perform second-level controls on:

- third-party pre-qualification through a global due diligence tool of the said third-parties;
- amount, beneficiary, motive and authorization chain of gifts, entertainment, hospitality, sponsoring and charity donations given out by the Group;
- management of conflicts of interest by the business managers and Human Resources Community;
- membership to trade associations;
- monitoring of sanctioned designated parties and politically exposed persons.

Support functions	Main responsibilities
Compliance Officer	• Designs strategic compliance policies for the Group and defines the Compliance Program • Supports Business Groups in designing their compliance plan for the year • Develop procedures and controls to prevent and detect deviations from Group policies • Facilitates controls of compliance principles and procedures • Raises understanding and awareness on compliance concepts • Updates and strengthens the anticorruption risk mapping for the Group • Coordinate internal investigations • Receives and processes, through the whistleblowing system in place at Nexans, alerts of potential violations of the Group's Code of Ethics and Business Conduct • Reports compliance activities to the Audit, Accounts and Risk Committee • Reports directly to the General Secretary
Compliance team	• Support the implementation of the Compliance Program and procedures in Business Groups and units • Facilitate controls of compliance principles and procedures • Support the anticorruption risk mapping for the Group • Monitor and reports on compliance controls
Group Data Protection Officer	• Establishes rules and procedures to ensure that processing of personal data within the Group complies with the applicable legislation by protecting personal data • Animates a network of local data protection correspondents • Controls application of personal date protection regulations with the support of the Information Systems Security Officer • Reports directly to the General Secretary

2.3.5 Functional departments

Each functional department of the Group is responsible for its area of expertise. The functions contribute to mitigating risks and controlling their activities and notably:

- defining standards and setting rules and principles applicable in its sector, in conjunction with the other departments concerned;
- assisting their networks with complex issues or issues common to several Business Units;
- encouraging the sharing of best practices and developing appropriate training programs where necessary;
- analyzing failings and the results of audits to improve existing processes.

Functional departments	Main responsibilities on risk management and internal control
Finance Department	• Implement a financial control framework for transactions and financial operations • Steer the Group's financial performance (implement tools to continuously monitor its performance) • Ensure compliance with prevailing tax regulations and legislation • Oversee financial performance at all operating levels of the organization • Analyze and approve capital expenditure requests made by business areas or other similar investment projects • Define the policy for funding, market risk control and banking relationship for the entire Group • Ensure that reporting of financial information are compliant with regulated obligations
Legal Department	• Provide legal advice (i) safeguard the rights of the Group and its business areas and comply with legal obligations and (ii) contribute to achieving their objectives with appropriate legal solutions • Identify and assess the main legal risks facing the Group and each of its business areas • Control contractual and compliance risks on transactions • Participate to the protection of Group's employees and assets
Insurance Department	• Negotiate and subscribe Global insurance policies to protect against insurance risks (aligned with Group's identified risks) • Deploy the global insurance policies throughout all the entities of the Group as appropriate • Monitor the loss prevention measures including consideration of the Insurers recommendations to avoid and mitigate risks • Manage insurance claim
Human Resources Department	• Accompany the Group's by guaranteeing constant improvement in prevention, health and safety • Develop policies to ensure employees have the required skill level for their responsibilities • Put in place checks to ensure the integrity of salary setting and payment processes and supervise the implementation of employment benefits • Monitor compliance with applicable labor laws, regulations and agreements • Develop policies for international mobility and employees travel
Innovation, Services & Growth Department	• Ensure the technological development and scale-up of innovations • Provide operational support to entities and monitor Group performance • Ensure protection of Nexans' industrial and intellectual property rights
Purchasing Department	• Define and deploy purchasing strategies to reduce the Group's costs base • Select suppliers, negotiate contracts • Minimize supplier's dependency • Participate to CSR compliance in Nexans supply chain
Industrial Department	• Support, review and approve material industrial projects • Lead and coordinate the implementation of Nexans industrial program in all operating plants • Lead and coordinate Group standards relating health, safety, environment, and product stewardship • Develop and deploy state of the art quality processes and programs • Identify and assess the main industrial risks within the Group by regularly carrying out risk mapping • Design & follow up KPIs to ensure continuous improvement
Strategy and Merger & Acquisitions	• Identify and evaluate Group-wide strategic, industrial and commercial risks • Identify and assess – with support from relevant internal or external experts – the main potential risks or liabilities associated with acquisitions or disposals of assets or businesses, and factor them into the value and terms and conditions of the proposed transactions • Assist the potential geographic expansion of the Group, with a specific focus on monitoring and controlling risks when opportunities are identified in emerging markets

Functional departments	Main responsibilities on risk management and internal control
Information Systems Department	• Define Group policies and best practice for IT systems including security guidelines • Manage Group-wide IT projects, monitor and check IT networks and infrastructure (servers, telecoms, etc.) • Use IT systems to develop standardization, automation and efficiency of certain shared internal control processes in the Group • Accompany digital transformation, while rationalizing IT structures and operations to improve service quality and operating performance and security level within the Group
Cyber Security Department	• Define and implement policies and projects specific to the business cyber security plan • Develop guidelines on the use of information and industrial systems for all employees • Conducting regular security audits and security testing on the Group's key business and industrial assets, with the support of external service providers • Continuously strengthen Group's cyber security processes and tools to meet 3 axes: to prevent, to detect, to react against cyber incidents
Sustainable Development Department	• Define and facilitate the roll-out of Nexans' sustainable development commitments • Report and capitalize on the Group's CSR actions and performance • Contribute to multi-actor dialogue on environmental and societal issues • Coordinate the Group Corporate Social Responsibility program in liaison with the other departments concerned and ensure the Group's overall compliance with its CSR commitments and regulatory reporting requirements related to the program

2.3.6 Internal audit

Main responsibilities	Reference framework and/or mechanisms
• Ensure operating entities comply with the principles and rules defined by the Group • Perform IT system audits • Identify and share best practice in the Group • Investigate incidents of fraud • Monitor the implementation of action plans following audits	• Audit cycle of four to five years • Annual audit plan approved by the Audit, Accounts and Risk Committee • 13 internal audits conducted in 2023 • Structured audit methodology • Fraud investigation reports • Anti-fraud training awareness-raising • Dashboard for semestrial (twice a year) follow-up of internal audit recommendations

The Internal Audit Department contributes to overseeing the risk management and internal control system. Its role and responsibilities are described in the Group's Internal Audit Charter. It reports to Executive Management and meets with the Accounts, Audit and Risk Committee at least twice a year to discuss the audits carried out by the team and their findings. An internal audit plan is drawn up each year based in particular on the Group risk mapping. The aim is for all Group entities to be audited at least once every four to five years.

The plan is submitted to Executive Management for approval and the approved plan is presented to the Accounts, Audit and Risk Committee. The audits cover not only financial and operational processes but also compliance and corporate governance issues. Following each audit, a report is issued describing main weaknesses or failures in applying and meeting the Group's procedures. The report also contains recommendations for improvements; the most critical being monitored on a quarterly basis by Executive Management.

2.3.7 Procedures relating to the preparation and processing of financial and accounting information

Control activities are based on a financial and accounting reporting system and a set of internal control procedures.

2.3.7.1 Process for the preparation of financial and accounting information

Financial and accounting information is generated in consolidated form as follows.

All amounts reported on the face of the financial statements are obtained from the accounting systems of the legal entities, whose accounts are kept according to local accounting principles and then restated in accordance with the accounting principles and methods applied by Nexans to prepare the consolidated financial statements, which are drawn up in accordance with IFRS pursuant to EC Regulation 1606/2002.

The Group's entire financial and accounting reporting process is structured around the Hyperion System.

Reporting packages are based on the information from each unit's management accounts. These accounts are prepared according to standard accounting principles defined in numerous procedures. In particular, to ensure the consistency of the information produced, Nexans has an accounting manual which is used by all Group units and defines each line in their income statement by function and statement of financial position.

Based on the Group's Equity Story, which sets out the main strategic and financial directional guidelines, each unit establishes an annual budget by business unit in the last quarter of every year. The budget is discussed by both local management and the management of the Business Group and is submitted to the Executive Committee for final approval. The Group's budget is presented each year to the Board of Directors. It is then broken down into monthly figures.

The business units produce monthly reports that are analyzed by management. The consolidated results by Business Group are analyzed with the Group's management at dedicated Business Group meetings.

A consolidated accounts closing procedure is carried out on a half-yearly basis. The procedure includes a specific review and analysis of the financial statements during meetings which are attended by the Group Finance Department, the Finance Departments of the Group's main operating subsidiaries and the VP Finance controllers for the Business Group concerned. These meetings also provide an opportunity to review the various main points to be considered for the upcoming close.

Any off-balance sheet commitments are reviewed by the Consolidation Department based on information provided by the business units, the Treasury and Non-Ferrous Metals Management Departments, and the Group General Secretary's Department. This information is set out in the notes to the Group's consolidated financial statements.

Lastly, the Group has set up a half-yearly procedure whereby the Chief Executive Officers and Chief Financial Officers of all Nexans' subsidiaries sign internal representation letters giving – for the scope for which they are responsible – a written commitment concerning the quality and completeness of the financial information reported to the Group departments and concerning the existence of adequate internal control procedures that are effectively implemented.

2.3.7.2 Main internal control procedures for financial and accounting information

The Group's Finance Department keeps the above-mentioned procedures up to date. It has also drawn up procedures for the main areas that fall within its purview, particularly procedures for reporting, treasury management, non-ferrous metals management, credit risk management and physical inventories.

The Group's Finance Department also seeks to ensure at all times that there are clear procedures to deal with sensitive issues or identified financial risk factors (described in the management report) that are specific to the Nexans Group's business and could have an impact on its assets or earnings.

This is the case, for example, with the management of risks associated with exchange rates, interest rates, and the fluctuation of non-ferrous metal prices, for which specific reporting procedures are in place at business unit level. These risks are controlled and analyzed by both the Treasury, Financing and Non-Ferrous Metals Management Department.

The Internal Audit Department performs controls to ensure that adequate internal controls are in place and function effectively and that Group procedures are complied with.

03

NFRD Corporate Social Responsability

03

3.1 Sustainability at the core of Nexans' strategy

Nexans has strategically positioned itself at the forefront of addressing the significant challenges posed by climate change and the imperative for an energy transition. As a pure player of electrification, Nexans plays a critical role in both mitigating and adapting climate change impacts.

In a pivotal move towards sustainable business practices, Nexans introduced its E3 performance model in 2021. This innovative framework seeks to integrate Economic performance with positive outcomes for the Environment and people Engagement. As a result, Nexans' business model is poised to actively contribute to support a sustainable future.

3.1.1 A leader in sustainable electrification

The global impact of climate change manifests through increasingly frequent and intense extreme weather events, exacerbated by the detrimental effects of greenhouse gas emissions and rising temperatures. Recognizing this urgent threat, nations responded to the warnings from the International Panel of Climate Change (IPCC) experts by collectively signing the Paris Agreement in 2015 (COP 21). This landmark agreement commits to limit global warming to well below 2 degrees Celsius compared to pre-industrial levels, necessitating comprehensive decarbonization plans across all sectors.

The imperative of this commitment was strengthened during COP28 emphasizing the critical role of electrification in steering away from fossil fuels. The conference emphasized the urgency of connecting renewable energies and recommended a threefold increase in capacity by 2030.

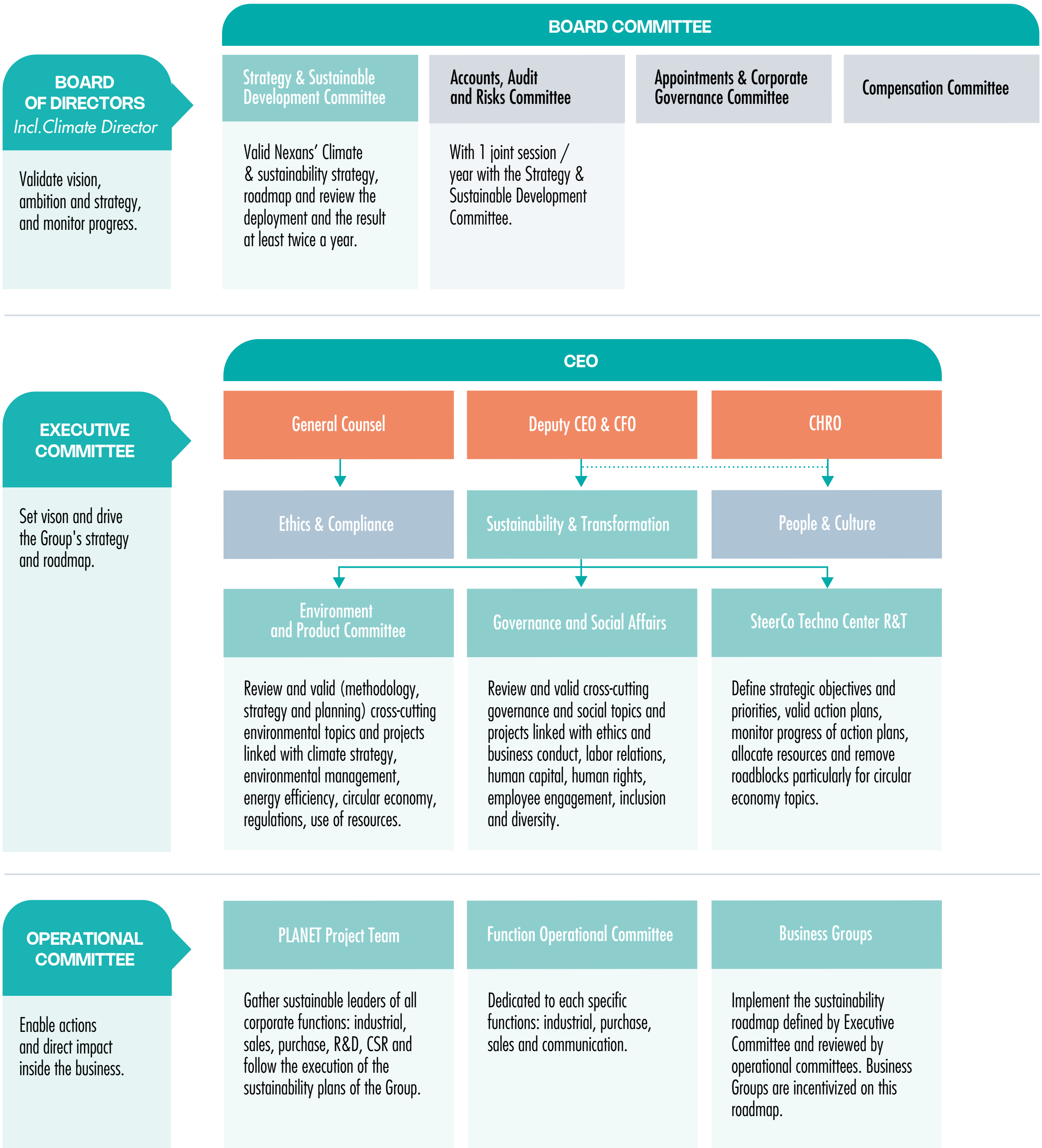
Electrification is a major answer to this multifaceted challenge. As countries actively deploy renewable electricity generation, transmission, distribution and consumption, they simultaneously reduce their dependence on fossil fuels resulting in lower carbon emissions.

Nexans plays a leading role in advancing the energy transition on a global scale and shaping a new electrified world. Nexans is manufacturing, delivering and installing electrical cables and services to all players of the electrification value chain from electricity generation, transmission, distribution to usage. The Group addresses the critical challenges associated with the energy transition encompassing the deployment of renewable energies (solar and wind especially), interconnexions between countries, the modernization of power grids, the access to electricity of population in developing countries, the development of low carbon solutions for grids and usage, and the expansion of urban mobility and digitalization.

Nexans offers to its customers innovative, connected and low carbon products and services.

3.1.2 Sustainability embedded in Nexans governance

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



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 Striving for excellence: a proactive and ambitious CSR strategy

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.

The creation of the CSR Department in 2011 and the Nexans Foundation in 2013 marked significant milestones in Nexans' journey toward creating a sustainable future for all. Each passing year has witnessed new accomplishments, underscoring Nexans' ongoing commitment to its sustainability goals.

2011

Creation of the CSR Dpt

- 1st Nexans Values
- 1st Sustainable Developement brochure
- 1st Communication of CO_2 emissions (Scope 1 & partial 2)

2012

- Materiality matrix
- 1st year of evaluation by EcoVadis
- 1st Human Rights internal Survey

2013

- Creation of the **Nexans Foundation**
- 1st Supplier CSR Charter

2014

- Board of Directors: Creation of the Strategy & Sustainable Development Committee
- CSR performance integrated into the **CEO's variable compensation**
- 1er Safety Day

2015

- CSR priorities draw on the **Sustainable Development Goals** set by the United Nation
- Improvement of the EHP Internal Environmental Label

2016

- 1st Duty of care plan publication
- **Recyclables** - Nexans recycling services

2017

- Dedicated publication on Nexans contribution to energy transition
- **PEFC Forest drums**

2018

- **1st Integrated Report** & Award of "Integrated Thinking" for this report
- 1st Compliance Week
- Lauching of WIN Network

2019

- Signature of the French Business Climate Pledge (MEDEF)
- **Carbon Disclosure Project (CDP) A List**

2020

- Humans Rights Governance
- Climate Day – Climate Pledge Nexans commitments to contribute to carbon neutrality by 2030
- Launching of PLANET project
- 1st Climate Collage to a COMEX member
- CSR Webinars on My learning
- EcoVadis Platinum Medal
- ESG Day

2021

- Aligment with TCFD guidelines (Climate risks)
- Aligment with Science Based Targets initiative (SBT) (1.5°C pathway) (trajectoire 1,5 °C)
- Diversity & Inclusion Program

2022

- Act 2022
- CSR e-learning course
- Circular plastic alliance
- EU Taxonomy

2023

- 2050 SBTi Net Zero Commitment
- 1st Low Carbon Offer
- 1st Climate awareness session for the BoD
- Copper Mark certification
- Aluminium Forward 2030
- Complete study of the physical risk related to climate change
- Nexans biodiversity study
- Climate e-learning course

In November 2020, Nexans conducted its inaugural Environment, Social, and Governance (ESG) Day, during which the Company revealed its ESG roadmap spanning the years 2020-2023, organized around three key pillars. Although the scorecard and CSR objectives associated with this initiative were originally slated to conclude at the end of 2023, they have been extended to 2024. This extension aims to facilitate the alignment of the Group's ESG roadmap with the overall Company strategy. All the components comprising the ESG roadmap are integral to the performance criteria tied to the remuneration of Nexans' CEO and are also incorporated into the long-term incentive plan for key executives.

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

- Environmental Management: Maintaining a high standard of environmental management
- Driving Energy Transition: Generating revenue from products and services that contribute to the energy transition and energy efficiency
- Circular Economy: Reducing production waste, increasing the share of recyclable and connected cable drums
- Climate: Reducing Nexans' impact on the climate and improving the share of renewable and carbon-free energy

PEOPLE&CULTURE: Caring for people at the heart of business success

- Workplace Safety and Well-being: Ensuring the health and safety of our employees in the workplace
- Talent Development: Nurturing Talent and Fostering Inclusion: Equal Opportunities for All
- CSR Engagement: Inspiring and empowering Nexans people to take meaningful action on CSR stakes

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

- Business Ethics: Maintaining a compliant framework and fair business practices
- Stakeholders: Maintaining a sustainable stakeholder relationship
- Nexans Foundation: Helping underprivileged communities to have access energy

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

ENVIRONMENT

			2022	2023	Variation	Target 2023	Target 2024
Focus on decarbonization	3.2.2	Reduction of GHG emissions (base year 2019) Market based [a]	-20.2%	-28.4%	↘	-17%	-21%
		Proportion of renewable and decarbonized energy [b]	72%	76%	↗	72%	77%
Environmental management	3.2.3	Industrial sites certified ISO 14001	90%	95%	↗	93%	100%
Promoting circular economy	3.2.6	Total production waste recycled [c]	75%	80%	↗	80%	81%
		Proportion of cable drums connected and recyclable [d]	14%	15.6%	↗	80%	90%
Driving the energy transition	3.2.1	Sales generated from products & services that contribute to energy transition and efficiency [e]	60%	75%	↗	70%-80%	70%-80%

PEOPLE & CULTURE

			2022	2023	Variation	Target 2023	Target 2024
Workplace safety, health and well-being: a priority for Nexans' employees	3.3.2.2	Workplace safety rate [f]	2.31	1.78	↘	0.9	0.8
		Workplace severity rate [g]	0.12	0.11	↘	< 0.10	< 0.10
Talent Equal opportunities for all	3.3.1	Graded positions staffed internally [h]	47%	46%	↘	60%	60%
	3.3.2.4	Women in Management positions	27%	27.4%	↗	26%	27%
		Women in Senior Management [i]	18.6%	18.7%	↗	18%-20%	20%-22%
	3.3.2.7	Employees eligible to Long Term Incentive with CSR criteria [j]	100%	100%	→	100%	100%
Employee Engagement	3.3.2.3	Employee engagement index [k]	77%	N/A	N/A	78%	80%

ECOSYSTEMS

			2022	2023	Variation	Target 2023	Target 2024
Deliver a respectful and ethical business	3.4.1	Completion rate of Compliance awareness training [l]	100%	100%	→	100%	100%
Third Party Management Process	3.3.3.2	Number of suppliers within the Supplier Panel (available for purchase order) with a valid EcoVadis CSR Score ≥ 35% (or equivalent) [m]	465	593	↗	500	600
Nexans Foundation	3.3.4.2	Amount allocated by the Nexans foundation	€300,000	€400,000	↗	€300,000	€400,000

(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 reductionversus 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 3.2.2.
(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 3.2.2.
(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 3.2.6.
(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's side. The total number of cable drums delivered in 2023 to Nexans worldwide has been extrapolated from the number of cable drums delivered in France and the share of Nexans' business in France. This rate was 14% in 2022 according to the same methodology. See 3.2.6.
(e) Offshore wind, interconnection projects, utilities, smart grids (energy transition), energy efficiency (building), accessories, solar energy, wind energy, eco-mobility and asset management (excluding Metallurgy activities not part of Electrification / Non Electrification segment information). See 3.2.1. 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 internal and temporary workers. See 3.3.2.2.
(g) Severity rate: number of days lost because of work accidents/hours worked) x1,000. This rate relates to internal workers only. See 3.3.2.2.
(h) 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. See 3.3.1.
(i) Top management: Category of employees defined by the Group's Executive Committee based on the Nexans Grading system. See 3.3.2.4.
(j) Among the employees benefiting from a long-term Incentive plan validated by the Board of Directors, 100% include a CSR criterion. See 3.3.2.7.
(k) The group has decided to postpone its annual engagement survey to the first quarter of 2024 to strengthen the alignment of the engagement strategy with Nexans' annual business cycle. The engagement rate indicator could not be measured in 2023. See 3.3.2.3.
(l) 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. See 3.4.1.
(m) Number of suppliers within the Supplier Panel (available for purchase order) with a valid EcoVadis CSR score ≥ 35% (or equivalent). Suppliers are categorized based on the EcoVadis supplier CSR risk map. See 3.3.3.2.

Nexans carbon emissions reduction targets by 2030 were set based on Paris Agreement (2015) to limit global warming.

Following Science Based Target initiativesrules, Nexans commits to:

- reduce its Scopes 1 & 2 by 46% by 2030, with a base year in 2019, compatible with a 1.5°C scenario and validated by the SBTi;
- reduce its Scope 3 by 30% by 2030, with a base year in 2019, compatible with the well below 2° scenario, this new target is more ambitious that previous target validated by SBTi (24% reduction in Scope 3). This new target will be also submitted to SBTi validation;
- Net-Zero **committed** by 2050, with a base year in 2019.

In Dec 2023, both SBTi targets were on track, even above yearly target (-37% for Scopes 1&2, -36% for Scope 3).

As of December 2023, 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.

It is 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 The E3 program: Nexans' unique performance model

To accelerate the achievement of its CSR roadmap goals and long-term commitments, Nexans developed its proprietary performance model called the E3 Program based on three E:

- Economic: ability to deliver economic value through economic indicators to maximize profitability, cash generation and return on capital employed;
- Environment: ability to deliver carbon return (low GHG emission) to maximize the value generation for each carbon emission;
- Engagement: ability to optimize people' contribution to deliver performance in a safe, inclusive and engaged way.

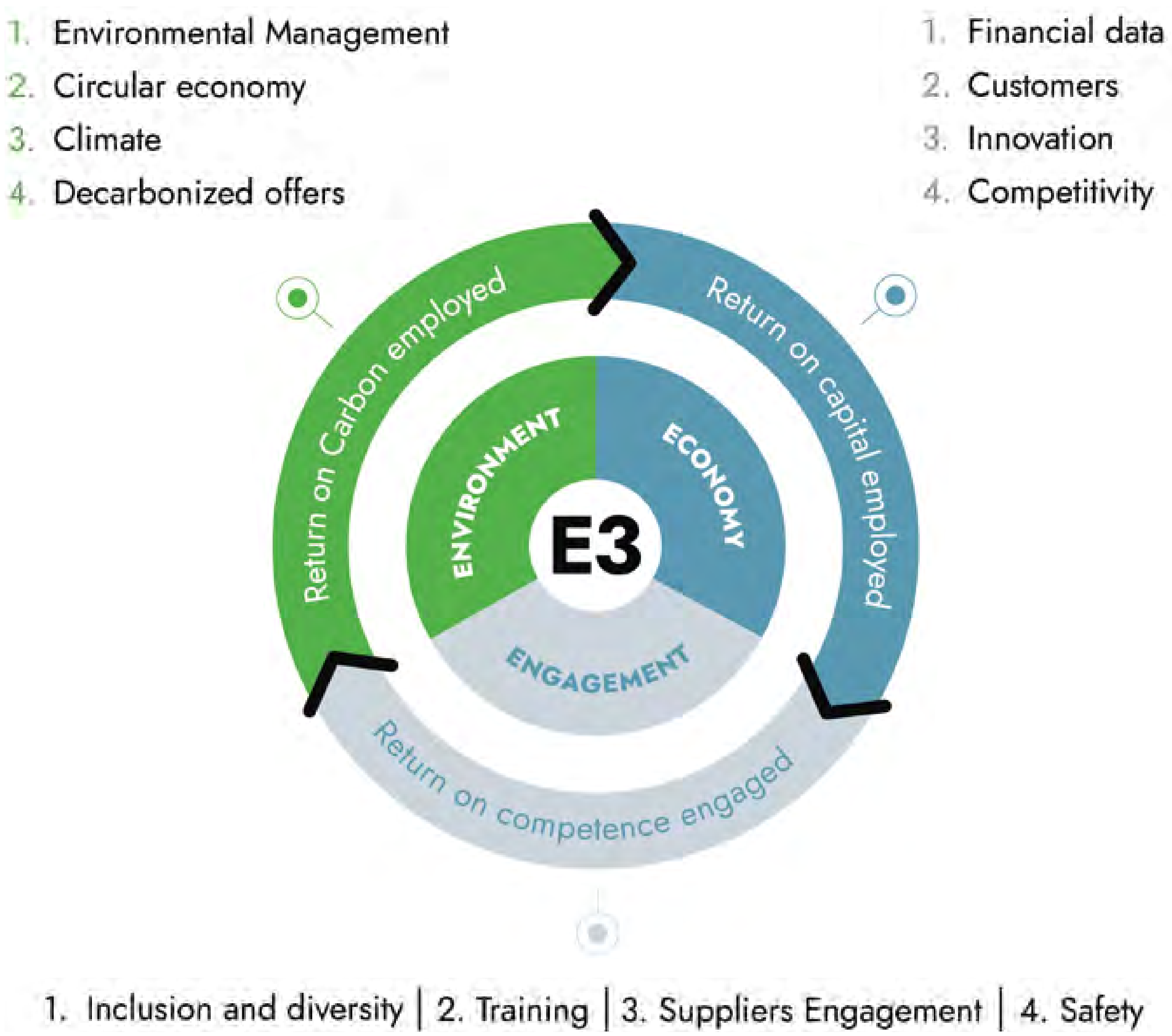
The Group defines, priorities investments and incentives based on the three Es. It evaluates and ranks business units and sites to promote and reward top performers in the three dimensions.

The E3 performance model is fully embedded in the Group compensation policy. Nexans employees are collectively incentivized on the three E with short term and long term objectives.

- short term incentives: managers incentives are based on selected financial, environmental and social indicators (often EBITDA, GHG emission, safety, diversity) based on their respective units or functions. GHG reduction targets are Location-based and Market-based;
- long-term incentives: executives and top managers are incentivized on the Group long term- objectives through performance shares plans. These plans are subject to performance conditions based on Financial, Economic and ESG criteria.

The E3 performance model is also linked to a tool designed to empower business leaders and launched in 2022. The E3 tool monitors the carbon footprint and financial performance of each business units and simulates both financial and environmental outcomes for various actions and investment decisions.

This tool is based on an internal price of carbon. This allows the monetization of carbon impact, facilitating the comparison of investment decisions. Hence, Nexans prioritizes not only profitability but also sustainability, emphasizing the integration of economic, environmental, and engagement factors.



3.1.5 Enhancing employees awareness of Corporate Social responsibility ambitions

Training, engaging employees, fostering awareness of the Corporate Social Responsibility, environmental, and safety challenges are critical to deliver Nexans' ambitions. The CSR Department is strongly involved in training initiatives and actions to heighten employees awareness of the Group's CSR ambition.

- The Group deploys the Climate Fresk® (*Fresque du Climat*®), a 3.5 hours workshop, designed to enhance employees' understanding of the causes and consequences of climate change and to promote the environmental ambition of Nexans. Since 2020, Nexans has implemented the workshop on a global scale and has reached 4,272 employees. Initially, the focus was at the headquarters level, and subsequently extended to encompass the French perimeter and neighbouring countries. In 2023, the Group accelerated the deployment internationally, notably in South America, the Middle East and Oceania.
- In 2022, the Group launched an internal e-learning course on CSR offered in six languages attended by 1,199 people by 2023. A Climate change awareness course was introduced in 2023: "Let's Learn about Climate Change" course comprising four modules covering Killer Facts, Climate Change Stakes, Carbon Footprint & Carbon Reduction Commitments. 1,806 employees successfully followed the course, representing a significant portion of the connected workforce and learning community.
- In 2023, the third edition of the Internal Planet Week took place across nearly all plants and sites, totaling 72 locations. The aim was to heighten 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 targets.
- A Safety day is organized each year to share the good practices in terms of safety, and enhance employees awareness on 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.
- In its annual Compliance Week, the Group promotes an e-learning training to all managers on several topics including anti-bribery and corruption, antitrust, conflict of interest, data protection, inclusion and diversity, whistleblowing and the Code of Conduct.
- In 2023, the Sustainability Department organized periodic Sustainability Talks with Business Unit Leaders and key strategic management positions. These sessions aimed to enhance their understanding of regulations and sustainability projects implemented at the Group level, encompassing initiatives such as the EU Taxonomy, Carbon Border Adjustment Mechanism, Task Force on Climate-Related Financial Disclosures, Corporate Sustainability Reporting Directive, PEP Ecopassport®, and Environmental Products Declaration.

3.1.6 Impacts, Risks and opportunities

Nexans has updated the analysis of its priority CSR matters to guide its actions and its integration in its strategy.

For this purpose, Nexans has conducted a "materiality analysis" using the concept of double materiality matrix (aligning with the Corporate Sustainability Reporting Directive (CSRD) and EFRAG Recommendations). This initiative underscores Nexans' commitment to transparency, sustainability, and a holistic understanding of materiality encompassing both financial and non-financial dimensions.

With a dual focus on traditional financial metrics and the broader Environmental, Social, and Governance (ESG) factors, the double materiality approach provides a global perspective on:

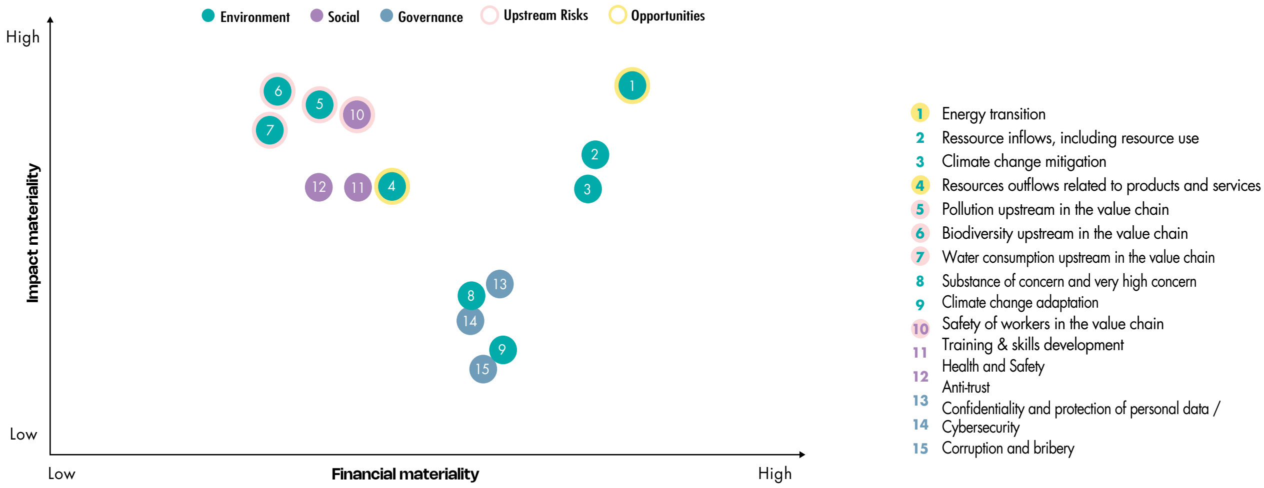
- how external impact shapes the Nexans business model (known as the "outside-in" vision). "This is this the case when a sustainability matter generates risks or opportunities that have a material influence or could reasonably be expected to have a material influence, on the undertaking's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or ling term" (ESRS 1); and
- how Nexans and its value chain impact people or the environment at a global scale (known as the "inside-out" vision); these being either actual or potential, actual or potential and over a short, medium or long term perspective.

Nexans recognizes the importance of addressing the interconnected nature of corporate responsibility, acknowledging the materiality of ESG factors to the long-term sustainability of the business.

To ensure the rigor and inclusivity of the double materiality assessment, Nexans organized, with the support of recognized service provider, dedicated working groups of internal experts, each concentrating on three core dimensions: Environment, Social and Governance. The main functional departments or functions involved in this process are in particular the Risk Department, Corporate Social Responsibility Department, Human Resources Department, Innovation, Services & Growth Department, Industrial Department, Purchasing Department, as well as the Group Compliance Officer and Group Data Protection Officer. In addition, Nexans sought external perspectives by conducting interviews with key stakeholders, including key clients, key suppliers and financial investors. Internal stakeholders were asked to evaluate the impact, risk and opportunities of ESG matters on Nexans activity, while external stakeholders commented on their assessment of ESG matters regarding the Group. This collaborative methodology not only fortifies internal processes but also aligns with Nexans' commitment to a stakeholder-centric model. By incorporating external viewpoints, Nexans strives to enhance the relevance and reliability of its double materiality analysis. Nevertheless, as this is the first year that the Group is conducting this double materiality exercise, the Group is committed to further develop it in the coming years to take into consideration evolutions in relevant regulations and to continuously align with Group's risk appetite strategy.

The matrix below illustrates the gross risk of the most critical ESG impacts, risks and opportunities.The double materiality exercise highlighted key trends:

- With respect to Environmental matters, climate change stands out as the primary topic identified with the main significant impact coming from value chain. This represents an opportunity with the shift towards energy transition and electrification;
- With respect to Environmental matters, significant emphasize is also put on resource scarcity accompanied with an opportunity to leverage circular economy;
- With respect to Social matters, place emphasis on health and safety along with working conditions in particular in certain segments of the supply chain (mainly mining activities);
- With respect to Governance, the Group identified mainly financial materiality impacts in relation with antitrust and corruption issues together with potential financial impacts related to cyber-attack or cyber incidents.



CSRD sub-topics assessed as non-material:
Environment: *Pollution of water, air, soil & living organisms; Habitat degradation; Impact on state of species; Direct impact drivers of biodiversity loss.*
Social: *Working conditions – value chain; equal treatment and opportunities – value chain; affected communities; Consumers and end-users; other work related rights.*
Governance: *Protection of whistleblowers; Animal welfare; Political engagement and lobbying; Management of relationships with suppliers including payment practices.*

The table below provides an overview of the main impacts, risk and opportunities identified and analyzed by the Group within the double materiality matrix exercise. It also provides an overview of corresponding mitigation policies and programs as well as of the main Group achievements.

Description of the risks, opportunities and potential impacts	Group policies/programs in place	Achievements
Environment		
ENERGY TRANSITION *Nexans URD naming: Energy transition / See Section 3.2.2.4.1*		
• **Materiality impact:** Positive impact that contributes to energy transition by increasing worldwide renewable energy capacity, enabling interconnections, improving access to energy, and providing energy efficiency and low-carbon products and technologies • **Financial materiality:** Opportunity related to the projected long-term growth contributing to electrification and to market differentiation from premium offering and services that contribute to energy transition	• Nexans electrification strategy • E3 Business Performance Model	• Within Nexans, 49% of electricity used come from renewable sources • 75% of sales generated from products & services that contribute to energy transition and efficiency
CLIMATE CHANGE MITIGATION *Nexans URD naming: Decarbonation roadmap / See Section 3.2.2.2*		

• **Materiality impact:** Risk related to our value chain carbon emissions contributing to global warming mainly due to the usage of our products and associated raw materials
• **Financial materiality:**
  • Financial risk related to carbon taxation, increased cost of carbon pricing, Cost of substitution of existing products with less CO2-emitting options (transition technology risk) Reputational risk related to a degraded image for not complying with new rules and regulations, for not reaching Nexans' climate and RE commitments
  • Opportunities related to the development of an image of trusted partner, the alignment with Group's strategy, and the market growth in the electricity demand and renewable energy
	• SBTi commitment
	• RE100 commitment
	• Internal carbon price
	• Carbon clustering scoring, quota targets and deployment program
	• Group Industrial Environment Policy
	• E3 Supplier Performance Model
		• GHG reduction in 2023 (2019 based year): -37% (-17% target in 2023) for Scope 1 & 2 and -36% (-11% target in 2023) for Scope 3

CLIMATE CHANGE ADAPTATION *Nexans URD naming: Climate change physical / See Section 3.2.2.6.2*		
• **Financial Materiality:** Costs for protection and adaptation of Nexans site from physical risks Operational risk related to destruction of sites and disruption of supply chain	• Integration of physical risk assessment in real estate project and M&A operation	• All Nexans sites mapped to assess physical risk related to cliamte change
POLLUTION UPSTREAM IN THE VALUE CHAIN *Nexans URD naming: Pollution / See Section 3.2.3 & 3.2.7*		
• **Materiality impact:** Mainly related to metal extraction and transformation. Air and water pollution are the main challenges	• CSR Scorecard • Environmental due diligence in the context of mergers and acquisitions	• Indicators under construction

Description of the risks, opportunities and potential impacts	Group policies/programs in place	Achievements
SUBSTANCES OF CONCERN & VERY HIGH CONCERN *Nexans URD naming: Substances / See Section 3.2.3.3*		
• **Financial materiality:** related to failure to comply with all national regulations with regard to chemical substances. Operational risk in case of restriction of placing concerned articles on the market	• 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	• Classification of sites according to their level of compliance risk: 99% of sites with a minor or moderate risk level, versus 98% in 2022 • 47 sites covered: all EU sites + sites supplying Europe + 4 trading sites • 8 ongoing R&D projects to replace substances of very high concern • 3 Substances of very high Concern replaced in EU sites
WATER CONSUMPTION UPSTREAM IN THE VALUE CHAIN *Nexans URD naming: Water consumption / See Section 3.2.4 & 3.2.7*		
• **Materiality impact:** Mainly related to metal extraction and transformation	• E3 Supplier Performance Model	• Indicators under construction
BIODIVERSITY UPSTREAM IN THE VALUE CHAIN *Nexans URD naming: Biodiversity / See Section 3.2.5 & 3.2.7*		
• **Materiality impact:** Mainly related to metal extraction and transformation	• E3 Supplier Performance Model • The Group performed a Global Biodiversity Score (GBS) • Active participation in a study with Europacable, Renewables Grid Initiative, TenneT and 50 Hertz, to assess the potential impact of Electrmagnetic Fileds (EMF) on commercial flatfish species	• Indicator under construction
RESOURCES INFLOWS, INCLUDING RESOURCE USE *Nexans URD naming: Metal scarcity / See Section 3.2.6.2 & 3.2.7*		

• **Materiality impact:** Mainly in relation with metal extraction and transformation linked to exhaustion of resources, pollution during extraction, biodiversity loss and greenhouse gas emissions
• **Financial materiality:**
  • Risk related to the strengthening of regulations leading to an increase in cost of carbon and damage of Group's image in the event of non-compliance. Risks related to resource shortages.
  • Opportunity to mitigate this risk with secondary raw materials and new circular business models
	• E3 Supplier Performance Model
	• Sustainable data collection from strategic suppliers to select suppliers best positioned to support Nexans' scope 3 decarbonation
	• Global Biodiversity study to understand impact of upstream supply chain
		• Nexans currently monitors consumptions of virgin and secondary metals and polymers

RESOURCES OUTFLOWS, RELATED TO PRODUCTS AND SERVICES *Nexans URD naming: Urban mines circular economy / See Section 3.2.6.4 & 3.2.6.5*		

• **Materiality impact:** risk related to continuous waste generation, resource depletion into urban mines and pollution if end of life cables & accessories are not recycled
• **Financial Materiality:**
  • Financial and reputational risks in case of non-compliance with regulations for waste management. Operational risk related to critical raw material resource shortages impacting production.
  • Opportunity for Nexans to scale the recycling business, leveraging its unique copper vertical integration, partnerships with cable recycling sites and suppliers for scrap reincorporation, recycling equipment network in plants and connected drum program to identify cable location
	• Waste management program including recycling
	• R&D project (RENOV) to develop capabilities to recycle cross-linked polymers
		• Nexans currently monitors the percentage of production waste that is recycled
		• Launch of an innovative recycling service for collection of installer wastes at distributors

Description of the risks, opportunities and potential impacts	Group policies/programs in place	Achievements
Social/People & Culture		
HEALTH AND SAFETY *Nexans URD naming: Health and safety / See Section 3.3.2.2*		
• **Materiality impact:** Damage to the psychological or physical integrity of workers Workers returning home safe and healthy at the end of every working day Reduce medical, social security and insurance costs for society Avoid the penal & civil risk (psycholigic & financial impact) Avoid a negative impact on image in the public, customers and shareholders eyes Improve well-being at work and working conditions (ergonomics)	• 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 • SUSA Observations, Safety Walk, 5S Audits, Group Safety Assessments • Strategy « 0 access » (Machine Safety compliance) • Safety behavior approach • Deployment of Life Saving Rules	• 2023 – 80% compliance with golden rules • Frequency rate: 1.78 • Severity rate: 0.11 (2023 target < 0.10) • Ergonomics campaign launched in all locations • Management of serious injuries and potential serious and fatalities • FR1 & FR2 monthly review • Monthly Review of % of compliance regarding Golden Rules and Safety Fundamentals • Dedicated monthly review with red sites or sites below 80% in GR
TRAINING AND SKILLS DEVELOPMENT *Nexans URD naming: Talent scarcity and skills development / See Section 3.3.2.6*		
• **Materiality impact:** Talent scarcity issues in attracting, developing and retaining the right talent and competencies to implement Nexans business strategy : i) with the development of new businesses/ services and new territories, new competencies are needed compared to our historical domain of expertise's (e.g. digital, services), ii) on dynamic markets, or in tensed & competitive functions. Issue to develop skills of employees to face current challenges and to adapt in particular to technological evolutions/ breakthrough	• Attracting talent • Employer Value Proposition • Global Employee referral program • Pre-recruitment policy : VIE, Universities partnerships • Graduate program designed to engage young industrial talents around the world • New governance implemented for talent acquisition in Nexans "recruiting excellence" • Retaining & developing talent • Career path design • Internal assessments of new skills required to develop people in a right way • Strong promotion of internal mobility at all levels of the organization, with role model to engage employees to move • Talent pool per function with strong commitment in succession plans • Experts recognition • Work on employees' engagement (E3) • Comprehensive investment in employee training • Developing Nexans as learning organization • Offering comprehensive learning and development programs that help employees acquire new skills, making them better equipped for internal transitions. • Development of Communities of Practices	• 46% of the most experienced management positions filled internally • 10.9% of turnover rate
SAFETY OF WORKERS IN THE VALUE CHAIN *Nexans URD naming: Safety of workers / See Section 3.3.3.2*		
• **Materiality impact:** Damage to the psychological or physical integrity of workers Managerial and social issues Workers returning home safe and healthy at the end of every working day Reduced medical, social security and insurance costs for society Enhance your social responsibility and contribute to the well-being of workers in the value chain Promotes fair labour practices leading to better working conditions, fair wages, and overall improvement in the quality of life for workers	• Nexans Supplier charter or equivalent supplier code of conduct • EcoVadis or equivalent suppliers Scorecards (Labour and Human rights pillar) • Audit of suppliers on their safety policies and labor practices for some high risks	• Spend portion covered by supplier charter or code of conduct > 80% • Spend portion covered by Scorecards about 60% • 15 audits conducted with Health and safety focus

Description of the risks, opportunities and potential impacts	Group policies/programs in place	Achievements
Ecosystem		
CORRUPTION AND BRIBERY *Nexans URD naming: Corruption and bribery / See Section 3.4.1*		
• **Financial materiality:** Failure to comply with anti-corruption regulations having potentially high legal, business financial and reputational impacts.	• Code of Ethics and Business Conduct • Compliance Program • General Management Procedure on Anti-Bribery and Corruption • Trade Sanctions and Export Control Guideline • Gift, Hospitality, Entertainment and Travel Policy • Sales intermediaries Policy • Whistleblowing Internal Procedure	• Tone at theTop : quarterly communication co-signed by Legal & Compliance Heads and Business Groups leaders • Anti-bribery and corruption training made during the Compliance Week completed by 100% of the target Group employees • Strong internal SpeakUp culture • First entirely digitalized anti-bribery and corruption risk-mapping launched worldwide
ANTI-TRUST *Nexans URD naming: Antitrust / See Section 3.4.1*		
• **Financial materiality:** Failure to comply with antitrust regulations having potentially high legal, business and financial and reputational impacts	• Code of Ethics and Business Conduct • Compliance Program • General Management Procedure on Antitrust • Whistleblowing Internal Procedure	• Spot training on sales & procurement employees on competition law issues • Antitrust training made during the Compliance Week completed by 100% of the target Group employees • Strong internal SpeakUp culture
CONFIDENTIALITY AND PROTECTION OF PERSONAL DATA / CYBERSECURITY *Nexans URD naming: Cybersecurity / See Section 3.4.2*		
• **Financial materiality:** Cyber-attack or incident leading to a data breach or leakage having potentially high reputational, business and financial impact	• Cybersecurity program • Annual action plan in place, as part of the Group Compliance Program • Constitution of a network of Data Protection Correspondents • End-user Security policy	• Zero data leakage incidents • 33 countries covered with local Data Protection Correspondents • Launching of mandatory training associated with phishing campaigns • New awareness e-Learning course on data protection was created

3.1.7 Duty of Care

Since 2017, French companies are subject to a legal duty of care for the activities under their control with respect to people's health and safety as well as human rights and environment.

The Group abides by nature to its principles and has therefore set up and strengthen management procedures to ensure it meets its duty of care requirements. The duty of care vigilance plan, resulting from the Corporate Social Responsibility (hereinafter "CSR") 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 health and safety risk;
- risks related to human rights and fundamental freedoms.

Nexans has codified supplier CSR risks using the EcoVadis methodology. This approach involves a cross-analysis between the country-specific CSR risk of the supplier and the CSR risk associated with the supplier's procurement category. This enables Nexans to establish a risk gradient from 1 to 6, with 1 being "very low" and 6 being "severe", the highest level of risk.

Nexans also assesses its suppliers through a scorecard embedding the sustainability issues based on international sustainability standards such as the Ten Principles of the UN Global Compact, the International Labour Organization (ILO) conventions, the Global Reporting Initiative's (GRI) standards, the ISO 26000 standard, the CERES Roadmap and the UN Guiding Principles on Business and Human Rights. Lastly, the environmental themes cover impacts throughout the entire life cycle of products impacts: energy consumption & GHGs, water, biodiversity, air pollution, materials, chemicals & waste products, product use, product End-of-Life, customer Health & Safety and environmental Services.

Consequently, Nexans has been able to develop a risk-based vigilance plan which consists in:

- engaging the supplier through a Suppliers' Charter and an annual event, "Suppliers Day", which raises awareness and addresses CSR commitment with a focus on social and environmental issues;
- assessing and evaluating the supplier's CSR maturity using the EcoVadis scorecard or external audits, with KPIs based on the number of scorecards obtained or audits conducted.

Besides, the Group embarks its suppliers in its CSR roadmap by setting up a yearly event promoting its environmental and social priorities and awarding the suppliers' best practices or innovation. More details are provided in the sections below.

The report on the implementation of the Duty of care plan for 2023, together with the key areas for improvement for the years to come, is monitored by the dedicated CSR Risks Committee.

3.1.8 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 2023, as assessed by:

CDP (Carbon Disclosure Project)

Nexans significantly improved its score by achieving an "A" score and maintened a position on the prestigious "A List " for addressing climate change and by reaffirming its dedication to environmental sustainability. The Group remains among the 14% of companies in its activity sector that have reached the leadership level.

MSCI

"A" rating maintained. 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

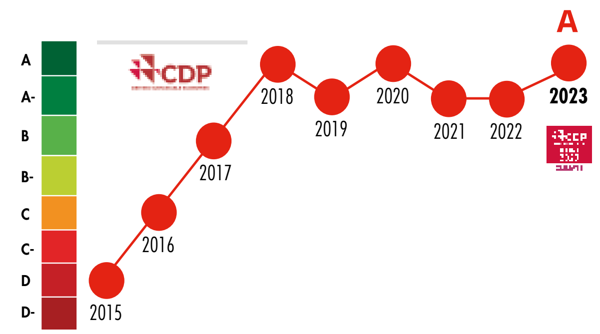
In 2023, Nexans was upgraded with a score of 80/100, surpassing the consistent score of 78/100 over the last three years. This result enabling the Group to maintain the prestigious EcoVadis Platinum level CSR recognition medal. The Group ranks among the top 1% of companies assessed by EcoVadis.

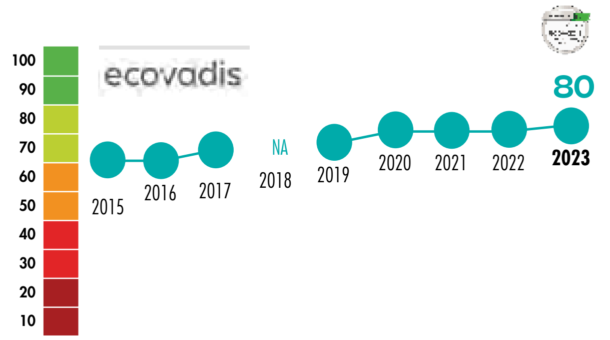
Sustainalytics

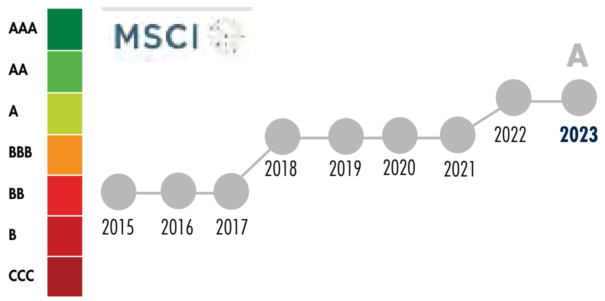
In 2023, the Group's ESG risk rating has improved to 19.8, corresponding to a change of -1.2 compared with 2022. It represents a low risk of significant financial impact from ESG factors. This rating is based on average risk exposure and strong management of ESG issues. According to Sustainalytics methodology, the lower the score, the better, and Nexans has achieved its goal of entering the "low risk" category with a score below 20.

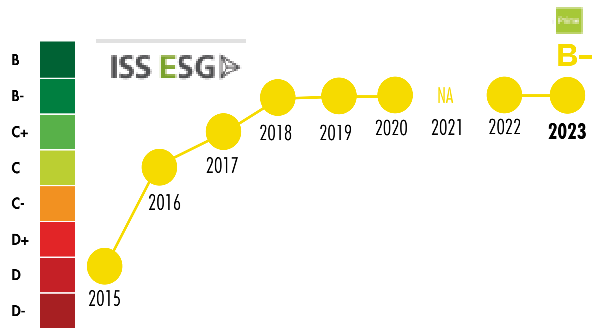
ISS ESG

"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.









3.1.9 Independant 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.

(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 Environment: Contribute to a sustainable and responsible business

Building on Nexans' robust risk management policy, the Group has performed a materiality assessment in 2023 covering both its operations and the entire value chain. This assessment identified climate change and resource scarcity as the two main environmental risks. For more information, please refer to 3.1.6 Impacts, Risks and Opportunities.

In line with the Group's strategy and aspirations, efforts are focused on increasing the recycling rate of materials, particularly metals. This approach will contribute to reduce the need for mining, while helping to mitigate the impact on the climate resulting from the use of fossil fuels. It also aims to minimize the pollution generated by effluents and discharges, reduce water consumption and commit to preserving the biodiversity affected by land use.

3.2.1 EU Taxonomy reporting

The European Union (EU) published in 2020 the European Regulation 2020/852 ("Taxonomy" regulation) is establishing a framework to promote sustainable investments within the EU. The regulation developed a classification system to identify economical activities which can be considered as sustainable with regards to 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.

The taxonomy establishes two stages of classification:

- eligible activities, *i.e.* the activities identified in the regulation as sustainable and in line with one of the six EU environmental objectives;
- 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.

The eligible activity is considered as "aligned" when fulfilling the three below conditions:

- The activity 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 in terms of human rights, corruption, taxation and competition law.

EU Taxonomy reporting

Pursuant to Article 8 of the regulation, companies have to report the proportion of Turnover, Capital Expenditure (CapEx) and Operating Expenditure (OpEx) fulfilling eligibility and alignment criteria for sustainable activities.

In 2022, the list of sustainable activities was described with regard to the first two objectives related to Climate Change (Climate Delegated Act).

In 2023, the Climate Delegated Act has been amended by the Commission Delegated Regulation (EU) 2023/2485, adding additional eligible activities, and updating the Annex B related to the DNSH on Marine resources and Annex C on pollution.

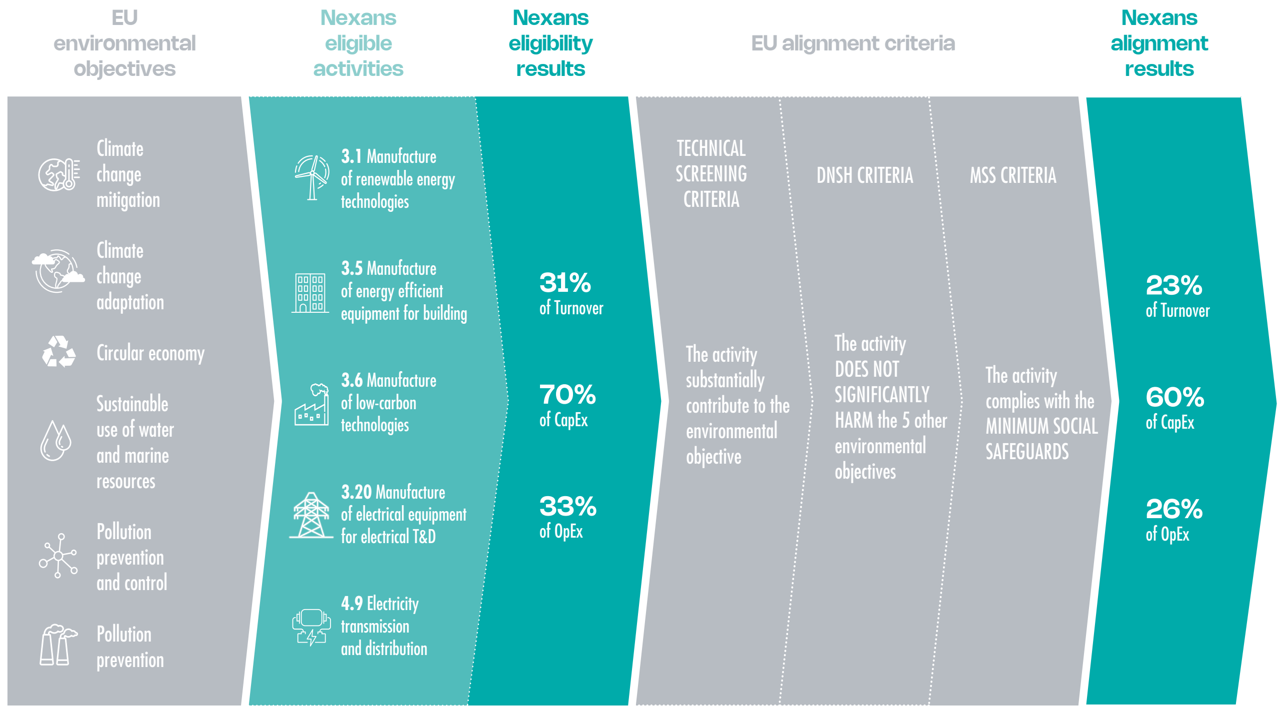
The list of sustainable activities has also been extended with the adoption of the Taxonomy Environmental Delegated Act (Commission Delegated Regulation (EU) 2023/2486) including a new set of EU taxonomy criteria for economic activities making a substantial contribution to one or more of the non-climate environmental objectives.

The requirements for publishing key performance indicators for the 2023 financial year cover:

- the eligibility and alignment for the climate-related activities previously listed in the Climate Delegated Act;
- the eligibility only, for the four other environmental objectives as well as for the new eligible activities for the climate objectives (Environmental Delegated Act and Revision of the Climate Delegated Act).

Nexans is proactively addressing the quantification and communication of alignment for the newly published activities, the Taxonomy table including also the alignment for activity 3.20.

Taxonomy-eligible and aligned turnover, Capex and Opex



The KPI disclosed in this report will evolve as the Taxonomy Regulation is an evolving regulatory framework and new eligible activities may be included in the future.

The results presented below represent the activities related to the Climate Change objectives. No activities have been identified as eligible under any of the 4 environmental objectives.

TURNOVER

In 2023, the taxonomy eligible and aligned turnover amount to 31% and 23% respectively, representing a turnover of EUR 2,428 million euros and EUR 1,784 million euros respectively out of EUR 7,790 million (out of which Metallurgy activity represents 1,200 million and does not represent Electrification/Non Electrification segment information as stated in the Financial Statement).

The difference in eligibility and alignment turnover indicator is mainly related to some technical screening criteria and DNSH pollution criteria not fulfilled.

CAPEX

In 2023, the taxonomy eligible and aligned Capex amounts to 70% and 60% respectively, representing 305 and 260 million euros respectively out of 435 million.

OPEX

In 2023, the taxonomy eligible and aligned OPEX amounts to 33% and 26% respectively, representing 156 and 124 million euro respectively out of 471 million.

The detailed tables for Turnover, CapEx and OpEx are provided in Annex 3.

Proportion of turnover, Capex and Opex from products or services eligible and aligned with taxonomy

Economic Activities	Absolute Turnover (in millions of euros)	Proportion of turnover (in %)	Absolute CapEx (in millions of euros)	Proportion of CapEx (in %)	Absolute OpEx (in millions of euros)	Proportion of OpEx (in %)
A. Eligible Activities						
A.1. Environmentally sustainable activities (Taxonomy-aligned)						
3.1 Manufacture of renewable energy technologies	89.2	1	1.7	0	5.6	1
3.5 Manufacture of energy efficiency equipment for buildings	0	0	0	0	0	0
3.6 Manufacture of other low carbon technologies	61.3	1	1.9	0	6.9	1
3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	1,016.1	13	74.9	17	61.7	13
4.9 Transmission and distribution of electricity	617.7	8	181.8	42	49.4	10
ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED ACTIVITIES) (A.1)	**1,784.3**	**23**	**260.3**	**60**	**123.7**	**26**
A.2.Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)						
3.1 Manufacture of renewable energy technologies	22.9	0	0.3	0	1.0	0
3.5 Manufacture of energy efficiency equipment for buildings	201.0	3	2.8	1	7.7	2
3.6 Manufacture of other low carbon technologies	64.5	1	0.9	0	4.1	1
3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	291.1	4	33.0	8	15.1	3
4.9 Transmission and distribution of electricity	63.8	1	8.5	2	3.9	1
ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES) (A.2)	**643.3**	**8**	**45.5**	**10**	**31.9**	**7**
TOTAL (A.1. + A.2.)	**2,427.7**	**31**	**305.8**	**70**	**155.5**	**33**
B. Non-eligible Activities						
NON-ELIGIBLE ACTIVITIES (B)	**5,362.5**	**69**	**129.6**	**30**	**315.4**	**67**
TOTAL (A + B)	**7,790.1**	**100**	**435.4**	**100**	**471,0**	**100**

Material changes in 2023

In regard to the Climate Change Mitigation objective, additional activities have been included in the list of sustainable activities, in particular activity 3.20 "Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation". This new activity, covering all transmission and distribution cables manufactured by Nexans, has been considered for the 2023 taxonomy KPI reporting for both eligibility and alignment.

In 2022, two main DNSH criteria were limiting Nexans alignment for eligible activities: Climate Change Adaptation and Pollution Prevention and Control.

For DNSH Climate Change Adaptation, in 2023, the Group has performed a physical climate risk and vulnerability assessment on all its assets (compared to 11 sites in 2022) and evaluated the existing or necessary climate change adaptation solutions.

For DNSH pollution, the Group is deploying the tracking of Substances of Very High concern, meeting the criteria laid down in Article 57 of Regulation (EC) No 1907/2006 and that were identified in accordance with Article 59(1), to non-European sites (compared to sites delivering the EU market in 2022). Nexans also extended the scope of substances tracking to "Substances of Concern", meeting the criteria of Regulation (EC) No 1272/2008 for one of the hazard classes or hazard categories mentioned in Article 57 of Regulation (EC) No 1907/2006.

For DNSH Biodiversity regarding sites potentially located in or near biodiversity sensitive areas, the criteria was assessed in 2022 based on feedback from the plants. For 2023, distances between manufacturing plants and biodiversity sensitive areas have been measured, extending the scope of plants impacted from 1 to 7.

Methodology elements on EU Taxonomy indicators

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.

Nexans has highly contributed, within a dedicated Europacable Task Force, to develop an information note, published in December 2022, and updated in November 2023. This note, providing information to cable companies and manufacturers regarding the eligibility and alignment reporting, aims to improve homogeneity in interpretation and calculation methods among members. Its application is optional and does not secure its interpretation is applied by all members.

To determine the amounts of eligible and aligned turnover, the Group fully complies with the Europacable Information note from November 2023.

The methodology applied across all of the Group's companies included in the consolidation scope.

TURNOVER

Eligibility evaluation combines different approaches:

- a product class and market segment approach, selecting those fitting with the definition of eligible activities included in the EU delegated acts. For example, product classes defined as Photovoltaic dedicated cables, as well as the Market segment Photovoltaic fit with activity 3.1 "Manufacture of renewable energy technologies";
- an analysis at product level for the activity 3.6 (Manufacturing of low carbon technologies), where eligibility is assessed considering the GHG emission reduction provided in Environmental impact studies, third party verified;
- an assessment at the project level for activities performed by the Generation and Transmission Business Group, whereby commercial teams indicate project type (manufacturing or installation) and systems connected (interconnection between countries…);
- using proxy for the sales done to distributors and cables makers. For building cables sold to distributors & wholesalers, external market information was used to reallocate Distribution Sales, supposing that Distributors were homogenous in terms of end-markets and client portfolio. For Cables makers, the eligibility and alignment ratio applied is the one of the BG Cable makers sales, assuming they are representative of Nexans portfolio.

Compliancy with the technical screening criteria is evaluated following a rigorous analysis for each activity, applying the Europacable information note on Taxonomy and is detailed in the paragraph "Description of the Activities".

Double-counting have been avoided by excluding products already fulfilling one of the previous approach.

CAPEX

The numerator includes capital expenditure fulfilling one of the below conditions:

- related to Energy saving process, Energy saving utilities, Scrap and Waste management, Air, Fumes & Dust treatment, Liquid Storage and Water allowing to reduce CO_2 emissions, limit pollution and reduce water consumption;
- related to the installation of submarine cables, which were classified as eligible in the sales analysis;
- generated by a plant and calculated using the ratio of eligible sales to total sales, and applied to current expenditure and investments, excluding previously calculated amounts. It is considered that the plant financial results are aligned with the production units (weight produced), allowing to apply a financial metric for the CapEx allocation, in regard to question 30 of the European Commission notice on the interpretation and implementation of the Disclosures Delegated Act (C/2023/305).

OPEX

The numerator includes operating expenditure fulfilling one of the below conditions:

- R&D projects led at corporate level and related to reduction in GHG emissions, materials recycling, electrical grid and hazardous substances substitution;
- generated by a plant and calculated using the ratio of eligible sales to total sales, and applied to current expenditure and investments, excluding previously calculated amounts. It is considered that the plant financial results are aligned with the production units (weight produced), allowing to apply a financial metric for the OpEx allocation, in regard to question 30 of the European Commission notice on the interpretation and implementation of the Disclosures Delegated Act (C/2023/305).

The fixed costs considered as Opex under the EU taxonomy do include R&D expenditures, Maintenance and repair expenditures, as well as Direct expenditures relating to day-to-day servicing of PP&E assets necessary to ensure the continued and effective functioning of such assets (production management, production workshop, quality/assurance control, Installation projects, Sites expenses). Other direct expenditures not relating to the day-to-day servicing of assets of PP&E or indirect expenditures, such as indirect sales and marketing or general administrative have been excluded.

DESCRIPTION OF ACTIVITIES

Climate Change Delegated Act

EU Taxonomy activity related to Climate Change Mitigation		Definition of the activity	Corresponding Nexans Activity	Eligibility Assessment	Substantial Contribution Assessment
3.1	Manufacture of renewable energy technologies	*Manufacture of renewable energy technologies, where renewable energy is defined in Article 2(1) of Directive (EU) 2018/2001*	Cables and accessories used for the generation of solar and wind energy.	Activity must comply with at least one of the below criteria: • cables dedicated to a given renewable energy application; • customers who are dedicated to renewable energy; • projects and/or installations dedicated to renewable energy.	Technical Screening Criteria are not including additional clauses from the description. Compliance to eligibility criteria means compliance to substantial contribution criteria.
3.5	Manufacture of energy efficiency equipment for buildings	*Manufacture of energy efficiency equipment for buildings.*	• Manufacturing of products and accessories for building which support optimizing energy. • Manufacturing of Heating Cables	Cables sales dedicated to building energy efficiency have been evaluated based on customer energy efficiency share and market studies. An external market information was used to reallocate sales, supposing that distributors were homogenous in terms of end-markets and client portfolio	Products fall in the two highest populated class of energy efficiency in accordance with Regulation (EU) 2017/1369. Both Nexans activities are considered as not aligned due to the absence of information on end used and lack of information on energy class.
3.6	Manufacture of other low carbon technologies	*Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy, where those technologies are not covered in Sections 3.1 to 3.5 of this Annex.*	Low carbon products with significant GHG reduction compared to previous technological products.	GHG emission reduction is evaluated based on Life Cycle Assessment studies. Nexans has set a threshold of at least 8% GHG reduction compared to existing technologies, to be eligible. Transportation and industrial cables have been excluded from this category	The Substantial contribution is evaluated comparing quantified and third party verified Carbon Footprint or Life Cycle assessment results. Are excluded Products with significant Global Warming Potential reduction but absence of third-party assessment.

Climate Change Delegated Act

EU Taxonomy activity related to Climate Change Mitigation		Definition of the activity	Corresponding Nexans Activity	Eligibility Assessment	Substantial Contribution Assessment
3.20	Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution	*The economic activity develops, manufactures, installs, maintains or services electrical products, equipment or systems, or software aimed at substantial GHG emission reductions in high, medium and low voltage electrical transmission and distribution systems through electrification, energy efficiency, integration of renewable energy or efficient power conversion. The economic activity includes systems to integrate renewable sources of energy in the electric grid, interconnect or increase grid automation, flexibility and stability, manage demand-side response, develop low carbon transport or heat, or deploy smart metering technologies for substantial improvement of energy efficiency.*	Energy cables and accessories for transmission and distribution network, at low, Medium and High Voltage	All Transmission and distribution cables are considered as eligible. Cables specific for the building market or indoor applications are excluded.	Technical Screening Criteria do not include additional clauses from the description of the activity. The activity is deemed compliant to substantial contribution criteria, except if installed in an infrastructure dedicated to the extraction, transport, distribution, storage, manufacturing or transformation of fossil fuels.
4.9	Transmission and distribution of electricity	*Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system. Construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems*	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 equipment sold to utilities without installation or project management services are excluded	Supply and installation of equipment for electricity transmission and distribution networks following requirements related: • the location of the electrical system installed (ex: European interconnection aligned); • the type of electricity generation connected (ex: wind farm aligned).

METHODOLOGY FOR DNSH CRITERIA

DNSH Climate Change Adaptation

Appendix A of Delegated regulation 2021/2139 applies to all eligible activities reported by Nexans. In compliance with Annex A, Nexans has conducted an assessment of exposure to physical climate risk on its portfolio of all its sites and in particular all its industrial sites, including climate's physical risks related to temperature (frost and cold waves, extreme hear, wildfire, cooling/heating needs), Wind (winter storm wind gust and cyclonic wind gust), water (flood, extreme precipitation, drought) and solid/mass (landslide). Under this model, the physical climate risks are projected by 2030 and 2050 under two distinct global warming scenarios (SSP 2-4.5 and SSP 5-8.5).

An ISO risk is then calculated taking into account the absolute physical risk (gross risk) and the insured values to assess the financial materiality of the physical climate risk (net risk).

If material, meaning an ISO-risk level classified as extreme or high, the criteria is considered as fulfilled when an assessment of adaptation measures in place is performed and if additional adaptation measures are required, an adaptation solutions plan is established.

DNSH Sustainable Use and Protection of water and Marine resources

Appendix B of Delegated regulation 2021/2139, updated with amendment of the Climate Delegated Act, applies for eligible activities 3.1, 3.5, 3.6 and 3.20 and requires to identify and address environmental degradation risks related to preserving water quality and avoiding water stress. Compliancy is assessed at site level and deemed compliant when no water pollution risk has been identified, and if identified, a corrective action plan or containment implemented.

Activity 4.9 does not include any DNSH criteria regarding water and Marine resources.

DNSH Transition to a circular economy

For eligible activities 3.1, 3.5, 3.6 and 3.20 referring to the same circular economy DNSH criteria, the compliancy is assessed at Group level. Nexans adopts techniques and design products to maximize resources efficiency and promote circular economy, such as:

- use of secondary materials, thanks to the growing use of recycled materials (copper, aluminum, plastics) and continuous R&D efforts in use of recycled materials;
- high durability, thanks to R&D dedicated projects and inclusion of durability requirements in product standards;
- waste management, thanks to the systematic reporting on waste treatment, anti-waste policy and meticulous verification process on waste flows.

The specific criteria on Substances traceability is evaluated using the same approach as for the Pollution prevention and control DNSH.

For eligible activity 4.9 requiring a waste management plan in place ensuring maximal reuse or recycling at end of life, the criteria has been considered for Nexans installation services covered by this activity.

DNSH Pollution prevention and control

Appendix C of Delegated regulation 2021/2139, amended with Delegated Regulation (EU) 2023/2485, applies for eligible activities 3.1, 3.5, 3.6 and 3.20. It requires to track substances of concern and substances of Very High concern listed in Appendix C and to ensure they are not used to manufacture the products placed on the market. Nexans complies with the criteria when identifying substances in raw materials purchased, evaluating their hazard class and calculating their final concentration at the product level to ensure a concentration below the 0,1% by weight threshold.

For non-EU countries, where the listed regulations are not applicable, suppliers may refer to trade secrets/confidentiality argument, limiting transparency and traceability of substances. Compliance with Appendix C is performed based on the available information provided by suppliers within the materials Safety Data sheet.

For eligible activity 4.9, the criteria is deemed compliant as Nexans installation services do not cover overhead lines and products do not contain polychlorinated biphenyls.

DNSH Protection and restoration of biodiversity and ecosystems

Appendix D of Delegated regulation 2021/2139 applies to all eligible activities reported by Nexans. The Environmental Impact Assessment required by Directive 2011/92/EU applies for the plants manufacturing and treating elastomer-based products. The compliancy has been evaluated for those sites considering the country and associated requirements.

For the second criteria on potential location in or near biodiversity sensitive area, distance between the manufacturing sites or biodiversity sensitive areas has been evaluated, and sites considered as at risk for biodiversity if located less the 500 meters from such area. Offices, warehouses, logistic sites and plants whose industrial process is limited to manual assembly have been excluded as considered having limited impact on biodiversity.

The assessment has been focusing for 2023 to three types of biodiversity sensitive areas: Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas. From this analysis, 7 manufacturing sites have been identified as at risk for biodiversity, located in France, Norway, Lebanon and Czech Republic. One additional site has identified being close to another type of biodiversity sensitive area (ZNIEFF1). An assessment of the possible impacts on protected habitats is conducted and if required, applicable mitigation measures shall be implemented to ensure alignment with the Biodiversity DNSH criteria.

Methodology for Minimum Social Safeguard

The final report on Minimum Safeguard, published by the European Commission expert group, Platform on Sustainable Finance, recommends relying on OECD Guidelines and UN guiding principles, and identifies four core topics that can be used to determine compliance with minimum safeguards: Human rights (including labor and consumer rights), Corruption, taxation and Fair competition.

Nexans has established the assessment to the Minimum Safeguards on a global company level, based on the EcoVadis methodology. This methodology assesses Group's compliance to 21 CSR criteria around 4 pillars: Environmental, Social & Human Rights, Ethics and Sustainable procurement. It includes gathering and analysis of recent and official corporate documentation, checkup processes and "360° watch". It relies on internationally recognized principles such as UN Guiding Principles Reporting Framework, Ruggie Framework, UN Global Compact, Conventions of the International Labour Organization (ILO), Global Reporting Initiative, ISO 26000 standard and CERES Principles for CSR. Nexans' achievement of a high score on each Ecovadis relevant criteria has been taken into account to meet the minimum social safeguards.

Core topics identified and corresponding criteria in Ecovadis analysis

Human rights, including workers' rights
Social • Employee Health & Safety (see section 3.3.2.2), Working Conditions (see section 3.3.2.2), Social Dialogue (see section 3.3.2.8), Career Management & Training (see section 3.3.2.6) • Child & Forced Labor (see section 3.3.3), Discrimination & Harassment (see section 3.3.2.4), Fundamental Human Rights (see section 3.3.3.3)
Bribery/corruption
Ethics: Corruption and Bribery (see section 3.4.1)
Fair competition
Ethics: Anticompetitive Practices (see section 3.4.1)

Taxation is covered by Nexans 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.

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

3.2.2 A Group focused on decarbonization and building a resilient business model for climate impact mitigation

After conducting a detailed materiality assessment, as outlined in section 3.1.6 and further elaborated in section 3.2, the results underscored that the majority of Nexans' impact emanates from its value chain. Notably, the upstream process of metals and the use of Nexans products by customers were identified as key contributors.

As a sustainable leader, Nexans has pledged to achieve Net-Zero emissions by 2050 throughout the entire value chain. The primary catalyst for this ambitious goal is the strategic shift towards circularity. This approach aims to specifically address the significant upstream footprint, ultimately enabling Nexans to provide low-carbon products to its customers.

3.2.2.1 The Group's carbon footprint

Nexans calculates Scopes 1, 2, and 3 emissions annually, according with the Greenhouse Gas Protocol Standards, and obtained a limited assurance from an independent third-party verifier on Scopes 1 & 2 reported Greenhouse Gas (GHG) emissions, and a limited assurance for the two following audited categories of Scope 3 reported GHG emissions: "1. Purchase goods and services" and "11. Use of sold products" that represents 99% of the entire Scope 3.

Due to the low carbon intensity of its operations, the Group is exempt from European carbon emissions quotas. In case of acquisitions, the 2019 baseline is recalculated. In 2023, the Group acquired REKA Cables in Finland and sold its Telecom Systems business, Aginode.

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);
- 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.

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 or methodology changes, 2019 base year is recalculated.

The charts below illustrates Nexans's 2023 carbon footprint for Scopes 1, 2, and 3, including all GHG emissions, from the upstream activity of all its suppliers to the use and end-of-life of its products sold to customers covering 99% of emissions.

Exclusions are detailed below:

- Scope 1 & 2: Offices and warehouses from which data is not available, nevertheless Nexans estimated emissions from these sites and they are considered negligeable, about 1% Nexans Scope 1 and 2 emissions.
- Scope 3: Upstream leased assets emissions are negligeable (about 0.1% of Scope 3 emissions) also, joint ventures Recycables and Continua Colada as Nexans operational control approach does not apply and total estimated emissions are also negligeable (0.018% of Scope 3 emissions).

			Actuals		
Base year	2019	2022	2023	% 2023/2022	% 2023/2019
Scope 1 GHG emissions					
Gross Scope 1 GHG emissions (tCO_2eq)	121,454	127,706	111,657	-13%	-8%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%		
Scope 2 GHG emissions					
Gross location-based Scope 2 GHG emissions (tCO_2eq)	158,821	137,890	131,071	-5%	-17%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	206,405	99,327	93,617	-6%	-55%
Total Scope 1&2 GHG emissions					
Gross location based Scope 2 GHG emissions (tCO_{2eq})	280,275	265,596	242,728	-9%	-13%
Gross market based Scope 2 GHG emissions (tCO_{2eq})	327,859	227,033	205,274	-10%	-37%
Scope 3 GHG emissions					
Total Gross indirect (Scope 3) GHG emissions including Use of sold products (tCO_2eq)	**118,765,392**	**85,820,996**	**75,749,939**	**-12%**	**-36%**
Total Gross indirect (Scope 3) GHG emissions without Use of sold products (tCO_2eq)	**6,197,999**	**5,891,595**	**5,344,417**	**-9%**	**-14%**
Scope 3 Cradle-to-Shelf (tCO2e)*	5,490 041	5,259,016	4,748,334	-10%	-14%
1. Purchased goods and services	5,116,594	4,908,044	4,374,772	-11%	-14%
2. Capital goods	58,462	72,244	111,850	55%	91%
3. Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	74,818	64,719	60,556	-6%	-19%
4. Upstream transportation and distribution	104,940	93,220	79,858	-14%	-24%
5. Waste generated in operations	14,790	12,412	13,056	5%	-12%
6. Business traveling	11,572	7,743	7,191	-7%	-38%
7. Employee commuting	48,209	45,200	47,391	5%	-2%
9. Downstream transportation	60,656	55,433	53,660	-3%	-12%
11. Use of sold products	112,567,393	79,929,401	70,405,521	-12%	-37%
12. End of life treatment of sold products	707,958	632,579	596,083	-6%	-16%
Total GHG emissions					
Total GHG emissions (location based) (tCO_2eq)	**119,045,667**	**86 086 592**	**75 992 667**	**-12%**	**-36%**
Total GHG emissions (market based) (tCO_2eq)	**119,093,251**	**86 048 029**	**75 955 212**	**-12%**	**-36%**

** Scope 3 Cradle-to-shelf includes the following categories: Purchase goods and services, capital goods, fuel-an-energy related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution.*

In 2023, Nexans achieved outstanding carbon footprint reduction compared to 2019 base year:

- -37% (market based) for Scopes 1 and 2 only in 2023 versus 2019;
- -36% for Scope 3 in 2023 versus 2019.

Use of sold products baseline was recalculated to take into account the potential evolution of the country's electricity mix over the years, based on the forecast published in Enerdata Bleu scenario.

USE OF SOLD PRODUCTS

Nexans is 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 93% 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). 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 order to reduce these emissions, Nexans has developed innovative solutions (see 3.2.2.4.1 - Acting to reduce emission related to the use of sold products). In 2023, Nexans played an active role within the Europacable association, actively contributing to the development of a standardized methodology for calculating the Use phase of products within the cable industry.

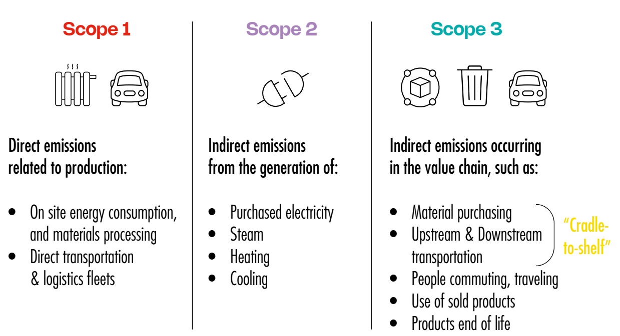
3.2.2.2 An ambitious carbon reduction roadmap: Nexans commitments

Nexans carbon targets by 2030 were set based on Paris Agreement (2015) to limit global warming. In line with the Science Based Target initiative (SBTi) rules, Nexans committed to:

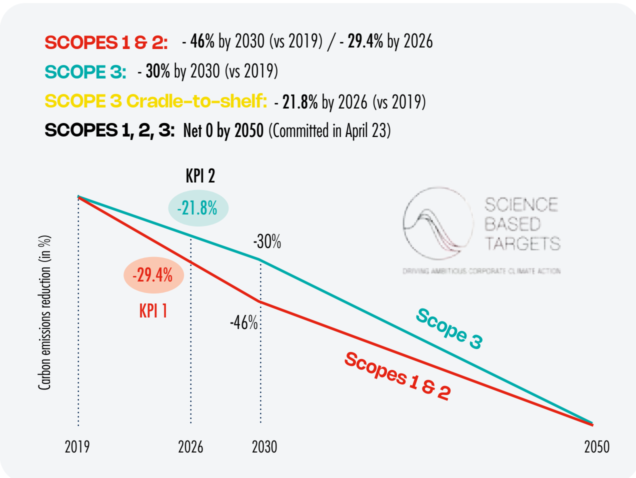
- reduce its Scopes 1 & 2 by 46% by 2030, compared to 2019 base year, compatible with the 1.5°C scenario and validated by the SBTi;
- reduce its Scope 3 by 30% by 2030 compared to 2019 base year, compatible with the well below 2° scenario, this new target is more ambitious than Nexans previous target validated by SBTi (24% reduction in Scope 3). This new target will be also submitted to SBTi validation;
- achieve Net-zero by 2050, compared to 2019 base year.

Scope 1 and 2 targets cover 99% of Scope 1 and 2 emissions. Scope 3 target covers 99% of Scope 3 emissions.

The 3 scopes of emissions
as defined in the GHG protocol



SBTi targets and Nexans' commitment



GHG EMISSIONS MANAGEMENT WITH E3 TOOL

GHG management is key lever, to engage stakeholders and track Nexans' progress over time. For that purpose, Nexans has developed an advanced digital app, named E3 Tool. E3 Tool provides the Group with a consolidated view of carbon action plans, allowing for a systematic assessment of progress over time. 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 and is used by each business unit to align their climate strategy with Nexans' overarching global strategy.

3.2.2.3 GHG reduction approaches and decarbonization journey – Scopes 1 & 2

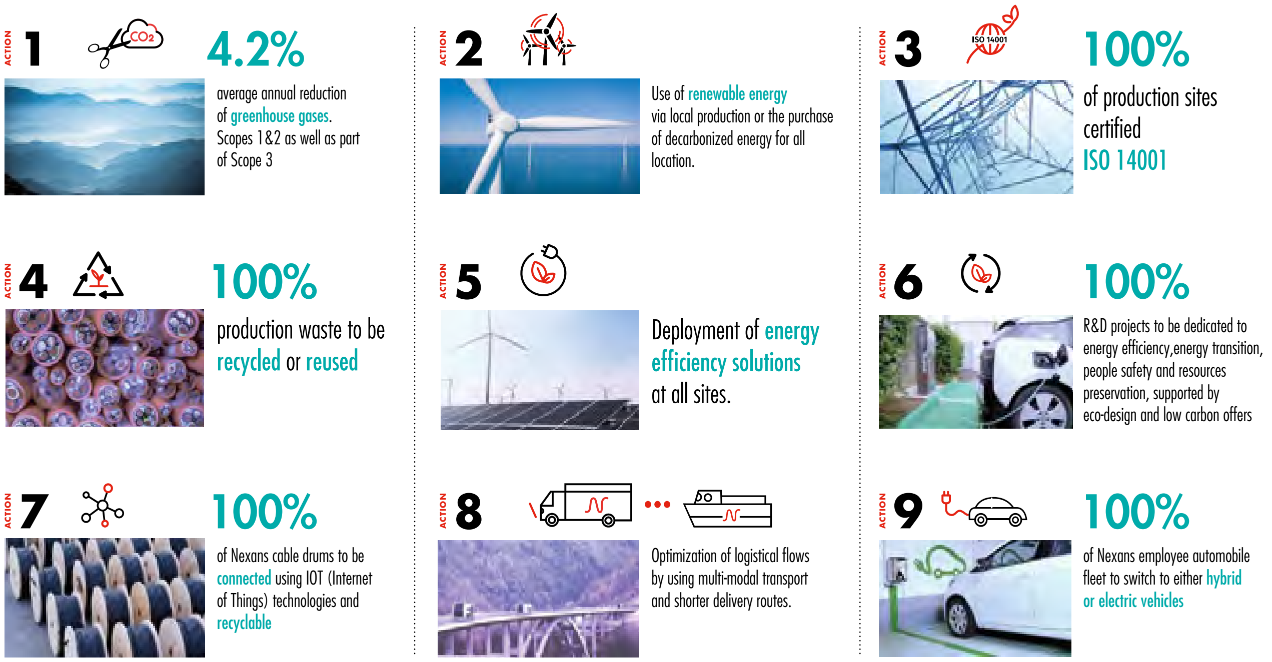
Emissions from Scopes1 and 2 represents 0.3% of the Company's greenhouse gas footprint and includes:

- direct Scope1 emissions mostly result from natural gas consumption at some sites, the fuel usage in vessels or electricity production in isolated locations, and a minor contribution from SF6 leakages in a limited number of manufacturing plants;
- indirect Scope2 emissions result primarily from the electricity consumption of sites (manufacturing and warehouses).

To reach its 2030 reduction targets, the Group focuses on four main levers:

- energy efficiency management;
- renewable electricity consumption;
- reducing and replacing SF6;
- reducing fleet emissions.

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).



ENERGY EFFICIENCY MANAGEMENT

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. Energy efficiency levers are identified thanks to energy audits: Since 2020, Nexans as forged a partnership with Schneider Electric to conduct comprehensive energy audits across its plants. These audits aim to identify and capitalize on opportunities to improve energy efficiency. After each audit, an action plan is built and implemented to save energy and consequently GHG emissions.

The deployment of WAVE 1 and 2 in 2021 and 2022 paved the way for the completion of WAVE 3 energy audits in 2023, covering eight Nexans plants and its energy efficiency roadmap. Major improvements were made in lighting (installation of LED in collaboration with SIGNIFY, a leading company in EaaS (Energy as a Service)), in optimization of compressed air generation, and water cooling systems, optimization of heating systems including energy recovery. This is in addition to the installation of highly energy-efficient motors.

Following the output of the audits, the "Nexans Book of Solutions" has been updated. The document encompasses a list of best practices to reduce energy consumption, providing a valuable resource for ongoing sustainability initiatives.

For total energy consumption from activities in high climate sectors per net revenue from activities in high climate impact sectors (MWh/monetary unit), please refer to table 3.5 Energy intensity (MWh/M€).

RENEWABLE ELECTRICITY CONSUMPTION

As part of its CSR roadmap, Nexans committed to purchase 100% of electricity from decarbonized energy, and the Group pledged to RE100 by 2030 aiming at 100% of electricity from renewable energy.

As of the end of 2023, the Group has made substantial progress, using 76% of decarbonized energy and 49.3% of electricity from renewable sources. Such ambition gathers several initiatives including Energy Attributes Certificates (EACs) procurement whether through the energy provider or from unbundled projects, and developing Power Purchase Agreements (PPAs).

In addition to procuring renewable electricity, the Group has successfully implemented on-site renewable electricity generation through the following initiatives:

- Installation of new solar systems in Bucaramanga (Colombia), Denizli and Tuzla (Turkey) plants in 2023;
- Full impact from solar systems installed late 2022 in Mohammedia and Casablanca (Morocco) plants;
- Successfully commissioning of the extension of the solar system Nahr Ibrahim (Lebanon) plant.

REDUCING AND REPLACING SF6

SF6 gas present excellent electrical insulation properties, and for this reason, it 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 CO_2, it is identified as a source with significant risk for accidental emission of greenhouse gas. As a result, the Group has been and is still investing in multiple R&D projects to develop SF6 free alternatives to be shared with its customers with the aim of reducing the potential impact on Global Warming. For some applications, this has been already in place (*e.g.* oil-filled terminations, dry-type GIS). Furthermore, new solutions are showing promising test results and will expand their scope for qualification in the upcoming years. (See more details in 3.2.3.3. Substitute Substances of Concern and Substances of Very High Concern.)

MINIMAZING FLEET ENVIRONMENTAL IMPACT

In 2023, Nexans expanded its installation capacities to address the booming offshore wind and interconnection markets, by adding a third cable laying vessel to its fleet. This state-of-the-art cable-laying vessel equipped with increased load capacity, an advanced hybrid power system, and the capability to run on biodiesel mix, will support a reduction in footprint.

3.2.2.4 GHG reduction approaches and decarbonization journey – Scope 3

Scope 3 represents 99.7% of the total carbon footprint of the Company. Use of sold products is the primary source of Scope 3 emissions (93% of Nexans emissions), followed by Purchase of goods and services. Nexans is taking concrete actions to achieve its absolute 30% reduction by 2030. To realize this goal, Nexans is mobilizing all stakeholders across the entire value chain, demonstrating a dedicated effort toward comprehensive sustainability.

3.2.2.4.1 ACTING TO REDUCE EMISSIONS RELATED TO THE USE OF SOLD PRODUCTS

The primary source of emissions for Nexans is the use of sold products, and the reduction of this category depends on both controlled and uncontrolled levers. Uncontrolled levers include the evolution of country's electricity mix over time. Controlled levers, detailed below and in the follow chapters, encompass:

- Nexans' purpose to "Electrify the Future" with impact serving as a driving force for Nexans' strategy, investments, and positioning;
- raising awareness and engagement;
- providing decision support to customers in making informed decisions;
- proposing and developing innovative Solutions that actively contribute to the energy transition.

Committed to "Electrify the Future" with impact

Nexans' purpose – *Electrify the Future* – defines the vision and mission, and it also shapes Nexans' identity and its contribution to the public interest. By concentrating efforts on electrification and supporting low-carbon solutions, Nexans contributes to a more sustainable energy ecosystem, fostering a reduction in the environmental impact associated with energy production and consumption:

- focus on low-carbon sectors: Nexans plays a key role in the transition to cleaner energy sources, reducing reliance on fossil fuels and contributing to a more sustainable and environmentally friendly energy landscape. Nexans' products involve facilitating the integration of renewable energy into the power grid, which inherently contributes to lowering overall carbon emissions;

- exit from Non-Electrification activities: The decision to divest from non-electrification activities, such as automotive, telecoms, and Oil & Gas, reflects a strategic move to disengage from sectors that may have higher carbon footprints. This exit allows Nexans to allocate resources and investments more effectively toward activities that directly contribute to carbon emissions reductions;
- innovation in low-carbon solutions: By actively engaging in the development of energy-efficient products and systems, the Company can provide customers with cutting-edge technologies that reduce energy consumption and, consequently, carbon emissions. Nexans' initiatives, such as the EcoCalculator tool and Product Environmental Profile (PEP), are designed to support customers in making informed decisions that prioritize energy efficiency.

This strategic positioning, the levers detailed in the chapters below and the global decarbonization of the electricity mix as foreseen by the IPCC should significantly contribute to the achievement of the decarbonization objectives supported by Nexans.

Awareness-raising

Awareness-raising activities on the energy transition for the general public and customers, in particular for "use of sold product", as well as for suppliers, are at the heart of Nexans transformation strategy:

- knowledge development: training internal sales teams and sharing knowledge with customers regarding products carbon footprint, specially the use phase is key. The goal is to integrate and take into consideration new criteria during the products selection and to find concrete solutions, such as recycled materials integrated into products, or low-carbon products;
- large scale awareness: Through "What's Watt" Youtube channel, the host, one of the Group's passionate employees, explains, in a very simply and original way, electrification and its vital role in today's world. As a responsible company, the Group considers it its duty to share this knowledge as much as possible.

Providing decision support to customers

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 to engage customers in selecting the most efficient products and help them to reduce their energy consumption and carbon footprint:

- EcoCalculator tool: Nexans has developed a decision tool called EcoCalculator. This online tool shows how much energy (expressed in kWh and euros) and Carbon is saved annually by selecting a more appropriate cable with larger section. EcoCalculator classifies the results of the calculation according to 3 pillars:
  - energy: potential energy savings in kWh and euros per year and over the entire life of the installation,
  - CO_2: potential CO_2 savings expressed in kg CO_2 equivalent,
  - safety: where possible, EcoCalculator also proposes the halogen-free version and calculates the energy and CO_2 savings and the payback period for that too;
- Product Environmental Profile: To enable customers to select the lowest carbon content product for a specific application and show products environmental properties, Nexans develop and communicate to customers the Product Environmental Profile (PEP). PEP methodology is deployed in all plants over the world to share outcome and progresses with customers.

Proposing innovative solutions supporting the energy transition

To contribute in the decarbonization of electricity, Nexans propose innovative solutions such as:

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

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 thanks to Eco-calculator tool.

Creating a more resilient energy system at every level

Nexans is working to create a more resilient energy system at every level – from high-voltage electrical interconnectors that span oceans to advanced cabling for national grids and regional distribution networks. The Group is also pioneering the development of **superconducting** cable technology that eliminates losses and enables customers to boost the capacity of congested city networks. Furthermore, its superconducting fault current limiters (SFCLs) provide system operators with a unique tool to get more out of their existing networks.

Nexans also has new digital tools to help **DSOs to make the most out of their infrastructure**. Nexans' strategic asset management solution, Asset Electrical, provides DSOs with insights into how their power networks are used – and helps them to make better, data-driven decisions about investment. Asset Electrical helps them achieve the perfect balance between network performance, CapEx, OpEx and risk, including financial, regulatory, security and environmental factors and the integration of data from smart meters will soon provide even more ways to optimize network performance.

3.2.2.4.2 OTHER SCOPE 3 EMISSIONS

Other emissions from Scope 3 include upstream and downstream transport, employees commuting, business travel, waste generated in operations, purchase of goods and services or products end of life, the actions below demonstrate Nexans commitments and actions to reduce GHG emissions from these categories:

Product Eco-design

Thanks to life cycle assessment and eco-design methodologies, environmental considerations can be taken into account from the very beginning of development of new products in order to reduce their environmental footprint. 4 environmental indicators are specifically focused on, including carbon footprint. (Read more on Ecodesign and Life Cycle Assessment in Chapter 3.2.6.1 Ecodesign & data transparency). In addition, the R&D Department is committed towards low-carbon practices in order to reach, by 2030, 100% of R&D projects devoted to energy efficiency, energy transition, people safety and resources preservation, supported by eco-design and low-carbon offers.

Sourcing recycled and low carbon materials

The Group takes steps to use as much as possible recycled and low-carbon materials.

Raw materials significantly impact the carbon footprint of cables and accessories. The Group combines 2 approaches:

- the use of recycled materials, like copper, aluminum and plastics, allowing to significantly reduce the carbon footprint compared to virgin materials. (Read more on the use of recycled materials in Chapter 3.2.6.2 Integration recycled materials);
- the use of "low-carbon" materials. Nexans collect specific raw materials carbon footprint from suppliers, based on type III third party verified Environmental Product Declaration (EPD), quantifying environmental information on the life cycle of a product. The Carbon footprint of materials are then compared and used to identify and select materials with the lower impact on climate change. For example, the Group takes steps to use as much as possible low-carbon aluminum, In 2023, more than 70% of the aluminum purchased by the Group was qualified as low-carbon [1], *i.e.*, produced primarily using hydropower as a base energy source, and to a lesser extent, nuclear power. Additionally, Nexans works in close cooperation with its supplier base to further develop new low carbon solutions for the medium to long term. In line with this objective, Alcoa will supply Nexans with low-carbon aluminum from ELYSIS™, a revolutionary process that eliminates all direct greenhouse gas emissions from the traditional smelting process. Nexans will be the world's first cable manufacturer to use metal from the breakthrough ELYSIS™ process. Several Nexans facilities in Western Europe and Scandinavia will use aluminum produced from the ELYSIS™ process to start qualifications for the metal's use in various types of cables, from low, medium to high voltage. Our common goal is to industrialize and apply this breakthrough production process in 2028-2030.

In parallel, Nexans constantly addresses the stake of climate change and resources circularity with suppliers, to benefit from low carbon solutions. Nexans collect specific raw materials carbon footprint from suppliers, based on type III third party verified Environmental Product Declaration (EPD). 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. Such data is already used to select low carbon materials/suppliers and the approach will continue to be deployed.

Engaging suppliers

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.). Also in 2023, the supplier day focus was Climate Change, the goal was to engage suppliers and share good practices. For further details, please refer to 3.2.7 Working with suppliers for an optimized environmental impact.

Optimizing transport and using low carbon alternatives

Transport represents a small part of Nexans emissions, nevertheless Nexans engage plants, suppliers and customer to reduce transport emissions in several ways:

Engaging transport Suppliers

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.

In 2023, the Group announced the results of its three-year commitment since 2020. The achieved result shows an 8.91% reduction in emissions. This has been accomplished through various implemented actions. Nexans France decided to switch an important part of downstream transport from diesel to biofuel one (B100) and the use of multimodal connection for internal flows between plants in France.

Emissions management and decision making

Transportation emissions are managed thanks to the E3 Model, this IT tool is providing instantaneous data about amount of CO_2 emitted by transports. The E3 Model is a performance measurement tool that intrinsically links the three dimensions called E3: "Environment (GHG emissions), Economic, Engagement", taking into account the 3 pillars in all decisions making.

The tool 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

(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.*

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).

Engaging 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.

Engaging employees

In 2023, an important focus was done by the CSR Department on the awareness of employees especially on climate change. In 2023, the group launched an e-learning named "Let's Learn about Climate Change", the first part of a two-part training. More generally, Nexans has raised awareness about CSR and Environmental stakes through diverse approaches: e-learning course, workshop (Climate Fresk®), talks, dedicated week of awareness and actions (Internal Planet Week). For further details, refer to 3.1.5 Enhancing employees awareness of Corporate Social Responsibility ambitions.

Regarding Nexans business travel CO_2 emissions, Nexans has implemented a travel policy to control its employees' business travel and reduce its CO_2 impact. Remote communication tools are also available at most sites to enable employees worldwide to easily exchange information. Regarding commuting CO_2 emissions Nexans employees have to complete a yearly quick questionnaire which enables the Group to calculate the associated emissions.

Reducing wastes generated in operations

Nexans has committed to recycle or reuse 100% of its production wastes by 2030.

Increasing Nexans waste recycling rate requires a proper classification and recovery treatment. At Group level Nexans has put in place an ambitious waste sorting program and wherever possible production scraps are re-used directly on site.

Nexans is developing collaboration with recyclers; to improve materials recovery, explore new recycling technologies and find solutions to respond to technical challenges.

3.2.2.5 Investing to achieve the Group's climate strategy and vision

Nexans has outlined its financial investment priorities for the short and medium term to align with its climate Net-Zero SBTi commitment and to safeguard natural resources through leveraging circular economy. These investments primarily focus on the following areas:

1) The transformation of the Company's portfolio established by first, M&A strategy to target companies contributing to energy efficiency and second, to invest in electrification business related to (Generation & Transmission) capacity increase and to expand submarine cable laying activity in relation to energy transition;
2) Redesigned investment tools and processes to embed low-carbon and resource criteria as per E3 business performance model;
3) Research and Development (R&D) aims, in particular, to design products with reduced reliance on new resources, enhanced CO_2 and resource efficiency for customers, prolonged product durability, and minimized environmental impacts throughout their usage. This includes the development of SF6-free products and low-carbon offers. 89M euros were invested in R&D in 2023;
4) The Group is advancing the decarbonization of its internal operations through a gradual investment approach in energy efficiency, site electrification, and renewable energy sources. In 2023, the Group has projected, using the E3 tool, that the outstanding cumulative investments required until 2030 will amount to approximately 67M euros.

CARBON PRICING

In order to support investments and operating expenses decision-making process for business leader, Nexans has implements an internal carbon pricing system in Nexans E3 performance model that is also embedded in the corresponding E3 tool serving in evaluating the financial impact of carbon footprint.

Nexans identify this process as shadow pricing where the financial saving part in each business case will be affected by carbon price and thus impacting the payback period in either ways.

In 2023, Nexans adapted carbon price of 80 EUR/tCO_2.

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

As a key player in the 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).

3.2.2.6.1 GOVERNANCE

At the heart 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 titled "Sustainability embedded in Nexans Governance".

Summary of Nexans' climate strategy – Implications in terms of objectives and management

Capital Market Days
3 years commitment of strategic guidelines

Net-Zero 2050
1.5C commitments (SBTi)

Controlling carbon and climate risks
TCFD & Double materiality analysis

Development of business opportunities
Partnerships developed with key clients

European Taxonomy
In progress according to new European directives and monitoring of historical KPI of revenues generated by energy transition activities, see CSR Roadmap-CSR Scorecard

CSRD
Initiated in 2023 to be ready to disclose respective information at the end of 2024

STRATEGY

Action plans and trajectories by BG
Nexans Book of Solutions
Energy efficiency audits

Mobilize all employees around E3
Annual E3 Scoring ranking the sites with Quaterly results to monitor progress and incentivized all employees

E3 tool
Decision-making simulation tool for maintaining performance in line with the E3 program

Internal awareness and training
Sustainability Talks, Awareness of Nexans' climate strategy via the Fresque du Climat©, Internal PLANET Week

External Climate Day
Three events have been carried out to-date. The next Climate Day, to be carried out in Rabat, Morocco in September 2024

Sustainable offers and low-carbon offers
Sustainable offerings including recycling services, low-carbon aluminum cables, supported by PEPs and the EcoCalculator app

Sustainability Linked Bond and European Investment Bank
Funds for investments in the energy transition

ACTIONS

Carbon footprint
Reporting and steering, Committed to Net-Zero emission by 2050

Internal Carbon Price
Linked to E3 Tool in the internal decision-making process

Roadshows
Shareholders and stakeholders

E3 Program
Environment, Engagement, Economic

Information Systems
BI (business intelligence) overhaul and dedicated tools for carbon reporting in plants

Compensation policy
Follow-up on employees benefiting from a long-term Performance plan based on CSR criteria, see CSR Roadmap-CSR Scorecard

STEERING AND MANAGEMENT

Reduction in carbon emissions
-37% reduction for Scope 1&2
-36% reduction for Scope 3

Increased use of Renewable Electricity, RE100 Program
49.3% of RE sourced electricity end of 2023

Monitoring of CSR Roadmap-CSR Scorecard indicators
KPIs dedicated to climate issues, see Environment Pillar

Carbon trajectories
Monitoring of action plans Indicators integrated into the CSR Roadmap-CSR Scorecard and the 2030 Climate Pledge

CSR performance assessment
CDP results pending, EcoVadis Platinum Medal and score upgrading 80/100, A for MSCI

TARGETS AND RESULTS

3.2.2.6.2 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

Main opportunities related to climate change:

- 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

Main risks related to climate change:

- 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

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- 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

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- 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

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- Managing copper scarcity

In 2021, Nexans has conducted a preliminary physical climate-related risk analysis.

The study was conducted across 11 industrial sites that are driving the Group's electrification strategy. It covered the period from 2030 to 2100 with a global warming scenario of 3°C. From this analysis, it appears that physical risks 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. In 2023, Nexans has launched a comprehensive and further details physical risk analysis with the support of a recognized service provider to benefit of the data gathered in a dedicated platform they have developed for this purpose. This physical risk analysis has covered all Nexans industrial sites.

Three timeframes have been considered consistently with EU Taxonomy regulation : i) Current baseline: average 1985 and 2014, ii) 2030: average between 2015 and 2044 values, and finally, iii) 2050: average between 2035 and 2064 values.

The global warming scenarios used for this physical risk analysis were the following:

- SSP2-4.5 – Middle of the Road Scenario: This scenario is projected to lead to a mid-century warming of 1.6 to 2.5°C and end of the century warming of 2.1 to 3.5°C ;
- SSP5-8.5 – High-reference Scenario (Fossil-fueled Development): This scenario, which is the most pessimistic one, is projected to lead to a mid-century warming of 1.9 to 3°C and end of the century warming of 3.3 to 5.7°C.

This physical risks' study has enavled the identification of the main impacting perils such as riverine or surface floods, landslides, water stress or winter wind gust; knowing that for some identified perils, like landslides, it will require further deep dives analysis to confirm the reality of the risk.

The study gives Nexans a vision of:

- the gross physical risk on its physical assets (hazard multiplied by exposure and multiplied by vulnerability), as well as,
- a first estimate of its impact by calculating its ISO Risk (absolute physical gross risk scoring of an asset multiplied by its insured value).

  Under this study, 6 industrial sites of Nexans listed below represent the highest ISO Risk in Nexans (extreme or high):

  - 4 Generation & Transmission industrial sites located in Norway (Halden and Rognan), USA (Charleston) and Belgium (Charleroi),
  - 1 Distribution & Usage industrial site located in France (Autun),
  - 1 Non-electrification industrial site located in China (Suzhou).

In 2024, Nexans is first to review the robustness of all adaptation measures already adopted by Nexans sites, and second, if required to define and start implementing (when feasible and required) additional adaptation measures to improve the protection of the most exposed Nexans industrial sites.

Regarding the transition risk analysis, Nexans has carried out in 2023 a qualitative analysis with Nexans'experts. This study lead to the following conclusions:

- risks identified
  - scarcity of raw materials, specifically copper and aluminum – which are strategic for the Group and highly exposed to this risk – could lead to impact on revenues (decreased productivity and a potential loss of market shares) and on OPEX (increased costs of production). The identified mitigation actions are:
    - to continue the efforts of partnership with suppliers and other actors of the market to improve scrap recycling abilities and enhance resilience,
    - to assess and constantly monitor volumes of raw materials secured to anticipate potential impacts (financials and market competitivity);
  - increased cost of GHG emissions may have an impact on Nexans' operations, leading to increased OPEX (extra cost of energy and of direct emissions) and potential increased cost of raw materials ("embedded" cost of carbon). The identified mitigation actions are:
    - strict follow up of the Group level targets and of the defined action plans to reduce GHG emissions and limit the impact of increased cost of carbon,
    - assess the direct financial impacts of cost of carbon to anticipate their consequences on Nexans' profitability – considering different plausible price scenarios;
  - increasing exposure and scrutiny of the industry on climate-related topics management. The identified mitigation actions are:
    - assess key suppliers' alignment with climate-related objectives and environmental local laws and best practices,
    - partner with key suppliers to increase awareness on climate related topics,
    - implement regular supplier' audits to mitigate supply chain risks and promote the quality of the relationship on the long term;
- opportunities identified:
  - increasing market demand to support the low carbon transition: Transitioning to a low carbon economy will require a reinforcement of electrification programs across all countries, industries and infrastructures. This will represent an extensive opportunity for Nexans to grow its businesses,
  - increasing market demand for low-carbon products. The identified actions are:
    - reinforce partnership with customers' to understand their needs and expectations,
    - monitor the carbon footprint of product portfolio,
    - invest strategically in technologies to reduce products carbon footprint across the entire supply chain and secure the supply of low carbon aluminum and copper;
  - increasing resilience to the impacts of climate: By fortifying the Group's ability to navigate climate-related challenges, particularly those linked to raw material supply, Nexans not only bolster the Group's financial stability but also pave the way for a more sustainable future as the utilization of recycled aluminum and copper proves to be more cost-effective. The identified actions are:
    - to partner with more advanced actors of the industry or other industries facing the same challenge to join forces and improve recycling technologies,
    - to adapt the technology of its metallurgy sites to the use of recycled aluminum and copper,
    - to develop and implement more efficient ways of collecting scraps to improve recycling rates.

In 2024, Nexans will develop quantitative analysis in relation with the risks and opportunities identified during the qualitative phase.

3.2.3 Reducing pollution and other environmental risks

As a frontrunner in the shift towards energy transition to combat climate change, Nexans places great emphasis on environmental risk management. This involves vigilant monitoring and mitigation of environmental risks, pollution reduction, adherence to regulations regarding hazardous substances, and a comprehensive understanding of its impact on biodiversity. While pollution is considered non-significant in Nexans' double-materiality analysis, the next chapter will provide specific details about the risks associated with climate change.

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

In a significant step towards evaluating and certifying environmental performance, the Group aims to achieve 100% ISO 14001 certification for all industrial sites by 2024 (refer to action 3 of Nexans' decarbonation roadmap in section 3.2.2.3). The target was set to have 93% of Nexans production sites ISO14001-certified by 2023, and we have surpassed expectations by achieving a 95% certification rate following the successful certification of some of our sites in Belgium, Canada and Morocco.

Additionally, the environment is a key component of the internal performance assessment under the World Class Manufacturing (WCM) program—Nexans' comprehensive and global evaluation initiative encompassing Industrial Performance, HR Development, Customer Centricity, and Quality, Health, Safety, and Environment (QHSE).

PREVENTION OF 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 Section 3.2.2.6.2 Risk Management

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 its sites in 2021.

ICPE [1] – In compliance with ICPE regulation, most of production sites in France 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 remains steadfast in its commitment to environmental protection, actively investing in initiatives that aim to improve its environmental performance.

In 2023, the Group invested 8.7 million euros in environment-related investments, significantly up compared to 4.3 million euros in 2022. These investments were used to replace less energy-efficient equipment, remove asbestos from roofs, treat emissions of air pollutants, protect tanks, purchase PVC recycling machine, continue the installation of closed loop water filtration systems. The Group invested in low carbon energy production capacities with the installation of solar panels in its industrial plants.

In 2023, expenditure related to environmental initiatives amounted to 9.5 million euros (versus 6.5 million euros in 2022). These expenditures mainly encompassed: 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.

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.

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

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 reused by closed loop system, 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). Safety Data Sheets for Nexans compounds are generated in compliance with annex II of regulation EC 1907/2006 with the calculation of chemical hazards and the listing of safety precautions

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.

50% of Nexans sites [1] are equipped with hydrocarbon separators, decanters, or similar technologies to avoid effluents and to contain the incidents.

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 m^3 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 3.1.7. "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

While the Group's business generate minimal air emissions, all manufacturing sites strictly monitor their emissions to comply with their environmental certification. Local oversight ensures compliance with legislation, and to date, there have been no reported air pollution incidents.

Regulations applicable to refrigerant gases, nitrogen oxides (NO_x) and sulfides (SO_x) vary across countries. A comprehensive assessment of the current regulatory landscape in the Group's operating countries has been initiated. This proactive approach aims to anticipate and address restrictions, such as those existing in Europe, where certain greenhouse gases face outright bans, and NO_x and SO_x regulations are becoming more stringent.

21 of 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 an alert system in place in case the threshold is crossed. The level of the emissions is compliant with the local regulation.

On top of that, the newly built cable laying vessel "Nexans Aurora" is equipped with the latest conventional power system including an active converter to remove NO_x and SO_x to limit the environmental impact.

(1) Perimeter: Business Cable activity

Noise pollutions

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 will 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 and in particular the corporate REACh manager 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 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 Substances of Concern and Substances of Very High Concern

Nexans' products must comply with laws on chemical substances, in particular REACh regulation EC1907/2006, which aims to improve protection of human health and the environment. In 2023, 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 policy banning the use of substances of Very high concern of the REACh regulation for any new product development in Europe as well as a quality procedure for the implementation of REACh regulation in the Group. The implementation of the policy and procedure is followed by the Group's REACh manager who ensures their implementation;
- innovate: several research programs are underway to find innovative solutions to minimize and substitute substances of very high concern that could potentially be subject to restriction or authorization under REACh regulation EC 1907/2016 as well as substituting Substances of Concern that are classified as hazardous to human health under part 3 of Annex VI to regulation EC 1272/2008;
- 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.

An e-learning training module on REACh regulation and its application in Nexans is also available on Nexans e-learning platform.

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 Substances of Concern and Substances of very High concern is the raw materials used for the production of finished articles. 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.

The tracking of Substances of Concern and Substances of Very High Concern is active in EU sites in compliance with EU regulations. Nexans has is also deploying of traceability worldwide in order to comply with the requirement of the new regulations such as the CSRD.

In the year 2023, the Group has identified a total of 9 Substances of Very High Concern classified according to Article 59 (1) of the REACh regulation EC 1907/2006 and present in a concentration of >0,1% in the finished products for the EU market.

Concerning Substances of Concern in Nexans compounds, a total of 140 compounds produced in Nexans have been identified to contain SoC. These compounds are only designated for internal industrial use and are not placed on the market for other than Nexans legal entities. Safety Data Sheets indicating the level of risk and precautions to take while using these compounds have been generated. The traceability of these substances starts from identifying them in the Raw Material up to the finished product and the substance concentration in the finished product is calculated in order to comply with the communication obligation.

For the year 2024, Nexans objective is to track Substance of Very High Concern and Substances of Concern globally in all of its production sites.

The turnover of Nexans articles produced and placed on the market in the European Economic Area containing Substances of Very High Concern and declared according to Article 33.1 of the REACh regulation EC 1907/2006 is 40.7 million euros.
Whereas Nexans articles containing Substances of Concern with harmonized classification according to regulation (EC) 1272/2008 for the risk categories mentioned in article 57 of the REACh regulation (EC) 1907/2006 and placed on the EU market in the year 2023 had a turnover of 40.2 million euros.

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 options 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, that can 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 2023 and throughout development projects, Nexans has successfully replaced hazardous substances in 33% 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 2023, 9 substances were identified that fall under EU REACh candidate list in concentrations above 0.1% in the article for products placed on the EU market.

The Group has launched different R&D substitution projects as well as local projects in the impacted plants 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 2023, there were 8 ongoing projects for the replacement of hazardous substances from Nexans products, which is a clear indicator on the efforts that Nexans is putting to protect customers' health and safety that resulted in the complete substitution of 3 Substances of Very High Concern from Nexans products produced in EU sites and replacing them with safer alternatives Nexans has a yearly target of hazardous substances elimination that is enforced through a dedicated roadmap and program that follows projects evolution to ensure that the objectives and targets are met.

For 2024, Nexans objective is to expand Substance of Very High Concern and Substances of Concern substitution globally in all of its production sites.

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 CO_2, 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 g^3 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 Section 3.2.6.1).

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).

3.2.4 Reducing water consumption in manufacturing process and the supply chain

The output of materiality assessment detailed in 3.1.6 showed that Nexans account for less than 1% of total value chain water footprint. This is mainly due to the nature of Nexans overall industrial processes with low water usage vs the high impact of upstream material extraction process and specifically metals.

Putting circular economy at the forefront of Nexans strategy and ambition will consequently reduce the purchased volumes, thus reducing and avoiding water consumption in the upstream value chain.

Water withdrawal and consumption

The Group assesses water withdrawals from various sources, providing specific information on water extracted from the public network, groundwater, surface water (lakes and rivers), and other water sources (including rain).

In Nexans, 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. No water storage is needed for its operations.

As a continuation of the trend of strong performance of 2023, the Group targets to reduce water intensity by 5% in 2024 with focus on,

- Sites with high consumption, specifically metallurgy process, that accounts for 20% of total consumption due to high cooling requirements and intensive evaporation in operation; and
- Sites located within water-stress areas, accounting for 15% of total consumption, irrespective of their consumption level.

Water intensity per ton produced indicator is monitored and controlled to ensure optimized performance.

To be able to achieve the targets set and to actively reduce water consumption, the Group has invested in closed-loop cooling systems to improve recycling rate. In 2023, 78% of water used in recycled.

In its metallurgy plant in Lens, Nexans is exploring state-of-art technologies to reduce consumption and to improve water intensity.

Moreover, emergency incident response procedures are in place to immediately contain and mitigate any water leakage once detected.

Water stress

Nexans is dedicated to minimizing its water impact and recognizes the crucial role water plays in local communities, particularly in water-stressed areas. In 2023, and related to the Task Force on Climate-Related Financial Disclosures (TCFD) analysis detailed in 3.2.2.6, water-stress mapping was performed and high risk sites were identified (assessment of all sites was performed with the support of specialized recognized 3rd party using the International Institute for Applied Systems Analysis – IIASA). Following this study, sites classified as "high" or "extremely high" are considered water-stressed, irrespective of the actual water withdrawal volume. Under this approach, 19 sites, constituting approximately 15% of total water withdrawals. Those sites encompass various water usages such as process-based (copper casting, cable plants, harnesses), and sanitary.

Working with suppliers to minimize impact of water

Refer to 3.2.7 Working with suppliers for an optimized environmental impact

3.2.5 Protecting biodiversity

Nexans' own operations

Biodiversity impact assessment has become a growing concern for many companies as the loss of global biodiversity is nowadays a major issue. Biodiversity loss is impacted by different pressures, including Land use change, Pollution and Climate Change. In parallel, biodiversity is essential for limiting climate change, as the ecosystems, and biodiversity they contain, are natural carbon sinks.

Limit impact, protect and restore biodiversity will be a compromised challenge if global actors fail to limit global warming to 1.5°C, as set out in the 2015 Paris agreements.

In line with Nexans commitment of addressing risks, double materiality exercise included the identification of risks related to biodiversity and ecosystems, covering both its own operations and the upstream value chain.

To complete this quantification of risks, Nexans has assessed its biodiversity footprint. The output showed that Nexans account for less than 3% of its total value chain biodiversity footprint ("Use of sold Products" excluded). This is mainly due to the nature of Nexans overall industrial processes with low biodiversity impact *vs* the high impact of upstream material extraction process and specifically non-ferrous metals. The results of the study highlighted the similarities between the Group's carbon footprint and its impact on biodiversity.

As circular economy and climate strategy are identified as principle enablers impacting biodiversity and ecosystems topics, Nexans identified 2 levers to reduce its impact on Biodiversity:

- promoting circular economy, will consequently reduce the purchased volume and thus extraction of virgin materials, limiting mining impact (for more details, refer to 3.2.6 Promoting Circular Economy);
- reducing its Greenhouse Gases emission, by setting ambitious climate strategy and commitment, limiting Climate Change impact (for more details, please refer to 3.2.2 A Group focused on decarbonization and building a resilient business model for climate impact mitigation).

To assess its impact on biodiversity, the Group has performed a Global Biodiversity Score (GBS) study to quantify its impact on biodiversity. Results are expressed in Mean Species Abundance (MSA km2), characterizing the intactness of ecosystems. Both terrestrial and aquatic biodiversity are assessed, further split into Dynamic impact, occurring within the period assessed, and Static persistent impact. Due to a lack of scientific data, pressures on marine biodiversity are not covered in the study. In terms of results, Scope 3 impacts for 99% on biodiversity and ecosystems due to the use of sold products and to the purchase of non-ferrous metals. Focusing on purchase of raw materials, the main terrestrial pressures arise from land use and climate change.

In parallel, in order to support compliancy to the EU taxonomy requirements on Biodiversity and ecosystems (Does Not Significantly Harm criteria), Nexans identified its sites located in or near to biodiversity-sensitive areas (Natura 2000, Key Biodiversity Area and UNESCO World Heritage). An assessment of the possible impacts on protected habitats is conducted as well as the necessary applicable mitigation measures.

Furthermore, the Group has evaluated scientific literature on the impact of installation and usage of submarine cables on biodiversity. At this stage, no major impact was highlighted by scientific community. The nature and amplitude of submarine cables impact on marine biodiversity, appear low or moderate, although uncertainties remain, in particular concerning electromagnetic fields (EMF). This is worth to mention that biodiversity is a recent object of study, meaning new impacts could be identified in the future.

Regarding ElectroMagnetic Field, Nexans is actively participating in a dedicated study launched jointly between Europacable, Renewables Grid Initiative, TenneT and 50 Hertz, to assess the potential impact of EMF on commercial flatfish species. The research is driven by the need to bring scientific evidence into the discussions related to the expansion of offshore electricity cables and the claim by the fishing industries that a prohibition or reduction of underwater cables should be put in place because of environmental damages. This study will help understanding if and how offshore cables may influence flatfish behavioral aspects.

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. Ecologists are involved in projects aimed at assessing the risks to biodiversity and proposing solutions for adapting to them.

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.

Upstream

Nexans recognizes that the activities of its suppliers (ex: copper mining) have an impact on the environment (carbon emission and biodiversity loss). The first results of the biodiversity study indicate that virgin copper extraction is particularly impactful. Therefore, leveraging the E3 supplier scoring tool, Nexans is engaged in a journey to select more carefully its suppliers to favor those with lesser upstream impact, and gradually reduce usage of virgin materials favoring secondary material incorporation into its products whenever possible.

Refer to 3.2.7 Working with suppliers for an optimized environmental impact

3.2.6 Promoting circular economy

The post-Covid era has been particularly challenging for supply chains with regular disruptions. Climate change further challenges supply of raw materials that are critical to electrification with a large expected increase in copper consumption (39 million tons in 2030 *vs* 29 millions in 2020) associated with a limited global annual production in the next five years (estimated to 24 million tons).

Considering Nexans' own operations and value chain, the double materiality analysis performed by Nexans (for full details, please refer to 3.1.6) has shown upstream activities to produce copper *via* mining have the most environmental impact on ecosystems (land, air, water pollution, water usage, biodiversity loss) and social impact on populations impacted by mining. This materiality of the upstream copper value chain was further validated in interviews with Nexans' top 2 copper suppliers supplying Lens and Montreal plants in cathodes. Circular economy with the integration of secondary resources such as recycled copper in substitution for primary resources, offers an opportunity to reduce Nexans' dependance on natural resources, to lessen the Group's environmental impact and to decarbonate cable systems, leveraging Nexans's end-to-end Vertical Integration from metallurgy to cable recycling.

Nexans promotes circular economy and the adoption of ecodesign principles in all design activities to encourage efficient use of natural resources (including reduction in their consumption), the extension of usage and lifetime for cable systems, and the reduction of waste with optimization of production operations and recycling of pre and post-consumer wastes. The Group has launched in 2023 an exploration of alternative circular business models such as cable reuse.

Circular economy features in the Group's sustainability policy as one of the main ambitions, covering the product, industrial and supply chain processes. The policy describes the Company's expectations regarding sustainability and sets priorities for circular economy strategies that enable preservation of resources, of product value *via* lifetime extension or reuse, waste minimization and recycling. The policy applies to all Nexans entities worldwide.

Circularity being increasingly central to the Group's strategy, Nexans created in January 2023 a Circular Economy technoplatform to accelerate transition towards circular economy working together with an ecosystem of industrial, academic and consultancy world actors, notably:

- academic Institutions including Université Claude Bernard Lyon (CP2M, IMP and ISA) and University Jean Monnet (IMP St-Étienne) for the development of technical bricks around polymer waste recyling; ENSAM and Institut Laplace for the investigation of cable lifetime extension;
- industrial actors including Suez, Arkema, Elkem, Hutchinson, Michelin and Trelleborg Industrie (through PYROCA and ADEME-funded RENOV collaborative projects) for the development of technologies for complex polymer waste recycling;
- suppliers of non-ferrous materials and polymers, for the qualification of lower carbon circular resources;
- industrial companies for the evaluation of new technologies to support circularity;
- strategic customers for both, circular product & service development, and for reuse market opportunity exploration.

Vertically 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.

3.2.6.1 Ecodesign & data transparency

Ecodesign is the design of products and services that aims to minimize the environmental impact throughout the full lifecycle. Nexans uses ecodesign principles 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.

Life cycle assessments are used to quantify the impacts of design choices throughout all stages of the lifecycle (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 15 years. This allows Nexans to identify areas where products can be improved to reduce their impact on the environment, for instance by substituting primary resources by secondary ones.

To communicate the results of products' life cycle assessments, 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 288 PEPs covering over 5600 product references, deployed for different markets worldwide, in particular in France, Belgium, Italy, Canada, Sweden 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.

Life Cycle Assessment, Product Environmental Profile (PEP) and ecodesign methodologies continued to be rolled out in 2023 with the training of 34 employees.

At end of 2023, 16.8% of Nexans 2023 sales were covered with a third-party verified PEP.

3.2.6.2 Integration recycled materials

METAL RECYCLING (COPPER AND ALUMINUM)

The Group is taking measures to maximize the portion of recycled copper used in its cables in order to reduce consumption of natural resources and lessen the environmental impact of cables. By vertically integrating scrap into copper metallurgy, the Group can incorporate a significant proportion of recycled copper into its upstream process.

In 2023, around 33,600 tons of copper waste (19,700 tons in 2022) were used in the Group's continuous casting operations in Montreal (Canada), Lens (France) and Lima (Peru), representing around 5.4% of Group needs (is included in the calculation of this percentage, the direct external scrap introduced in 3 main Nexans casting units. The recycled content inside copper products cathodes, rods and wires externally purchased is not counted). Moreover, in other countries, the Group has commitments to send metal scrap to suppliers for recycling and reincorporation in new rods sold to Nexans.

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 copper scrap collection.

The other main non-ferrous metal used in cable manufacturing is aluminum rod (around 74,000 tonnes in 2023). The Group recovers aluminum scrap from its manufacturing process and from cables recycling. The scrap is sold to aluminum suppliers and Nexans is purchasing back aluminum with recycling content from some of its suppliers. In 2023, Nexans launched with Trimet the first innovative aluminum rod in Europe, incorporating 10% of recycled Aluminum. Nexans was able to recycle 335 Tons of aluminium cable scrap in a process that consumes a fraction of the energy needed to produce primary aluminum. This recycled aluminum rod supplied by Trimet, was used by Nexans to produce new power cables.

RECYCLED POLYMER INTEGRATION

A dedicated program is deployed to increase the incorporation of recycled polymers in cables, gathering industrial, R&D, Purchasing and Sustainability Departments. This initiative aims to minimize the environmental impact of Nexans' products and to preserve resources. Mainly two sources of recycled polymers are widely used in the Group: recycled PE (Polyethylene) and PVC (Polyvinylchloride). A systematic identification, qualification (based on specific technical protocol) and testing has been set up to accelerate the incorporation of recycled content in products.. Some of the industrial low-voltage cable materials in the wide range of cables produced by the Group in Europe contain up to 70% of recycled plastics in their sheaths. The Group's objective is to standardize the approach in all plants where applicable, incorporating recycled polymers into bedding, sheath and insulation layers.

3.2.6.3 Durability

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 product designs and installations are in addition framed by many standards related to human safety and fire risks. These requirements reduce 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 R&D organization along the past years to better understand cable ageing phenomena and improve Nexans' models estimating residual cable lifetime, notably for medium voltage grid networks.

Nexans also offers monitoring services to its utility Customers to help them manage their cable system assets, maximize their utilization and extend their lifetime via scheduled predictive maintenance to limit the duration of outages. This is done through innovative sensors, such as distributed optical fiber measurement or high frequency current transformers, that leverage IOT, cloud computing and artificial intelligence to localize in real time faults before they happen.

3.2.6.4 Cable reuse

With the support of Consultants and in collaboration with a strategic Customer, Nexans started an exploratory project in 2023 to understand opportunities arising from the cable reuse business model.

3.2.6.5 Waste management and recycling

WASTE MANAGEMENT

The management of waste from manufacturing processes, a topic central to the shift towards a circular economy, 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.). Wherever possible production waste is re-used directly on site,
  - **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 2023, the recycling rate of production waste is around 80% (*versus* 75% in 2022).

To achieve such ambition, the Group works on:

- the optimization of waste sorting at source;
- the implementation of recycling treatments for easily recyclable materials like polyvinyl chloride, polyethylene, etc. in Nexans plants and at waste contractor premises;
- the development of technologies to recycle materials that cannot be easily recycled like crosslinked polyethylene, rubber, mixed and/or contaminated plastics.

CABLE RECYCLING

The Group has several industrial assets, able to strip, grind cables, and separate metals and plastics in a number of its facilities.

In Europe, the Group recycles a portion of its production waste, notably through RecyCâbles, a company in which it owns a 36.5% interest. RecyCâbles is one of Europe's leading cable waste recovery providers, with total capacity of 36,000 tonnes. In 2023, Nexans through RecyCâbles recycled 9,410 tonnes of cable waste using latest-generation industrial assets with minimal environmental impact.

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.

In 2023, Nexans launched an innovative new recycling service, targeted at professionals, for collecting and recycling cable scrap directly at Partners' distribution branches and generate value for both Partners. For this service, collection terminals were installed in 3 pilot distributor branches to generate new physical flows, capitalizing on the reverse logistics of Nexans' partners to massify scraps, existing flows to transport them to the RecyCâbles recycling plants for treatment, and the expertise of RecyCâbles and Nexans plants in particular to reincorporate scraps into products. With this new service, Nexans will be able to increase the circularity of its products (notably incorporating increasing levels of recycled metals) while strengthening its position as a pioneer in sustainable development and a key player for recycling in the industry.

POLYMER WASTE RECYCLING

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 are reintroduced into cable manufacturing. In December 2022, Nexans obtained a significant grant from ADEME to explore recyclability of its polymer wastes in collaboration with other industrial and academic partners. A significant effort was given to the investigation of XLPE and elastomer waste recycling in 2023.

3.2.6.6 Other circularity topics

CIRCULARITY IN PACKAGING

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 the Group European sites come from sustainably-managed forests (labelled PEFC, Program 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.

In 2023, Nexans continued its connected and recycled drums programme with a 72% increase in the creation of connected drums compared to 2022. At the end of 2023, the connectivity rate of its drum fleet was close to 16% and increased by 1.6% year-on-year.

Recycled polymers are also used in packaging such as drums made of 100% recycled polypropylene (MOBIWAY) or films used to package cable coils. 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.

Also, Nexans provides its employees with access to safe water, sanitation and hygiene in the workplace.

The Group also promotes the reusage of old IT equipment. See in 3.3.4.3. Regional and social initiatives.

In 2023, a Green IT mission was conducted to determine the CO_2 impact of IT at the Group level.

This represents an extremely marginal part of the Group's carbon footprint. The resulting roadmap and actions will be implemented in 2024.

3.2.6.7 Biosourced materials

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

In 2022, Nexans 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.

3.2.7 Working with suppliers for an optimized environmental impact

Nexans embarks its suppliers using a major tool, The EcoVadis platform and setting up meetings with suppliers to deepen sustainable initiatives and set environmental improvement roadmaps.

- As mentioned previously, Nexans onboards as much as possible suppliers on the EcoVadis platform to get an assessment of their CSR performance. Regarding environmental themes, EcoVadis covers impacts throughout the entire life cycle of products impacts: energy consumption & GHGs, water, biodiversity, air pollution, materials, chemicals & waste products, product use, end-of-life product, customer health & safety and environmental Services. The assessment provides a score and the main improvement axis.

The second way consists in increasing the number of meetings with strategic and preferred suppliers to share priorities, expectations and deepen suppliers roadmap.

Nexans' expectations towards its suppliers were presented by Nexans' CEO, COO, VP Purchasing Group and senior management representatives to the strategic and preferred suppliers during yearly "suppliers day" event. This event, gathering more than 300 suppliers, is also the opportunity to reward the best environmental initiatives or innovations.

During the October 2023 event, Nexans has kept focusing on:

- carbon emissions reduction,
- recycled materials content increase,
- EcoVadis CSR scorecard improvement,
- overall environmental negative impacts reduction by requesting an Environmental Product Declaration (EPD) or equivalent for raw material purchased, considering all environmental aspects such as CO_2, resources, energy.

Carbon emission reduction roadmaps are required from strategic suppliers as well as innovations and initiatives to increase significantly recycled content in materials purchased;

In line with its E3 transformation journey, Nexans has initiated in 2023 a comprehensive suppliers' E3 scoring, cornerstone for a performance assessment allowing suppliers' roadmap improvement.

Thus, strategic suppliers have been assessed based on their current performance and their strategies to further improve performance.

Environmental performance is approached through several criteria:

- level of EcoVadis scorecard,
- CO_2 commitment and reduction: existing roadmap, SBTi commitment,
- recycled materials content and CSR innovations for environmental impacts reduction,
- EPD or Life Cycle Assessment availability.

The supplier's E3 scoring is shared during business review to set new targets and axis for environmental impacts improvement. This approach will be pursued and extended in the next months.

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 driving force of Nexans and are part of what makes Nexans' vision a reality. The Group is going through its cultural transformation to support its new strategy to be 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, and puts safety as its first obligation.

3.3.1.1 Nexans people strategy

Nexans has defined an Employee centric People Strategy to enable the Group strategy, rooted in three pillars around Culture, Talent and Business impact:

1) **Culture**, Nexans's identity

   At the heart of our strategy lies our Culture, who we are, our identity. We are committed to fostering a culture of excellence, inspiring one another to perform at our best, and differentiate ourselves as a company where innovation, collaboration and trust are embedded in our E3 performance model. An inclusive environment that thrives on shared values, pioneers-dedicated-united, embraces a continuous learning culture, and prioritizes the well-being of every individual

2) **Talent**, Nexans' people capabilities

   Nexans' employees are the heart of the organization and the driving force behind the Group's success. This pillar includes all efforts to strengthen people capabilities along the talent lifecycle, attracting, training, developing and retaining talent and having the right people at the right place at the right time.

   The Group's HR strategy focuses on the following:

   - talent acquisition excellence,
   - key skills development,
   - strengthening talent pipeline,
   - improving internal mobility;

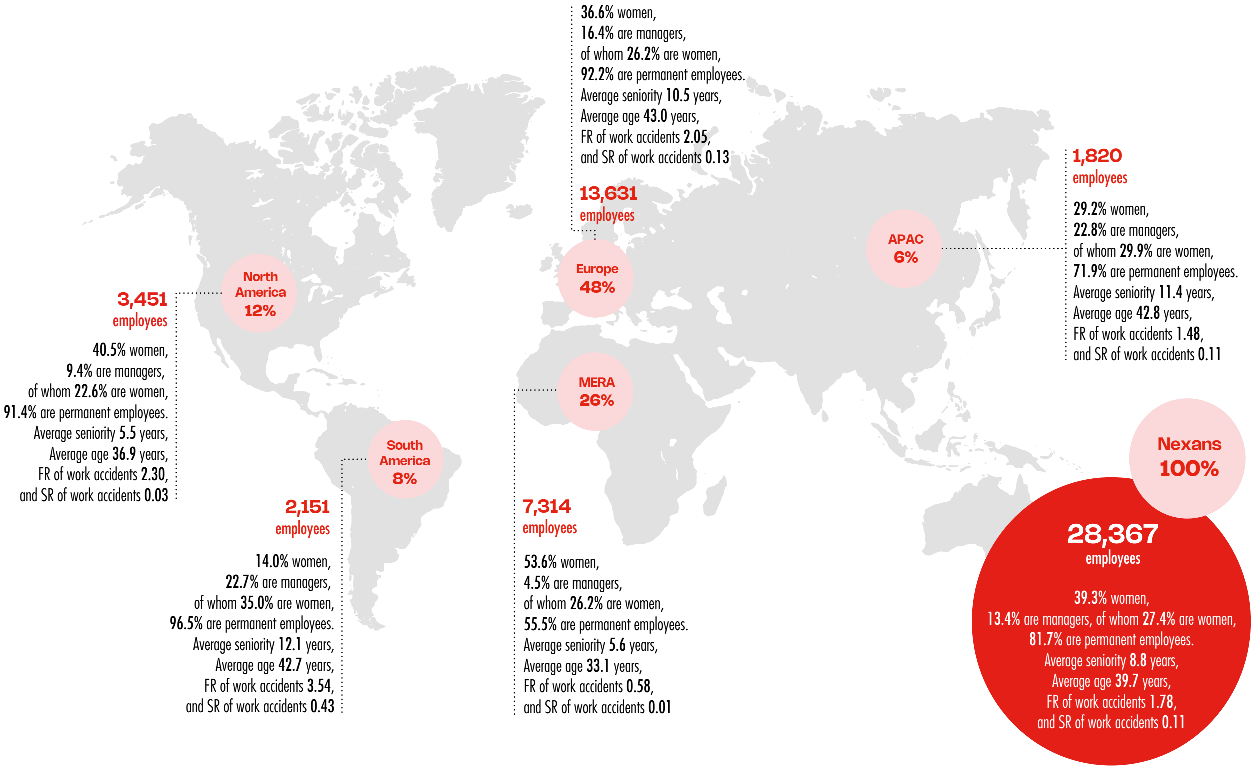
3) **Impact**, Nexans' business performance

   A successful organization is not only defined by its potential but by the impact it delivers. The Impact pillar aligns efforts towards implementing an agile organization, locally empowered and accountable, enhancing processes and governance, optimizing incentives, and embracing digitalization. Nexans is aiming for an organization ready for a world of permacrisis and ready to continue to deliver outstanding financial results, while looking after our planet and our people.

3.3.1.2 Nexans' People and Values

At December 31, 2023, Nexans employed 28,367 people (27,932 in 2022) in 41 countries, broken down as follows:

- 105 nationalities
- a strong international presence, with 92% of workers outside of France;
- 64.4% of people are frontline workers, and 13.4% of headcount is made up of graded positions
- an increasing share of women within the Group at 39.3% globally and 27.4% in Management positions (in 2022 respectively 39% globally, and 27% in Management);
- a high share of full-time employees (99%) and of permanent contract employees (82%).
- 8.8 years of average seniority, and 55% of Generation Y and Z employees



The culture of the Group relies on its purpose "Electrify the Future", its mission and its values "Pioneers, Dedicated, United".

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

Nexans values are embedded in day to day environment, and integrated in the employee life cycle, such as performance review - which considers not only the results achieved but also the "how to", e.g. which values the employee has demonstrated to reach its results- or recognition program (see 3.3.2.3 "the Nexans Remarkable Program").

3.3.2 Nexans' people

3.3.2.1 Description of risks and opportunities

Nexans evolves in a world of constant changes, and the future growth of the Group will come from innovation, partnerships and acquisitions while maintaining a strong discipline on portfolio simplicity, cost control and efficiencies. To implement this strategy, the Group is facing issues of attracting, developing and retaining the right talent, while having the right competencies.

Nexans also has also to focus on maintaining and improving employee engagement, while ensuring they work in a safe and healthy environment.

The Group manages these risks and stakes by:

- ensuring Nexans' employees are working in safe and healthy conditions, with a discipline in execution while taking care of their well-being to foster the Group's productivity and efficiency;

- putting Employee Engagement as its driving force; engagement is vital to achieve operating excellence and meet the Group performance objectives. It is therefore one of the essential indicators monitored in the CSR roadmap;
- bringing diversity and inclusion to improve efficiency and financial performance;
- attracting in a proactive way, developing and retaining its talent, its working force, through an adapted and innovative managerial and career path model, helping Nexans' employees to adapt to a changing environment;
- having an adequate compensation and benefits policy which serves the people strategy;
- developing and adapting a strong and proactive social dialogue.

Being able to implement this will make the Group an employer of choice, and will foster the productivity and the financial performance. The Group is then able to adapt to industry evolutions, ensuring the business continuity, thanks to the right people with right skills.

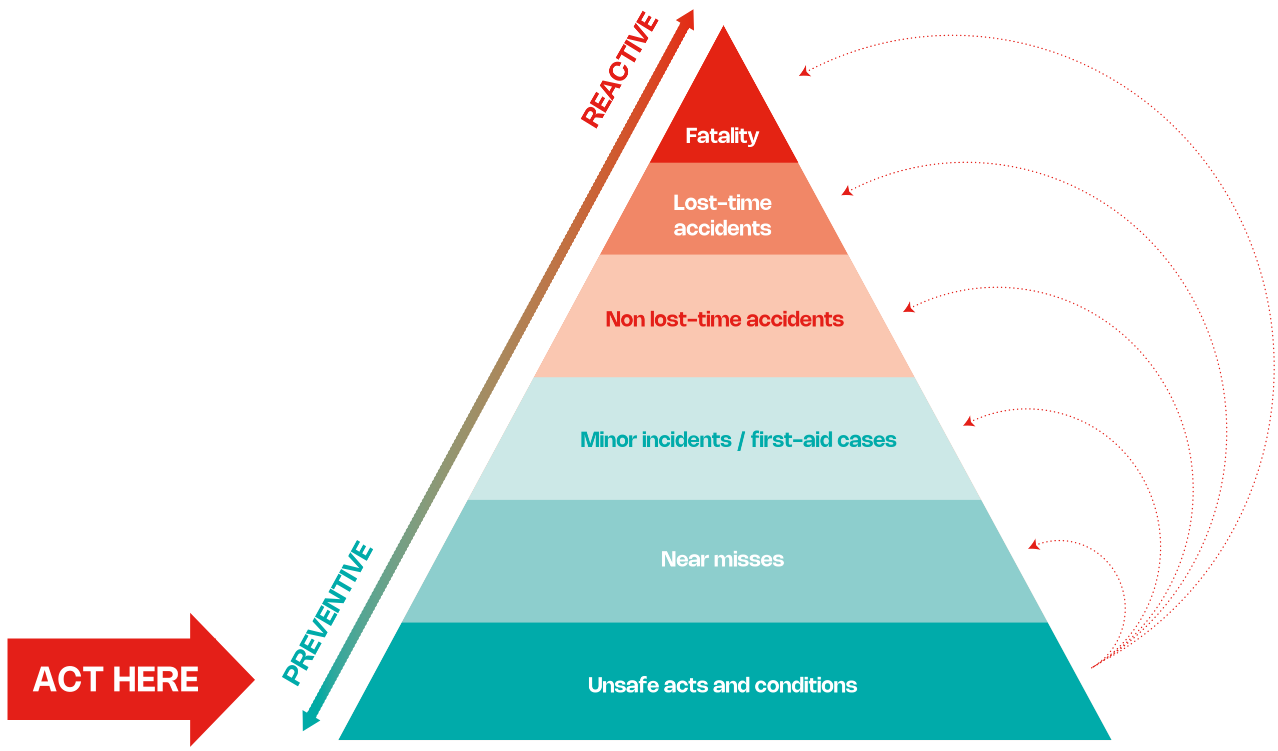
3.3.2.2 Workplace safety, health and well-being: a priority for Nexans' employees

Safety is an integral part of the "Engagement" pillar and is a shared value within the Group.

Safety performance is measured by the Accident Frequency Rate with Lost Time Injuries (FR1) and the Severity Rate (SR) related to the number of days lost due to work accidents.

These two indicators are communicated externally.

Internally, other indicators such as FR2 (frequency rate of work accidents with and without stoppage), the number of potential risks, dangerous behaviors, or hazardous conditions (SUSA), are also monitored. The Bird's pyramid is a visual indicator that allows local teams to act on manageable events or weak signals (first aid, near-accidents, risky acts and conditions) and on events with high gravity potential. It also facilitates communication with field teams.



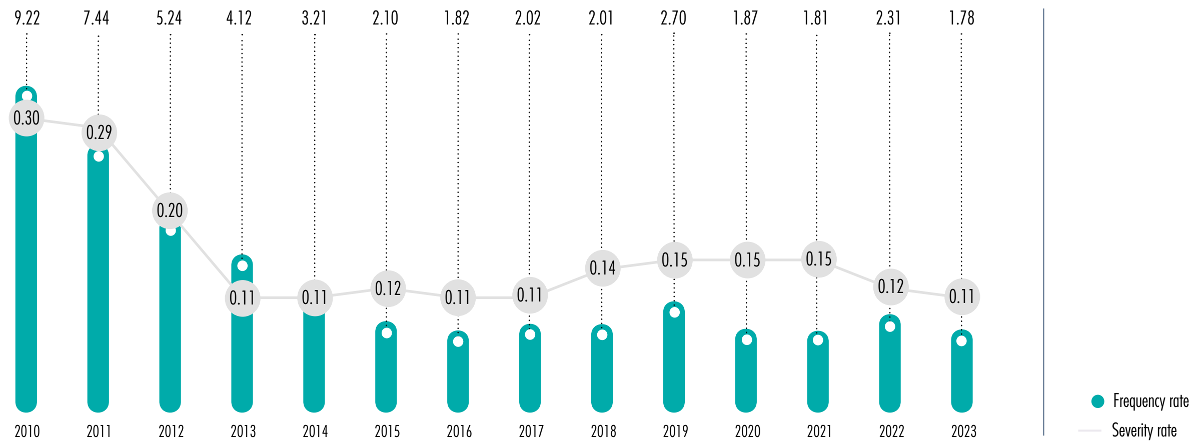
GROUP'S SAFETY AMBITION

Safety objectives are ambitious (FR1 = 0.8 by 2025); in 2023, the FR1 is 1.78

Nexans is particularly well placed compared to other cable industry players; nevertheless, strong effort and focus continue in order to reduce drastically the number of accidents – considering the ambition according to which "all injuries can be prevented".

The strategy is based on **4 initiatives**:

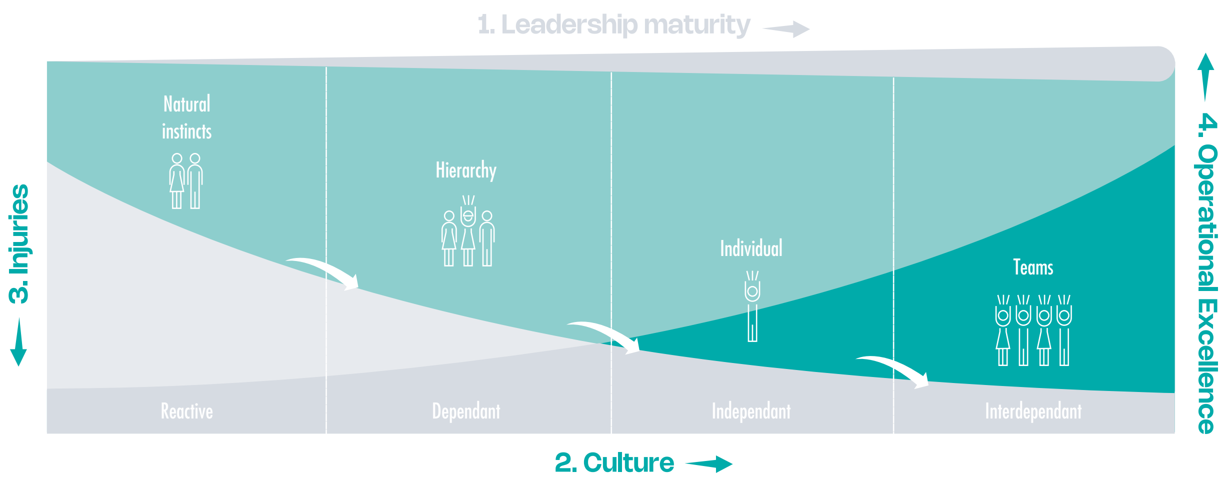
1) provide safe equipment and work conditions for employees. The equipment meets the legal standards of the countries; methodologies for analyzing and prioritizing machine risks are implemented; third-party experts can support a specific factory or type of equipment. Additionally, technical standards are defined for major machine and technical risks. Beyond basic industrial conditions such as 5S, Safety Golden Rules, linked to previous accidents and major risks have been established; each site must comply. In 2023, 17 million euros CapEx are dedicated to upgrade machines and equipment to ensure employee safety;



2) eliminate risks using tools for detection, observations (JSA, Safety Walk for managers), and risk identification (SUSA Cards, Take 5 for employees). Safety is everyone's obligation, and each has a role to play in identifying and eradicating risks. Management team routines (SMR) play a vital role in reporting risks and safety events from the field; management is responsible for securing and eradicating these risks following the SQ/EC principle. At last, for each accident or serious near-miss, an 8D is implemented and shared across all sites to promote understanding of the causes and facilitate cross-site actions;

3) implement operational discipline, positive recognition, and consequences management. Life Saving Rules (LSR) are defined, displayed, and communicated to all employees. These rules are non-negotiable and are to be applied all times by everybody. In case of deviation, a discipline and consequence process is implemented. Conversely, employees or teams are recognized and congratulated when rules and standards are exemplary applied, and when teams are particularly engaged in safety performance;

4) create conditions to guide teams towards an "independent" or even "interdependent" safety culture (Bradley curve).



Tools, methodologies and rules are implemented by giving meaning to requirements and by promoting collective work and interaction among employees. Managers requiring assistance on the above themes are trained and coached through behavioral safety approach programs conducted by internal or external coaches. Support can also be provided for ergonomics at workstations. Communication campaigns are implemented on standards or topics to be strengthened; an annual Safety Day is organized in every site.

In addition to internal and third-party support, e-learning dedicated to safety tools and methods are available to teams on the intranet platform.

GOVERNANCE

Every month, the Group's results are reviewed in ExCom meeting; a more detailed review is conducted quarterly.

A monthly Safety Committee analyzes performance, manages specific projects, adjusts the Group's safety strategy and standards, and monitors execution; it is made of Industrial Business Group and the Safety Group Managers, sponsored by the COO and one of the Group's EVPs.

A monthly safety council defines standards and the content of the ongoing projects; it is made of Safety Business Group leaders and the Safety Group Manager.

Implementation is the responsibility of Business Units, naturally in charge of execution and performance.

Audits are conducted by the Group or Business Groups according to the safety fundamentals and rules described in the strategy.

The safety organization includes a Group Safety Manager and a Safety Leader per Business Group in charge of animating his/her related site safety network. The site safety manager is responsible for supporting other functions in competence and implementation.

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

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.

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 travelers, 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. The Group 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.

ISP organized for the second time in 2023 the ISP Sports Challenge to raise fund for Curie Institute and Movember.com: 303 people from 21 sites 11 countries participated in the ISP Sports Challenge, including non-connected employees, family members and friends of employees, and Nexans customers. Collectively, 5,542 km were run, 4,702 km were walked, and 5,376 km were cycled, 146 km swam; an incredible 43,365 minutes of other sports activities like yoga, meditation, tennis, badminton, Zumba were done. ISP employees have reached the target to raise 10,000 euros. Based on the after event survey, 66% of the respondents feel happy and healthy, 21% felt proud of themselves, and 10% felt connected with colleagues.

ENHANCE WELL-BEING IN THE WORKPLACE

Initiatives have been strengthened to support employees' engagement, particularly with strong local initiatives to reduce the stress, to create and improve working conditions in a harmonious work environment and to develop social and collective bonds.

Since 2022, Nexans annual performance evaluation cycle is including a "Wellbeing at work" part, as the starting point of all performance and development conversation between managers and employees. It starts with a customized message to introduce the importance of the topic and why it should be addressed; then, examples and links to training resources are provided to help and encourage both manager and employee to have this conversation.

In addition, the following initiatives should be noted:

- all over the year well-being and fitness programs or challenges in Sweden, China and France (where a challenge was organized linked to Quality of Life at Work week);
- in April 2023 Nexans Ghana held a day for all employees dedicated to well-being activities, including a team health walk led by the BU leader and the management team. They also held a talk on mental health and stress management by a renowned psychologist. Three retired workers also joined to engage the teams on: general attitude towards work, Health Management and Financial Management;

- in December 2023, the East Montreal office of Nexans Canada organized an advent calendar of events to get employees moving and mark Health and Safety in the workplace. One example is a 15 minutes active lunch activity where employees were invited to do a small workout together. These workouts help not only physical health but mental health by decreasing stress levels.

3.3.2.3 Employee Engagement: Nexans' driving force

E3 is Nexans' **performance model**, a holistic management system.

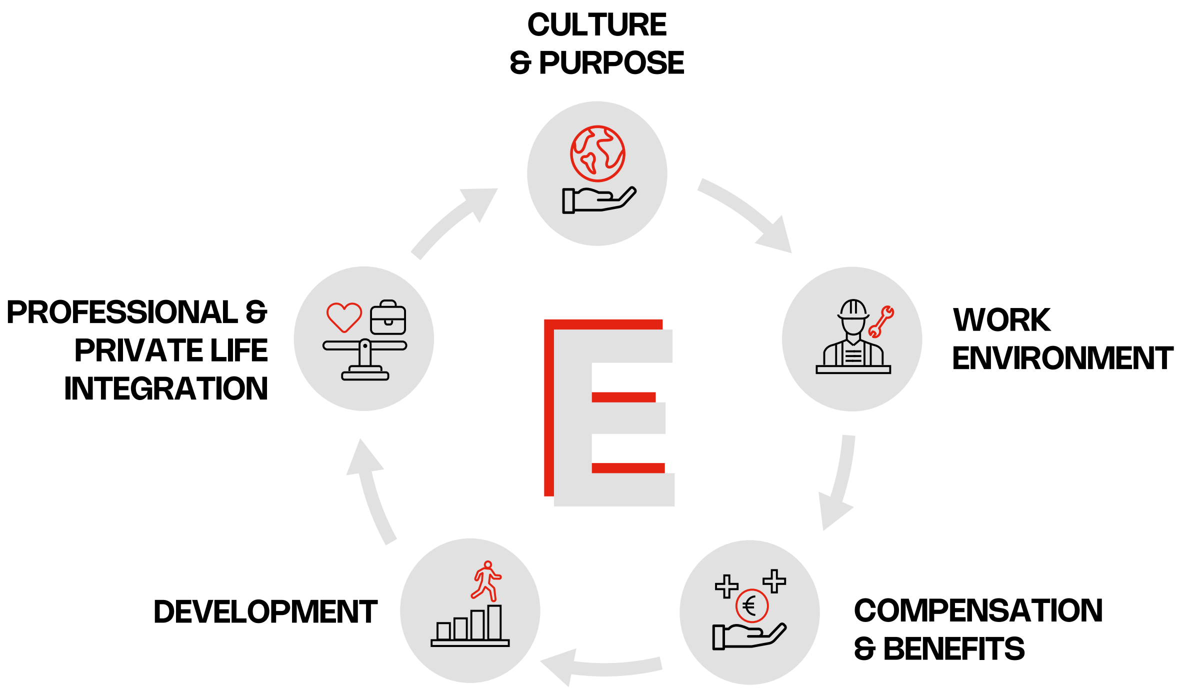
A great leader is at the **E3** rendez-vous, able to lead the **Economics**, focusing on **Environmental** impact of its activities, and mobilizing their teams to increase their **Engagement**.

Nexans' people strategy supports the Group' strategy, focusing on 3 pillars – Culture, Talent and Business impact (cf 3.3.1-Context and goals).–Engagement is the driving force of the Group' business success and therefore it is at the heart of our People Strategy

There are 5 dimensions that influence **employees' engagement**, motivation and commitment to the company:

- Culture and purpose: This dimension encompasses the Group's purpose, mission, values and also the Group's commitment to creating an environment of inclusion, respect and professionalism at the workplace, where everyone can thrive being the best version of themselves.
- Work environment: this dimension includes workplace safety, healthy physical work environment and for employees having the right tools to perform their job
- Compensation & Benefits: this dimension includes how Nexans defines compensation elements that are attractive, equitable and that enable recognizing collective and individual contribution to Nexans performance, and also other benefits like health insurance, saving & pension plans
- Development: it focuses on the way employees develop and grow within the company, while accessing to learning opportunities and being given professional evolution
- Professional and private life integration: a support to an employee to balance its professional life with its personal life. It includes wellbeing programs, working hours, plant shifts arrangements, flexible work models, paid leave policies, while considering employees' individual expectations.

Initiatives are in place in each dimension to engage Nexans' employees and reinforce their sense of belonging; the Group has also defines a model to measure each of these 5 dimensions and evaluate engagement, the results of Nexans Living Voices being taken as the primary source together with other engagement data.



STAYING IN TOUCH AND "TAKING THE PULSE"– NEXANS LIVING VOICES

Measuring sentiment on a regular basis and "taking the pulse" of the organization allows the Group to adapt to cultural change takes place in order to increase Employee Engagement.

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

The aim is to improve the perception 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%.

Additionnally, the Group also uses shorter and more frequent Pulse 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. All along 2023, sites with lowest engagement rate following the NLV 2022 survey, have decided to implement a 10 questions Pulse survey to measure how their employees were aware of the improvement actions put in place, and then keep the momentum. This has led to a better engagement of employees. In the plant of Grimsös, in Sweden, an additional tool has been developped to invite any employee to give feedback or ask questions to managers, and managers commit to answer back; this is also an excellent way to improve employees' engagement.

In 2023, Nexans has decided to stick the rhythm of NLV to the business cycle, and hence postponing the 3rd edition to March 2024.

In the meantime, people managers have been further onboarded to follow the results of their teams, using outcomes of NLV as managerial levers.

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.

The "Collection of Stories", built from quotes and stories of employees, illustrating what they think the values mean, 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.

In 2023, some countries like Belgium have used the Nexans Living Values workshop to explain the values to their new comers. To ease Reka's integration, this Collection of Stories has also been translated in an additional language, finnish.

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 the Group's 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, and 91 additional individuals in 2023, the 8th edition.

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 platform which also serves as a library of best practices and showcase for previous winners. The applications are reviewed by an Award Selection Committee (ASC), a group of 14 people representing all the functions, geographies and business in Nexans and which also reflects gender parity and diversity of the Group. In 2023, as the Group wanted to involve even more the business, a first review was done by the Business Units General Managers – they have reviewed 157 applications, proposing 92 applications to the review of the Award Selection Committee. The ASC then has proposed 39 applications to the Executive Committee. The ultimate selection is done by the members of the Executive Committee, they have awarded 25 applications, either in teams or individuals, coming from all over the world: one third of remarkable employees are front line, and actually 91 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, even more when their family (invited under the seal of secrecy) or close colleagues are there to support and make this event a shared memory.

FOCUS IN FRANCE

2023 is the year of recognition for Nexans France. A project has been launched, with the support of an external sociologist, to increase employees' engagement through their recognition; seven plants participated and employees were interviewed. In-depth work was conducted with operators and managers to build the foundations of a new dynamic, putting at the heart employees' know-how, experience and history. The result of this collective effort is a "Recognition Guide", a list of initiatives, objectives and best practices to foster individual recognition; this has been built by the plants' employees, for them and it is their duty to bring it to life. In addition, a movie has been produced for each of the plants to value their history, their contribution to the group, their flagship products, their know-how, their experience, and their dedication.

3.3.2.4 Inclusion and diversity: levelling the playing field for talents

GROUP POLICY

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.

Nexans' Inclusion and Diversity policy, released in September 2023, aims to create a workplace environment that values and respects individual differences, promotes equal opportunities, and fosters a culture of inclusion for all employees.

The Group believes that by fostering an inclusive workplace and embracing diversity, it can drive innovation, increase employees' engagement, and improve overall business performance.

Inclusion & Diversity (I&D) embody Nexans' history and values and, therefore, define Group's identity and how to conduct business. I&D amplify the conditions for success as a Group, by giving access to a broader set of talent and skills, positioning Nexans as an employer of choice, and helping strengthen links with Group's stakeholders and the communities in which it operates. This is how Nexans empowers people who are at the heart of the purpose; it will enable Group's employees to **thrive** and **contribute** to the success of the Company.

In this context, the Group has prioritized **five dimensions of diversity to remove barriers preventing access to equal opportunities**:

1) gender;

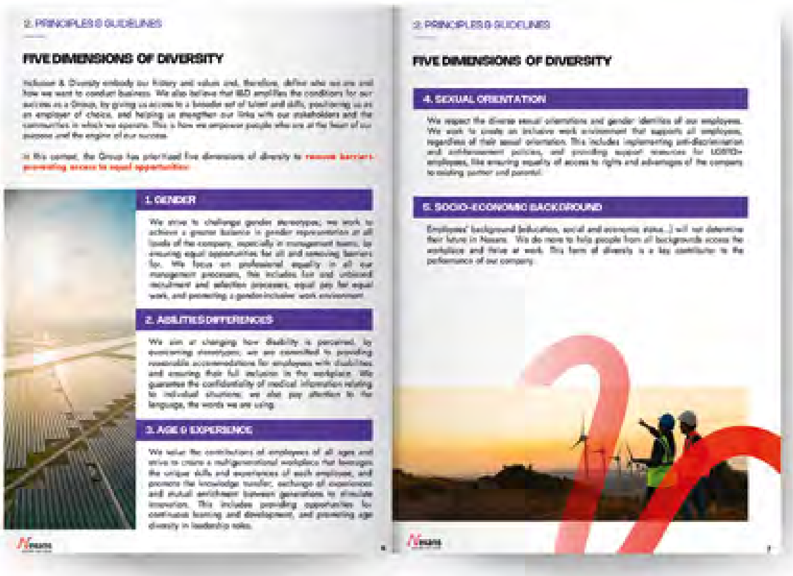
2) abilities differences;

3) age & experience;

4) sexual orientation;

5) socio-economic background.

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.



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.

1) Promote gender balance

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

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

- women in Management positions: target of 26% by 2023 – compared to 27% in 2022 and 24.5% in 2021;
- women in Senior management: target of 18-20% by 2023 – compared to 19% in 2022, and 17% in 2021.

Below are some actions taken:

- when hiring, the Group makes sure at least one female candidate is selected in the final recruitment shortlist for each position. Women are also encouraged to change positions internally, while receiving guidance on their career development;
- attracting women to positions as operators is not always easy; to face this, some initiatives are put in place as:
  - upgrade of facilities are done (like specific rest room for women..),
  - fight against the biais: in Brazil, where cultural bias is high and very few women apply to jobs in operations. An experiment was done whereby Nexans Brazil posted 3 different announcements, searching same profiles. Women were selected in the announcement with the most balanced pipeline, and post explanation and sharing of testimony, 12 out of the 14 engaged women confirmed their interest for the position. This resulted in 5 fulfillment of 5 Operator open positions and 2 Forklift Operators.
- Nexans Oslo met the challenge of having women in offshore teams by welcoming a young woman last October;
- analyis is done in all compensation and benefits processes to ensure equity (Annual Salary Reviews, Long Term Incentives for example) and the 'Index Egalite' paygap analysis is done each year in France.

2) Inclusion of people with disabilities

Nexans continues its dedication to support individuals with disabilities in France. The Company is committed to deploying the essential resources to achieve the goal of "100% inclusion" across various aspects such as recruitment, training, remuneration, workplace quality of life, and career progression and assistance. The year 2022 marked a significant advancement in this endeavor, highlighted by the signing of a Group agreement on disability, in collaboration with social partners.

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 2023, 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 its businesses.

To celebrate the 3rd of December, the international day of people with disability, the Group has chosen in 2023 to focus on invisible disabilities. The objective was to increase awareness and pave the way to meaningful conversations, as these conversations are essential steps towards fostering an environment where every individual, regardless of their abilities, feels a genuine sense of belonging and can thrive within Nexans.

A series of 2 sessions was organized, to focus on invisible disabilities while having 6 Nexans employees with invisible disabilities sharing their stories; more than 300 employees have joined these sessions.

At Nexans Group level, the percent of employees with a disability in 2023 was 1.4%. Nexans believes that improving disability disclosure in every area of the organization will lead to better performance, better compliance and a more inclusive workplace.

3) Valuing contribution of all ages

Nexans strives to create a multigenerational workplace that leverages the unique skills and experiences of each employee.

Seniority awards are deserved to employees with more than 30-year experience, to recognize the work done and also ensuring their knowledge is kept and transferred to youngest employees.

When promoting new leadership roles, the Group ensures to consider age diversity and challenges the statu-quo.

4) Sexual orientation

The 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 LGBTQI+ 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 the 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 LGBTQI+ Business and Rights Forum.

In June 2023, the pride Month, the Group has organized a global photo contest to invite employees to show their support to the LGBTQI+ community. Each picture meant to make a donation of 100 euros. Many employees have participated, and the owner of the winning picture has been choosing the association, supporting the LGBTQI+ community, to make the donation.

In its inclusion & Diversity roadmap, the Group will continue to focus on sexual orientation.

5) Committed to a more inclusive society

Nexans is committed since 2021 to a program supported by companies, namely *"Le Collectif pour une économie plus inclusive"*.

Creacted in 2018, it is formed by 32 emblematic French companies and employs 1.5m people in France getting together to promote a more inclusive economy and harness the economic power of their companies for social and societal progress. They focus on :

- Promote access to employment to young people, in particular the most vulnerable populations.
- Establish mechanisms to help individuals in precarious situations
- Development of inclusive procurement policies.

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 its 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 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.

In 2022 the Group and the trade unions unanimously signed 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.

TRAINING

Nexans, with the WiN network, develops training on I&D topics for all employees: one is related to unconscious bias,and how to mitigate them as beingng consicous of these biaises, all along the employee life.

A specialized training program has also been developed to promote inclusive recruitment practices. The first cohort, comprising 10 individuals, commenced in September 2023. These participants have been trained to become instructors themselves, with the aim of enhancing awareness about inclusive biases and offering strategies to mitigate them.

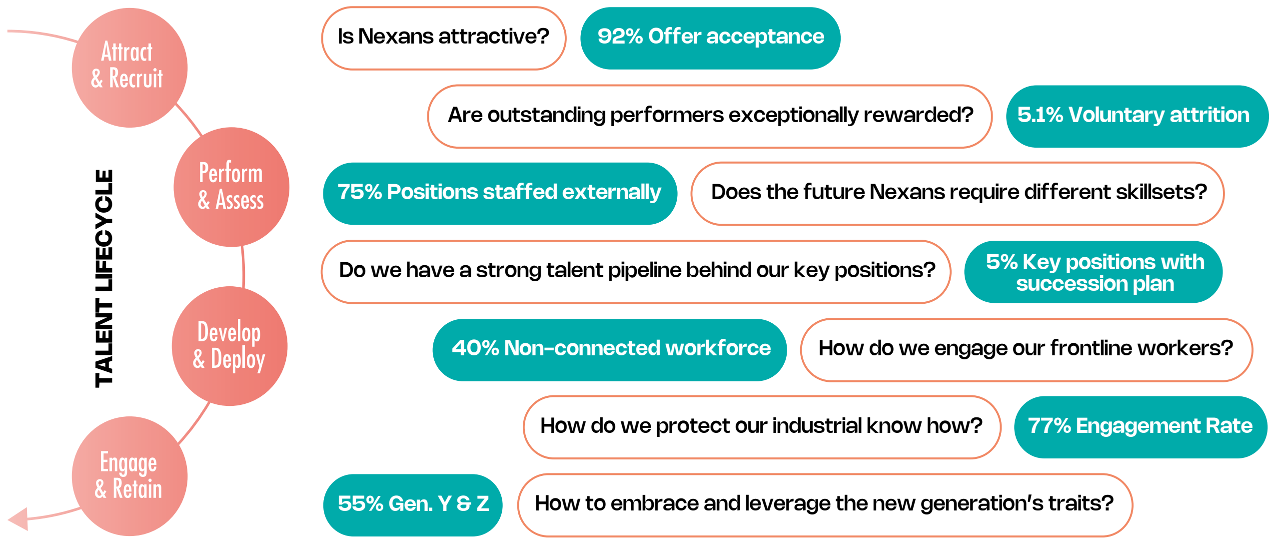
During the annual Compliance week, a focus is regularly put on inclusion and Diversity: in 2023, this was the opportunity to release the new Group Inclusion & Diversity policy, while increasing its understanding and appropriation by employees following the Compliance week.

3.3.2.5 Talent acquisition: attracting the right capabilities for the future

GROUP TALENT ACQUISITION POLICY

Talent is the second pillar of Nexans People Strategy, referring to Nexans' collective capabilities. The ongoing strategy of Nexans hinges on our ability to attract, nurture, and retain top talent.The Group is committed to fostering an environment that empowers its workforce to take charge of their career development. By providing opportunities for learning, professional growth, and internal career mobility, Nexans is laying the groundwork for the Nexans of the future.

A particular loop exists to follow the main KPIS at all the steps of the talent life cycle:



Talent Acquisition at Nexans is dedicated to establishing and executing a strategic approach to sourcing talent, with a strong emphasis on enhancing Nexans' distinctive employer brand. To achieve this, the Group concentrates on:

- Strategic talent sourcing: proactively identifying and securing vital skills and competencies essential for the Group's growth.
- Efficiency in recruitment: streamlining the recruitment process to minimize the duration from identification to hiring.
- Internship and VIE utilization: capitalizing on internships and Volontariat International en Entreprise (VIE) programs as valuable talent pipelines.
- Employee Referral Empowerment: encouraging employees to participate in talent attraction through a robust referral program.
- Inclusive Hiring Practices: committing to diversity and inclusivity in our recruitment to broaden the spectrum of talent (see 3.3.2.4)
- Women's recruitment: actively working to increase the recruitment of women, supporting gender diversity in our workforce.

The group pursuit of talent acquisition excellence is multifaceted, focusing not only on becoming an appealing choice for potential candidates but also on innovative sourcing strategies and fostering an inclusive culture that resonates with a diverse pool of talent.

In 2023, the Group hired 8,458 people (*vs* 8,067 in 2022).

61% of the hired employees were under 30 (*versus* 59% in 2022), 24% were between 31 and 40, 11% were between 41 and 50 and 4% were over 50.

EMPLOYER BRAND AND SOCIAL MEDIA

Throughout 2023, Nexans has laid the groundwork for a comprehensive internal rollout of the Employer Value Proposition (EVP), strategically scheduled for the end of the fourth quarter. This internal launch is set to be complemented by an external introduction in the first quarter of 2024, marking a new chapter in the employer branding journey.

Further bolstering commitment to this initiative, a dedicated position of Head of Global Employer Brand and Education Partnerships has been created. This role is pivotal in enhancing Group's engagement with prospective talent and educational entities, reflecting the active role in the energy transition.

The use of social media continues to be an integral facet of the employer branding strategy, allowing to connect meaningfully with talent pools and accentuate Nexans' unique position as an employer of choice at the forefront of industry innovation. Launched in 2023, the EVP is closely aligned with Nexans' Global Brand Strategy and aims to bolster the company's global standing as an attractive employer.

PRE-RECRUITMENT POLICY

Nexans remains steadfast in its strategy to cultivate and retain emerging talent, particularly focusing on nurturing junior managers who have commenced their professional journey through internships or apprenticeships.

In 2023, Nexans' commitment to apprenticeships remained strong, with 232 apprentices gaining valuable, hands-on experience across operations. Demonstrating its conviction in the potential of these individuals, the Group was delighted to offer permanent contracts to 12 members after their apprentices, a move that both rewards their dedication and bolsters the talent pool.

Also, the collaboration with Business France also progressed smoothly, with 30 young European Union nationals engaging in the Volunteering for International Experience (VIE) program within Nexans subsidiaries. This program spans six to twenty-four months and is pivotal in Nexans talent strategy. In a clear endorsement of the program's success, 50% of participants were offered positions [1] within Nexans at the conclusion of their assignments, reflecting Group's commitment to integrating global talent into Nexans workforce. Looking forward to the end of 2024, an ambitious target was set to extend permanent contract offers to 50% of VIE participants at the conclusion of their internships. This goal underlines the dedication to not only fostering global talent but also to strengthening Nexans organizational capabilities with the fresh perspectives and innovative approaches that these young professionals bring.

3.3.2.6 Talent development: retaining people and encouraging a growth mindset through learning and internal mobility

The Talent Development priorities are to retain people and foster a growth mindset by:

- implementing a strong performance process;
- spreading a feedback culture;
- scaling up functions: identifying the key functions impacted by the business transformation and development of a fit for purpose workforce planning (see below section "Scale up the main functions, positions and skills driving the Group's transformation");
- shaping a learning and training organization to prepare managers and employees to take on new challenges and to giving everyone the chance to grow, enabled by digital learning;
- fostering internal mobility;
- using international mobility as a talent development lever.

PERFORMANCE AND DEVELOPMENT PATH

Nexans has designed and implemented a strong talent management processes, "SPID: Succession Planning and Individual Development".

Succession Planning and Individual Development is a companywide managerial process to identify and develop its talents, with common standards, in order to first achieve short term performance and to align resources and competencies for a sustainable growth.

In the long run, build a solid talent pipeline to ensure Nexans leaders are in priority sourced internally, and that Nexans key talents can grow in line with their aspiration. Through SPID, Nexans develops talents aligned with its vision and ambition, having the right talent at the right place, translating its human capital into a competitive advantage and managing human capital risk.

Along the process, Business managers at site, BU and BG level review all graded employees with regards to their performance trend, potential, risk of unexpected loss and impact of loss. These reviews are facilitated by HR managers with talent responsibilities, who challenges to ensure reviews remain fair, objective and in line with Nexans expectations.

As the targets of each campaign may change according to priorities of the period, some basic targets remain the same:

- to identify Key Talents and actions related;
- to identify managers at high risk of loss with high impact and actions to prevent risk and/or reduce impact;

(1) *Half with a permanent contract.*

- to build Succession Plans for Critical Positions and TOPEX; to identify Low Performers and plan actions to improve;
- to identify Key Experts in technical domains, operating functions and support functions;
- to keep focus on female managers to ensure their development and the targeted percentage of women in managerial roles in the organization.

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, POSITIONS AND SKILLS DRIVING THE GROUP'S TRANSFORMATION

Since 2021, to support its ambition to become an electrification pure player that is more customer, innovation and system driven, the Group initiated a large-scale transformation of key functions (incl. Sales & Marketing, Innovation, finance and HR functions).

In order to reach these goals, the Group has developed tailor made approaches to address in a structured way the transformation needed in term of competencies, skills, operating models and development programs in accordance:

- **the Role based approach:** to address shortage job replacement and succession planning management, there is a need of a strong workforce planning methodology to manage this approach in time. It is used with a Vertical prism which assigns employees to fixed roles based on their resume with a complete workforce planning. In that purpose, a graduate program has been designed in 2023 for the industrial function in order to fuel young industrial engineers with a 2 years rotational program, a formal development plan of Skills, successive Rotations across Industrial Departments, pushing a Fast track and intense development, to expose them in different Business & geographies…;
- **the Skill based approach:** adopting skills-based talent management is crucial to overcome skills shortages, suitable for agile, multi-functional and cross-functional organizations or teams, target also to retain high performers. This methodology focuses on horizontal prism, allows employees to gravitate towards roles that better match their abilities & impact, and provides a complete talent assessment & mapping. The Group has implemented in 2023 squad teams in sales and marketing organization, in order to reach the service level agreement in regards to gold/platinum customers. It mixes, to support a platinum account, supply chain, marketing, pricing or customer experience competencies.

In the same purpose for Innovation, a fire safety squad has been implemented and selected, identified and trained to boost Nexans innovation in this segment offer.

In addition in 2023, the finance and HR functions have launched "Assess to develop" programs, in regards to their key positions to foster on the transformation needed for both functions. Further tailored made learning programs will be progressively implemented in 2024 to develop them.

LEARNING & DEVELOPMENT: FROM A KNOW-IT-ALL TO A LEARN-IT-ALL CULTURE, RELYING ON DIGITAL LEARNING

Nexans future success will depend on Group's ability to learn and adapt to constant change. The 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: for example, programs focusing on Climate Change and technical expertise in the "World of Cable" launched in 2023 and continuing through 2024;
- encouraging the development of technical expertise and skills at all levels, through an extensive digital course catalogue available on "MyLearning" platform.

Digital learning is the Group's transformation tool.

The Learning Solutions team capitalizes on the strong digital learning offer by starting to build in 2019 by selecting, designing and offering 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, articles, 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, it has been used by close to 1,100 new employees since its launch,
  - Nexans Business Fundamentals for general management topics,
  - diversity and Inclusion program to raise awareness and voluntary monitoring (2,320 learners from launch to December 31, 2023),
  - a fully digital edition of the Compliance week open to all learners, regardless of their level (7,846 learners in 2023, +5.10 compared to 2022%);
- digital e-Academies grouped by function and built in collaboration with Nexans business experts. Specific examples included blended learning paths for Sales & Marketing and Supply Chain & Purchasing functions;
- 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, show that they have rapidly embraced multiple training formats and have integrated them into their daily routines.

2023 Focus on Digital Learning

MyLearning **8,550 digital learners**

On average, every month, 19% of learners connect to MyLearning

5.11 hours on average per active learner

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 plant managers

Nexans has developed the Plant Manager Development Program (PMDP) to grow current and future plant managers in line with World Class Manufacturing (WCM) standards. This 9-month program blends digital, virtual and face to face trainings on topics ranging from leadership, QHSE, industrial performance and many others. Three cohorts have completed the program, with a fourth starting in 2024.

One consistent voice and vision of management across the Group

In 2023, Nexans launched Leading With Impact, a new revamped version of its global management program.

The main evolutions have been :

- more focus on the role of managers in regards to feedback
- reinforcement of the thematic "how to build a team"
- manager's role in safety , compliance, Inclusion & Diversity and well being

Available in all countries where the Group operates, this program brings together cohorts of new and more experienced managers *via* digital learning and 4 days exploring personal management styles, feedback, team dynamics, change and more. Having a common language and set of expectations for all managers is critical to the Group's overall talent management strategy.

Total investment in training

In 2023, the average training hour per employee is 24 (+25% compared to 2022). The total time devoted to training amounted to 673,844 hours; an increase of +27% compared to 2022 (the total training hours in 2022 was 530,772). 90% of these hours were delivered to non-managers, and the number of training hours per employee trained averaged 32 hours.

The number of employees who followed one or more training courses during the year was 20,802 wich represents 72% of the Group's average headcount (*versus* 27,018 employees trained in 2022). Managers count for 19% of the total employees trained.

In December 31st, 8,550 employees worlwide had access to the MyLearning digital platform (+1.97% compared to 2022) and 2,296 employees have attended the functional academies.

In 2023, 66.8% of the digital learner base took at least one digital training course over the course of the year (compared to 61.8% in 2022), totaling 45,784 hours (compared to 22,661 in 2022) or an average of 5.11 hours per employee "connected" (*versus* 2.7 hours in 2022). 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 2023, training efforts focused on technical skills – core business, which represented 65% of the total training provided. In addition, up to 18% of the total training programs were devoted to safety and 3% to personal development.

INTERNAL MOBILITY STRATEGY TO HELP PEOPLE GROW

In 2023, Nexans has embraced the challenge of an ever-evolving job market with resilience and adaptability. While the objective remains to fill 60% of management positions from within the talented ranks, a 46% internal mobility rate was achieved in 2023. This contribute to the Group's ability to navigate a dynamic and competitive environment, steadfastly maintaining a focus on internal career development. Nexans continues to invest in its employees and refine strategies to enhance internal mobility, reaffirming its commitment to the long-term growth and success of its people.

In 2023, Nexans made significant strides in reinforcing its internal mobility framework. Through a comprehensive internal mobility policy and a robust communication strategy aimed at employees and team managers, a deeper understanding and engagement in mobility opportunities has been developed. This led to a substantial portion of key management roles being filled internally across various domains, from technical and production to support functions.

Building on this momentum, numerous initiatives have been launched in 2023 that have yielded positive results in promoting internal mobility. With over 200 participants engaging in the Global Internal Mobility webinars and presentations, and a thriving community of 3,600+ members on the internal "MyNexStep" Social Media Page, a vibrant exchange of ideas and experiences has been seen. The launch of a new Internal Mobility SharePoint replaced the outdated intranet section, enhancing access to information and support for career transitions within Nexans. These efforts were further bolstered by the continuous development and use of the Employee Profile and MyLearning platforms, which have played a pivotal role in facilitating career development discussions and encouraging proactive career management.

This year the Group has identified strengths such as existing internal openings, a strong internal talent pool, and an international working environment. Opportunities were seen in the market expansion and a strong desire among employees for career growth, coupled with support from senior management. These factors, alongside the learning and development digital platform, have positioned the Group to leverage internal capabilities and continue its trajectory towards a robust internal mobility culture in 2024.

INTERNATIONAL MOBILITY

At end-2023, 39 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 concerning Industrial Operations, accounting for 56% of expatriates in 2023, followed by Management with 21%, Finance with 13% and Sales and Marketing with 10%.

The average length of service for expatriates in the Group is 13 years.

3.3.2.7 Compensation & benefits: rewarding outstanding performance, fostering engagement

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 by offering attractive, equitable rewarding, and caring of people with suitable benefits programs and adequate employees share ownership.

COMPENSATION POLICY

The Group's compensation policy is driven by the three pillars of the people strategy : Culture, Talent, and Impact.

It aims at

- offering attractive, equitable and compelling compensation and benefits offer to attract, engage, grow and care of Nexans talents;
- rewarding individual and collective outstanding performance through the Nexans E3 (Economic, Environment, Engagement) performance management model
- being aligned with the electrification strategy of the Group.

Through harmonized compensation processes and structure, Nexans ensures that local compensation decisions observe Group compensation principles and comply with local regulations and collective labor agreements.

Nexans offers fair and competitive compensation packages for managers underpinned by a global and robust job classification and an annual review of Nexans salary scales and employees' positioning to ensure alignment with market practices.

Salaries are subject to an annual review, within a global and harmonized process, considering the Group economic performance, local market practices and economic environment and regulations (collective bargaining, collective agreements, etc.) of each country where the Group operates.

Salaries are reviewed within a global and harmonized salary review process to ensure alignment of country actions with Group guidelines. Individual salary raises are based on each employee's compensation positioning, individual performance, potential and demonstrated skills within a determined budget per country. Nexans also pays a specific attention to Gender parity to provide equitable treatment in proposed and applied salary raises across the Group.

Compensation structure for managers is made of a fixed salary and a variable component in which the Nexans E3 (Economic, Engagement, Environment) performance model is fully embedded. Nexans managers are collectively incentivized on the three Es to roll-out the Group performance model and make adequate decisions.

In addition, Nexans's long-term compensation policy aligns and engages on a long-term period its Group key managers and experts with the Group long-term strategy and value creation.

- Senior managers are awarded Performance shares. Vesting is contingent on the Group's achievement of three years performance conditions including the share relative performance, the Group economic performance, and the Group CSR scorecard that is fully aligned with Nexans E3 performance model; and a satisfaction of a four year presence condition.
- High-potential talents, key experts or managers with an exceptional contribution are awarded free shares giving them a stake in the Group's future performance and reinforce their long term engagement and contribution in the execution of the Group long term strategic objectives.

EMPLOYEE BENEFITS

Health and wellbeing are part of the Nexans' priority HR priority. Employee benefits are then an essential compensation component of the Group's compensation system. The Group offers social protection and various benefits in compliance with local regulations and practices. In addition to the compulsory benefits, the Group provides, depending on the country, supplementary healthcare and provident cover, notably covering death, incapacity and disability as well as saving plans.

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

Associating employees the long term value creation of the Nexans is firmly rooted in the Group culture. 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. In 2023, employees and former employees represent 3.62% of Nexans capital.

Nexans regularly launches worldwide shareholding plan, "Act", covering worldwide employees in 25 countries and ambitions to continue to strongly associate employee interests with the Company long-term strategy.

In addition, the Company savings plan allow to employees in France to reinforce their participation in Nexans shareholding by investing in Company fund, "Actionnariat Nexans". Each individual investment is completed by French Nexans companies matching contributions.

3.3.2.8 Social dialogue, the source of Nexans' collective resilience

GROUP POLICIES

By adhering 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- 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.

A STRONG AND PROACTIVE SOCIAL DIALOGUE

In 2023, Nexans continues to have an active social dialogue and collective bargaining around the world.

The agreements signed during the year covered 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.)

Here are some examples of what means social dialogue locally:

Norway

In Norway, collective agreements apply to all employees. There is good dialogue with all unions, and salary negotiations have been carried out within this good dialogue. In addition to the collective agreements, local agreements are also signed with the unions.

Monthly meetings are carried out with union representatives, HR country manager and local management. The benefit is a low conflict level and better opportunity to implement change processes. In general, a good cooperative climate which means problems can be solved early and in a sensible way.

End of 2023, the election process of representatives to the Board of Directors of Nexans Norway has started. The election is expected to be finished end of January 2024.

Belgium

In October 2023, an agreement to pay a purchasing premium to employees was signed. This was decided at sectorial level, and later signed and implemented at company level. It helps employees in their daily life by providing better purchasing power through vouchers that can be used in shops, supermarkets, etc.

Furthermore, mid-December 2023 the process of social elections to the work council started. The process will last until May 2024. Through the social elections new employee representatives for the work council are identified and elected. The Company finds it important to train managers in social dialogue and to prepare managers around the process, trainings were conducted by local HR.

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 throughout 2023.

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.).

In addition, two main topics stands out in 2023 for France:

- Nexans employees are linked to the metallurgy sector. End 2022, a new collective agreement was signed regarding job descriptions obliging Nexans to redescribe all job descriptions of employees that belong to the agreement. While job descriptions earlier were linked to individual employees, they will now be linked to positions. The work done on this is important to this ensures compliance to the regulations and the rules of the sector;

- also France has elected employee representatives to the work council (CSE). The election was held in two rounds in November and December 2023. Employees voted for who to represent them in the work council. Election is finished and results communicated to employees. The elections to the work councils, in both France and Belgium, are important to reinforce dialogue between employees and the Company. The representatives are elected for four years and this ensures a democratic process and that the right people represents staff at all times.

Andeans (Chile – Peru – Colombia)

In February 2023, agreement was reached with the most representative union of the industry (SINTRAIME) and collective agreements were signed with each of the 4 Colombian legal entities; called 'Unidad de Empresa" they consider the progressive extension of benefits. Nexans has won the RH&M Group Social Dialogue Trophy. The 'Nexans electrifies Social Dialogue' trophy rewards the "Unidad de empresa" agreement inspired by the French model of the Collective Performance Agreement and concluded in Colombia, 8 months after the acquisition of Centelsa, Nexans main Colombian competitor.

In the same line, the collective agreement recently closed with the union in Indeco – Peru, reinforces and consolidates Nexans' position regarding social dialogue. Together, a common purpose has been defined: the well-being of the personnel, their safety first, the commitment to the environment and consequently the sustainability of the Company.

The strategy has focused on generating trust and reinforce communication. To this end, 3 objectives were defined: the correct implementation of collective agreements, especially in entities that had not had a collective agreement before as CDC and Alcatek; the improvement in the relationship between union leaders and front-line leaders, for which workshops and team buildings between the parties have been organized; and, maintain permanent communication and meet at the request of both parties, in this way, timely attention to situations that may arise is provided. As a result of the above, any social conflict has been faced during the year in all 6 legal entities.

Ghana

The Unions play a crucial role in Nexans Ghana and provide a structured channel of communication between management and employees to foster a more transparent and communicative workplace. In particular, 2023 annual negotiations were successfully completed with both unions in a period of high inflation.

Nexans Ghana also had the opportunity to partner with ILO Ghana by participating in one of their organized trainings – SCORE program. The benefit of this is for employees to have a practical coaching and training to improve productivity, working conditions for employees and health & safety at work by involving local and national union representatives.

China

4 meetings were held with a total of 30 employees' representatives, in two locations (Suzhou and Shanghai) to negotiate change of working hours, as well as wage increases.

Social partners are also fully involved in different projects and events such as Safety awareness, absenteeism action plan…

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.

In 2023, the NEWCO was particularly involved into the strategic roadmap "Electrify the Future" deployment through the business portfolio rotation and M&A activities.

in addition to the two semestrial ordinary meetings, four dedicated meetings have been organized to inform and consult the European Work Council about the divestment of Telecom Systems Business Unit to Syntagma in order to exchange about the project and its social consequences. Also, through the integration of REKA Cables as a new Nexans subsidiary in Finland, two new NEWCO members have been integrated to represent employees working in Finland.

Now, 14 employee representatives (and 14 substitutes) are at the Newco coming from 10 countries of the European Union.

3.3.3 People in Nexans' value chain

3.3.3.1 Description of risks and opportunities

Nexans' supply chain is stretching from raw material suppliers (involved in mineral extraction) to manufacturing processes. This supply chain presents risks concerning the treatment of workers mainly in certain segments like mining activities.

Key risks include i) potential human rights violations, particularly in regions where mineral extraction is known for labor abuses, and ii) lack of fair labor practices in some specific geographical areas.

Conversely, there are opportunities for positive impact. By enforcing stringent labor standards and ethical sourcing principles, we can ensure the wellbeing of workers throughout our supply chain. This commitment can drive improvements in working conditions, particularly in mining areas, fostering a more sustainable and responsible supply chain. Additionally, these practices lead to long-term partnerships with suppliers who share our values in sustainable development.

To mitigate these risks, Nexans builds a duty of care plan for its suppliers, and pays specific attention to the respect of Human Rights.

3.3.3.2 Duty of care plan for suppliers

The duty of care for supplies relies on a system of CSR risks management including multiple elements and actions.

DIALOGUE WITH SUPPLIERS

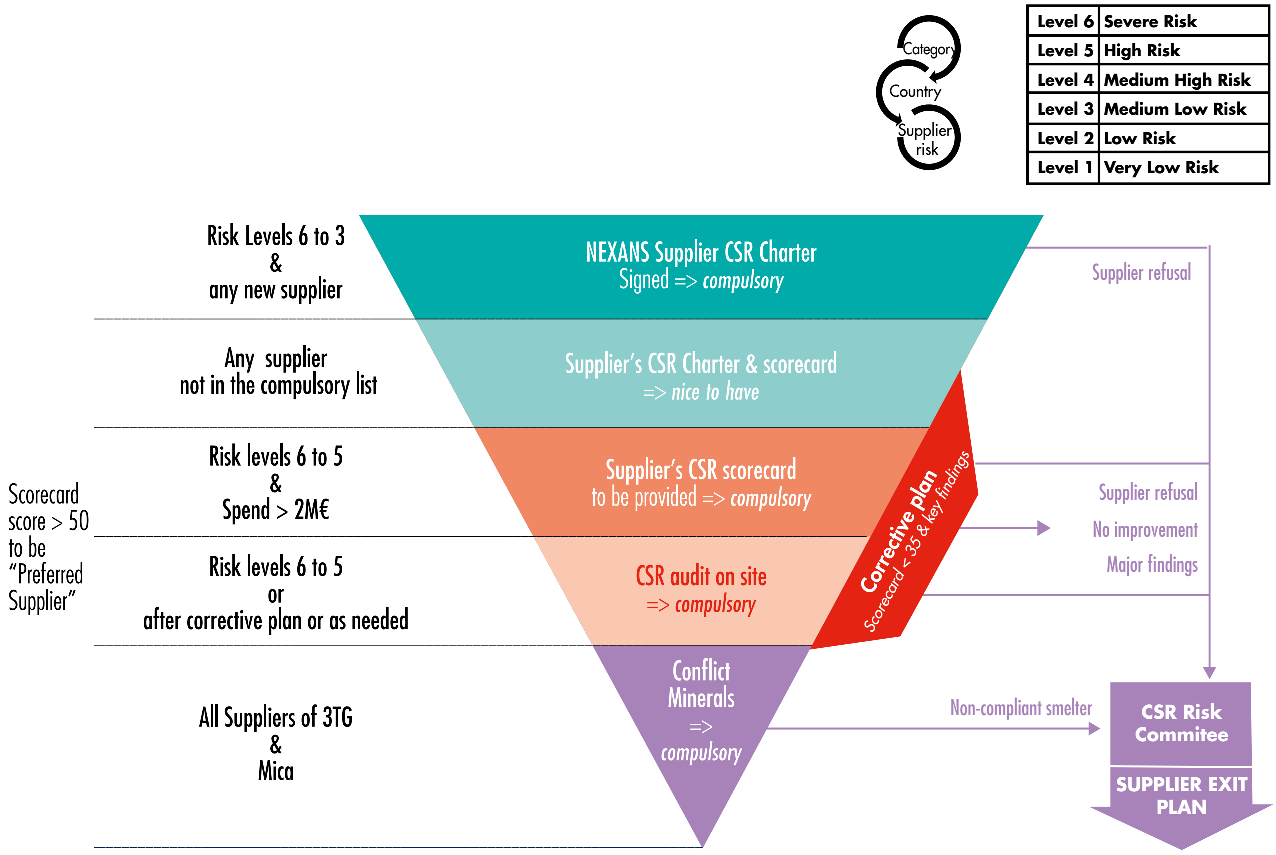
The Suppliers' Day organized on a yearly basis and described in the paraph above "Working with suppliers", is the opportunity to push compliance and duty of care in the supply chain. It includes environmental items as mentioned above as well as social and Ethics.

DUTY OF CARE PLAN

Going further, as explained in paragraph 3.1.7 "Duty of care", the duty of care action plan relies on suppliers CSR risks assessment using the EcoVadis methodology. Crossing businesses and countries, a risk gradient from 1 to 6, with 1 being "very low" and 6 being "severe", is calculated.

Requirements from suppliers results of the level of risk as shown below.

Nexans supplier CSR duty of care plan



NEXANS' CSR SUPPLIERS CHARTER

Nexans has rolled out a Supplier CSR Charter including human rights and labor standards, environment, ethics and business conduct respect. More broadly, the Charter refers to international guidelines given by OECD, United Nations Global Compact and International Labor Standards.

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 and promote them in the entire supply chain.

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, reporting, copy storage, escalation) to get Nexans Supplier CSR Charter signed. If a supplier decides not to sign Nexans Supplier CSR Charter, he must have its own Code of Conduct respecting the same principles.

By the end of 2023, about 80% of the spend is covered by either a signed Nexans Supplier CSR Charter or an equivalent supplier's code of conduct.

CSR SCORECARDS REQUIREMENT

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 French anti-corruption legislation, and under the Duty of Care law. EcoVadis 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. Purchasers took over the whole process, starting with the most critical ones in terms of CSR risk.

The process covers training Nexans purchasers on CSR issues and annual targets.

Nexans considers that a score of less than 35 is unacceptable and EcoVadis provides the items to be improved. Suppliers have to implement a corrective action plan.

As of the end of 2023, Nexans has collected CSR assessments from 593 suppliers, with a score of 35/100 or higher and covering about 60% of total purchases made in 2023. The average score of EcoVadis CSR scorecards was 56/100 in 2023.

Nexans may take into account some well-known ESG ratings for assessing the ESG performance of its suppliers.

CHECK ON SITE: ON-SITE CSR AUDIT

According to its CSR supplier policy, Nexans requests external audits for suppliers with a low rating, insufficient ESG information, or a high risk level. CSR Audits were performed by an independent, internationally recognized audit firm. In 2023, Nexans conducted 15 on-site CSR audits at suppliers classified with a CSR risk rating of 5 or 6.

Depending on the findings of these audits, a corrective action plan is requested, or the situation is presented at the CSR Risks Committee to consider possible supplier cancellation.

CSR CORRECTIVE ACTIONS

Nexans 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 2023, 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. 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 2023, corrective action plans were requested with the 31 suppliers who had a scorecard's score of less than 35/100.

Confirmed risks are reviewed during the monthly Risk Committee meeting to consider additional measures, which may extend to terminating relationships with the supplier.

CONFLICT-AFFECTED AND HIGH-RISK MINERALS DUE DILIGENCE

The main risks identified to date involve purchases of Tin and Mica.

Regarding the four minerals covered by regulations (gold, tin, tungsten and tantalum), Nexans only purchases tin for its cables from qualified suppliers. Nexans is concerned also by the risk of sourcing Mica in areas allowing childhood labor.

The Group follows OECD guidance on minerals from conflict-affected and high-risk areas.

For these issues, Nexans implements preventive measures using the methodology and tools of the Responsible Minerals Initiative (RMI) or requires additional certificate or label.

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 a CMRT be missing, complementary documents will be requested from the supplier to ensure its compliance to the OECD principles.

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.

RMI has also implemented an Extended Minerals Reporting Template (EMRT) for Mica due diligence, freely inspired from the CMRT (Conflict Minerals Request Template). The Mica tape suppliers were requested to fill in this template listing their suppliers' country up to/including the Mica mines.

The Extended Minerals Reporting Template (EMRT) was formally launched in 2020 to identify pinch points and collect due diligence information. The EMRT facilitates the exchange of information through the supply chain regarding mineral country of origin. The EMRT also facilitates the identification of refiners and processors. 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.

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.

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;
- suppliers who refuse to provide information on their supply chain or refuse to provide CSR scorecard or refuse the audit requested by Nexans.

The Committee is composed of the Group's Vice President for Purchasing, Head of Sustainable Purchasing, the Head of Risk and the Compliance Officer and Chiefs Purchasing Officer from the Business Group.

3.3.3.3 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. Nexans' 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; a specific chapter is dedicated to the Group's **Human Rights Charter**.

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:

- promotion of the Human Rights Charter during the annual Compliance week and included into the "Quick Start in Nexans" induction program. See 3.4.2 section, on leveraging an ethical culture at Nexans;
- points added specifically to check compliance with human rights during social and internal audits;
- a pilot has been launched on Human rights self-assessment within one of the Business Groups, with the objective to strengthen the Internal Control approach to have a better protection against the risks Nexans is exposed to and to build a mitigation action plan in case of any deviation.

Nexans business partners are also expected to comply with 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 3.1.7 "Duty of care" and 3.3.3.2. "Duty of care plan for suppliers").

The CSR Charter provides detailed expectations on these matters.

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.

3.3.4 Engagement for communities

3.3.4.1 Stakes

When conducting its business, Nexans is engaged in in integrating stakes of its local communities., in a long term perspective. This participates to Group's reputation, locally and globally.

This is mainly enabled by

- the Nexans Foundation, which purpose is to build solidarity with its ecosystem
- some local initiatives and partnerships with NGOs, universities….

3.3.4.2 The Fondation Nexans: solidarity throught sustainable electrical power

In the last 10 years, the Fondation Nexans acts and serves in the general interest of society aiming 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 FONDATION NEXANS 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), which advocates universal energy access by 2030.

Energy not only provides access to light, but it also enables the achievement of many other Sustainable Development Goals, from helping to alleviate poverty by supporting businesses and supporting access to education and information, healthcare, clean water, food security, women empowering, and advancing climate action. These are ways of transforming living conditions, economic development, and respect for the environment.

Today, IEA (International Energy Agency) estimates that in 2023 the number of people around the world without access to electricity reach 760 million people [(1)]. In Sub-Saharan Africa, which accounts for 80% of people lacking electricity access, the number of people without electricity reaches 600 million.

Also, IEA estimates that, in 2023 2.3 billion people lack access to clean cooking [(2)].

FONDATION NEXANS GOVERNANCE

The governance 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 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 June 2023, the Board of Directors decided to provide multi-year funding for the grant of the Fondation Nexans.

2023: 10 YEARS OF EXISTENCE!

Since its creation in 2013 the Fondation Nexans has supported 158 projects in 38 countries in partnership with 71 organizations since it was created. These projects have brought, or plan to bring, sustainable electrical power to over 2,670,000 people.

For the past 10 years, the Fondation Nexans has been committed to ensuring transparency and fairness in its selection process, promoting diversity in the projects supported and supporting NGOs in the implementation of their projects.

In 2023, the Fondation Nexans continued to evolve and innovate by implementing a more structured and selective call for projects process, a proposal generation approach with NGOs and a more flexible and qualitative project selection process.

These changes have made it possible to limit the overall number of projects received, reduce the number of projects rejected, rebalance the foundation's territorial coverage, strengthen long-term partnerships with associations and increase the quality of projects.

REBALANCING TERRITORIAL COVERAGE

While for the past 10 years, most projects supported by the Fondation Nexans have been in sub-Saharan Africa, 2023 saw a rebalancing of the foundation's territorial coverage, with 49% of the 13 projects selected being in South America and 49% in sub-Saharan Africa and North Africa, in countries where the Nexans Group has a presence.

COMMITTED SITES AND EMPLOYEES

For the past 10 years, special attention has been paid to the involvement of sites and employees in projects supported by the Fondation Nexans.

In 2023, the involvement of employees and sites has continued to grow. 100% of the projects have a sponsor from Nexans and 80% of the projects selected actively involve contributions from Nexans' employees

In Morocco, Nexans organized a visit by electrical students from the training centre run by the IECD, for an awareness-raising session on climate change, and a visit to the plant's recycling unit.

In Brazil, Chile and Peru, employee volunteers set to work with local communities to install solar streetlamps.

Nexans Morocco and SIRMEL team met and listened to the courageous and combative women that SOSVE supports as part of their family strengthening program.

(1) *IEA Electricity Market Report 2023*
(2) *IEA "a vision for clean access for all" July 2023*

For the celebration of the foundation's 10th anniversary, more than 800 employees took part in events organized in Nexans headquarters, Lebanon, Morocco, the Republic of Côte d'Ivoire, Peru, Chile, and Colombia.

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

3.3.4.3 Regional and social initiatives

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

GLOBAL EVENTS

Nexans represented by its CEO, Christopher Guerin has participated to the Climate Week in New York City from the 17th to 24th September. Unfortunately, due to the natural disasters in Morocco in September 2023, the fourth Nexans Climate Day has been postponed. The next one will take place in September 2024. This will be 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 October 2023, the Group has organized a Supplier Day, gathering main suppliers of the Group, spotlighting Nexans' low-carbon offerings thanks to the cooperation with suppliers. It also the way to introduce Nexans new suppliers' scoring system based on the E3 performance model.
In 2023, in partnership with HP Recycling, Nexans' Mera Infra Team is aligning with its global Corporate Social Responsibility commitment by initiating a project to donate legacy technology, including PCs, laptops, and displays. The goal is to have a meaningful impact on reducing the digital divide and enhancing educational opportunities in underserved communities.

VARIOUS COLLABORATIONS IN LEBANON

Solar academy

In alignment with the Group carbon neutrality initiatives, Nexans Lebanon has launched in collaboration with IECD and the Ministry of Industry a professional training center for educating professionals on the installation of solar panels.

Throughout 2023, 8 theoretical and practical training sessions were organized across the country leading to the graduation of 130 highly skilled professional electricians in Solar Panel installation.

Electrification, Innovation, Sustainability and Security are the key pillars of this well-known program among the professional electricians.

Women training

Nexans Lebanon has launched an initiative in coordination with IECD in order to identify, train and onboard female candidates and prepare them in order to enter the shopfloor.

The training program consists on a customized content (theoretical and practical) organized and performed directly in the shopfloor with the trainees.

The successful trainees will be the first candidates.

Schools

Nexans Lebanon is also promoting and acting towards a learning and development mindset across the organization.

Several scholarships are granted for Nexans team members in order to enhance and develop their technical skills.

Internship programs are organized as well for CNAM students at Nexans Lebanon premises in order to support the students through their academic journey and promote Nexans Lebanon as a top employer.

COMMUNITY INVOLVEMENT

A series of initiatives are set to improve Nexans' involvement with communities:

Morocco

- Partnership with universities specialized on business topics such as innovation, digitalization, circular economy. That allows Nexans' employees to visit and see last evolutions and studies on these topics.
- "SOS Village d'Enfants" partnership: building of Eco Culture space entirely with recycle wood from the Touret Workshop, with involvement of employees from various departments.
- Education support with IECD association: train young student from disadvantaged social environment on electricity and safety.
- Innovation University (allowing employees to visit and learn around digitalization and innovation).

Brasil

In Brazil, 20 employees volunteered to bring light to others, joining the NGO "Litro de Luz" in an electrification project supported by the Fondation Nexans to illuminate Bongaba, a Quilombola community close to the working plant.

After a training session, employees put hands-on together and were able to bring solar solutions to light up the streets of the community: 30 poles were installed, positively impacting around 460 residents from 115 families.

This strengthened Nexans Brazil's employees relation to the community, founding it rewarding to be part of the action and being able to provide, from the lighting, more safety and comfort to residents.

Norway

In Nexans Norway, all Nexans plants offer apprenticeship programs. The apprenticeship programs are a part of the Norwegian public education system. After approx. two years of vocational education in an upper secondary school, the students get 1,5-2 years of apprenticeship training in a training enterprise. Through the apprenticeship they get both training and the opportunity to work practically within their vocational field, followed by the journeyman's apprenticeship test. To become a training enterprise is voluntary, but is seen as an important social responsibility to ensure youth get a good education.

In 2023, Nexans in Norway has offered a job training program to Ukrainian refugees, but also others that have the need for facilitated work or to test their ability to work. In February, Nexans participated in a welcoming event for Ukrainian refugees in the Saltdal municipality, offering support to ease the integration into Norwegian work life.Liban Cables

In 2023, Rognan plant also offered summer internships to master students through the "Green summer jobs" program in cooperation with Saltdal municipality two other Norwegian companies. Nexans Rognan also took part in "The techno week" in August every year, offering technology experiences to 15-16 years olds in the area. This is another cooperation with the municipality. The participants are part of a learning program with mentors from Nexans and another Norwegian company and get to test themselves building a miniature solar or water powered plant.

A cooperation exists also with the Norwegian university NTNU of practical knowledge transfer within the high voltage field.

USA

In Charleston, Nexans participated in the Cooper River Bridge Run sponsorships and formed an employee team to raise money to support healthy initiatives in the community. In December 2023, the site also collected toys for the military to distribute to under-privileged kids in the local area. The site is also sponsoring a minor league baseball team.

SPONSORSHIP TO SUPPORT SUSTAINABLE AND RESPONSIBLE ENERGY CONSUMPTION

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:

- since 2021, the Group has been sponsoring the skipper Fabrice Amedeo, who has been training and taking part in the most prestigious races aboard his IMOCA. Thanks to oceanographic sensors, the skipper collects water samples and makes them available to the international scientific community, in order to determine 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 and Lebanon have dedicated training centers to educate electricians and installers about electrical installations. As an example, Nexans Liban Cables partners with local NGOs to empower young people facing challenges in education and professional integration, by training more than 100 technicians from all over Lebanon ;
- 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 2023, What's Watt had over 4,300 subscribers, primarily in the 18-34 age range, and each episode averaged more than 7,700 views.

OTHER CHARITY INITIATIVES ESPECIALLY DURING CRISIS

The Group is also responsive to the various crisis in the world, supporting urgent electrification, as different actions have been put in place in the past years, to financially support shipment of electrical furniture (Slovakia and Madagascar in 2022), and this year to provide assistance to the disaster regions in Turkey in February 2023:

At February 6, in Turkey there was a very devastating earthquake which affected 10 cities. The first day of the earthquake, Nexans Turkye has mobilized their support for earthquake victims in the region. Considering the magnitude of the disaster, the number of aid channels, and the supply and logistics problems seen, Nexans Turkey had to make meticulous evaluations to provide assistance to the disaster regions at the right time and in the right way, and started donation campaigns for the basic needs.

They had collaborated with the NGOs and government. They bought container houses, along with all the items and generators purchased to be used in the containers, were sent to Gaziantep and Hatay under the coordination of AFAD. In addition, Nexans turkey helped as much as could for the cable needs of the region. The Red Crescent is supported with a blood donation organization.

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.

in France, a partnership has been put in place with "La Chorba", an association fighting hunger and distributing hot meals to the underprivileged; 20 employees from Nexans Headquarter in Paris have participated, to help distributing hot meals to refugees and migrants, homeless people.

3.3.5 A frequent and high quality dialogue with its other stakeholders

3.3.5.1 Stakes

As part of a global ecosystem, Nexans is to consider the different expectations of all its stakeholders. To do so, the Group is encouraging frequent, proactive and high-quality dialogue with them.

It allows to keep Nexans' competitive advantage, to increase customers' satisfaction, loyalty and trust while improving the Group's brand reputation.

3.3.5.2 Examples of dialogue with various 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
Non-financial rating agencies	Response to rating questionnaires Individual meetings ESG events	ESG, Finance
Financial community	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
Sphere of influence	National & Regional Cable Associations Professional Organizaton (focusing on CSR / Sustainability) PEPecopassport® program	
Membership in responsible organizations	Copper Mark Aluminium Forward 2030	Purchasing
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, interns, PhD	Innovation, Services & Growth

CUSTOMERS

Customer relations remains a priority CSR ambition.

Meetings with customers continued in 2023, 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, commitments to reduce greenhouse gas emissions, and to align strategies and ambitions.

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.

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 2023, the Executive Management and Investor Relations team met with aroud 600 investors during non-deal roadshows, conferences and a number of individual meetings in Europe and North America. These meetings offer the opportunity to talk with investors about the Group's strategy, performance, transformation and sustainability roadmap.

In 2023, Nexans has received top-rankings including Capital Goods Small & Midcap #3 Best CEO, #2 Best CFO, and #2 Best ESG program 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 promoting sustainability 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 announced that on July 22, 2021, it joined Copper Mark^{TM}, 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. In September 2023, Nexans' metallurgy facilities in Montreal (Canada) and Lens (France) have been awarded The Copper Mark^{TM}.

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^{TM} members reinforces Nexans' overall commitment to the UN's Sustainable Development Goals.

The other main non-ferrous metal used in cable manufacturing is aluminum rod (around 74,000 tonnes in 2023). In 2023, Nexans launched with Trimet the first innovative aluminum rod in Europe, incorporating 10% of recycled Aluminum. Nexans was able to recycle 335 Tons of aluminium cable scrap in a process that consumes a fraction of the energy needed to produce primary aluminum. This recycled aluminum rod supplied by Trimet, was used by Nexans to produce new power cables.

Finally, in 2023 Nexans is part of the newly launched Aluminium Forward 2030 coalition by the International Aluminium Institute (IAI). Comprising 25 production members and 20 downstream companies, the coalition is dedicated to transforming the aluminium sector and accelerating progress towards net-zero emissions. With a focus on a comprehensive approach to sustainability, the initiative aligns with UN Sustainable Development Goals. Nexans emphasizes the use of low-carbon aluminium in manufacturing and contributes to environmental preservation through cable waste recovery solutions.

TECHNICAL AND RESEARCH CENTERS

Convinced that climate, biodiversity and resources challenges cannot be addressed in silos, Nexans engages in different collaboration with suppliers, university and other stakeholders to accelerate sustainable innovation (see section 3.2.2, 3.2.6, 3.2.6.2 and 3.2.5)

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 ethic 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

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 rules and values with which Group, its employees and its external stakeholders are required to comply with when conducting business.

This set of rules cover notably anti-bribery and corruption, competition law, human rights, internal trade sanctions, export controls, money laundering and personal data protection matters.

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

Most of Group Management Procedures mirror Nexans Code of Ethics and Business Conduct and address specifically processes to mitigate the risk associated to compliance issues in a decentralized model.

That is why every year, 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 online compliance trainings.

All new joiners receive a copy of the Code of Ethics and Business Conduct and are also asked to pledge to apply it. Upon arrival, they are assigned to the compliance e-learnings to ensure their full understanding of how Nexans embed its ethical principles **in day-to-day operations**.

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 cascading the Compliance Program of Nexans and ensures its continuous improvement through feedback on internal processes application. 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 regular communciations co-signed with Legal Heads, and also personal communication, notably during the annual Compliance Week.

In 2023, compliance notice have been issued on risks related to gifts and hospitaliities, anti-bribery and corruption, antitrust, or internal alert system.

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 policies, guidelines and processes to prevent, detect and respond to any compliance risk 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. 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, conflicts of interest, competition law, export controls, management of third parties, trade sanctions and personal data protection.

Under each of its three pillars, the Program is set to provide to each of the Group' 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 and processes by email, video screens at sites, posters or on the Group's intranet.

To ensure everyone complies with the above stated commitments and adheres to its culture, Nexans has set up an internal alert system to respond to any reported misconduct.Any employee witnessing or being confronted to a deviation to the Code of Ethics and Business Conduct should feel empowered to speak up.

In 2023, over seventy alerts were raised on allegations going from conflict of interests to allegations of fraud.

Dedicated system to evaluate third-party qualification

As 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 its own.

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

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.

The annual planning of the Business Groups must ensure high exposure employees (*e.g.* sales and purchasing teams, finance teams) are constantly made aware and reminded of Group's compliance requirements, through dedicated face-to-face trainings.

High accountability and involvement from operating departments

The Compliance Program is a risk-based program to be cascaded in 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 Group Compliance Officer monitor the completeness of the various elements of the program based on the reporting provided by the Business Groups. Internal audit supports the assessment of the correct implementation of the Program through its planning during regular audits of the business.

The continuous improvement of the Group Program itself is monitored also by mean of a regular audit.

In addition, to date, there is no litigation or condemnation linked to infringement of anti-bribery and corruption regulations.

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 phone application, a toll-free line available 24/7 or through the Line Management, Human Resources or any member of the Compliance team.

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, roundtables, 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 non-negotiable principles for Nexans: fairness, anonymity, confidentiality, fact finding and no retaliation.

Investigations may, depending on the situation, lead to corrective action and/or disciplinary measures which are applied thanks to a remediation matrix applicable throurough the Group. Besides, Nexans has a zero tolerance approach for retaliation in participating in an internal investigation.

The Group Compliance Officer is in charge of the governance of internal investigations and reports directly to the 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 2023, more than seventy cases were reported through the online whistleblowing system. This figure does 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 Compliance Officer and the Company Secretary, including:

- the Group Compliance Officer, who is responsible for designing the program and supporting its rollout;
- the Data Protection Officer;
- 11 in-house lawyers and compliance professionals throughout the Group;
- other key functions representatives;
- a network of employees with a specific interest for compliance matters, who are regularly informed of the progress of the deployment of the annual actions related to the Program.

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 2023

The following actions were taken in 2023:

- an annual "Compliance Week", dedicated to raise awareness on compliance matters and uphold competencies of employees, has been conducted during the month of September and across all businesses. The Compliance Week program included videos, training sessions and quizzes. Each Business Group has developed its own activities, in accordance with the decentralized and risk-based approach;
- trainings launched during the Compliance Week were developed in a digital format. Composed of seven items, including an introduction video from the Group Compliance Officer together with a figure of the Fondation Nexans activities, they covered notably anti-bribery and corruption, conflict of interests, data protection, or diversity and inclusion modules. 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 2023, 100% of the target Group employees had completed the Compliance Week program;
- a specific "Living the Code of Ethics at Nexans" has been created and rolled out for the first time to operators working on lines;
- continuous rollout in Business Groups 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;
- governance and communication was improved on how to use the whistleblowing procedure, which led to a continuous improvement of the speak up culture and a higher rate of reports compared to 2022;
- the first entirely digitalized anti-bribery and corruption risk-mapping has been launched worldwide;
- the 2020-2023 Sustainable Purchasing action plan, which includes anti-corruption and supplier integrity checks, was implemented according to schedule (see 3.4.7. "Duty of care vigilance plan");
- animation of a "compliance champions" network;
- internal bi-weekly compliance newsletter developped;
- 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.

3.4.2 Data protection & digital trust

3.4.2.1 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 in 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 2023, Nexans has launched mandatory trainings associated with phishing campaigns (approximately 700 employees have been trained);
- *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 permanently improve its resilience across the value chain and build trust in its ecosystem. For this purpose, Nexans is partnering with leading companies and experts in the field of cybersecurity.

3.4.2.2 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 33 countries which missions are in particular 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.

In 2023, a new awareness e-Learning course on data protection was created and made available to all employees and 11 newly appointed data correspondents were trained.

3.4.3 Fighting tax evasion

Nexans' policy is to manage its tax affairs responsibly and strives to be transparent and law-abiding 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.

3.5 Environmental and social indicators CSR concordance tables

Environmental indicators

Change 2023/2019		2023	2022	2021	2019
Sites management					
Number of sites monitored	↗	83	79	80	82
Number of ISO 14001 certified sites	↗	79	71	71	65
% of ISO 14001 certified sites	↗	95%	90%	89%	79%
Energy					
Energy purchased (MWh)	↘	1,127,845	1,173,998	1,104,558	1,176,992
Energy intensity (MWh/M€)[a]	↗	145	140	150	181
o/w grid electricity (MWh)	↘	299,500	376,618	392,435	692,029
o/w renewable electricity (purchased or produced) (MWh)	↗	305,361	239,660	211,731	
o/w non renewable electricity produced (MWh)	↘	14,186	18,451		
o/w fuel oil (MWh)	↘	117,735	142,313	93,920	48,879
o/w gas (MWh)	↘	385,358	394,175	403,736	434,781
o/w steam (MWh)	↗	5,706	2,781	2,737	1,302
Water					
Water consumption (m^3)	↘	1,446,937	1,766,973	1,702,391	2,159,174
Water intensity (m^3/M€)[a]	↘	186	211	231	333
Raw materials & consumables					
Copper consumption (tons)[b]	↘	413,000	453,500	475,000	525,000
Aluminum consumption (tons)[b]	↘	99,000	102,100	95,000	110,000
Solvent purchased (tons)	↘	327	352	347	448
Waste					
Total waste generated (tons)[c]	↗	71,345	70,736	70,670	105,889
Waste intensity (tons/M€)[a]	↗	9	8	10	16
o/w hazardous wastes (tons)	↘	3,252	3,382	3,192	4,700
Hazardous wastes intensity (tons/M€)	↗	0.42	0.40	0.43	0.72
GHG emissions (Scopes 1-2-3)					
GHG emissions Location Based (tons CO_2 eq.)	↘	75,992,667	95,161,933	107,889,902	132,396,848
GHG emissions intensity (tons/M€)[a]	↘	9,755	11,371	14,631	19,658
o/w Scope 1 (tons CO_2 eq.)	↘	111,657	122,841	114,566	119,288
o/w Scope 2 (location based) (tons CO_2 eq.)	↘	131,071	136,862	149,467	157,549
o/w Scope 2 (market based) (tons CO_2 eq.)	↘	93,617	101,433	110,098	193,536
o/w Scope 3 (tons CO_2 eq.)	↘	75,749,939	94,902,230	107,625,869	132,120,011

(a) Intensity calculations are based on energy comsumption and sales at current metal prices from activities in high climate sectors.
(b) The tons consumed correspond to the tons sold to external Group customers during the year.
(c) The 2019 data has been updated following the correction of an erroneous data in 2019.

CO_2 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 tons of CO_2 equivalent.

The emission factors used to calculate CO_2 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 2023/2019		2023	2022	2021	2019
Nexans Group					
TOTAL HEADCOUNT	↗	**28,367**	**27,932**	**25,129**	**25,945**
Europe	↘	13,631	13,661	13,557	14,142
Asia-Pacific	↘	1,820	1,935	1,887	2,317
North America	↗	3,451	3,357	2,842	3,199
South America	↘	2,151	2,263	1,344	1,372
Middle East, Russia, Africa	↗	7,314	6,716	5,499	4,915
% Women in Management positions	↗	27.4%	26.7%	24.5%	24%
EMPLOYMENT DATA					
Absenteeism rate	↘	7.09%	7.4%	7.1%	5.5%
SAFETY					
Global workplace accident frequency rate[a]	↘	1.78	2.31	1.81	2.7
Global workplace accident severity rate[b]	↘	0.11	0.12	0.15	0.15
TRAINING					
Total number of training hours[c]	↗	673,844	530,772	419,275	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 2023/2019		2023	2022	2021	2019
Cable business					
HEADCOUNT CABLE BUSINESS	↘	**13,994**	**14,366**	**13,483**	**15,454**
% Women employees	→	17%	17%	17%	16%
% Women in Management positions	↗	27.7%	27%	25%	24%
Average age (years)	→	44.1	44.1	44.1	44.2
Average length of service (years)	↘	12.5	12.8	12.6	12.5
% Temporary employees	↘	6.8%	7.6%	6.7%	7.3%
Disabled employees[a]	↘	207	294	291	378
Employment data					
Natural departures	↗	(1,596)	(1,553)	(1,410)	(1,605)
Restructuring	↘	(59)	(86)	(273)	(309)
New hires	↘	1,601	1,604	1,593	1,418
Impact of changes in Group structure	↘	(457)	911	0	0
Employee turnover rate[b]	↗	10.9	10.7	10.1%	10.4%
Overtime rate[c]	↘	4.9%	5.9%	1.4%	5.5%
Part-time contracts	↘	193	236	247	341
% Fixed-term contracts	↘	5.3%	5.9%	6.6%	5.8%
Absenteeism rate	↘	5.56%	5.8%	5.3%	5.0%
Safety					
Global workplace accident frequency rate[d]	↘	2.54	3.85	3.21	4.06
Global workplace accident severity rate[e]	↘	0.21	0.22	0.28	0.26
Training					
Total number of training hours[f]	↗	210,573	186,060	166,997	210,625

(a) *This figure does not take into account countries where this information is not disclosed due to local regulations. The decrease in 2023 is due to scope effect (disposal of telecom business).*

(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 2023/2019		2023	2022	2021	2019
Auto-harnesses business					
HEADCOUNT HARNESSES BUSINESS	↗	**14,373**	**13,566**	**11,646**	**10,491**
Europe	↗	5,783	5,669	5,558	5,098
Asia-Pacific	↗	431	412	286	509
North America	↗	2,432	2,345	1,882	1,694
Middle East, Russia, Africa	↗	5,727	5,140	3,920	3,190
% Womenmanagement employees	↘	61%	62%	62%	60%
% Women in Management positions	→	22%	22%	21%	21%
Average age (years)	↗	35.3	35.2	35.2	34.8
Average length of service (years)	↗	5.2	5.1	5.3	5.0
Disabled employees[(a)]		197	182	159	120
Employment data					
Natural departures	↗	(6,023)	(4,525)	(3,262)	(4,808)
Restructuring	↗	(24)	(13)	(66)	(150)
New hires	↗	6,857	6,463	4,339	4,369
Impact of changes in Group structure	→	0	0	0	0
Employee turnover rate[(b)]	↗	42.2	35.1	28.2%	43.9%
Absenteeism rate	↘	8.64%	9.1%	10.0%	6.2%
Safety					
Global workplace accident frequency rate[(c)]	↗	0.76	0.45	0.10	0.74
Global workplace accident severity rate[(d)]	→	0.01	0.01	0.00	0.01
Training					
Total number of training hours[(d)]	↗	463,271	344,712	252,278	312,867

(a) *This figure does not take into account countries where this information is not disclosed due to local regulations.*
(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.*
(c) *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.*
(d) *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.*

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 industrial Group's environmental data are 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 monthly or annually – depending on the data collected -, by entity, through an internal annual data collection system (EMP – Environmental Management Plan) and on Power BI.

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 (82 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. Other 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 ton of cable produced, the scope is limited to the Group's cable entities (excluding harnesses, accessories and metallurgy), corresponding to 50 sites.

Referential – The indicators referred to are defined in a Group Industrial KPI Definitions document.

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;
- **GHG emissions** – To calculate our carbon footprint we use data reported in Industrial BI, Purchasing BI, Sales BI and in the environment Annual Questionnaire.

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 2023, Nexans acquired Reka Kaapeli Oy an entity in Finland counting for a total of 273 employees.

Disposal of Activity: Nexans sold the Telecom Business. A total 565 employees left the scope in October 2023.

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 CSRD standards;
- 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, analyzed and consolidated by the Corporate Human Resources Department (HRIS Department) as follow:

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 controls before they flow to 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 analyzed 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. 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, Temporary Workers, Contractors, Volunteers for International Experience.
- **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. Contractors accidents are tracked separately and are excluded from the Frequency Rate (due to unavailability of their working hours in most 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 Contractors (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, and responsible, fair and sustainable food, respect for animal welfare and actions aimed at promoting the Nation-army bond and supporting engagement in the reserves. These issues are not monitored as the Group is not directly concerned by them.

3.7 Report of one of the Statutory Auditors, appointed as an independent third party, on the verification of the consolidated non-financial statement

This is a free English translation of the report by one of the Statutory Auditors 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.

For the year ended December 31, 2023

In our capacity as Statutory Auditor of the company NEXANS (hereinafter the "Entity"), appointed as an independent third party and accredited by Cofrac (Cofrac Inspection Accreditation n°3-1862 rév.1, whose scope is available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement (hereinafter the "Information" and the "Statement", respectively), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023, presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (code de commerce).

Conclusion

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, the significant elements of which are available on request at the head office.

Inherent Limitations in preparing the Information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

Management is responsible for:

- selecting or establishing, on a voluntary basis, suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

Responsibility of the Statutory Auditor

Based on our work, our responsibility is to express 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 the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagement, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes – Intervention de l'OTI – déclaration de performance extra-financière*, and acting as the verification programme and with the international standard ISAE 3000 (revised) - *Assurance engagements other than audits or reviews of historical financial information*.

Independence and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work engaged the skills of 8 people between November 2023 and February 2024 and took a total of 7 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 25 interviews with people responsible for preparing the Statement, representing in particular Sustainability, General Management, Administration and Finance, Risk Management, Compliance, Human Resources, Health and Safety, Environment and Procurement.

Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 as well as information regarding compliance with human rights and anti corruption and tax avoidance legislation, 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;
- 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 main risks,
- verified that the Statement presents the business model and a description of the main risks associated with of all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix and for which our work was performed at the consolidating entity;
- verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring 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, 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 definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing sites:
    - For social data:
      - Canada (Nexans Canada Inc.)
      - Mexico (AUTO Mexico)
      - Colombia – Ecuador (CEDETEC SA, Cobres de Colombia SAS, Cables de Energia y de Telecommunicaciones SA)
      - Sweden (Nexans Sweden A.B., Axjo Kabel A.B.)
      - Germany (AUTO Germany)
      - Italy (Nexans Intercablo s.p.a)
      - China (Nexans China Wire&Cables, Nexans Cable Solutions Co.Ltd)
    - For environmental data:
      - Weyburn (Canada)
      - Fergus (Canada)
      - Montréal (Canada)
      - Eldorado (US)
      - Calicentelsa (Colombia)
      - Grimsas (Sweden)
      - Suzhou (China)
      - Battipaglia (Italy)

and covers between 20% and 25% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;

- assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Appendix: List of information we considered most important

Key performance indicators and other quantitative results:

- Number of participants in the Climate Fresk since 2020;
- Percentage of sites certified ISO14001;
- Amount of environment-related investments;
- Number of people trained in PEP;
- Tonnage of copper used in casting;
- Tonnage of copper recycled;
- Percentage of suppliers who have signed the CSR charter;
- Number of people trained in phishing;
- Percentage of sales generated by products and services contributing to the energy transition;
- Proportion of renewable or low-carbon energy;
- Proportion of production waste recycled;
- Frequency rate of accidents at work;
- Severity rate of work-related accidents;
- Amount allocated by the Nexans Foundation;
- Percentage of managers who have taken Compliance Week training;
- Headcount at 31/12;
- Number of female managers;
- Number of work-related accidents with or without lost time;
- Number of days lost due to accidents in the workplace;
- Number of natural departures excluding departures due to restructuring or internal mobility;
- Total number of external recruitments;
- Training hours;
- Number of hours lost due to absenteeism (including sick leave);
- Energy consumption in MWh;
- Water consumption in m3;
- Quantity of solvents purchased;
- Gas consumption in MWh;
- Fuel consumption in MWh;
- Steam consumption in MWh;
- GHG emissions' in TCO_2eq for Scope 1, Scope 2 and categories 3.1 and 3.11 of Scope 3.

Qualitative information (actions and results):

- Validation of the CSR strategy;
- Interviews with stakeholders, including key suppliers, key customers and financial investors;
- Implementation of the Duty of Care Vigilance plan;
- Development of the Plant Manager Development Program;
- Copper Mark certification of the Lens and Montreal sites;
- Deployment of a digital tool for qualifying third parties (suppliers, distributors);
- Cyber incident management process (implementation of an SOC);
- Coordination of the REACh network;
- Monitoring and coordination of substances of concern;
- Exploratory project on the cable re-use business model;
- Deployment of a strategy to cover available suppliers using an Ecovadis CSR scorecard (or equivalent).

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	• CA31-Nexans Canada Inc. • CN01-Nexans (China) Wires & Cables Co. Ltd. • CN08-Nexans (Shandong) Cables Co.,Ltd (China) • CO02-Cobres De Colombia SAS • CO04-Cables De Energia Y De Telecomunicaciones S A (Colombia) • CO05-Alambres Y Cables Tecnicos S A - Alcatek SA (Colombia) • EC01-CEDETEC SA (Ecuador) • SE01-Nexans Sweden A.B. • SE02-Axjo Kabel A.B. (Sweden) • AUTO Germany • AUTO Mexico • CN09-Nexans (Suzhou) Cable Solutions Co. Ltd (China) • CN10-Nexans (Suzhou) Cable Solutions Co.,Ltd. Shanghai Branch (China) • CN11-Nexans Cable (Tianjin) Co., Ltd (China) • IT02-Nexans Intercablo s.p.a (Italy)
	Rate of female managers	
	Frequency rate of accidents at work	
	Severity rate of accidents at work	
	Turnover rate	
	External recruitment	
	Training hours	
	Absenteeism rate	
ENVIRONMENT	Share of waste recycled	• El Dorado (USA) • Calicentelsa (Colombia) • Battipaglia (Italy) • Suzhou (China) • Grimsas (Sweden) • Weyburn (Canada) • Fergus (Canada) • Montreal (Canada)
	Energy consumption	
	Water consumption	
	Quantity of solvents purchased	
	Reduction of GHG emissions (n *vs* n-1)	Corporate Industrial Department Digital Department
	Share of Nexans cable drums worldwide that are recyclable and connected to digital platforms	
	Share of renewable or decarbonized energy	Purchasing Department
ECOSYSTEM	Amount allocated by the Nexans Foundation	CSR Group Department Legal Department
	Employee Engagement index	
	Percentage 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 ≥35% delivered by EcoVadis	Purchasing Department

APPENDIX 2

The terminology used in the double materiality matrices is aligned with the regulatory wording described in the Corporate Sustainability Reporting Directive (CSRD). To ensure consistency, the below cross-references table presents Nexans terms used in the Chapter 3 NFRD Corporate Social Responsibility.

CSRD terminology	Nexans terminology used in 2023 NFRD
Energy transition	Energy transition
Climate change mitigation	Decarbonation roadmap
Climate change adaptation	Climate change physical
Substance of concern and very high concern	Substances
Pollution upstream in the value chain	Pollution
Water consumption upstream in the value chain	Water Consumption
Water withdrawals, consumption & use	Water Consumption
Biodiversity upstream in the value chain	Biodiversity
Resources inflows, including resource use	Metal scarcity
Resources outflows related to products and services	Urban mines circular economy
Waste	Recycling of waste
Health and Safety	Health & Safety
Working Conditions	Working Conditions
Equal treatment and opportunities for all	Equal Treatment
Safety of workers in the value chain	Safety of workers
Other work-related rights	Other work-related rights
Training & skills development	Talent scarcity & skills development
Confidentiality and protection of personal data / Cybersecurity	Cybersecurity
Anti-trust	Antitrust
Corruption and bribery	Corruption & bribery
Corporate Culture	Corporate Culture

APPENDIX 3

Detailed EU Taxonomy turnover table – Eligibility and Alignment [2023]

Financial year N		2023		Substantial contribution criteria					
Economic activities	Code	Absolute turnover	Proportion of Turnover year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
		k€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	89,198	1%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	61,280	1%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment	CCM 3.20	1,016,139	13%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	617,731	8%	Y	N	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1,784,348**	**23%**	**23%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which Enabling		1,784,348	23%	23%	0%	0%	0%	0%	0%
Of which Transitional		0	0%	0%					
A.2.Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	22,878	0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	201,024	3%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	64,482	1%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment	CCM 3.20	291,135	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	63,805	1%	EL	EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**643,324**	**8%**	**8%**	**14%**	**0%**	**0%**	**0%**	**0%**
A. TURNOVER OF TAXONOMY ELIGIBLE ACTIVITES (A.1. + A.2.)		**2,427,672**	**31%**	**31%**	**14%**	**0%**	**0%**	**0%**	**0%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities (B)		**5,362,470**	**69%**						
TOTAL (A + B)		**7,790,142**	**100%**						

Y – Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective.
N – No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective.
EL – Taxonomy eligible activity for the relevant objective.
N/EL – Taxonomy non-eligible activity for the relevant objective.

CCM – Climate Change Mitigation.
CCA – Climate Change Adaptation.
WTR – Water and Marine Resources
CE – Circular Economy
PPC – Pollution Prevention and Control
BIO – Biodiversity

DNSH criteria (Does Not Significantly Harm)									
Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimal safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover year N-1	Category enabling activity	Category transitional activity
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	5%	E	
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**5%**		
Y	Y	Y	Y	Y	Y	Y	5%	E	
							0%		T
							2%		
							2%		
							9%		
							0%		
							2%		
							15%		
							20%		

Turnover additional EU taxonomy table

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	23%	31%
CCA	0%	14%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Detailed EU Taxonomy CapEx table – Eligibility and Alignment [2023]

Financial year N		2023		Substantial contribution criteria					
Economic activities	Code	CapEx	Proportion of CapEx Year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
		k€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	1,749	0%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	1,902	0%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment	CCM 3.20	74,898	17%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	181,788	42%	Y	N	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**260,337**	**60%**	**60%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which Enabling		260,337	60%	60%	0%	0%	0%	0%	0%
Of which Transitional		0	0%	0%					
A.2.Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	283	0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	2,768	1%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	939	0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment	CCM 3.20	33,020	8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	8,455	2%	EL	EL	N/EL	N/EL	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**45,465**	**10%**	**10%**	**45%**	**0%**	**0%**	**0%**	**0%**
A. CAPEX OF TAXONOMY ELIGIBLE ACTIVITIES (A.1 + A.2)		**305,802**	**70%**	**70%**	**45%**	**0%**	**0%**	**0%**	**0%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities (B)		**129,618**	**30%**						
TOTAL (A + B)		**435,420**	**100%**						

Y – Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective.
N – No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective.
EL – Taxonomy eligible activity for the relevant objective.
N/EL – Taxonomy non-eligible activity for the relevant objective

CCM – Climate Change Mitigation.
CCA – Climate Change Adaptation.
WTR – Water and Marine Resources
CE – Circular Economy
PPC – Pollution Prevention and Control
BIO – Biodiversity.

DNSH criteria (Does Not Significantly Harm)									
Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimal safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year N-1	Category enabling activity	Category transitional activity
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	38%	E	
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**39%**		
Y	Y	Y	Y	Y	Y	Y	39%	E	
							0%		T
							0%		
							1%		
							11%		
							0%		
							1%		
							14%		
							53%		

CapEx additional EU taxonomy table

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	60%	70%
CCA	0%	45%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

EU Taxonomy OpEx table – Eligibility and Alignment [2023]

Financial year N		2023		Substantial contribution criteria					
Economic activities	Code	OpEx	Proportion of OpEx year N	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
		k€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	5,638	1%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	6,890	1%	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment	CCM 3.20	61,740	13%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	49,392	10%	Y	N	N/EL	N/EL	N/EL	N/EL
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**123,660**	**26%**	**26%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which Enabling		123,660	26%	26%	0%	0%	0%	0%	0%
Of which Transitional		0	0%	0%					
A.2.Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Manufacture of renewable energy technologies	**CCM 3.1** CCA 3.1	1,032	0%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	7,683	2%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of other low carbon technologies	**CCM 3.6** CCA 3.6	4,082	1%	EL	EL	N/EL	N/EL	N/EL	N/EL
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment	CCM 3.20	15,115	3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	**CCM 4.9** CCA 4.9	3,942	1%	EL	EL	N/EL	N/EL	N/EL	N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**31,855**	**7%**	**7%**	**17%**	**0%**	**0%**	**0%**	**0%**
A. OPEX OF TAXONOMY ELIGIBLE ACTIVITIES (A.1 + A.2)		**155,515**	**33%**	**33%**	**17%**	**0%**	**0%**	**0%**	**0%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Opex of Taxonomy-non-eligible activities (B)		**315,440**	**67%**						
TOTAL (A + B)		**470,955**	**100%**						

Y – Yes, Taxonomy eligible and Taxonomy-aligned activity with the relevant environmental objective.
N – No, Taxonomy eligible but not Taxonomy-aligned activity with the relevant environmental objective.
EL – Taxonomy eligible activity for the relevant objective.
N/EL – Taxonomy non-eligible activity for the relevant objective.

CCM – Climate Change Mitigation.
CCA – Climate Change Adaptation.
WTR – Water and Marine Resources
CE – Circular Economy
PPC – Pollution Prevention and Control
BIO – Biodiversity

DNSH criteria (Does Not Significantly Harm)									
Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimal safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) OpEx, year N-1	Category enabling activity	Category transitional activity
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	3%	E	
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	8%	E	
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**10%**		
Y	Y	Y	Y	Y	Y	Y	10%	E	
							0%		T
							1%		
							1%		
							11%		
							0%		
							3%		
							16%		
							27%		

OpEx additional EU taxonomy table

	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	26%	33%
CCA	0%	17%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

04

04

Corporate governance

The Board of Directors' report on corporate governance was reviewed by the Appointments and Corporate Governance Committee and the Compensation Committee on February 12, 2024. It was approved by the Board of Directors on February 14, 2024, in accordance with the requirements of Article L.225-37 of the French Commercial Code. This report is included in this chapter.

4.1 Corporate governance code

The Company refers to the corporate governance code for listed companies published by the Association Française des Entreprises Privées (AFEP) and the Mouvement des Entreprises de France (MEDEF), as amended in December 2022 (the "AFEP-MEDEF Code"). The AFEP-MEDEF Code is available on the MEDEF website, www.medef.com, and the AFEP website, www.afep.com.

The Company's practices for the fiscal year 2023 are in line with the recommendations contained in the AFEP-MEDEF Code, without exception.

4.2 Governance structure

Separating the duties of Chairman of the Board and Chief Executive Officer

On May 15, 2014, on the recommendation of its Chairman, the Board of Directors approved the principle of separating the duties of Chairman of the Board and Chief Executive Officer.

This organization allows the Company and Executive Management to concentrate on its strategic priorities and implement the strategic plan under the best possible conditions. It is carried out in conjunction with the Group's transformation. It also helps ensure that the Board of Directors operates better. The interest of this separation of duties has been confirmed by the Board assessments carried out each year since 2014.

4.3 Management bodies

4.3.1 Chief Executive Officer

Christopher Guérin

Chief Executive Officer since July 4, 2018

Number of shares held: **53,025**

Number of corporate mutual fund units invested in Nexans shares: **1,129**

Age: **51**

Nationality: **French**

Address: **4 Allée de l'Arche, 92400 Courbevoie, France**

Expertise/Experience

Christopher Guérin has served as Senior Executive Vice President, Europe and Telecom & Data, Power Accessories Business Groups since 2014. Prior to this, he headed up the Industry business line in 2013 after six years spent working in various Sales and Marketing positions in France and Europe. Between 2005 and 2007 he was Sales Director Europe. Christopher first joined the Metallurgy division of Alcatel Câbles (which became Nexans in 2001) in 1997 where he held various management positions. Christopher Guérin is a graduate of ESDE/American Business School. He also followed INSEAD's Management Acceleration program.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Chairman of Europacable
- Vice-Chairman of ICF

Directorships that have expired in the last five years

- Chairman of the Board of Directors of Nexans Suisse S.A.*
- Chairman of the Supervisory Board of Nexans Deutschland GmbH*
- Director of Nexans Partecipazioni Italia Srl*, Intercablo SpA and Legendre Holding 28 (IES)
- Chairman of the Europacable Industry Team

Positions held in foreign companies or institutions.

4.3.2 Executive Committee

The Executive Committee is chaired by the Chief Executive Officer, Christopher Guérin. It is responsible for determining the Group's strategy, allocation of resources, and organization. The Executive Committee is tasked with:

- strengthening its relationship with the markets and the Group's customers;
- enhancing the Group's capacity for anticipating change and the agility of its organization structure;
- increasing the focus on financial performance, execution, cost control, innovation, service development and transformation;
- internationalizing the Group's management profile in order to adapt to and keep ahead of the changes taking place in the wider world.

Its members are:

Christopher Guérin, Chief Executive Officer

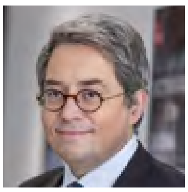
Jean-Christophe Juillard, 56, Deputy Chief Executive Officer and Chief Financial Officer, is in charge of Finance and Information Systems. He has French nationality and is based in Paris. Jean-Christophe has more than 25 years' experience working in finance in the United States and Europe, in various companies in the manufacturing and energy sectors. In 1992, he joined a subsidiary of Spie Batignolles in New York before moving to the Ernst & Young audit department in Paris in 1996. He held various managerial roles in Finance between 2004 and 2013 at Alstom Transport for North and South America and then in Alstom's renewable energy division. Before joining Nexans in January 2019, Jean-Christophe was Executive Vice President and Chief Financial Officer of ContourGlobal Group.

Nino Cusimano, 59, Senior Corporate Vice President, General Counsel & Secretary General, joined the Group in September 2018. He is based in Paris. Prior to joining Nexans, Nino Cusimano, an Italian national, was General Counsel of Telecom Italia SpA. He has held senior global roles with multinational groups such as General Electric and PPG Industries. He is also a member of the Board of Directors and of the Control and Risks Committee of Acea.

Vincent Dessale, 57, Chief Operating Officer and Senior Executive Vice President, is in charge of Industrial Operations and Purchasing. Vincent joined Nexans in 2001. He has French nationality and is based in Paris. Vincent held various key Supply Chain management positions in Europe before heading up Operations in South Korea in 2006, and extending his responsibilities to the Asia-Pacific area in 2009. He has held several positions in the Subsea Generation & Transmission activity since 2012, was appointed Senior Executive Vice President Subsea and Land Systems in February 2018, before being appointed Chief Operating Officer and Senior Executive Vice President in December 2019.

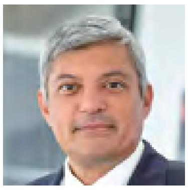
Juan Ignacio Eyzaguirre, 40, Executive Vice President, is in charge of the non-electrification activities. A Chilean national, he is based in Paris. Prior to joining Nexans in February 2017, Juan held various positions in investment management and investment banking, mainly in mergers, acquisitions and securities transactions. He also served in the Chilean Government as Chief of Staff of the President of Chile. During his tenure in government he also acted as Board Member and Executive Director of Chile's state-owned holding company that mainly manages infrastructure assets. Juan held the position of Corporate Vice President Strategy and M&A before assuming his current position in November 2022.

Jérôme Fournier, 53, was appointed Corporate Vice President Innovation, Services & Growth on January 1, 2019. He has French nationality and is based in Lyon, France. Jérôme joined the Metallurgy division of Alcatel Cables in 1997. Between 2007 and 2011, he was Head of R&D at Nexans before working for the Michelin Group from 2011 to 2018 where he held various positions as R&D Director. As VP Innovation he is responsible for the Group's R&D, Design Labs teams, innovation partnerships and internal start-ups called Accelerating Units.



Julien Hueber, 53, Executive Vice President, is in charge of the Distribution & Usages Europe and Oceania Business Group. He has French nationality and is based in Paris. Julien joined Nexans in 2002. He has a strong background in Supply Chain management and Purchasing along with excellent knowledge of the Asia-Pacific region where he has held various positions in Australia, South Korea and China.

Maria Lorente Fraguas, 47, Senior Corporate Vice President Human Resources Officer, is in charge of CSR. Maria joined Nexans in October 2022, after 21 years of international experience at Schlumberger where she held several management positions in product development, operations and, for eight years, in human resources as Global Head of HR. She brings a wealth of experience in business transformation and talent development and is passionate about fostering an inclusive culture where everyone can contribute, innovate and thrive. Maria was born in Spain and has worked and lived on several continents, in France, the United Arab Emirates, Qatar, Peru, Colombia, the United Kingdom and the United States.



Vijay Mahadevan, 57, Executive Vice President, is in charge of the Distribution & Usages Americas, Middle East & Africa Business Group. He has Indian nationality and is based in Paris. Before joining Nexans in December 2017, Vijay was CEO of ArcelorMittal Ostrava in the Czech Republic. He has spent most of his career in the steel industry at ArcelorMittal, where he held various positions in sales and marketing, plant management and general management on several continents. Vijay has extensive knowledge of Eastern Europe, Central Asia, the USA and the Middle East.

Pascal Radue, 49, Executive Vice President Generation & Transmission, joined Nexans in September 2023. He is from Switzerland and holds a Master of Engineering (Hons) in Naval Architecture from the University of Southampton in the United Kingdom. He has more than 20 years of experience leading international teams and has held numerous positions in project management, general management and business transformation. He began his career at Alstom Power in Belfort, France, in 2001. At Alstom and later at GE, Pascal held various management positions, and until recently was Chief Executive Officer of GE Hydro.

4.3.3 Diversity and gender balance among governance bodies

Diversity is represented in different ways within Nexans' Executive Committee. It includes cultural pluralism, with six different nationalities, as well as religion and gender.

Female representation on the Executive Committee increased from 10% in 2020 to 27% in 2022, before dropping to 10% in 2023. This was due to two changes that took place in 2023:

- A change in the leadership of the Electricity Generation and Transmission business;
- A change in the organization of the Executive Committee which resulted in a reduction in its size. Following the transformation of the marketing function, maintaining this position at this level was no longer justified.

The Group has also been working to increase the number of women in top management positions, with a 2023 target of between 18% and 20%. At the end of 2023, the proportion of women in management positions was 19% compared to 15% in 2020.

The Group's management teams continue to prioritize identifying opportunities to promote diversity within them. As such, the target for 2024 is between 19% and 21%.

More generally, Inclusion and Diversity are two of the pillars of the 2022/2024 strategy leading the charge towards the new world of sustainable electrification for the entire Group through its new holistic management system known as "E3". The Group has been continuing its efforts to increase the proportion of women in engineering and management positions through various awareness-raising, training and development actions:

- Publication in 2023 of a new version of the Inclusion and Diversity policy focusing on five dimensions that make it possible to eliminate obstacles to equal opportunities: age and experience, sexual orientation, different skills, socio-economic background, and of course gender diversity;
- Training for the main players in the recruitment process to raise their awareness of gender diversity biases;
- Strengthening the Group's directives and policies on the recruitment of women to increase the proportion of females in the workforce and to achieve the target of one in every two external hires for managerial and engineering positions to be female;
- Strengthening the Group's guidelines and policies concerning the career paths of women during a dedicated talent review in order to accelerate their development;
- Focus on monitoring gender diversity key performance indicators (KPIs), including being part of the collective objectives of the short-term incentive plan (STI) for Nexans' senior positions.

4.4 Administrative body

4.4.1 Board of Directors' composition and diversity policy

4.4.1.1 Composition of the Board, the Committees and the diversity policy

In accordance with Article 11 of the Company's bylaws, the Board of Directors may have between 3 and 18 members at the most. At December 31, 2023, the Board of Directors comprised 14 directors.

In accordance with recommendation 7.2 of the AFEP-MEDEF Code, at its meeting of February 14, 2024, the Board discussed the balance reflected in its composition and that of its Committees, notably in terms of diversity. The Board aims to boost diversity and complementary skills and maintain a diverse profile in terms of age, nationality, international experience and gender balance.

Pursuant to Article L.22-10-10 of the French Commercial Code, the following table sets out the diversity policy applied within the Board of Directors and indicates the criteria used, the objectives set down by the Board of Directors, the implementation procedures and the results obtained over the period ended December 31, 2023.

Criteria	Objectives	Procedures implemented and results obtained in 2023
Size of the Board	Maintaining the number of directors at between 12 and 16.	Given the breakdown of its share capital and the fact that three directors of the principal shareholder Invexans Limited (Quiñenco Group) and the shareholder Bpifrance Participations sit on the Board, the Group considered 14 directors at the end of 2023 to be a satisfactory number.
Age of directors	Less than one third of directors should be over 70 years of age.	At December 31, 2023, the average age of the directors was 56.5 years. There were no directors over 70.
Gender	Maintaining a balanced representation between men and women with at least 40% of female directors.	The proportion of women[a] on the Board at December 31, 2023, was 45.5%.
Nationalities	Over 25% of directors are foreign nationals.	Seven directors are foreign nationals and one director has dual nationality. As such, 57.1% of the directors were foreign nationals at December 31, 2023.
Independence	The Board set itself the objective of maintaining an independence rate of at least 50% in accordance with Recommendation 10.3 of the AFEP-MEDEF Code.	The independence rate was over 54.5%[b] at December 31, 2023. Concerning the characterization of directors' independence, see Section 4.4.1.3 of this Universal Registration Document.
Expertise/experiences	Seeking out complementary expertise in industry, energy, finance, communications, CSR, compliance, human resources and services, as well as extensive knowledge of the Nexans Group and its stakeholders, and rounded out by senior executive experience.	Of the Board of Directors' members, at least: • 10 have a career in industry; • 2 have a career in energy; • 4 have a career in finance, banking or private equity; • 2 have a career in human resources, education, talent management; • 2 have a career in communications; • 2 have a career in services; • 3 work within the Nexans Group; • 11 have exercised senior management functions.
Representation of stakeholders	Ensuring balanced representation of the different stakeholders.	Three directors were appointed based on a proposal submitted by the principal shareholder, Invexans Limited (Quiñenco Group). The shareholder Bpifrance Participations has been appointed as director. Pursuant to Article 12 *bis* of the bylaws, one of the Board members is appointed at the Ordinary Shareholders' Meeting, from among the two candidates proposed by the employee shareholders. Pursuant to Article 12 *ter* of the bylaws, two directors representing employees are appointed by the French Works Council and the European Group Works Council.

(a) Proportion of women on the Board calculated without counting the directors representing employees and employee shareholders, in accordance with paragraph 2 of Article L.22-10-6 of the French Commercial Code.

(b) Independence rate calculated without counting the directors representing employees and employee shareholders in accordance with Recommendation 10.3 of the AFEP-MEDEF Code.

Summary table of the composition of the Board of Directors and its Committees

The following table summarizes the composition of the Board of Directors and its Committees at December 31, 2023.

	Personal information				Position on the Board					Participation in a Committee			
	Surname and name, corporate name	Age	Woman/ Man (W/ M)	Nationality	Number of shares held	Start of first term of office	End of current term of office	Length of service on the Board (number of years)	Independence	Accounts, Audit and Risk Committee	Appointments and Corporate Governance Committee	Compensation Committee	Strategy and Sustainable Development Committee
Chairman	Mouton Jean	67	M		13,466	05/15/2019	2027 AGM	5	Yes				
Directors proposed by the main shareholders	Bpifrance, represented by Karine Lenglart	51	W		3,363,546	05/15/2019	2027 AGM	5	No		✓	✓	✓
	Hasbún Martínez Oscar	54	M		500	05/15/2019	2027 AGM	5	No				C
	Luksic Craig Andrónico	69	M		6,740	05/14/2013	2025 AGM	11	No				
	Pérez Mackenna Francisco	65	M		500	05/31/2011	2025 AGM	13	No	✓	✓	✓	✓
Independent directors	Lebel Anne Lead Independent Director	58	W		500	05/17/2018	2026 AGM	6	Yes		C	C	
	Basson Jane	54	W		500	05/13/2020	2024 AGM	4	Yes		✓	✓	✓
	Bernardelli Laura	54	W		510	05/11/2021	2026 AGM	3	Yes	C			
	Grynberg Marc, director responsible for monitoring climate and environmental issues	58	M		2,000	05/11/2017	2025 AGM	7	Yes	✓			✓
	Jéhanno Sylvie	54	W		500	05/13/2020	2024 AGM	4	Yes	✓	✓	✓	
	Porte Hubert	59	M		571	11/10/2011	2027 AGM	12	No				✓
Directors representing employees and employee shareholders	Afanoukoé Angéline	53	W		520	10/11/2017	2025 AGM	6	No			✓	
	Alami Selma	48	W		734	05/12/2021	2025 AGM	3	No				
	Nyborg Bjørn Erik	47	M		0	10/15/2020	2024 AGM	3	No				

Skills and qualifications matrix of the members of Nexans' Board of Directors

As a group, the members of Nexans' Board of Directors have a wide range of the skills required for the Group's businesses. These skills range from significant industry and global markets expertise, for many of them, to executive management roles, and functional areas such as human resources, compliance, finance and communication. The qualifications and expertise of the directors are analyzed by external firms and the Appointments and Corporate Governance Committee at the time of their recruitment as part of the selection process for new members. The results are presented in a skills matrix below.

	Industry	Energy	Services	Bank Finance	HR Education Communication	CSR, Sustainable Development, Compliance	Strategy	Digital	Knowledge of the Group and its businesses	Executive functions	International experience
Jean Mouton	✓	✓	✓		✓	✓	✓		✓	✓	✓
Angéline Afanoukoé	✓	✓			✓	✓			✓		
Selma Alami	✓	✓	✓				✓	✓	✓	✓	✓
Jane Basson	✓				✓	✓	✓	✓		✓	✓
Laura Bernardelli	✓	✓	✓	✓			✓	✓		✓	✓
Marc Grynberg	✓	✓		✓		✓	✓		✓	✓	✓
Oscar Hasbún Martínez	✓	✓		✓			✓		✓	✓	✓
Sylvie Jéhanno	✓	✓	✓		✓		✓	✓		✓	
Anne Lebel			✓	✓	✓				✓	✓	✓
Karine Lenglart	✓	✓		✓			✓	✓		✓	✓
Andrónico Luksic Craig	✓	✓	✓	✓	✓		✓		✓	✓	✓
Bjørn Erik Nyborg	✓	✓							✓		✓
Francisco Pérez Mackenna	✓	✓	✓	✓	✓		✓		✓	✓	✓
Hubert Porte			✓	✓			✓		✓	✓	✓
	85.7%	78.5%	57.1%	57.1%	50%	28.5%	78.5%	35.7%	71.4%	85.7%	85.7%

LENGTH OF DIRECTORS' TERM OF OFFICE

Pursuant to Article 12 of the bylaws, the term of office of directors is four years. At December 31, 2023, the terms of office of the directors appointed by the Shareholders' Meeting expire as follows:

2024 AGM	Jane Basson, Sylvie Jéhanno
2025 AGM	Selma Alami[b], Marc Grynberg, Andrónico Luksic Craig[a], Francisco Pérez Mackenna[a]
2026 AGM	Laura Bernardelli, Anne Lebel
2027 AGM	Jean Mouton, Bpifrance Participations represented by Karine Lenglart, Oscar Hasbún Martínez[a], Hubert Porte

(a) Directors proposed by the main shareholder Invexans Limited (Quiñenco Group).
(b) Director representing employee shareholders.

CHANGES THAT OCCURRED IN THE COMPOSITION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES DURING THE 2023 FISCAL YEAR

The summary table below lists the changes that occurred in the composition of the Board of Directors and its Committees during fiscal 2023:

Date of event	Person concerned	Change
January 18, 2023	Bpifrance Participations represented by Karine Lenglart	Approval of the designation of Karine Lenglart as the permanent representative of Bpifrance Participations on the Board of Directors to replace Anne-Sophie Hérelle
February 14, 2023	Hubert Porte	End of duties as a member of the Accounts, Audit and Risk Committee and appointment as member of the Strategy and Sustainable Development Committee
February 14, 2023	Bpifrance Participations, represented by Karine Lenglart	End of duties as a member of the Accounts, Audit and Risk Committee
February 14, 2023	Marc Grynberg	Appointment as a member of the Accounts, Audit and Risk Committee
May 11, 2023	Jean Mouton	Renewal of the term of office as director and Chairman of the Board of Directors
May 11, 2023	Bpifrance Participations, represented by Karine Lenglart	Renewal of the term of office as director and member of the Appointments and Corporate Governance Committee, the Compensation Committee and the Strategy and Sustainable Development Committee
May 11, 2023	Hubert Porte	Renewal of the term of office as director and member of the Strategy and Sustainable Development Committee
May 11, 2023	Oscar Hasbún Martínez	Renewal of the term of office as director and Chairman of the Strategy and Sustainable Development Committee

CHANGES THAT OCCURRED IN THE COMPOSITION OF THE BOARD OF DIRECTORS AND COMMITTEES SINCE DECEMBER 31, 2023

Sylvie Jéhanno's term of office as director will expire at the end of the 2024 Shareholders' Meeting. As Sylvie Jéhanno did not wish to be renewed as a director due to her new professional commitments, the Board of Directors implemented a process of selecting a new independent director.

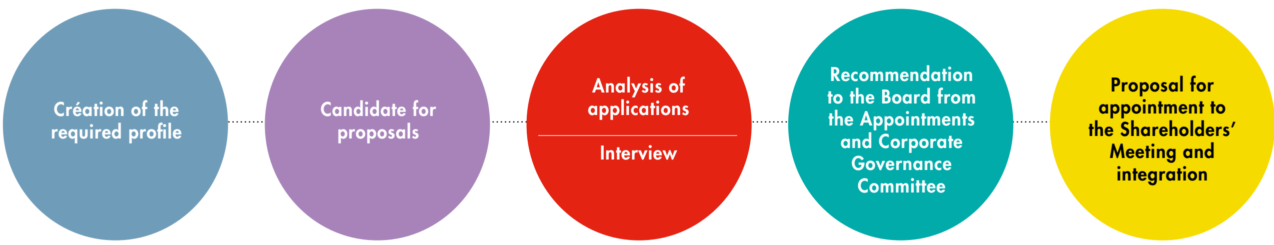
On the proposal of the Appointments and Corporate Governance Committee, the Board of Directors resolved to propose to the next Annual Shareholders' Meeting in 2024 that Jane Basson be reappointed as director for a period of four years.

IDENTIFICATION AND SELECTION PROCESS FOR NEW INDEPENDENT DIRECTORS

As part of the process for identifying and selecting new independent directors, the Appointments and Corporate Governance Committee avails itself of one or several independent headhunting firms to help with the selection of candidates to be submitted to the Board of Directors. This selection is based on criteria drawn up by the Board of Directors at the proposal of the Appointments and Corporate Governance Committee, in line with the Board of Directors' diversity policy and the results of its previous annual assessments.

The Chairwoman of the Appointments and Corporate Governance Committee and the Chairman of the Board of Directors meet with the candidates shortlisted by the Committee and present the various applications to the Committee. The Committee then makes its recommendation to the Board of Directors, which makes the final decision.

The Internal Regulations of the Board of Directors, which can be viewed in full on the Company's website, include a specific procedure for designating the permanent representative of a legal entity.



By the Board of Directors, on recommendation of the Appointments and Corporate Governance Committee

With the help of one or two external consultant(s) selected by the Board of Directors

With the Chairwoman of the Appointments and Corporate Governance Committee, and the Chairman of the Board of Directors, and then with members of the Appointments and Corporate Governance Committee

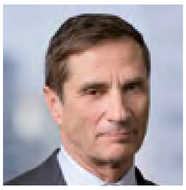
After having been selected, the candidates for Independent Directors may be appointed Censor by the Board before the vote of the Annuel Shareholders' Meeting, in order to facilitate their integration

4.4.1.2 Members of the Board of Directors

At December 31, 2023, the members of the Board of Directors were as follows:

Jean Mouton

Chairman of the Board of Directors



First elected as a director: **May 15, 2019**

Appointed as Chairman of the Board of Directors: **May 15, 2019**

Expiration of current term as director: **2027 AGM**

Number of shares held: **13,466**

Age: **67**

Nationality: **French**

Address: **4 Allée de l'Arche, 92400 Courbevoie, France**

Expertise/Experience

Jean Mouton was Senior Partner and Managing Director of the Boston Consulting Group (BCG) until April 30, 2019, and then Senior Advisor until April 30, 2020. Since joining the BCG in 1982, Jean has worked extensively, primarily in France and Italy, in a wide range of industrial sectors, including energy, industrial goods and infrastructure. He has partnered with global companies to redefine their strategies and organization and has supported numerous clients through mergers and acquisitions. Prior to joining BCG, Jean worked for Vinci in the Middle East. He is a member of the Supervisory Board of Aéroports de la Côte d'Azur (ACA). Jean Mouton is also a director of Getlink and of Egis, an international player in consulting, construction engineering and mobility services. He is also the Chairman of Stelmax SASU. Jean Mouton is also a member of the Investment Committee of the Agri-FoodTech fund of Praesidium, a private investment company based in London, Luxembourg and Milan. Jean is a graduate engineer from the École Supérieure des Travaux Publics and holds an MBA from the University of Chicago.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Member of the Supervisory Board of ACA (Aéroports de la Côte d'Azur)
- Member of the Board of Directors of **Getlink** and Egis
- Chairman of Stelmax SASU
- Member of the Supervisory Board of Fondation Hermione Academy
- Member of the Agri-FoodTech fund Investment Committee of Praesidium

Directorships that have expired in the last five years

- Senior Partner of the Boston Consulting Group
- Censor of **Nexans** from February 14, 2019 to May 15, 2019
- Member of the Board of Directors of **Atlantia S.p.A***
- Member of the Audit Committee of the ARC Foundation

Positions held in listed French or foreign companies.

** Positions held in foreign companies or institutions.*

Angéline Afanoukoé

Director representing employees

Nexans Head of Institution Relations

First elected as a director: **October 11, 2017**

Expiration of current term: **2025 AGM**

Member of the Compensation Committee

Number of shares held: **520**

Number of corporate mutual fund units invested in Nexans shares: **55**

Age: **53**

Nationality: **French**

Address: **4 Allée de l'Arche, 92400 Courbevoie, France**

Expertise/Experience

Angéline Afanoukoé is Nexans' Head of Global Employer Brand and Educational Partnerships having been Nexans Head of Institution Relations from 2020 to 2023 and the Head of External Affairs between 2017 and 2019. In her current role, Angéline is responsible for talent acquisition, employer branding and partnership strategies in the field of education. She is also responsible for the dissemination and promotion of Nexans Foundation projects while strengthening employee engagement in this area.

Previously, she was responsible for improving the Group's visibility and enhancing the brand image with Nexans stakeholders by managing the institutional communication and sponsorship activities on a global scale and was in charge of communication with individual shareholders and employees in the Investor Relations Department from 2001, before taking on responsibility for the Group's press relations in 2012. Angéline joined the financial department of the Metallurgy division of Alcatel Cables and Components in 1998. She started her career in 1991, working in small and medium-sized companies in the sales and events sector.

Angéline holds a Master's in International Business (Master 1) from University Paris V René Descartes as well as a Certified European Financial Analyst (CEFA) certificate from Société Française des Analystes Financiers (SFAF). She has also completed the Company Director certificate program run jointly by Sciences Po and Institut Français des Administrateurs (IFA), the French institute of company directors.

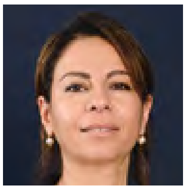
Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- None

Directorships that have expired in the last five years

- None

Selma Alami
Director representing employee shareholders



General Manager of the North West Africa Usages Business Unit

First elected as a director: **May 12, 2021**

Expiration of current term: **2025 AGM**

Number of shares held: **734**

Number of corporate mutual fund units invested in Nexans shares: **310**

Age: **48**

Nationality: **Moroccan**

Address: **Route de Tit-Mellil – Ain Sebaa – Boulevard Ahl Loghlam – Casablanca 20250 – Morocco**

Expertise/Experience

Selma Alami is Chief Executive Officer of Nexans' North Africa Business Unit. She started her career in 2000 in information systems at a software company (SSII) specialized in ERP integration in the medical sector. Attracted by the industrial sector, in 2001 she joined a Moroccan holding company that produced and distributed consumer products to support its mergers and acquisitions projects with regard to IT, processes and internal control. In 2003, she joined Sirmel, the distribution subsidiary of Nexans in Morocco, where she was in charge of upgrading and deploying infrastructures and information systems based on Group standards. She then held the position of CIO Morocco and later CIO MERA, before taking over the general management of the distribution subsidiary in Morocco in 2018.

After leading Sirmel in its transformation and implementation of strategic projects for its profitable growth plan through 2020, she was Deputy General Manager of the North West Africa Business Unit in charge of operations and support functions from March 2020 and became General Manager on January 31, 2022. Selma is an IS engineer and has completed a Master's degree in Audit and Management of Information Systems at the University of Lille, France.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

– Positions held within the Nexans Group: Director of Sirmel Morocco*, Nexans Morocco* and Nexans Côte d'Ivoire*

Directorships that have expired in the last five years

– Director of Sirmel Sénégal and Câbleries du Sénégal*

** Positions held in foreign companies or institutions.*

Jane Basson

Independent director

Head of Transformation, Corporate Secretary and member of the Executive Committee of Airbus Defence and Space

First elected as a director: **May 13, 2020**

Expiration of current term: **2024 AGM**

Member of the Appointments and Corporate Governance Committee

Member of the Compensation Committee

Member of the Strategy and Sustainable Development Committee

Number of shares held: **500**

Age: **54**

Nationality: **French**

Address: **Willy-Messerschmitt-Str. 1, 82024 Taufkirchen, Germany**

Expertise/Experience

Jane Basson has been Head of Transformation, Corporate Secretary and member of the Executive Committee of Airbus Defence and Space since October 1, 2021. She was previously Chief of Staff to the Chief Operating Officer and Head of People Empowerment in Operations at Airbus and, prior to that, Chief of Staff to the CEO (2016-2019).

Jane worked for various law firms and the Business and Industry Advisory Committee to the OECD in Paris before joining Airbus in 2000. She held various roles in Corporate Communications before being appointed Vice President Internal Communications in 2003. In 2008 she moved to human resources to develop a culture change program in support of the company's business transformation strategy Power8 and was appointed Senior Vice President Leadership Development & Culture Change for the group in June 2012 when she set up the Airbus Leadership University. She also chairs Balance for Business, a 10,000 strong employee-led inclusion and diversity platform at Airbus.

Jane has a degree in International Communications, Journalism and Business Administration. Originally South African, Jane has French nationality and lives in Toulouse, France with her husband and daughter.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

– None

Directorships that have expired in the last five years

– Censor of **Nexans** (from February 19, 2020 to May 13, 2020)

Positions held in listed French or foreign companies.

Laura Bernardelli
Independent director

Chief Financial Officer of the Coesia Group
First elected as a director: **May 11, 2022**
Expiration of current term: **2026 AGM**
Chairwoman of the Accounts, Audit and Risk Committee

Number of shares held: **510**
Age: **54**
Nationality: **Italian**
Address: **Via Battindarno, 91 – 40133 Bologna – Italy**

Expertise/Experience

Laura Bernardelli is currently Group Chief Financial Officer of Coesia, a global leader in industrial and packaging automated solutions, starting from April 2022. Laura was the CFO of the Datalogic Group from July 2019 to March 2022 and has been in charge of investor relations since November 2020.

Prior to joining Datalogic, Laura was Senior Vice President Group Controlling, Reporting and Digital Finance at Schneider Electric, from 2017. She joined Schneider Electric in 2014 as Senior Vice President, Finance Building & IT Business.

Prior to Schneider Electric, Laura was Vice President, Corporate Strategy and Business Development at Xylem from 2011, when the company was formed from the spin-off of the water business of ITT EMEAI. Laura was subsequently appointed Vice President, Finance and CFO of EMEAI. Laura joined ITT Corporation in 2007 as CFO Italy.

Previously, Laura held positions of increasing responsibility in the finance function at Fiat, General Electric and Eridania Béghin-Say; she has lived and worked internationally for almost 10 years.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

– Member of the Board of Directors of System Ceramics SpA* (Coesia Group).

Directorships that have expired in the last five years

– Member of the Board of Directors of Datalogic S.r.l.*
– Member of the Board of Directors of Datalogic IP Tech S.r.l.*
– Censor of **Nexans** from September 20, 2021 to May 11, 2022

Positions held in listed French or foreign companies.
** Positions held in foreign companies or institutions.*

Bpifrance Participations
represented by Karine Lenglart

Senior Investment Director, Large Cap, Bpifrance

First elected as a director: **May 15, 2019**

Expiration of current term as director: **2027 AGM**

Member of the Strategy and Sustainable Development Committee

Member of the Appointments and Corporate Governance Committee

Member of the Compensation Committee

Number of shares held by Bpifrance Participations: **3,363,546**

Age: **51**

Nationality: **French**

Address: **6-8 boulevard Haussmann, 75009 Paris, France**

Expertise/Experience

Karine Lenglart has been a Senior Investment Director, at Bpifrance's Large Cap Capital Development Department, since October 2022. She was previously and since 2016, Head of Mergers and Acquisitions and Investments at the Casino Group and a member of the Executive Committee since 2020.

She began her career in 1996, first at the Dutch investment bank ABN Amro and then at Société Générale investment bank. She then joined the Alstom Group in 2007, where she was Vice-Chair of Mergers and Acquisitions until 2015.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Censor on the Board of Directors of GGE TCo 1 (Galileo Global Education)
- Permanent representative of Bpifrance Investissement, member of the Supervisory Board of EMSponsors
- Permanent representative of Bpifrance Investissement, member of the Supervisory Board of Hygie31
- Permanent representative of Bpifrance Investissement, member of the Strategic Committee of TSE

Directorships that have expired in the last five years

- Member of the Board of Directors of Perspecteev (Bankin')

Marc Grynberg

Independent director
Director responsible for monitoring climate and environmental issues

First elected as a director: **May 11, 2017**

Expiration of current term: **2025 AGM**

Member of the Strategy and Sustainable Development Committee

Director responsible for monitoring climate and environmental issues since January 20, 2022

Member of the Accounts, Audit and Risk Committee since February 14, 2023

Number of shares held: **2,000**

Age: **58**

Nationality: **Belgian**

Address: **4 Allée de l'Arche, 92400 Courbevoie, France**

Expertise/Experience

Marc Grynberg was Chief Executive Officer of Umicore from November 2008 to October 2021. He was head of the Group's Automotive Catalysts business unit from 2006 to 2008 and served as Umicore's CFO from 2000 until 2006. He joined Umicore in 1996 as Group Controller. Marc holds a Commercial Engineering degree from the University of Brussels (École de Commerce Solvay) and, prior to joining Umicore, worked for DuPont de Nemours in Brussels and Geneva.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Member of the Supervisory Board of **Wienerberger***, member of the Sustainable Development and Innovation Committee, member of the Audit and Risk Committee and member of the Compensation Committee
- Member of the Supervisory Board of **Umicore***, member of the Investment Committee

Directorships that have expired in the last five years

- Chief Executive Officer of **Umicore***
- Other positions held within the **Umicore** group*
  - Chairman of the Supervisory Board of Umicore Management AG (Germany)*
  - Chairman of the Board of Directors of Umicore Poland Sp. z.o.o.*, Umicore Japan KK* and Umicore Marketing Services Korea Co. Ltd*
  - Director of Umicore Marketing Services (Hong Kong) Ltd*, Umicore Korea Ltd* and Umicore International (Luxembourg)*

Positions held in listed French or foreign companies.
** Positions held in foreign companies or institutions.*

Oscar Hasbún Martínez

Director proposed by Invexans Limited (Quiñenco Group)

Chief Executive Officer of CSAV (Compañía Sud Americana de Vapores S.A.)

First elected as a director: **May 15, 2019**

Expiration of current term as director: **2027 AGM**

Chairman of the Strategy and Sustainable Development Committee

Number of shares held: **500**

Age: **54**

Nationality: **Chilean**

Address: **Av. Apoquindo 2827, piso 14, Las Condes, Santiago. Chile**

Expertise/Experience

Oscar Hasbún Martínez is Chief Executive Officer of CSAV (Compañía Sud Americana de Vapores S.A.), member of the Supervisory Board of Hapag-Lloyd AG and a member of its Audit and Finance Committee. From 1998 to 2002, he was Managing Director and member of the Executive Board of the Chilean subsidiary of Michelin. He then joined the Quiñenco Group, where he was in charge of its investments in Croatia. In 2011, he was appointed CEO of CSAV, where he oversaw the shipping company's transformation, restructuring and subsequent merger with Hapag-Lloyd AG. Oscar Hasbún Martínez has a degree in business administration from Universidad Católica of Chile.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Positions held within Quiñenco group companies:
  - Chief Executive Officer of **CSAV* (Compañía Sud Americana de Vapores S.A.**)
  - Member of the Supervisory Board and Deputy Vice-Chairman of the Supervisory Board of **Hapag Lloyd AG***
  - Chairman of the Board of Directors of **SM SAAM* (Sociedad Matriz SAAM S.A.)**, a listed company that invests in ports, tug boats and logistics in America
  - Director of various subsidiaries of SM **SAAM***: SAAM S.A.*, Florida International Terminal LLC*, Sociedad Portuaria de Caldera (SPC) S.A.*, Sociedad Portuaria Granelera de Caldera (SPGC) S.A.*, San Antonio Terminal Internacional S.A.*, San Vicente Terminal Internacional S.A.*
- Director of **Invexans S.A.***, which owns 100% of Invexans UK Ltd (Nexans' main shareholder)
- Director of **CCU*** (**Compañía Cervecerías Unidas S.A.**) (since December 29, 2023)
- Advisor of SOFOFA* (professional non-profit federation of Chilean industry and trade unions)

Directorships that have expired in the last five years

- Censor of **Nexans** from May 17, 2018, to May 15, 2019

Positions held in listed French or foreign companies.
** Positions held in foreign companies or institutions.*

Sylvie Jéhanno

Independent director

Chairwoman and Chief Executive Officer of Dalkia

First elected as a director: **May 13, 2020**

Expiration of current term: **2024 AGM**

Member of the Accounts, Audit and Risk Committee

Member of the Appointments and Corporate Governance Committee

Member of the Compensation Committee

Number of shares held: **500**

Age: **54**

Nationality: **French**

Address: **Tour Europe, 33 place des Corolles, 92400 Courbevoie, France**

Expertise/Experience

Sylvie Jéhanno was first appointed Chief Executive Officer of Dalkia in January 2017, and then Chairwoman and Chief Executive Officer of Dalkia in January 2018. Dalkia, a leader in energy services with the development of local renewable energies and energy efficiency, is a subsidiary of the EDF Group.

She began her career at EDF as manager of an operations unit. She then became manager of a customer relations center and, after that, of a marketing team in charge of preparing the deregulation of energy markets. In 2005, she was appointed B2B Marketing Director before taking charge of EDF's Key Accounts Department in 2007. From the end of 2011 to the end of 2016, she was EDF's Director of Residential Customers Division and led the SOWEE innovation project.

Sylvie Jéhanno is a graduate of École Polytechnique and École des Mines de Paris. She is co-Chair of the "New Energy Systems" Strategic Committee and co-Chair of the Public Interest Group (GIP) "Les entreprises s'engagent".

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Chairwoman and Chief Executive Officer of Dalkia
- Chairwoman of Dalkia EN (a wholly-owned Dalkia subsidiary)
- Member of the Supervisory Board of Dalkia Electrotechnics (a wholly-owned Dalkia subsidiary)
- Director of EDF Energy* (an English subsidiary wholly-owned by EDF) and EDF Energy Services* (JV EDF Energy/Dalkia)
- Member of the Supervisory Board of Segula Technologies

Directorships that have expired in the last five years

- Censor of **Nexans** from March 6, 2020 to May 13, 2020
- Chairwoman of Dalkia Wastenergy, a wholly-owned Dalkia subsidiary
- Chairwoman of CRAM (a Dalkia subsidiary)
- Director of Edison* (Italian subsidiary of EDF)

Positions held in listed French or foreign companies.

** Positions held in foreign companies or institutions.*

Anne Lebel
Lead Independent Director

Chief Human Resources Officer of the Capgemini Group and member of the Executive Board

First elected as a director: **May 17, 2018**

Expiration of current term: **2026 AGM**

Chairwoman of the Appointments and Corporate Governance Committee

Chairwoman of the Compensation Committee

Number of shares held: **500**

Age: **58**

Nationality: **French**

Address: **11, rue de Tilsitt, 75017 Paris, France**

Expertise/Experience

Anne Lebel has been Chief Human Resources Officer of the Capgemini Group since July 20, 2020. She is also a member of Capgemini's Executive Board. She began her career in 1987 at Bossard Consultants as an organization and change management consultant. In 1997, Anne joined Schering Plough France as Human Resources and Training Manager for France and later headed up HR organization and development projects in Europe. In 2004, she joined Serono France as Head of Human Resources in France. In 2008, Anne Lebel moved to Allianz Global Corporate & Specialty where she was appointed Head of Human Resources for France, Italy and Spain, and later for Europe and Asia, before becoming Global Head of Human Resources between 2012 and 2016. Anne Lebel joined Natixis in 2016 as Chief Human Resources Officer and a member of Natixis' Executive Board. In 2019, she also took over as Natixis' Corporate Culture Officer. Anne Lebel is a graduate of the Institute of Political Studies in Strasbourg and holds a postgraduate diploma in Business Management and Administration (DESS CAAE) from the Institut d'Administration des Entreprises in Paris.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Member of the Supervisory Board of Capgemini Gouvieux SAS
- Director of Altran Engineering Solutions Incorporated*, Altran UK Limited*, Altran (Singapore) Pte. Ltd.*, Altran Engineering Solutions Japan Limited*, Altran Israel Limited*, Capgemini Suisse S.A.*, Capgemini Portugal S.A.*, Capgemini Services Malaysia Sdn Bhd*, Knowledge Expert S.A., Capgemini (China) Co. Ltd.*, Capgemini Technology Services India Limited*

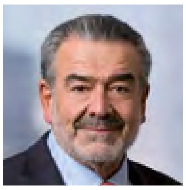
Directorships that have expired in the last five years

- Director of Natixis Assurances
- Altran Switzerland AG*: Director from November 3, 2021 to April 1, 2022
- Chappuis Halder Inc.*
- Braincourt (Switzerland) AG*

** Positions held in foreign companies or institutions.*

Andrónico Luksic Craig

Director proposed by Invexans Limited (Quiñenco Group)



Chairman of the Board of Directors of Quiñenco

First elected as a director: **May 14, 2013**

Expiration of current term: **2025 AGM**

Number of shares held: **6,740**

Age: **69**

Nationality: **Chilean**

Address: **Enrique Foster Sur 20, piso 16, Las Condes, Santiago, Chile**

Expertise/Experience

Andrónico Luksic Craig was Chairman of the Board of Directors of Quiñenco for more than 10 years, one of the main conglomerates in Chile, and has been a member of the Board of Directors from 1978 to December 2023. He resigned from the Board of Directors of Quiñenco, Banco de Chile, Compañía Cervecerías Unidas S.A. (CCU), Compañía Sudamericana de Vapores S.A. (CSAV), LQ Inversiones Financieras and Invexans.

Outside the Quiñenco group, Andrónico Luksic Craig is an active member of several leading organizations and advisory boards, both in Chile and internationally, including the International Business Leaders' Advisory Council of the municipality of Shanghai, the International Advisory Councils of the Brookings Institution, the Americas Society and the China Investment Corporation (CIC), as well as the Advisory Board of the Panama Canal Authority. Andrónico Luksic Craig is extremely committed to education. He is involved in educational foundations that he helped to create and takes part in advisory committees for Columbia and Harvard Universities, MIT, the University of Oxford, Tsinghua University, Fudan University and Babson College.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Vice-Chairman of the Board of Directors of the Amparo y Justicia Foundation* (ABC) and the Luksic Scholars Foundation* (GMA)
- Director of Antofagasta Minerals S.A.* and **Antofagasta Plc***
- Director of the Luksic Foundation*
- Member of the International Business Leaders' Advisory Council of the municipality of Shanghai*
- Member of the International Advisory Council of the Brookings Institution*, the International Advisory Council of the China Investment Corporation* (CIC), the China National Financial Regulatory Administration, the Advisory Board of the Panama Canal Authority* and the Chairman's International Advisory Council of the Council of the Americas*
- Member of the Global Advisory Council of Harvard University*, the World Projects Council of Columbia University*, the International Advisory Board of the Blavatnik School of Government* at the University of Oxford and the Advisory Boards of the School of Economics and Management at Tsinghua University*, the Guanghua School of Management at PKU in Beijing and of the School of Management at Fudan* University in Shanghai
- Member of the Americas Executive Board at the MIT Sloan School of Management*
- Emeritus Trustee of Babson College

Directorships that have expired in the last five years

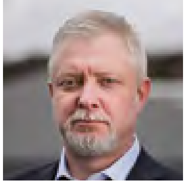
- Chairman of the Board of Directors of **Quiñenco S.A.*** until December 29, 2023
- Chairman of the Board of Directors of LQ Inversiones Financieras* and **CCU* (Compañía Cervecerías Unidas S.A.)** until December 29, 2023
- Vice-Chairman of the Board of Directors of **Banco de Chile*** and **CSAV* (Compañía Sudamericana de Vapores S.A.)** until December 29, 2023
- Director of **Invexans S.A.*** until December 29, 2023
- Director of **Tech Pack S.A.*** and SM Chile*
- Member of the Chilean Federation of Manufacturers – SOFOFA* (Sociedad de Fomento Fabril) and the Chile-Pacific Foundation*
- Advisor to the Board of Directors of Inversiones Rio Argenta* (the parent company of Enex*)
- Member of the International Advisory Board of **Barrick Gold***

Positions held in listed French or foreign companies.

* *Positions held in foreign companies or institutions.*

Bjørn Erik Nyborg

Director representing employees



Responsible for warehouse consumables at Nexans' Halden plant in Norway

First elected as a director: **October 15, 2020**

Expiration of current term: **2024 AGM**

Number of Nexans shares held: **0**

Number of corporate mutual fund units invested in Nexans shares: **17**

Age: **47**

Nationality: **Norwegian**

Address: **Knivsøvn 70, 1788 Halden, Norway**

Expertise/Experience

Bjørn Erik Nyborg joined Nexans in November 2005 as an operator working shifts on the paper insulation line in the Submarine & Land Systems (SLS) Business Group. Since 2019, he has been responsible for Warehouse Consumables at the Halden plant in Norway.

Bjørn Erik Nyborg was a deputy member of the Board of Directors of Nexans Norway from 2014 to 2019. He represented the Norwegian workers in NEWCO from 2016 to 2020. He was also a deputy member on an external Board, OK Industri, which is responsible for educating apprentices in one of Norway's regions, from 2014 to 2019.

Bjørn Erik Nyborg joined the local union in 2005. He became full-time deputy leader of the union in 2013. During his time as union leader, Bjørn Erik Nyborg covered many aspects of union duties such as revising local agreements and negotiating salaries both at local and at national level, and dealing with individual employee legal cases.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

– None

Directorships that have expired in the last five years

– Deputy member of the Board of Directors of Nexans Norway*
– Deputy member of the Board of Directors of OK Industri*

** Positions held in foreign companies or institutions.*

Francisco Pérez Mackenna

Director proposed by Invexans Limited (Quiñenco Group)

Chief Executive Officer of Quiñenco

First elected as a director: **May 31, 2011**

Expiration of current term: **2025 AGM**

Member of the Accounts, Audit and Risk Committee

Member of the Appointments and Corporate Governance Committee

Member of the Compensation Committee

Member of the Strategy and Sustainable Development Committee

Number of shares held: **500**

Age: **65**

Nationality: **Chilean**

Address: **Enrique Foster Sur 20, piso 14, Las Condes, Santiago, Chile**

Expertise/Experience

Francisco Pérez Mackenna has served as Chief Executive Officer of the Chilean company Quiñenco S.A. since 1998. Since December 29, 2023, he has been the Chairman of the Board of Directors of CCU (Compañía Cervecerías Unidas S.A.) and LQ Inversiones Financieras, as well as Vice-Chairman of the Board of Directors of Banco de Chile. He is also a director of several companies in the Quiñenco group, including Tech Pack, CSAV (Compañía Sud Americana de Vapores), SM SAAM (Sociedad Matriz SAAM S.A.) and Enex (Empresa Nacional de Energía Enex S.A.). Before joining Quiñenco, between 1991 and 1998, Francisco Pérez Mackenna was Chief Executive Officer of CCU.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- Chief Executive Officer of **Quiñenco S.A.***
- Positions held within the Quiñenco Group:
  - Chairman of the Board of Directors of **CSAV* (Compañía Sud Americana de Vapores S.A.)**, **CCU* (Compañía Cervecerías Unidas S.A.)**, LQ Inversiones Financieras S.A.*, ENEX* (Empresa Nacional de Energía Enex S.A.), **Invexans S.A.***, Invexans Ltd* and **Tech Pack S.A.***
  - Vice-Chairman of the Board of Directors of **Banco de Chile***
  - Director of **SM SAAM* (Sociedad Matriz Sudamericana Agencias Aéreas y Marítimas S.A.)**
  - Member of the Supervisory Board of **Hapag-Lloyd AG***

Directorships that have expired in the last five years

- Director of Hidrosur* (subsidiary of **Quiñenco**)

Positions held in listed French or foreign companies.
** Positions held in foreign companies or institutions.*

Hubert Porte
Director

Founding Partner and CEO of Ecus Capital

First elected as a director: **November 10, 2011**

Expiration of current term as director: **2027 AGM**

Member of the Accounts, Audit and Risk Committee until February 14, 2023

Member of the Strategy and Sustainable Development Committee since February 14, 2023

Number of shares held: **571**

Age: **59**

Nationality: **French**

Address: **Enrique Foster Norte 0115, 5th floor, Las Condes, Santiago, Chile**

Expertise/Experience

Hubert Porte is Founding Partner and CEO of the private equity firm Ecus Capital, which was founded in 2004 and invests in Chile through private equity funds. Hubert Porte is a director of the Chilean company AMA Time. He is also a Managing Partner of Latin American Asset Management Advisors and of Ecus Investment Advisors, which distribute AXA Investment Managers' mutual funds for the Chilean, Peruvian and Colombian institutional markets, and of COMGEST, representing 1 billion dollars worth of investments.

Directorships and other positions held during 2023 (and still in force at the 2023 year-end)

- The following positions in Chilean companies whose financial investments are managed by Ecus Capital*:
  - Chairman of Eramet Chile S.A.*
  - Chairman of AMA Time SpA* (agri-food company)
  - Managing Partner of Latin America Asset Management Advisors* and Ecus Investment Advisors*

Directorships that have expired in the last five years

- Executive Chairman of Ecus Administradora General de Fondos S.A.* (private equity firm)
- Director of **Invexans S.A.*** (Quiñenco group) Director of Plastic Omnium S.A. Chile*
- Director of Loginsa S.A. Chile*
- Director of Vitamina S.A.*
- Director of Tabali S.A.*

Positions held in listed French or foreign companies.
** Positions held in foreign companies or institutions.*

4.4.1.3 Independence

The characterization of the independent director is discussed by the Appointments and Corporate Governance Committee and reviewed by the Board of Directors each year, prior to the preparation of the report on corporate governance, and whenever a new director is appointed.

On January 17, 2024, the Board of Directors reviewed the individual status of each of its members in light of the independence criteria defined by Recommendation 10 of the AFEP-MEDEF Code.

Criterion 1 – Employee or corporate officer over the past five years	Not to be, or not to have been during the previous five years, an employee or executive officer of the Company, nor an employee, executive officer or director of a company consolidated by the Company, or of the parent company of the Company, or a company consolidated by this parent company
Criterion 2 – Cross-directorships	Not be an executive officer of a company in which the Company directly or indirectly holds a directorship, or in which an employee appointed as such or an executive officer of the Company (current or having been for less than five years) has held a directorship
Criterion 3 – Significant business ties	Not to be (or to be directly or indirectly related to) a customer, supplier, investment or financing banker, or significant advisor to the Company or its Group, or for which the Company or its Group represents a significant portion of activity
Criterion 4 – Family ties	Not to have close family ties with a corporate officer
Criterion 5 – Statutory Auditors	Not to have been a Statutory Auditor of the Company during the previous five years
Criterion 6 – Term of office more than 12 years	Not to have been a director of the Company for more than 12 years
Criterion 7 – Compensation linked to the Company's or Group's performance	A non-executive corporate officer cannot be considered independent if he or she receives variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group
Criterion 8 – Status of significant shareholder	Directors who are major shareholders of the Company or its parent company may be considered independent if these shareholders have no involvement in the management of the Company. However, beyond 10% of the share capital or voting rights, the Board, based on a report by the Appointments, Compensation and Governance Committee, systematically examines the independent status of the composition of the Company's share capital and the existence of a potential conflict of interest

The following table summarizes the situation of each director with regard to the independence criteria set out in Recommendation 10 of the AFEP-MEDEF Code, as of December 31, 2023:

Criterion	Employee or corporate officer over the past five years	Cross -directorships	Significant business ties	Family ties	Statutory Auditors	Term of office more than 12 years	Compensation linked to the Company's or Group's performance	Status of significant shareholder
Jean Mouton								
Angéline Afanoukoé	✓							
Selma Alami	✓							
Jane Basson								
Laura Bernardelli								
Bpifrance Participations								✓
Marc Grynberg								
Oscar Hasbún Martínez								✓
Sylvie Jéhanno								
Anne Lebel								
Andrónico Luksic Craig								✓
Bjørn Erik Nyborg	✓							
Francisco Pérez Mackenna						✓		✓
Hubert Porte						✓		

The Board conducted a quantitative and qualitative review of the business relationships between the groups and entities in which the members of the Board are senior managers, by analyzing the offices held by each, their duration, as well as the revenue generated between Nexans and the entities concerned.

The Board noted the following characterizations as of December 31, 2023:

- the following directors are independent: (1) Jean Mouton, (2) Jane Basson, (3) Laura Bernardelli, (4) Marc Grynberg, (5) Sylvie Jéhanno and (6) Anne Lebel.
  - The Board of Directors considered that **Jean Mouton, Marc Grynberg and Laura Bernardelli** were independent given the absence of business relations during the 2023 fiscal year between Nexans and the companies and foundations in which they held offices in 2023.
  - **Jane Basson** is Head of Transformation, Corporate Secretary and member of the Executive Committee of Airbus Defence and Space, an Airbus Group company, which is one of the Nexans Group's customers. The Board of Directors has examined the significant business relationships between Nexans and Airbus, using both quantitative and qualitative criteria.

    In 2023, the Nexans Group generated less than 0.1% of its revenue through direct sales to Airbus and less than 1% of its revenue through indirect sales to various Airbus subcontractors. As a result, the Board of Directors does not consider the business relationship to be significant for the purpose of the independence criteria.

    The Board also took into account other criteria such as the length and continuity of the relationship between the two companies as it is a longstanding relationship dating back prior to Jane Basson's appointment as Nexans' Director. The Board also took into consideration Jane Basson's duties as Head of Transformation, Corporate Secretary and member of the Executive Committee of Airbus Defence and Space. This position does not give her direct decision-making power over the commercial agreements or projects that correspond to the business relationship between Nexans and Airbus. She does not receive any compensation in relation to any agreements, connections or business relationships that may exist between Nexans and Airbus.

    Lastly, to maintain her character of independence, Jane Basson has undertaken not to participate in (i) the preparation of projects or contracts to be entered into by Airbus or any company in the Airbus Group or by its subcontractors with Nexans or a Nexans Group company, (ii) the work performed by Airbus under a contract signed with Nexans or any Nexans Group company, or (iii) any votes on matters discussed by the Board of Directors of Nexans relating to projects in which Airbus would or could be directly or indirectly interested, as a client,
  - **Sylvie Jéhanno** is Chairwoman and Chief Executive Officer of Dalkia, a Nexans Group supplier. The Board of Directors has assessed whether there were any significant business relationships between Nexans and Dalkia using both quantitative and qualitative criteria. In 2023, Dalkia's revenue from its business with Nexans accounted for less than 0.01% of its total revenue. The relationship between Nexans and Dalkia is not significant for Dalkia. In the interests of information and transparency, the revenue generated by the Nexans Group through its business with the EDF Group, to which Dalkia belongs, was less than 1% of Nexans' standard sales in 2023. Dalkia is one of the suppliers Nexans works with regularly, it being specified that a competitive bidding procedure automatically takes place between the various suppliers for each project or contract, in accordance with the Nexans Group procurement policy. The Board of Directors does not consider this business relationship to be significant for the purpose of the independence criteria.

    The Board also took into account other criteria such as the length and continuity of the relationship between the two companies as it is a longstanding relationship dating back prior to Sylvie Jéhanno's appointment as Director.

    Lastly, to maintain her character of independence, Sylvie Jéhanno has undertaken not to participate in (i) the preparation or solicitation of offers of Dalkia's services from Nexans or any Nexans Group company, (ii) the work performed by Dalkia under a contract or project with Nexans or any Nexans Group company, or (iii) any votes on matters discussed by the Board of Directors of Nexans relating to projects in which Dalkia is or could be interested as a supplier,
  - **Anne Lebel** is Chief Human Resources Officer and a member of the Executive Management Committee of Capgemini, a service provider to Nexans. The Board of Directors has assessed whether there were any significant business relationships between Nexans and Capgemini using both quantitative and qualitative criteria. Capgemini's net revenue generated by its activities with Nexans in 2023 was less than 0.01% of Capgemini's total net revenue. The relationship between Nexans and Capgemini is not significant for Capgemini. Furthermore, Capgemini is one of Nexans' regular suppliers and a competitive bidding procedure automatically takes place between the various suppliers for each project or contract, in accordance with the Nexans Group's procurement policy. The Board of Directors does not consider this business relationship to be significant for the purpose of the independence criteria. In addition, the Board of Directors took into account other criteria such as the longevity and continuity of the relationship between these two companies, which predates the appointment of Anne Lebel as director. In addition, to preserve her character of independence, Anne Lebel has agreed not to participate in (i) the preparation or solicitation of Capgemini services from Nexans or any of the Group's companies, (ii) the provision of services by Capgemini (iii) and votes on any decision of the Board of Nexans concerning a project in which Capgemini is or could be involved as a service provider.

At December 31, 2023, 6 of Nexans' 11 directors were independent, representing an independence rate of more than 54.5% [1] This exceeds the 50% recommended by the AFEP-MEDEF Code for widely held companies.

The following directors do not qualify as independent: (1) Oscar Hasbún Martínez, (2) Andrónico Luksic Craig and (3) Francisco Pérez Mackenna. These three directors were proposed by the main shareholder Invexans Limited (Quiñenco group); (4) Bpifrance Participations, which holds 7.69% of Nexans' capital and voting rights; (5) Hubert Porte, director of the Company for 12 years, who lost his status of independent director as of November 11, 2023, in accordance with Article 10.5.6 of the AFEP-MEDEF Code; and lastly (6) Angéline Afanoukoé, (7) Selma Alami and (8) Bjørn Erik Nyborg as they are Group employees.

(1) Independence rate calculated without counting the directors representing employees and employee shareholders in accordance with Recommendation 10.3 of the AFEP-MEDEF Code.

4.4.2 Operation and work of the Board of Directors

4.4.2.1 Board meetings in 2023

Board meetings are convened in accordance with applicable laws, the bylaws and the Internal Regulations of the Board.

The Board of Directors met eight times in 2023, with an average annual attendance rate of 96%. The number of meetings attended by each Board member in 2023 is indicated in the table below:

Director	Number of meetings attended
Jean Mouton	8
Angéline Afanoukoé	8
Selma Alami	8
Jane Basson	8
Laura Bernardelli	8
Marc Grynberg	8
Oscar Hasbún Martínez	8
Karine Lenglart (Bpifrance Participations)	8
Sylvie Jéhanno	8
Anne Lebel	8
Andrónico Luksic Craig	3
Bjørn Erik Nyborg	8
Francisco Pérez Mackenna	8
Hubert Porte	8

As stipulated in the Internal Regulations, prior to each meeting, Board members are sent details, *via* the Board digital platform, about any agenda items that require particular analysis and prior reflection.

At the initiative of the Chairman of the Board of Directors, two executive sessions were organized in January and July 2023, before the Board meetings and without the presence of the Chief Executive Officer and the members of management, at which all directors were present. The purpose of these meetings, which were chaired by the Lead Independent Director, was to allow open discussions between Directors, improve the operating procedures of the Board of Directors, particularly by analyzing the results of the annual evaluation of the Board and Committees, and support management on key issues. Proposals to improve the executive compensation policy were also discussed.

On July 25, 2023, the independent directors also met under the chairmanship of the Lead Independent Director. On this occasion, they discussed the functioning of the Board of Directors and the opportunities for developing Nexans corporate governance.

Lastly, the Chairman of the Board of Directors, the Lead Independent Director and the Director responsible for monitoring climate and environmental issues took part in a virtual ESG roadshow in March and April 2023, with the Company Investor Relations, Corporate Social Responsibility, Human Resources and Legal Departments. During this roadshow they met around 12 investors and proxy advisors.

The main topics discussed by the Board during its meetings in 2023 were as follows:

Monitoring the Group's key strategic orientations and activities	• Review of the Equity story and the strategic initiatives; review of strategic options and planned disposals and acquisitions; authorization of disposals, acquisitions and strategic investments (among which a new cable lying vessel and a medium voltage plant project in Morocco) • Review of business performance and industrial and financial scorecard • Definition of the Group's three-year climate strategy and 2024-2026 objectives • ESG scorecard • Status update on the offshore wind market in the USA
The Group's financial position, cash position and commitments	• 2023 budget • Review and approval of the consolidated financial statements for 2022 and for the first half of 2023 • Proposed appropriation of 2022 income and dividend distribution • Adoption of the management report on the operations and results of the Nexans Group and its parent company in 2022 and adoption of the 2023 interim report • Review of quarterly earnings and interim and annual outlook • Review of press releases on annual and interim consolidated financial statements • Approval of the provisional management documents • Request for authorization of a bridge financing • Request for authorization to issue a bond
Compliance and internal control	• Review of risk management, internal control and internal audit plan; update on cybersecurity • Review of the compliance program, the fight against corruption, the whistleblowing procedure, as well as litigation and competition investigations • Update on Group insurance and reinsurance captive • CSRD and dual materiality matrix • Deferred tax and brand strategy • Update on intellectual property • Notice of the Annual Shareholders' Meeting, drafting of the resolutions and the reports to be presented to the Meeting • Annual authorization to issue sureties, endorsements and guarantees and authorization of parent company guarantees • Annual review of related-party agreements and commitments • Permanent information on the legislative and regulatory environment, in particular the say on climate, and the Corporate Sustainability Reporting Directive (CSRD)
Appointments and corporate governance	• Composition of the Board and its Committees – Directorships to be proposed to the 2023 Annual Shareholders' Meeting and the 2024 Annual Shareholders' Meeting • Succession plan for corporate officers, including the Chief Executive Officer • Appointment of a Director responsible for monitoring climate and environmental issues; • Review of recent recommendations on corporate governance (revised version of the AFEP-MEDEF Code and its application guide, reports from the AMF and the High Committee for Corporate Governance). • Amendment to the Internal Regulations to include the new role of director in charge of monitoring climate and environmental issues and to clarify the responsibilities of the Strategy and Sustainable Development Committee in terms of sustainable development to take into account the new recommendations in the revised version of the AFEP-MEDEF Code of December 2022 on determining the CSR and Climate strategy and action plan as well as the recommendations of the High Committee on Corporate Governance on the process of finding new directors • Results of the 2022 assessment of the composition, organization and functioning of the Board and its Committees, the actions to be implemented following this assessment and the follow-up of the action plan • Launch at the end of 2023 of an annual assessment of the composition, organization and functioning of the Board and the Committees • Adoption of the diversity policy within the Board of Directors and the management bodies • Characterization of the independence of the members of the Board of Directors • Adoption of the Board's Report on Corporate Governance • Scheduling of meetings and adoption of a projected work program for the Board and its Committees for 2024
Management compensation	• Review of the performance and the variable compensation of the Chief Executive Officer for 2022 • Compensation policy for corporate officers for 2023 and 2024; setting of the compensation for the Chairman and Chief Executive Officer for 2023; setting the specific compensation of the Lead Independent Director and the director responsible for monitoring climate and environmental issues • Board of Directors members' travel reimbursement policy • Issue of the 2023 performance share and free share plans and recognition of the achievement of the performance conditions of the long-term compensation plans – setting the conditions for the 2023 performance share plans – specific conditions applicable to the Chief Executive Officer • Review of publicly available information about the compensation of executive directors
Market transactions	• Decision to postpone the capital increase reserved for employees (International Employee Shareholding Plan Act) • Implementation of a share buyback program

In addition, presentations are given regularly to the Board of Directors by the various managers in charge of the Business Groups and functional departments. In September 2023, the directors took part in a two-day strategic seminar at the Lens industrial site in France to examine the multiple aspects of Nexans strategy, including various internal and external growth initiatives, the corporate culture, talent management and development, the commodity market outlook as well as the sustainability and impact of the E3 model. On this occasion, Board members visited the "copper casting facility" of Lens, a smelter from which 700 tons of recycled copper are released per day, a portion of which is integrated into the Group cable manufacturing processes. This was an opportunity for Board members to gain an insight into the Group progress and projects in the field of raw materials recycling.

4.4.2.2. Committees set up by the Board of Directors

ACCOUNTS, AUDIT AND RISK COMMITTEE	APPOINTMENTS AND CORPORATE GOVERNANCE COMMITTEE	COMPENSATION COMMITTEE	STRATEGY AND SUSTAINABLE DEVELOPMENT COMMITTEE
Chair: Laura Bernardelli	Chair: Anne Lebel	Chair: Anne Lebel	Chair: Oscar Hasbún
4 members* 75% independent 50% women 4 meetings 100% participation	5 members 60% independent 80% women 5 meetings 92% participation	6 members 60% independent 80% women 1 employee representative 6 meetings 94.4% participation	6 members 34% independent 34% women 8 meetings 97.9% participation

In July 2001, the Board of Directors set up the Accounts and Audit Committee (renamed the Accounts, Audit and Risk Committee in January 2019) and the Appointments and Compensation Committee, whose purview was extended in 2012 to cover corporate governance. This Committee was split into two separate committees in May 2020: the Appointments and Corporate Governance Committee and the Compensation Committee. Starting in 2013, the Board also put in place a Strategy Committee, whose purview was extended in 2015 to cover sustainable development. The various topics related to Corporate Social Responsibility are included in the missions of the four Committees.

The Board of Directors' Internal Regulations, which are regularly updated, set out the rules relating to these Committees' membership structure, roles and responsibilities, and operating procedures, which comply with legal requirements and the recommendations of the AFEP-MEDEF Code.

ACCOUNTS, AUDIT AND RISK COMMITTEE

At December 31, 2023, the Accounts, Audit and Risk Committee comprised the following four members, all non-executive directors:

Laura Bernardelli	Chairwoman
Sylvie Jéhanno	Member
Francisco Pérez Mackenna	Member
Marc Grynberg	Member

The proportion of independent members on the Accounts, Audit and Risk Committee, as assessed on the basis of the annual review of director independence conducted in early 2024, was 75%, taking into account the characterization of Francisco Pérez Mackenna as a non-independent director (see Sections 4.1 on the implementation of the AFEP-MEDEF Code and 4.4.1.3 on directors' independence).

50% of the members of the Accounts, Audit and Risk Committee have training and experience in finance, accounting or audit that comply with the obligations laid down in paragraph 2 of Article L.821-67 of the French Commercial Code, which require the appointment of at least one committee member with financial, accounting or audit expertise:

- **Laura Bernardelli**, given her various financial and accounting responsibilities in the positions held notably within Xylem, ITT, Schneider Electric, Datalogic and Coesia;
- **Marc Grynberg**, given his various financial responsibilities in the positions held notably within Umicore and Dupont de Nemours.

For the implementation of the assignments of the Accounts, Audit and Risk Committee, the Company applies the recommendations of the Final Report on Audit Committees published by the French Financial Markets Authority (AMF) on July 22, 2010 and the government order dated March 17, 2016 on statutory audits.

The main roles and responsibilities of the Accounts, Audit and Risk Committee are described in the Board of Directors' Internal Regulations which are available on the Group's website.

Pursuant to Article 13 of the bylaws, the Chair of the Accounts, Audit and Risk Committee can convene a Board meeting and set the agenda.

In the course of its work, the Accounts, Audit and Risk Committee may request to meet with any member of the Finance Department and the Statutory Auditors, including without the presence of the Company's Executive Management. Presentations are made to the Committee once a year by the Risk Management director and the Group Compliance Officer. The Committee can also seek the advice of external specialists.

The Accounts, Audit and Risk Committee acts under the responsibility of the Board of Directors. The Committee reports to the Board on its work.

The Internal Audit and Control director acts as the secretary of this Committee.

The Accounts, Audit and Risk Committee met four times in 2023. The meetings were also attended by the Group Deputy Chief Executive Officer and Chief Financial Officer, the Head of Internal Audit and the Head of Internal Control, the Secretary General and Group General Counsel, and as needed by the Statutory Auditors, the Head of Consolidation and the Head of Financial Control. He also met the Head of Investor Relations, the Head of Treasury and Financing, the Head of Risk, the Group Compliance Officer and the Head of Cybersecurity. The Chairwoman of the Committee also heard the Statutory Auditors, without the presence of the Company's management.

The total average attendance rate of the members was 100%:

Director	Number of meetings attended
Laura Bernardelli	4
Bpifrance Participations represented by Karine Lenglart	1[(a)]
Sylvie Jéhanno	4
Francisco Pérez Mackenna	4
Hubert Porte	2[(a)]
Marc Grynberg	2[(a)]

(a) Representing 100% of meetings during the term of office as a member of the Accounts, Audit and Risk Committee.

In 2023, the issues discussed by the Committee included:

Financial information	• Review of annual and interim consolidated financial statements • Press releases on annual and interim results • Dividend policy • Review and monitoring of financing projects • Monitoring the Group's liquidity and loan repayments
Internal audit, internal control, risk management and compliance	• Review of internal audit and internal control • Review of the "Risk factors and risk management within the Group" sections of the 2022 management report and of the 2023 interim activity report • Review and monitoring of the compliance program • Presentations by the Group Compliance Officer on reporting and alerts • Litigation and intellectual property update as well as intra-group brand licenses • Update on the Corporate Sustainability Reporting Directive (CSRD) and review of the Committee's CSR missions
Statutory Auditors	• Presentation by the Statutory Auditors of their work • Monitoring of the services provided by the Statutory Auditors – Authorization of non-audit services • Process and proposal for the renewal of the expiration of the term of office of one of the Statutory Auditors

The Chairs of the other Committees are invited to attend the meetings of the Accounts, Audit and Risk Committee particularly when the Committee presents the risk management program (including in particular the social and environmental risks) and reviews and monitors the compliance program. The Chairwoman of the Appointments and Corporate Governance Committee and the Compensation Committee, and the Chairman of the Strategy and Sustainable Development Committee, attended a meeting of the Accounts, Audit and Risk Committee in October 2023.

The Accounts, Audit and Risk Committee also met with the Strategy and Sustainable Development Committee during a joint session on July 24, 2023, to examine the new CSRD regulation and its implementation within the Group.

APPOINTMENTS AND CORPORATE GOVERNANCE COMMITTEE

At the end of 2023, the Appointments and Corporate Governance Committee comprised the following five members, who were all non-executive directors:

Anne Lebel	Chairwoman
Bpifrance Participations represented by Karine Lenglart	Member
Jane Basson	Member
Sylvie Jéhanno	Member
Francisco Pérez Mackenna	Member

On the basis of the annual review of the characterization of independence of directors conducted in January 2024, the proportion of independent members on the Appointments and Corporate Governance Committee amounted to 60%, taking into account the characterization of Francisco Pérez Mackenna and Bpifrance Participations as non-independent directors. The Appointments and Corporate Governance Committee is chaired by the Lead Independent Director. Its members were chosen for their expertise in the areas of human resources, corporate governance and management.

The main roles and responsibilities of the Compensation Committee are described in the Board of Directors' Internal Regulations which are available on the Group's website. Pursuant to Article 13 of the Company's bylaws, the Chair of the Appointments and Corporate Governance Committee can convene a Board meeting and set the agenda.

The Group General Counsel and Secretary General acted as Committee Secretary.

During 2023, the Appointments and Corporate Governance Committee met five times with a total average attendance rate of 92%:

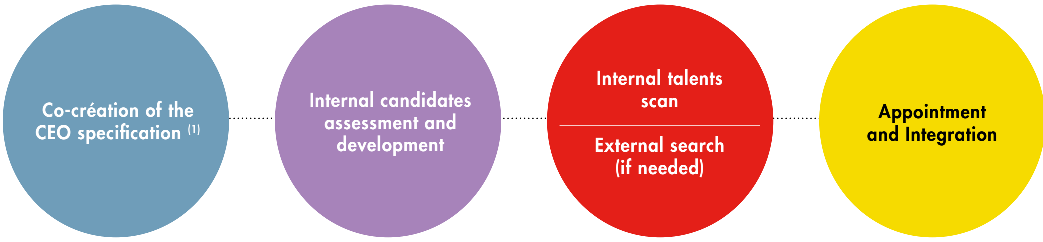
Director	Number of meetings attended
Anne Lebel	5
Bpifrance Participations represented by Karine Lenglart	4[(a)]
Jane Basson	4
Sylvie Jéhanno	5
Francisco Pérez Mackenna	4

(a) Representing 100% of meetings during her term of office as a member of the Committee.

During 2023, the Committee focused in particular on the following matters:

Appointments	• Review of the terms of office expiring at the Annual Shareholders' Meeting; Planning the succession of members of the Board of Directors • Work on the composition of the Committees • Succession plan for corporate officers, including the Chief Executive Officer • Board of Directors and management body's diversity policy • Proposal to approve the appointment of a new permanent representative of the legal entity director
Corporate governance	• Characterization of the independence of Board members • Results of an assessment of the Board for 2022 and actions to be implemented following this assessment • Launch of an assessment of the Board for 2023 and actions to be implemented following this assessment • Recommendations on corporate governance following the revision of the AFEP-MEDEF Code in December 2022 and the report of the High Committee on Corporate Governance; Work on amendments to the Internal Regulations of the Board of Directors • Review of the Board of Directors' report on corporate governance • Review of the Committee's 2024 work program

SUCCESSION PLANS FOR EXECUTIVE OFFICERS



(1) By the Appointments and Corporate Governance Committee and the Chairman of the Board of Directors
(2) By the Board of Directors, upon the recommendation of the Appointments and Corporate Governance Committee

Succession plans for executive officers and other members of the Executive Committee are examined and reviewed regularly by the Appointments and Corporate Governance Committee and the Board of Directors. These plans consist of an ongoing, in-depth thought process, with various responses proposed in accordance with the relevant time horizon (short or medium term), in order to prepare for the future by developing various options.

SUCCESSION PLANS FOR THE CHIEF EXECUTIVE OFFICER

Within the framework of these plans, the Committee proposes internal and external succession solutions to the Board of Directors, based on studies by independent, third-party consultants. The internal solutions promote leadership development plans within the Group, with those by third-party consultants being useful in the event of an unforeseen vacancy (following a resignation, incapacity, death or potential failure, for example). The Chief Executive Officer and the Group's Senior Corporate Vice President Human Resources join the Committee in assessing internal candidates and reviewing their development plans.

The Chairman of the Appointments and Corporate Governance Committee and the Chairman of the Board of Directors examine the lists of candidates to succeed the Chief Executive Officer before submitting proposals to the Committee. The Committee then makes recommendations to the Board of Directors.

The succession plans for the Chief Executive Officer were reviewed by the Appointments and Corporate Governance Committee and the Board of Directors in January 2023 and October 2023; those for the other members of the Executive Committee were reviewed by the Appointments and Corporate Governance Committee and the Board of Directors in January 2023.

COMPENSATION COMMITTEE

At the end of 2023, the Compensation Committee had six members, who were all non-executive directors:

Anne Lebel	Chairwoman
Angéline Afanoukoé, Director representing employees	Member
Bpifrance Participations represented by Karine Lenglart	Member
Jane Basson	Member
Sylvie Jéhanno	Member
Francisco Pérez Mackenna	Member

On the basis of the annual review of the characterization of independence conducted in January 2023, the proportion of independent members on the Compensation Committee amounted to 60%, taking into account the characterization of Francisco Pérez Mackenna and Bpifrance Participations as non-independent directors [1]. The Compensation Committee is chaired by the Lead Independent Director.

The main roles and responsibilities of the Compensation Committee are described in the Board of Directors' Internal Regulations which are available on the Group's website. Pursuant to Article 13 of the Company's bylaws, the Chair of the Compensation Committee can convene a Board meeting and set the agenda.

The Group's Chief Human Resources Officer acted as Committee Secretary.

(1) Independence rate calculated without counting the directors representing employees and employee shareholders in accordance with Recommendation 10.3 of the AFEP-MEDEF Code.

During 2023, the Compensation Committee met six times with a total average attendance rate of 94.4%:

Director	Number of meetings attended
Anne Lebel	6
Angéline Afanoukoé	6
Bpifrance Participations represented by Karine Lenglart	5[a]
Jane Basson	5
Sylvie Jéhanno	6
Francisco Pérez Mackenna	5

(a) Representing 100% of meetings during his term of office as a member of the Committee.

During 2023, the Committee focused in particular on the following matters:

Compensation	• Compensation policy for corporate officers for 2023 • Variable portion of the Chief Executive Officer's compensation for 2022 • Compensation policy for the Chief Executive Officer for 2024 • 2023 compensation of the Chairman of the Board of Directors and the Chief Executive Officer • 2023 long-term compensation plans; vesting of the 2019 long-term compensation plan; ESG performance conditions • Review of publicly available information about the compensation of executive officers and the Board's report on Corporate Governance • Draft report on the resolutions submitted to the 2023 Shareholders' Meeting (Say on pay) • "Act 2024" international employee share ownership plan to be submitted for authorization by the 2023 Shareholders' Meeting and proposal to postpone this plan • Proposal for a reimbursement policy for directors' travel expenses

STRATEGY AND SUSTAINABLE DEVELOPMENT COMMITTEE

At the end of 2023, the Strategy and Sustainable Development Committee had six members, who were all non-executive directors:

Oscar Hasbún Martínez	Chairman
Jane Basson	Member
Bpifrance Participations represented by Karine Lenglart	Member
Marc Grynberg	Member
Francisco Pérez Mackenna	Member
Hubert Porte	Member

The roles and responsibilities of the Strategy and Sustainable Development Committee are described in the Board of Directors' Internal Regulations, which are available on the Group's website. The last revision of the Internal Regulations in February 2023 aimed in particular at supplementing the missions of the Strategy and Sustainable Development Committee, in order to include the review of the multi-year strategic orientations in terms of social and environmental responsibility, climate objectives and results, and the non-financial performance statement, the report on corporate, social and environmental responsibility, and the main non-financial performance indicators.

The proportion of independent members on the Strategy and Sustainable Development Committee is 33.3%, taking into account the qualification of Oscar Hasbún Martínez, Francisco Pérez Mackenna, Hubert Porte and Bpifrance Participations as non-independent Directors.

The Committee is chaired by a non-independent director chosen for his particular skills and experience in the fields of strategy, business transformation and mergers and acquisitions.

During 2023, the Strategy and Sustainable Development Committee met eight times with an attendance rate of 97.9%:

Director	Number of meetings attended
Oscar Hasbún Martínez	8
Jane Basson	7
Marc Grynberg	8
Bpifrance Participations, represented by Karine Lenglart	7[a]
Francisco Pérez Mackenna	8
Hubert Porte	6[a]

(a) Representing 100% of meetings since the appointment as a member of the Strategy and Sustainable Development Committee.

In particular, the Committee examined the strategic plan and its planning, the business portfolio, several strategic options and external growth projects, strategic investments such as the acquisition of a third cable ship or the proposed new medium voltage cable plant in Morocco. The Committee also reviewed the ESG policy, including the Group's priorities, actions, risks and performance in the areas of Corporate Social and Environmental Responsibility, the CSR scorecard, the non-financial performance statement and the duty of care plan. The Committee also examined the Group's climate strategy. Lastly, it was informed of the activities of the director responsible for monitoring climate and environmental issues and the Nexans Foundation. Presentations were made to it by several senior managers from the Group as well as by external consultants. The Vice President of Strategy acted as the secretary of this Committee.

4.4.2.3 Internal Regulations, Code of Ethics, decisions reserved for the Board, the Chairman of the Board and the Chief Executive Officer

INTERNAL REGULATIONS – BALANCE OF POWER

The Board of Directors adopted Internal Regulations in 2003. Their purpose is to supplement legal and regulatory rules and the Company's bylaws by setting out detailed operating procedures for the Board and its Committees and the duties of directors, particularly in light of the corporate governance principles contained in the AFEP-MEDEF Code, which serves as the Company's reference framework. The Internal Regulations include a Code of Ethics and a procedure for designating a permanent representative of a legal entity director. They are published in their entirety on the Company's website and updated on a regular basis (and most recently on February 14, 2023).

In order to ensure the balance of power, the Internal Regulations determine the distribution of roles and powers between the Chairman of the Board, the Chief Executive Officer and the Lead Independent Director. Since February 14, 2023, the Internal Regulations have included the determination of multi-year strategic orientations in terms of social and environmental responsibility within the missions and responsibilities of the Board of Directors, and detail the process of finding new Directors in line with the recommendations of the High Committee on Corporate Governance.

In addition, the members of the Board of Directors meet twice a year without the presence of the executive corporate officers, and a meeting of the independent directors is also organized each year by the Lead Independent Director (for more about these meetings, see Section 4.4.2.1 above).

BOARD DECISIONS

The Board of Directors strives to promote long-term value creation by the Company by considering the social and environmental challenges of its activities. It determines the Company's business guidelines and oversees their implementation. It determines multi-annual strategic guidelines in terms of social and environmental responsibility.

The Internal Regulations provide that, in addition to the cases provided for by law, certain decisions require prior approval by the Board. These decisions concern the following operations and projects:

- any merger, acquisition, divestment or other industrial or finance projects with a unit value of more than 50 million euros (enterprise value for mergers, acquisitions or divestments);
- opening the capital of a subsidiary through a joint venture or initial public offering amounting to an inflow of more than 25 million euros;
- any transaction or plan representing diversification outside the Group's lines of business irrespective of its value.

The Board of Directors also reviews the principal basis for significant internal restructuring plans at the Group level, subject to any consultation procedures required by law and without prejudice to decisions relating to the entities that may be concerned.

ROLE AND POWERS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Internal Regulations set out the role and powers of the Chairman of the Board of Directors. The Chairman of the Board represents the Board of Directors and, save in exceptional circumstances, is solely entitled to act and speak on behalf of the Board of Directors.

The Chairman organizes and oversees the work of the Board of Directors and makes sure of the efficient operation of corporate bodies in compliance with good corporate governance principles. He coordinates the work of the Board of Directors with the work of the Board's Committees.

The Chairman makes sure that the directors can effectively fulfill their mission and in particular, that all information necessary is made available to them.

The Chairman is regularly kept informed by the Chief Executive Officer of significant events and situations affecting the Group, in particular with respect to strategy, organization, major investment and divestment projects and important financial transactions. He can ask the Chief Executive Officer for any information to inform the Board of Directors and its Committees on any matter relevant to their mission.

The Chairman may question the Statutory Auditors in connection with the preparation of the Board's work. He sees to the efficiency of internal audit in connection with the Accounts, Audit and Risk Committee and has access to the work of internal audit. He may, on behalf of the Board and after having informed the Chief Executive Officer and the Chairman of the Accounts, Audit and Risk Committee, request specific studies from the internal audit department, in which case he will report thereon to the Committee. He also follows, in connection with the Accounts, Audit and Risk Committee, the financing of the Group and the risk management process. He follows with the Strategy and Sustainable Development Committee, the good progress of annual update and execution of strategic plans and that the short, middle and long terms objectives of the different stakeholders are being taken into account.

The Chairman also takes part in some of the Appointments and Corporate Governance Committee's work. In particular, he takes part in the assessment of the Board of Directors' operating procedures, in the work on the composition of the Board and of its Committees, and in the selection process and preliminary review of the appointment of new directors.

The Chairman may participate, with consultative input, in all meetings of the Committees of the Board of Directors of which he is not a member and may consult them on any question within their scope of responsibility. In particular, he may consult the Appointments, Compensation and Corporate Governance Committee on governance matters and the Accounts, Audit and Risk Committee on matters relating to internal audit and internal control.

EXECUTIVE MANAGEMENT PROCEDURES

The Chief Executive Officer is responsible for the general management of the Company. The Chief Executive Officer has the widest powers to act in all circumstances in the Company's name, subject to the powers that law assigns to the Board and to the Shareholders' Meeting, as well as the Company's specific rules of corporate governance.

He represents the Company, and can take commitments in its name, *vis-à-vis* third parties.

He is responsible for the financial information published by the Company and regularly presents to the Company's shareholders and to the financial community the Group's results and perspectives.

He informs the Board, and in particular its Chairman, of the meaningful events affecting the Group.

ROLE AND POWERS OF THE LEAD INDEPENDENT DIRECTOR

The Board of Directors may appoint, upon recommendation of the Appointments and Corporate Governance Committee, a "Lead Independent Director", chosen from among the directors qualified as independent.

The Lead Independent Director is appointed for the duration of his or her term of office as director. The Board of Directors may terminate this assignment at any time.

The missions of the Lead Independent Director are as follows:

- conduct meetings of independent Directors and inform the Chairman of the Board of Directors of the outcome if the Chairman is not an independent director;
- be the contact point for independent directors;
- in conjunction with the Chairman, review Board meetings agenda and may propose additional items;
- may, at any time, request the Chairman to convene a meeting of the Board on a predetermined agenda and chair meetings in his absence;
- shall perform any other duties that the Board of Directors may entrust to him or her;
- report on his or her activity and action to the Shareholders' Meeting.

The Lead Independent Director may be assisted by the Secretary of the Board in carrying out his or her duties.

In 2023, the Lead Independent Director held a meeting of the independent directors on the operating procedures of the Board of Directors and opportunities for developing Nexans' governance. She also chaired two executive sessions attended by all members of the Board of Directors, without the presence of the Chief Executive Officer and Company Management. The purpose of these sessions was to enable open discussions between Directors, improve the operating procedures of the Board of Directors, particularly by analyzing the results of the annual assessment of the Board and Committees, and support management on key issues.

The Lead Independent Director held individual meetings with several Directors. Lastly, with the Chairman of the Board of Directors and the director responsible for monitoring climate and environmental issues, she took part in a virtual ESG roadshow organized in March and April 2023.

ROLE AND ASSIGNMENTS OF THE DIRECTOR RESPONSIBLE FOR MONITORING CLIMATE AND ENVIRONMENTAL ISSUES

On January 20, 2022, the Board of Directors decided to appoint a Director responsible for monitoring climate and environmental issues ("Climate Director").

The Climate Director 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.

The Climate Director, in the exercise of duties, promotes, facilitates and stewards:

- the consideration by the Board of the climate and environmental implications of its decision-making process;
- the climate and environmental roadmap and action plan as defined by the Group's management;
- the Company communication strategy on climate and environmental related subjects;
- the engagement with the Company shareholders and other stakeholders on climate and environmental related subjects.

The Climate Director may:

- propose additional climate and environmental related items to the Chairman of the Board of Directors for its inclusion in the Board's meeting agenda;
- be entrusted with additional climate and environmental related missions, as the Board of Directors may decide, from time to time;
- in the exercise of his duties, benefit from the services of the Secretary of the Board, and, after informing the Chief Executive Officer, contact the relevant managers of the Company on climate and environmental related subjects.

The climate director reports to the Strategy and Sustainable Development Committee, the Board of Directors and the Shareholders' Meeting on his or her activities and actions.

The Climate Director is appointed for the duration of his or her term of office as Director. The Board of Directors may terminate this assignment at any time.

In 2023, the Director responsible for monitoring climate and environmental issues attended 10 meetings with Nexans management. He presented the Group climate strategy during the ESG roadshow and the Shareholders' Meeting on May 11, 2023, addressed climate and environmental issues with investors, and organized an awareness-raising session for the Board of Directors. With the Chairwoman of the Accounts, Audit and Risk Committee, he initiated a joint session of the Accounts, Audit and Risk Committee and the Strategy and Sustainable Development Committee on the work of the Corporate Sustainability Reporting Directive (CSRD), reviewed the work on Taxonomy and the studies carried out on TCFD and biodiversity. He reported on his activities to the Strategy and Sustainable Development Committee and to the Board of Directors.

OTHER PROVISIONS OF THE INTERNAL REGULATIONS AND CODE OF ETHICS

The Board's Internal Regulations also cover:

- information provided to the directors;
- the Internal Regulations of the Committees set up the Board of Directors;
- a process for selecting new directors and a procedure for appointing the permanent representative of a legal entity director;
- the Directors' Charter, including a procedure for preventing conflicts of interest.

A director must disclose, to the Board, any conflict of interest in which he or she may be directly or indirectly implicated regarding the topics presented for discussion. He or she must abstain from attending the debate and voting on all topics for which he or she could be in a position of conflict of interest.

The Appointments and Corporate Governance Committee instructs all issues raised in relation to the application of the Directors' Charter and in particular situations dealing with a director's potential conflict of interest, except if the director concerned is a member of the Committee, in which case the matter will be reviewed by the Accounts, Audit and Risk Committee.

Nexans has also adopted a Group-wide insider trading policy whereby executives or any person with access to privileged information are required to refrain from trading, either directly or indirectly, in Nexans securities. The policy also includes, in addition to the reminder of the legal forbearance periods (negative windows), a simplified calendar of additional recommended non-trading periods on Nexans shares.

4.4.2.4 Training of the directors

A Director receives all information necessary to complete his or her missions upon taking office and may request any documents he or she deems useful. He or she participates in an induction program tailored to his or her individual skills, experience and expertise. He or she meets the main representatives from the functional departments and Business Groups and can visit the Group manufacturing sites.

In 2023, Karine Lenglart met with several members of the Executive Committee and visited several of the Group's industrial sites. During the Board's assessment at the end of 2023, the directors indicated that the induction program was very satisfactory.

The Board's Internal Regulations stipulate that each director may benefit from additional training, should it be deemed necessary, on specific Company operating procedures, its businesses or business sector. In November 2022, the directors benefited from a training program organized in four modules on the "World of Cables" (the origins, the materials used in the cable industry and their technical specificities, the different types of cables and, lastly, the various stages in the production process with an update on recycling, innovation, plant safety, the E3 strategy and performance model as well as on the Nexans Group's carbon neutrality objectives in 2030). In July 2023, the directors also benefited from a training session on climate organized by the director responsible for monitoring climate and environmental issues, in the presence of two experts specializing in climate change issues and their impacts on the company. Board members were also offered online training modules on the Group's training platform on climate change and compliance (code of ethics and business conduct, anti-corruption, anti-competition, conflicts of interest, personal data protection, diversity and inclusion policy, whistleblowing procedure, *etc.*).

Since 2019, a Director's Handbook is available to the members of the Board of Directors. It comprises documents and information essential to the execution of the Board members' missions, including the Group's strategy, the Company's bylaws, the Board Internal Regulations, the AFEP-MEDEF Code, several internal procedures and the action plan implemented following the last Board assessment. This Handbook is updated regularly.

Moreover, whenever the Board meets, a review of continued information is proposed to the directors by the Secretary of the Board with regard to developments in legal and regulatory provisions and case law applicable to the Company. For example, in 2023, directors benefited from information on the annual report of the High Committee on Corporate Governance, the AMF report on corporate governance and executive compensation, the "CSDD" (Corporate Sustainability Due Diligence Directive) on corporate duty of vigilance in terms of sustainability, the CSRD directive on corporate sustainability reporting and the new European regulation on foreign subsidies applicable to mergers and acquisitions or public contracts (FSR). Between Board meetings, they receive information on the Group's news, the progress of strategic projects and disposals and acquisitions.

4.4.2.5 Assessment of the Board of Directors

The Board of Directors' annual assessment covers its operating procedures, composition and organization. This appraisal assesses the contribution and involvement of Directors and makes it possible to ensure that significant issues are properly prepared, dealt with and discussed at Board meetings.

The Board's assessment is carried out annually, either on the basis of a detailed questionnaire sent to each director, the anonymous responses of which are summarized and reviewed by the Appointments and Corporate Governance Committee and discussed during a meeting of the Board of Directors, and accompanied by individual interviews conducted by the Chairman of the Board and the Lead Independent Director to assess the actual individual contribution of each of Board member, or on the basis of an outsourced process consisting of individual interviews conducted by a firm of specialized consultants independent of the Company and its executives, without the presence of Company representatives.

The various recommendations for improvement that emerge from these assessments are discussed by the Appointments and Corporate Governance Committee and the Board of Directors and those selected are implemented and monitored over the course of the following year by means of an action plan.

The assessment carried out at the end of 2022, on the basis of an online questionnaire sent to each director and individual interviews carried out by the Lead Independent Director and the Chairman of the Board, covered the composition, organization and functioning of the Board and Committees, as well as the governance structure and relations with the Chief Executive Officer, the roles of Chairman of the Board, Lead Independent Director and director in charge of monitoring climate and environmental issues, as well as the integration and training of Board members during the 2023 fiscal year. It highlighted several areas for improvement, which were addressed as follows in 2023:

- more frequent reporting by the director responsible for monitoring climate and environmental issues: the director in charge of monitoring climate and environmental issues attended 10 meetings with Nexans management in 2023, and in particular, presented the Group's climate strategy at the corporate governance roadshow and the Shareholders' Meeting of May 11, 2023. He also reported on his activities to the Strategy and Sustainable Development Committee and the Board of Directors;
- increase in the time dedicated by the Board of Directors, including during the strategy seminar of September 2023, to monitoring talent management and development;
- preparation, determination and monitoring of the implementation of the climate and environmental strategy. The Internal Regulations of the Board of Directors were amended in February 2023 to include the recommendations of the revised version of the AFEP-MEDEF Code of December 2022 on the determination of the CSR and Climate strategy and action plan in the missions of the Strategy and Sustainable Development Committee;
- favor a return to physical meetings and more site visits. All meetings of the Board of Directors were held in person during 2023. A visit to the Lens site was also organized in September 2023, and the directors took part in several dinners, as well as a guided tour of the Louvre Lens;
- increase in the independence rate of the Accounts, Audit and Risk Committee, which led to changes in the composition of this committee in February 2023. The Committee's independence rate is now 75%.

At the end of 2023, an assessment was carried out on the basis of an online questionnaire sent to each director, covering the composition, organization and functioning of the Board and its Committees, as well as the governance structure and relations with the Chief Executive Officer, the Chairman of the Board, Lead Independent Director and director responsible for monitoring climate and environmental issues, as well as the integration and training of Board members during the 2023 fiscal year. This questionnaire was completed between October 25, 2023, and December 25, 2023, anonymously by all Board members, thus guaranteeing the confidentiality of responses.

Among the strengths that emerged from the results of this assessment, the members of the Board of Directors highlighted the constant and visible improvements over the last years, a diversified and balanced composition covering the key areas of expertise for the Group, an excellent assessment of the role and investment of the Chairman of the Board, the onboarding of new directors, the quality of the discussions, the training offered in July 2023 on climate as well as the systematic sharing of the Strategy and Sustainable Development Committee's documentation with all members of the Board of Directors prior to meetings and the improvement of the delay for sending the documentation prior to meetings. The directors also greatly appreciated the program and organization of the strategy seminar held in September 2023, particularly the visit to the Lens "copper casting facility".

Among the areas for improvement mentioned were, in the medium or long term, the need to increase the expertise and profiles of directors in the areas of ESG, digital strategy and Industry 4.0, more frequent reporting from the director responsible for monitoring climate and environmental issues, more time dedicated to monitoring talent management and to the implementation of the climate and environmental strategy. Board members also wished to reflect on the independence considerations and current ratio of independence of the Strategy and Sustainable Development Committee.

In a spirit of continuous improvement, and like previous years, the Lead Independent Director and the Chairman of the Board also carried out an assessment of the actual contribution of each director on the basis of individual interviews.

4.4.3 Additional information

To the best of the Company's knowledge, there are no family relationships between Nexans' corporate officers, or any service contracts between any of the Board members and the Company or any of its subsidiaries, with the exception of the employment contracts of the Directors representing employee shareholders and the Directors representing employees.

Also, to the best of the Company's knowledge, during the past five years none of its corporate officers:

- have been convicted of fraud;
- have been involved in any bankruptcies, receiverships or liquidations;
- have been the subject of any official public sanctions by any statutory or regulatory authority;
- have been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from participating in the management or conduct of the affairs of an issuer.

In addition, certain Board members or executive directors serve as corporate officers and/or senior managers for companies that may enter into contractual agreements with companies of the Nexans Group for commercial transactions (*e.g.* customers).

Any such contracts are negotiated and signed under arm's length conditions.

On February 19, 2020, the Board of Directors adopted an internal procedure for reviewing and qualifying routine agreements signed under arm's length conditions. Under this procedure, the Accounting Department regularly assesses the terms and conditions of the agreements signed by the Company relating to routine operations performed under arm's length conditions. The people directly or indirectly concerned by these agreements do not participate in this assessment.

The Company is not aware of any possible conflicts of interest between the corporate officers' duties towards Nexans and their private interests and/or any of their other obligations.

Apart from this undertaking and any related-party agreements and commitments approved in advance by the Board, including the Board practice of proposing to the shareholders at the Annual Shareholders' Meeting directors proposed by the two main shareholders, no agreements or arrangements have been entered into with the Company's main shareholders, customers, suppliers or other parties concerning the appointment of a Nexans director or executive.

4.4.3.1 Specific provisions of the Company's bylaws

FORM AND REGISTRATION OF SHARES – EVIDENCE OF OWNERSHIP AND DISCLOSURE THRESHOLDS (ARTICLE 7 OF THE BYLAWS)

Shares are registered form until they are fully paid up. Fully paid up shares may be registered or bearer at the option of the shareholder.

In addition to the legal obligation to inform the Company when certain fractions of the share capital are held, any natural or legal person and/or shareholder owning a number of shares in the Company equal to or greater than 2% of the share capital or voting rights must notify the Company of the total number of shares held, within a period of fifteen days from the time the threshold is crossed, by registered letter with acknowledgement of receipt. A further notification must be sent, in accordance with the conditions hereof, each time that a multiple of 2% is reached. To determine the thresholds fixed above, any shares held indirectly, and any shares considered as being shares held pursuant to Articles L.233-7 *et seq.* of the French Commercial Code, shall be taken into account.

In each notification filed as referred to above, the person making the notification must certify that all shares held or indirectly considered as being held according to the said article, have been included. The acquisition date(s) must also be indicated. In the event of non-compliance with the provisions above, subject to applicable law, the shareholder shall lose the voting rights corresponding to any shares which exceed the thresholds and which should have been declared. Any shareholder whose holding in the share capital falls below one of the thresholds as provided for above, must also notify the Company within a 15-day time period and in the same manner as described above.

Shares are represented by inscription in the name of the owner, in share accounts maintained by the Company or by an accredited financial intermediary. Transfer of shares registered in an account will be made by transfer from account to account. All account entries, payments and transfers shall be made in accordance with applicable law. Unless exempted by the laws and regulations in force, the Company may require that the signatures on the declarations, transaction or payment orders be certified in accordance with the law and regulations in force.

The Company may, in accordance with legal and regulatory provisions in force, require that information be communicated to it by any accredited intermediary or organism relating to its shareholders or to holders of securities which convey immediate or future voting rights, including their identity, the number of shares they hold and an indication, where appropriate, of any restrictions on the shares or securities held.

SHAREHOLDERS' MEETING (ARTICLE 20 OF THE BYLAWS)

Shareholders' meetings shall be convened and shall deliberate in accordance with the conditions laid down by law. Shareholders' meetings, if convened in accordance with applicable law, shall represent all the shareholders. Its decisions shall be binding on everyone, including absent or dissenting parties. In addition, if decided by the Board of Directors, shareholders may participate in and vote at meetings by videoconference or any other remote transmission method that enables them to be identified, in accordance with the terms and methods set forth by law.

The right to participate in, to a postal vote or to be represented at Shareholders' Meetings is subject to compliance with the following conditions:

- the shares of owners of shares held in registered form must be registered in the name of the registered owner in the share accounts held by the Company or by the financial intermediary appointed by the Company;

- the owners of bearer shares must have obtained a participation declaration in accordance with applicable law. Postal votes and proxy documents may be signed electronically by shareholders or their legal or judiciary representative provided that the identification requirements set out in Article 1367 of the French Civil Code are respected. For postal votes of shareholders to be valid, they must be received by the Company at the latest one business day before the Meeting is held (by 3 p.m. Paris time at the latest), save where applicable law permits a shorter time period.

VOTING RIGHTS (ARTICLE 21 OF THE BYLAWS)

Subject to applicable law and the Company's bylaws, each shareholder shall have a number of votes equal to the number of shares that he possesses or represents. As an exception to the last paragraph of Article L.22-10-46 of the French Commercial Code, the Company's bylaws do not provide for any double voting rights. Voting rights are exercisable by the beneficial owner at all Ordinary, Extraordinary and Special Shareholders' Meetings.

RESTRICTIONS ON VOTING RIGHTS (ARTICLE 21 OF THE BYLAWS)

Regardless of the number of shares which he/she possesses directly and/or indirectly, a shareholder may not, when voting on the following resolutions at any extraordinary shareholders' meeting on its own behalf or as agent, exercise more than 20% of the voting rights attached to the shares of all shareholders present or represented at such Extraordinary Shareholders' Meeting:

- any resolution relating to any reorganization transaction to which the Company is a party that has an impact on the share capital and/or equity of any participating or resulting entity, including contribution of assets, hive-down, contribution in kind, merger, absorption, split-up, spin-off, reverse merger or other similar reorganization transaction;
- any resolution relating to any public offer – takeover bid, exchange offer, alternative or mixed – initiated by or with respect to the Company, including resolutions relating to public offer defenses;
- any resolution other than in connection with a transaction referred to in (i) or (ii) above, relating to the increase in the Company's share capital through the issuance of ordinary shares of the Company resulting in an increase of the share capital of more than 10% of the ordinary shares as at the date of the relevant Extraordinary Shareholders' Meeting, and/or securities giving access to the Company's share capital (*valeurs mobilières donnant accès au capital*) within the meaning of Articles L.228-91 *et seq.* of the French Commercial Code that may result in an increase of more than 10% of the share capital of the Company as at the date of the relevant Extraordinary Shareholders' Meeting;
- any resolution relating to equal distribution in kind (*distribution en nature*) between shareholders;
- any resolution relating to voting rights except for resolutions relating to (a) the creation of double voting rights, (b) the lowering of the 20% voting rights limit, or (c) the extension of the list of resolutions subject to the 20% voting rights limit; and
- any resolution relating to any delegation of powers and authority (*délégations de pouvoirs ou de compétence*) to the Board of Directors in connection with any of the transactions referred to in paragraphs (i) to (v) immediately above.

Shares which are held indirectly and those which are assimilated as being shares held pursuant to Articles L.233-7 *et seq.* of the French Commercial Code shall be taken into account when determining this limitation.

The limitation determined in the above paragraph shall become automatically null and void as soon as an individual or a legal entity holds at least 66.66% of the total number of shares in the Company as a result of a takeover bid by way of purchase or exchange of shares for all the Company's shares.

APPROPRIATION OF INCOME (ARTICLE 23 OF THE BYLAWS)

The difference between revenue and expenses for the financial year, after provisions, constitutes the profit or loss for the financial year as recorded in the profit and loss account. 5% of the profit, reduced as the case may be by previous losses, shall be paid to a legal reserve. This payment can be stopped once the legal reserve reaches one tenth of the share capital.

It shall be resumed if, for any reason whatsoever, the reserve falls below this fraction.

The allocation of the distributable profit, which consists of the profit for the financial year reduced by previous losses and the payment referred to above and increased by any profits carried forward, shall be decided upon by the Shareholders' Meeting who on the recommendation of the Board of Directors, may retain it in whole or in part, allocate it to general or special reserve funds or distribute it to the shareholders as a dividend. In addition, the general shareholders' meeting may decide to distribute amounts taken from the discretionary reserves either to create or supplement a dividend or as an extraordinary distribution.

In this case, the decision shall indicate specifically the reserves from which the payments are made. However, dividends will be paid in priority from the distributable profit for the financial year.

The Ordinary Shareholders' Meeting may grant each shareholder the option of choosing between the payment of the dividend or the provision of interim dividends in cash or in shares for all or a proportion of the dividend distributed.

The Shareholders' Meeting or the Board of Directors, in the case of an interim dividend, determines the date from which the dividend is paid.

4.5 Transactions in the Company's securities by corporate officers and senior managers

In accordance with the disclosure requirements in Article 223-26 of the AMF General Regulations, transactions in the Company's securities carried out and disclosed to the AMF during the 2023 fiscal year by the corporate officers and senior managers referred to in Article L.621-18-2 of the French Monetary and Financial Code are listed in the following table.

	Date of transaction	Type of transaction	Financial instrument	Number (of corporate mutual fund units or shares)	Total gross amount (in euros)
Mouton Jean Chairman of the Board of Directors	03/10/2023	Donation	Equities	2,484	€239,954.40
Guérin Christopher Chief Executive Officer	03/19/2023	Purchase	Equities	28,000	€0.00[a]
Dessale Vincent Chief Operating Officer and Senior Executive VP	03/19/2023	Purchase	Equities	6,900	€0.00[a]
Juillard Jean-Christophe Deputy Chief Executive Officer and Chief Financial Officer	03/19/2023	Purchase	Equities	13,000	€0.00[a]
Guérin Christopher Chief Executive Officer	03/24/2023	Sale	Equities	1,846	€168,533.52
Mouton Jean Chairman of the Board of Directors	04/28/2023	Purchase	Equities	1,500	€115,673.70
Guérin Christopher Chief Executive Officer	11/15/2023	Purchase	Equities	1,250	€89,187.50
Mouton Jean Chairman of the Board of Directors	11/24/2023	Purchase	Equities	1,500	€105,672.60

(a) Shares vested under compensation Plan no. 19 of March 19, 2019 with an underlying share value of €85.20 (see Section 4.6 for more information on the conditions of this plan).

Pursuant to Article 11 of the Company's bylaws, all directors – except the directors representing employees – must own at least 10 shares. This principle is respected by all directors. Furthermore, the Directors' Charter appended to the Board of Directors' Internal Regulations recommends that each Board member should own at least 500 shares.

4.6 Compensation and benefits

4.6.1 Compensation policy for corporate officers for 2024

The 2024 Compensation policy for executive corporate officers was decided by the Board of Directors at its meeting on February 14, 2024, based on the recommendation of the Compensation Committee. In accordance with Article L.22-10-8 of the French Commercial Code, the policy presented in this section will be submitted for approval at the 2024 Shareholders' Meeting.

4.6.1.1 Compensation policy for members of the Board of Directors

At December 31, 2023, the Company had 14 directors. The aggregate annual amount of compensation for Board members was set at 820,000 euros at the Shareholders' Meeting held on May 11, 2023, effective from the fiscal year that commenced on January 1, 2023.

The methods for determining and allocating the directors' compensation is approved by the Board of Directors and only reviewed in the event of a change in the conditions and organization of the work performed by the Board of Directors and its Committees. These methods generally include the calculation of a fixed portion and a predominant variable portion based on the directors' attendance at Board meetings and their membership of Committees.

The rules for the distribution of directors' compensation will be as follows from January 1, 2024, subject to the vote at the Shareholders' Meeting. Each of the directors will receive:

- fixed compensation of 13,000 euros per year;
- 3,500 euros for each Board meeting attended, capped at an aggregate 26,000 euros per year;
- 3,500 euros per Committee meeting attended for Committee members, capped at an aggregate 21,000 euros per year;
- 9,000 euros per Committee meeting for the Chairman of the Accounts, Audit and Risk Committee, capped at 36,000 euros per year;
- 6,000 euros per Committee meeting attended for the other Committee Chairs, capped at an aggregate 36,000 euros per year.

When the meeting of the Appointments and Corporate Governance Committee and the Compensation Committee are held on the same day, the members of the Compensation Committee do not receive any compensation in addition to the amount received for the meeting of the Appointments and Corporate Governance Committee. If the meeting of the Compensation Committee is held on a day other than the day of the meeting of the Appointments and Corporate Governance Committee, the members of the Compensation Committee shall be compensated in accordance with the provisions of this paragraph.

The Lead Independent Director and the Director responsible for monitoring climate and environmental issues will each receive additional compensation of 35,000 euros per year. Directors representing employees and employee shareholders do not receive any compensation as Directors or Committee members.

The Chairman of the Board of Directors does not receive compensation as a Board member. His compensation as Chairman of the Board of Directors is detailed in Section 4.6.2.1 below.

Non-executive officers do not receive any compensation from the Company or its subsidiaries other than that shown above, apart from directors representing employees and employee shareholders, who receive compensation from the subsidiary that employs them.

Lastly, members of the Board of Directors may be reimbursed by the Company for travel expenses incurred during their duties, subject to the production of all necessary supporting documents, under the conditions laid down in the travel expenses reimbursement policy for the Company's Board members. Travel expenses that may be reimbursed include plane tickets for domestic and international air travel, train tickets, public transport, taxis and private cars with chauffeurs, as well as accommodation and meal costs.

4.6.1.2 Compensation policy for executive officers

PRINCIPLES APPLICABLE TO ALL EXECUTIVE OFFICERS

The Compensation Committee performed its work along three to four meetings throughout the year and intermediate preparatory work carried out by the Chair of the Committee. The compensation policy for Nexans' executive officers for the 2024 fiscal year was reviewed by the Compensation Committee during four meetings between July 2023 and February 2024, before being proposed to and approved by the Board of Directors.

The Board takes constant care to ensure that the various components of compensation for executive directors result in compensation that is competitive, fair, comprehensible, consistent and performance related. Compensation components for executive directors, whether vested or granted, are made public after the decision of the Board of Directors having determined them.

In accordance with Article L.22-10-8 III of the French Commercial Code, in exceptional circumstances, the Board of Directors may, on the recommendation of the Compensation Committee, adapt certain provisions of the compensation policy in alignment with the main principles of the compensation policy, provided that this exemption is temporary, in accordance with the corporate interest and necessary to guarantee the sustainability or viability of the Company.

COMPENSATION OF NON-EXECUTIVE OFFICERS

To propose the compensation structure for the Chairman of the Board of Directors, the Compensation Committee relies on benchmarks, provided by external consultants, indicating market practices in comparable companies. It also takes into account the specific duties entrusted to the Chairman of the Board as detailed in the Internal Regulations available on the website www.nexans.com.

The Chairman of the Board receives a fixed annual remuneration. He does not receive any variable compensation. He does not receive compensation as member of the Board of Directors.

COMPENSATION OF EXECUTIVE OFFICERS

When the Compensation Committee proposes to the Board the compensation for executive officers, it ensures that the rules applied are consistent and aligned with the Company performance. It also takes into account Company's strategic, financial and corporate social responsibility objectives, the interests of shareholders and other stakeholders in compliance with the AFEP-MEDEF Code.

When determining the structure of executive officers' compensation packages, the Committee compares them to the median compensation package of a panel of 15 French and international comparable companies (Alstom, Arkema, BIC, Bureau Veritas, Imerys, ISS A/S, Legrand, Plastic Omnium, Prysmian, Rexel, Group SEB, SPIE, Technip FMC, Valeo and Vallourec).

This panel is reviewed at multi-year intervals; it was revised and expanded in 2023 to take into account merger/acquisition transactions carried out by certain companies of the panel and to strengthen its relevance with regard to the Group's electrification activities.

The Committee ensures that none of the components of the compensation package is disproportionate and analyzes the compensation package as a whole by taking into account all of its components: fixed compensation, annual variable compensation, long-term incentive plan, supplementary pension plan and benefits-in-kind. Variable components make up a predominant portion of the compensation paid to executive officers.

Fixed compensation

The fixed compensation package for executive officers is determined in consideration of the level and complexity of responsibilities, experience in the position, and market practices for comparable groups and companies. It is only reviewed every three years. However, an early review is possible if the scope of responsibilities changes significantly or the comparison of compensation with the benchmark panel reveals a significant gap.

Annual variable compensation

Executive officers are entitled to annual variable compensation for which the Board of Directors, on the recommendation of the Compensation Committee, defines each year performance criteria that are diverse, demanding, precise and pre-defined, resulting in a comprehensive performance analysis, aligned with the Company's challenges and strategy, and shareholders' interests. The assessment of the performance is based on a balance between predominant collective criteria and individual criteria, both operational and managerial.

The Board of Directors defines target and the maximum rates of the annual variable compensation as a percentage of the annual fixed compensation. It determines the proportion of collective and individual objectives as well as all related criteria.

Payment of the annual variable compensation due to executive officers is subject to approval by the Annual Ordinary Shareholders' Meeting.

Long-term compensation in shares

The Group's long-term compensation policy is part of a global strategy to retain, motivate and engage executives and employees in the Group development. It is competitive with regard to market practises and aligned with the social interests of the Company and its shareholders. Each long-term compensation plan is subject to prior approval of shareholders at the Annual Shareholders' Meeting.

Performance shares granted to each executive officer are valued in IFRS at the date when the board of Directors meeting approved the grant and must not represent a disproportionate percentage of the overall compensation and shares granted.

Performance and free shares plans are granted each year, within a same calendar period, except in case of exceptional circumstances.

Executive officers who receive performance shares formally undertake not to use hedging instruments during the vesting period. By extension, employees who have received performance shares do not have the option to use hedging instruments during the vesting period.

Executive officers may not sell their vested shares during "blackout" periods, in accordance with the applicable legal and regulatory requirements and the Group's "Insider dealing" procedures.

Executive officers who are removed from their position forfeit their right to any shares that have not yet vested at the date of their removal. On retirement, rights to performance shares are maintained and calculated on a *pro rata temporis* basis, unless the Board of Directors decides otherwise with good reason. On departure for other reasons, performance share rights are maintained unless the Board of Directors decides otherwise, upon the recommendation of the Compensation Committee.

Shareholding obligation

In accordance with the law and procedures periodically adopted by the Board of Directors, executive officers must hold an increasing number of shares.

Executive officers are required to hold, in registered form and for as long as they remain corporate officers, 25% of vested performance shares. This requirement applies unless the Board of Directors decides otherwise in view of the executive officer's situation and particularly taking into account the objective of holding an increasing number of shares acquired under such plans.

Exceptional compensation

Highly specific circumstances may warrant the award of exceptional compensation to executive officers (*e.g.* due to their importance for the Company; the required involvement and the difficulties they represent). The allocation of exceptional remuneration is non-recurring, justified and disclosed by the Board.

Payment would be subject to approval by the Annual Ordinary Shareholders' Meeting. It would be capped at a maximum amount of 100% of the fixed compensation.

Exceptional premium for taking up a position

Exceptional premium for taking up a position may only be granted to a new executive officer who has been appointed from a company outside the Group. The payment is intended to compensate the executive officer for the loss of his or her entitlements before joining the Group.

It is explicitly indicated and the amount is made public at the time it is determined. It cannot be higher than the value of the entitlements lost by the new executive officer upon leaving his or her previous position.

Commitments given to executive corporate officers

All commitments given to executive officers are authorized by the Board of Directors and submitted for approval to the Annual Ordinary Shareholders' Meeting. Details can be found in Section 4.6.4.4 of this document.

Termination and non-compete indemnities

In accordance with the AFEP-MEDEF Code, the total termination and non-compete indemnities may not exceed two (2) years' worth of actual compensation (fixed and variable).

Termination indemnity

The payment to an executive officer of a termination indemnity is conditional upon the acknowledgment by the Board that the performance conditions determined by the Board have been satisfied and can only occur in case of forced departure linked to a change of control or a change of strategy with it being specified that this condition will be deemed to be met unless otherwise decided by the Board of Directors, particularly in the case of serious misconduct.

The termination indemnity may not exceed two years of effective compensation (fixed and variable) (see Section 4.6.4.4 "Termination indemnity").

Non-compete indemnity

The Chief Executive Officer has undertaken not to exercise any business that would compete either directly or indirectly with any of the Company's businesses for a period of two years from the end of his term of office as the Chief Executive Officer. In return for his undertaking, he will receive a non-compete indemnity which will be paid in 24 equal and successive monthly installments and will not exceed one year of his total fixed and variable compensation. The Board could decide to impose a non-competition obligation on the Chief Executive Officer for a period shorter than two years. In such a case, the non-compete indemnity would be reduced *pro rata temporis* (see Section 4.6.4.4 "Non-compete indemnity").

Supplementary pension plan

Executive Officers benefit from an "Article 82" supplementary pension plan set up on September 1, 2018. The annual contribution paid by the Company corresponds to 20% of the total annual compensation of the beneficiaries (see Section 4.6.4.4 "Supplementary pension plan").

Pension and welfare plans and unemployment insurance plan

Executive officers benefit from Group pension and welfare plans (medical, disability, invalidity and death) under the same terms and conditions as Nexans employees. They also benefit from hedging against the risk of job loss (see Section 4.6.4.4 "Pension and welfare plans and unemployment insurance plan").

Benefits-in-kind

Executive officers benefit from the use of a company car.

Other components of compensation

Executive officers do not benefit from multi-year or deferred variable compensation in cash. The Board of Directors prefers to use a share-based mechanism to strengthen the alignment of executive officers with shareholders' interests. They are also not entitled to any compensation in respect of their term of office as Director.

Discontinuance of the employment contract in case of appointment to a corporate office

When a senior executive of the Group becomes Chief Executive Officer, Deputy Chief Executive Officer (*Directeur Général Délégué*) or Chairman and CEO of the Company, the employment contract with the Company is terminated either contractually or by resignation, unless the Board of Directors decides otherwise with a motivated decision.

The results of the votes on the compensation policies submitted at the Shareholders' Meeting of May 11, 2023 are presented below:

Resolution	Policy to be voted	% of votes for
8	Approval of the information relating to the components of compensation paid to corporate officers during, or awarded in respect of, the year ended December 31, 2022	98.49%
9	Approval of the components of compensation paid during, or awarded in respect of, the year ended December 31, 2022 to Jean Mouton, Chairman of the Board of Directors	99.65%
10	Approval of the components of compensation paid during, or awarded in respect of, the year ended December 31, 2022 to Christopher Guérin, Chief Executive Officer	96.92%
11	Setting the maximum amount of annual compensation awarded to the members of the Board of Directors	98.94%
12	Approval of the compensation policy for the members of the Board of Directors for the 2023 fiscal year	99.78%
13	Approval of the compensation policy for the Chairman of the Board of Directors for the 2023 fiscal year	99.70%
14	Approval of the compensation policy for the Chief Executive Officer for the 2023 fiscal year	95.71%

4.6.1.3 Appendix to the compensation policy for executive officers: Components set for 2024

COMPENSATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Pursuant to the Board of Directors' decision on February 14, 2024, the fixed annual compensation of Jean Mouton as Chairman of the Board of Directors for 2024 has been set at 320,000 euros. This compensation has remained unchanged since January 1, 2022.

COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

The structure of the compensation of Christopher Guérin as Chief Executive Officer was reviewed on February 16, 2021, and approved at the Shareholders' Meeting on May 12, 2021. In accordance with the compensation policy for executive officers, the compensation of Christopher Guérin remained unchanged for a period of three years.

The 2024 compensation policy was evaluated by the Compensation Committee during four meetings between July 2023 and February 2024, before being proposed and approved by the Board of Directors.

On the recommendation of the Compensation Committee on February 14, 2024, the Board of Directors defined the new compensation policy for Christopher Guérin which will apply from 2024. The compensation was reviewed in its amount and its structure. It resulted in a more competitive and balanced compensation in consistency with the Group's performance and strategy.

The reference panel selected to benchmark Christopher Guérin comprises 15 companies (cf. table below) and has been defined according to four main criteria: industrial, project-centric companies, comparable size and attractiveness. 11 of the companies in the 2023 reference panel were already in the 2021 reference panel.

Nexans is positioned above the 40th percentile in terms of EBITDA margin, and between 30th and 40th percentile in terms of EBITDA value and market capitalization, with respect to the reference panel.

	Industry			Size	
	Process industry	Cable & Electrification	Project Centric	Economic size	Market capitalization
Alstom SA	●		●		●
Arkema SA	●				●
BIC SA	●			●	●
Bureau Veritas			●		
Imerys SA	●			●	●
ISS A/S	●			●	●
Legrand SA	●	●			
Plastic Omnium SE	●			●	●
Prysmian SpA	●	●			
Rexel SA		●			●
SEB SA	●			●	●
SPIE SA			●	●	●
Technip FMC	●		●	●	
Valeo SE	●				●
Vallourec SA	●		●	●	●

Figure 1 : Reference panel selection criteria

Structure of the 2024 compensation of the Chief Executive Officer

On the recommendation of the Compensation Committee, the Board of Directors decided to rebalance short-term and long-term variable compensations, while ensuring alignment with the business practices of the reference panel. Previously, the proportion of the short-term incentive was 39% (37.5% now), while the long-term incentive was at 34% (37.5% now). After the proposed change, the portion of the fixed, short-term variable and long-term variable components (excluding exceptional compensation) in the CEO's total compensation, assuming that the maximum rate of annual variable compensation is reached and that the Board of Directors grants the maximum number of performance shares, is the following:

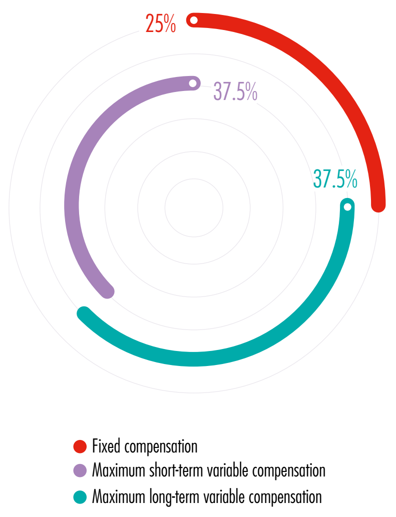


Figure 2 : Total compensation structure 2024

Fixed compensation

The Board of Directors proposed to offer a fixed remuneration of 950,000 euros to Christopher Guérin. The decision was made taking into account the performance of the group and the overall competitiveness of the compensation, including the analysis of the reference panel, to ensure retention in the context of the upcoming 3-years strategic plan.

Context

Following 20 years' experience in operational and managerial positions in Nexans, Christopher Guérin was appointed Chief Executive Officer of the Group in 2018. The remuneration of Christopher Guérin was set at 600,000 euros, 15% lower than his predecessor, whose fixed remuneration was set at 700,000 euros at the 2014 Shareholders' Meeting. At the time, Christopher Guerin's fixed remuneration was 22% lower the median of the reference peer group.

At its meeting of February 16, 2021, in view of the excellent performance Group under the leadership of Christopher Guérin, the Board of Directors decided to reduce the gap in a first step and set, for a period of 3 years, the fixed remuneration to 750,000 euros to make it closer to the appropriate level. However, this amount still positioned his fixed remuneration 7% lower than the median of the reference panel.

Performance

In its decision to align the fixed remuneration to the median of the reference panel, The Board of Directors recognizes the consistent outperformance of the Nexans Group and of Christopher Guérin since his appointment in 2018, and reaffirms its trust in his leadership and capabilities to deliver the next strategic plan of the Group.

Nexans' Winds of Change: a proven strategy for Sustainable Electrification

Under the leadership of Christopher Guérin, the Group has significantly improved its financial performance through the transformation of its operating model and focus on its activities linked to sustainable electrification, while reducing its environmental impact.

Since 2021, the Winds of Change strategy, announced and promoted by Christopher Guérin, has been successfully deployed and continues to demonstrate its relevance and potential.

By refocusing the Group on high value-added sustainable electrification businesses, and by focusing on its strategic customers, the Group has been able to provide innovative solutions and new technologies to effectively meet the challenges of the electricity revolution.

At the end of 2023, the Group benefited from a strong backlog of orders, in line with its electrification strategy. This was reflected in the signing record contracts, unprecedented in the Nexans's history.

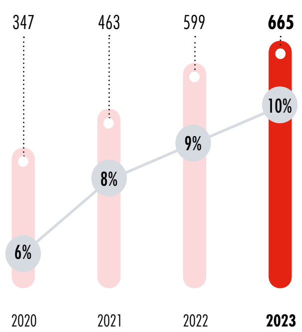
Generation & Transmission adjusted backlog reached a record high of 6.1 billion euros at the end of December 2023. After the success of the DolWin 6 project and the signing of the BorWin 6 project in 2022, Nexans continued its long-term partnership with the operator TenneT and signed the largest contract in its history in 2023, for an amount of 1.7 billion euros, for the connection of future wind farms in the German North Sea. The Group also signed a 1.43 billion euros contract for the interconnection of the networks in Greece, and Cyprus for the EuroAsia Interconnector section, renamed "Great Sea Interconnector".

Under Christopher Guérin's leadership, the Group continued to simplify its model to amplify its impact and promote growth in value rather than in volume. This has enabled and still enables the Group to significantly improve its profitability, delivering Capital Markets Day commitments announced in 2021, one year ahead of target.

- Since December 31, 2020, Nexans has continuously created value with reported EBITDA growth of 92%. With an EBITDA of 665 million euros in 2023, the EBITDA margin increased 4.1 points to 10.2% of revenue in 2023 (compared to 6.1% in 2020).
- For the second consecutive year, the return on capital employed (ROCE) reached an all-time high of 20.7% in 2023. This represents an increase of 10.5 points compared to December 31, 2020.
- The Group generated exceptional levels of cash with a normalized cash conversion rate above 40%. This exceeded 50% of EBITDA in 2023.

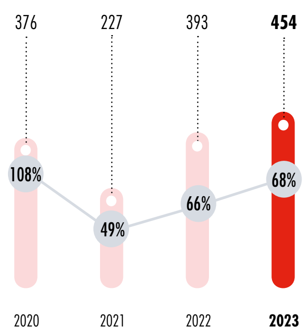
These results have been reinforced by a relevant M&A strategy with the acquisition of Centelsa in 2022 and Reka in 2023 which generated +20% and +50% run-rate synergies, significantly ahead of schedule.

REPORTED EBITDA(1) (€M) AND EBITDA MARGIN(2) (%)



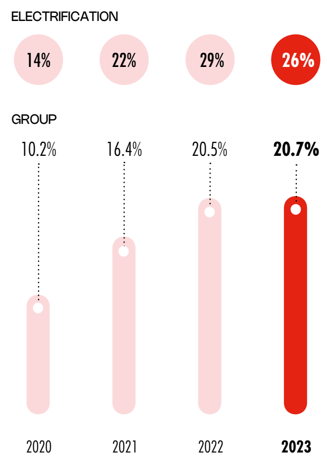
(1) EBITDA is defined as operating margin before depreciation and amortization. Starting 2023, EBITDA is relabeled as Adjusted EBITDA to comply with ESMA/20151415, and defined as operating margin before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) some other specific operating items which are not representative of the business performance. Refer to appendix.
(2) Reported EBITDA on standard sales.

NORMALIZED FREE CASH FLOW(3) (€M) & NCCR(4)



(3) Normalized Free Cash Flow is calculated as Free Cash-Flow excluding Strategic Capex, disposal proceeds of tangible assets, impact of material activity closures and assuming project tax cash-out based on completion rate rather than termination.
(4) NCCR (Normalized cash conversion ratio) defined as Normalized Free Cash Flow / reported EBITDA.

ROCE(5) (%)



(5) 12-month Operating Margin on end of period Capital Employed, excluding antitrust provision, including annual contribution from Reka Cables in 2023.

A Nexans unique E3 performance model

The Group's outstanding performance is the result of a performance model introduced in 2021, Nexans' E3 performance model. This innovative framework seeks to integrate Economic performance with positive outcomes for the Environment and people Engagement.

Under the leadership of Christopher Guérin, the Group has been able to deploy this innovative performance model, defining priorities and investments based on the three Es and evaluating whereby each site following the three criteria: return on capital invested, return on carbon employed and return on competence engaged.

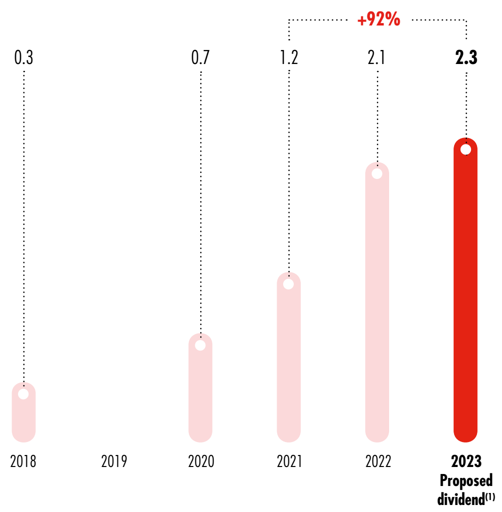
Thanks to this holistic approach, in addition to the Group's string economic performance, Nexans reported a reduction in scopes 1, 2 and 3 GHG emissions 36% compared to 2019, which is ahead of its target. In addition, metallurgy facilities in Canada and France have received the Copper Mark™ label demonstrating Nexans' commitment to promoting responsible copper production practices.

The Group also benefits from a high level of employee engagement (with a 2022 engagement rate of 77%) which helps promote the corporate vision and translate it into concrete operational actions at all level of the Company.

An attractive shareholder return

Thanks to the implementation of this strategy, performance model and execution, the Group has created value for its shareholders. Over the past five years, the total shareholder return increased by +270% supported by a progressive dividend policy which increased by 92% since 2021.

DIVIDEND/SHARE (€)



(1) Subject to Nexans Annual Shareholders Meeting vote.

Competitiveness

The Board of Directors noted that the current fixed compensation of Christopher Guérin is significantly lower than the reference panel, being positioned below the first quartile and 21% lower than median. The median fixed remuneration for the reference panel equals 950,000 euros and the average fixed remuneration equals 983,000 euros.

Over the last three years, the median fixed remuneration of the 11 companies in the 2021 benchmark increased by 15%.

Given Nexans' positioning between the 30th and the 40th percentiles of the reference panel and the challenges related to its transformation, the Board of Directors decided to propose a more competitive fixed remuneration, aligned with the median, to encourage Christopher Guérin to continue pursuing the Group's electrification strategy and creating value for shareholders.

In addition, the Board of Directors considered the evolution of the CEO pay ratio, which compares the CEO's salary to the average employee's salary. It has decreased by 36% over the past 3 years. (refer to 4.6.5 : Pay ratios)

With the above considerations in mind, the Board of Directors decided to offer Christopher Guérin a fixed remuneration of 950,000 euros, in alignment with the median of the reference panel.

The annual fixed compensation will be subject to the approval at the 2024 Shareholders' Meeting through the resolution on the 2024 Chief Executive Officer's compensation policy.

Variable compensation

At its meeting on February 14, 2024, the Board of Directors set the structure and objectives of Christopher Guérin's variable compensation for 2024. The target rate of the annual variable compensation remains unchanged and aligned with the median of the reference panel. It represents 100% of the annual fixed compensation. The level of the short term variable remuneration may vary from 0% to 150% of his fixed annual compensation according to the achievements of objectives set by the Board of Directors.

On the recommendation of the Compensation Committee, on February 14, 2024, the Board of Directors decided to transfer the Net income objective from the individual to the collective portion of his annual objectives, changing mechanically the proportion of collective objectives at 65% and the portion of individual objectives at 35%, versus 60% and 40% respectively. Achievement of collective and individual objectives is assessed against demanding pre-established annual objectives in line with the Group's strategy.

Target amounts for the selected objectives are those of the 2024 budget. All targets are set with their respective minimum and maximum thresholds to ensure compensating for performance (refer to the table short term variable structure).

VARIABLE COMPENSATION STRUCTURE AND OBJECTIVES

Minimum and maximum targets are defined in absolute value within brackets set for each indicator and aligned with the annual budget approved by the Board of Directors.

Bonus payment trigger threshold may not be less than 90% of the ROCE, EBITDA and net income targets, and 80% of the NFCF. In the event of outperformance, the bonus payment threshold may not exceed 110% of the ROCE, EBITDA and net revenue targets, and 120% of the NFCF.

Below the trigger threshold, no bonus is paid, then the bonus follows a linear interpolation from 0% to 150% of the basic salary between the respective minimum and maximum thresholds is followed.

Individual objectives and their respective weighting for 2024 are as follows:

Criteria	Weighting	Minimum 0% of target compensation	Target 100% of target compensation	Maximum 150% of target compensation
Collective objectives	**65%**			
ROCE	25%	90%	100.0%	110%
EBITDA	40%	90%	100.0%	110%
Net revenue	10%	90%	100.0%	110%
NFCF*	25%	80%	100.0%	120%
Individual objectives	**35%**	**80% of target compensation**	**100% of target compensation**	**150% of target compensation**
Deployment of the strategy	30%	Quantitative and qualitative objectives set by the Board of Directors		
Operational efficiency	30%	Quantitative and qualitative objectives set by the Board of Directors		
Culture, engagement and deployment of the ESG Policy	40%	Quantitative and qualitative objectives set by the Board of Directors		

Figure 3 : Short-term variable structure

**Normalized Free Cash Flow, which corresponds to the published Free Cash Flow, restated for strategic capital expenditure, disposal proceeds of tangible assets, the impact of significant material activity closures and a calculated tax disbursement for high-voltage projects, based on completion rate rather than termination.*

In the event of a significant change in the Group's reporting structure, the Board may decide to adjust these criteria accordingly.

The individual objectives and their respective weighting for 2024 are as follows:

- **Strategy deployment – 30%:**
  - Capital Market Day 2025-2028. Presentation of strategic movements, seminar of the Board of Directors and internal, external communication;
  - Inorganic: continued asset rotation in light of the economic context.
- **Operational efficiency – 30%:**
  - Deployment of the Group's industrial strategy by amplifying Industry 4.0;
  - Excellence of Generation & Transmission in the deployment of the transformation plan and the execution of the order backlog;
  - Integration of acquisitions.
- **Culture, engagement and deployment of the ESG Policy – 40%:**

  Culture and engagement
  - Design and implementation of a new organization (focused on Distribution & Usages) to increase the agility of decision-making and empower the Business Units;
  - Deployment and adoption of the new culture and successful cultural integration of acquisitions;
  - Embodying E3 leadership at all levels.

  Deployment of the ESG Policy
  - Safety: Workplace accident frequency rate (FR1) ≤ 0.9;
  - E3 leadership: 15% of sites E3 compatible, implementation of dedicated E3 training, climate strategy aligned with the objective;
  - Diversity: Increase in the overall proportion of women. Reach 20% women in Top Management positions, 18% for overall employees across Group (excluding Harnesses).

These objectives were set in line with the Group's strategy and approved on the basis of the projected budget as reviewed by the Board of Directors. Collective and individual objectives were set by the Board of Directors on February 14, 2024.

Payment of annual variable compensation will be subject to approval at the 2025 Shareholders' Meeting of the resolution related to the total compensation and benefits-in-kind paid in 2025 or granted to the Chief Executive Officer for 2024 in accordance with Article L.225-100 of the French Commercial Code.

Long-term compensation in shares

On the recommendation of the Compensation Committee, the Board of Directors decided to rebalance short-term and long-term variable compensations. The Maximum value of shares allocation is aligned with the median of the reference panel, *i.e.* 150% of the Chief Executive Officer's annual fixed compensation.

At its meeting on February 14, 2024, the Board of Directors set out the performance conditions for the long-term incentive plan:

- 40% of the performance shares granted to the Chief Executive Officer for 2024 will be subject to a vesting condition based on Nexans' total shareholder return (TSR) as compared with that of a panel made up of comparable companies approved by the Board of Directors.

The Board of Directors may revise the panel during the period if any of the companies cease to exist or merge with another company.

For the period considered, the TSR corresponds to the increase in the share price plus the dividend per share. The increase in the share price is measured by comparing the average opening price for the three months preceding the share grant with the average for the three months preceding the end of the performance assessment period. The dividend per share is the sum of all dividends paid on a (Nexans or panel company) share during the three-year performance assessment period.

The resulting TSR will be compared to the TSR of the benchmark panel calculated for the same period, and will result in Nexans being ranked against panel of comparable companies

- 40% of the performance shares granted in 2024 will be subject to a financial performance condition based on the EBITDA rate with a minimum level of cash conversion at the end of 2026. In the event of a significant change in the Group's reporting structure, the Board of Directors may decide to adjust the operating margin and capital employed to take account of this change;
- 20% of the performance shares granted in 2024 will be subject to a performance condition linked to the Group's CSR ambitions as set out in the roadmap for 2024-2026.

For 2024, the shares that may be granted to the Chief Executive Officer are capped by the resolution adopted by the Shareholders' Meeting of May 11, 2023 at no more than 12% of the aggregate number of performance shares granted (*i.e.* 36,000 shares), corresponding to around 0.08% of the Company's share capital at December 31, 2023 (made up of 43,753,380 shares).

In accordance with the compensation policy for executive officers, Christopher Guérin, as Chief Executive Officer, must hold 25% of the performance shares definitively vested in registered form until the end of his duties with a minimum of 15,000 shares as set by the Board of Directors.

4.6.2 Compensation payable for 2023 to members of the Board of Directors

The total compensation and benefits-in-kind paid or allocated to members of the Board of Directors during 2023 was 767,894 euros. The table below shows the allocation between the individual directors for 2023 compared to 2022.

Board members	Compensation due for and paid in 2022 (in euros)	Compensation due for 2023 and paid in 2023 (in euros)
Jean Mouton	-	-
Angéline Afanoukoé[(a)]	-	-
Selma Alami[(b)]	-	-
Jane Basson	69,000	77,500
Laura Bernardelli	49,500	67,000
Bpifrance Participations (Karine Lenglart)	76,000	80,394
Marc Grynberg	58,500	102,000
Oscar Hasbún Martínez	73,500	75,000
Sylvie Jéhanno	65,500	74,000
Anne Lebel	67,500	110,000
Andrónico Luksic Craig	27,000	23,500
Bjørn Erik Nyborg[(a)]	-	-
Francisco Pérez Mackenna	86,500	91,500
Hubert Porte	51,500	67,000
Kathleen Wantz-O'Rourke[(c)]	27,130	-
TOTAL	**651,630**	**767,894**

(a) Director representing employees.
(b) Director representing employee shareholders.
(c) Director who resigned from the Board on May 10, 2022.

In 2023, non-executive corporate officers received no compensation from the Company or its subsidiaries other than the compensation listed above, with the exception of directors representing employees and employee shareholders, who received compensation from the subsidiary employing them.

4.6.3 Compensation payable for 2023 to Jean Mouton, Chairman of the Board of Directors

At its meeting on February 14, 2023, the Board of Directors decided that the Chairman of the Board would receive fixed annual compensation of 320,000 euros. This compensation has remained unchanged since January 1, 2022.

The Chairman of the Board does not receive compensation as Board member. He does not receive variable annual or long-term compensation. He receives no other benefits.

Summary of compensation payable to Jean Mouton, Chairman of the Board of Directors

	2022	2023
Compensation due for the year as Chairman of the Board of Directors	€320,000	€320,000

Breakdown of compensation payable to Jean Mouton, Chairman of the Board of Directors

	Amounts due for 2022	Amounts paid in 2022	Amount due for 2023	Amount paid in 2023
Fixed compensation	€320,000	€320,000	€320,000	€320,000
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Directors' compensation	-	-	-	-
Benefits-in-kind	-	-	-	-
TOTAL	**€320,000**	**€320,000**	**€320,000**	**€320,000**

4.6.4 Compensation payable for 2023 to Christopher Guérin, Chief Executive Officer

The compensation paid or awarded in respect of the 2023 fiscal year to the Chief Executive Officer complies with the compensation policy approved at the Shareholders' Meeting of May 11, 2023, pursuant to Article L.22-10-8 of the French Commercial Code and presented in Section 4.6.1.3 of the Universal Registration Document published in 2023.

The compensation paid comprises a fixed and a variable portion linked to the Group's short- and long-term performance. His overall package includes a supplementary pension plan and includes the benefits shown in the table below.

Summary of compensation payable to Christopher Guérin as Chief Executive Officer (Table 1 – AFEP-MEDEF nomenclature)

	2022	2023
Compensation granted for the fiscal year as Chief Executive Officer	€1,838,545	€1,794,145
Valuation of the stock-options granted during the year as Chief Executive Officer	NA	NA
Valuation of the performance shares granted during the year as Chief Executive Officer[a]	€854,562	€566,944
Valuation of other long-term compensation plans	NA	NA
TOTAL	**€2,693,107**	**€2,361,089**

(a) Valued at the time of the performance share grant using the Monte Carlo method.

Breakdown of compensation payable to Christopher Guérin, Chief Executive Officer (Table 2 – AFEP-MEDEF nomenclature)

	2022	2022	2023	2023
	Amounts due for 2022	Amounts paid in 2022	Amount due for 2023	Amount paid in 2023
Fixed compensation	€750,000	€750,000	€750,000	€750,000
Variable compensation	€1,080,900	€1,048,050	€1,036,500	€1,080,900
Exceptional compensation	-	-	-	-
Directors' fees[a]	-	-	-	-
Benefits-in-kind[b]	€7,645	€7,645	€7,645	€7,645
TOTAL	**€1,838,545**	**€1,805,695**	**€1,794,145**	**€1,838,545**

(a) Christopher Guérin is not a director of Nexans.
(b) Company vehicle.

Structure of the 2023 compensation of the Chief Executive Officer

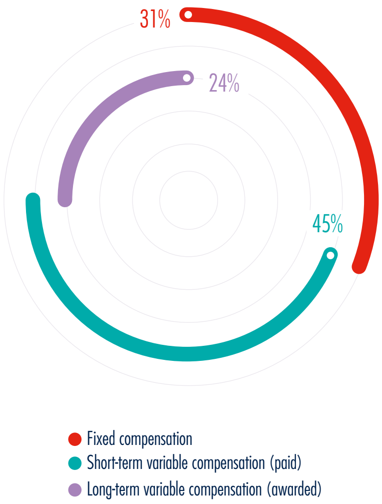


Figure 4 : Total compensation structure 2023

4.6.4.1 Fixed compensation of the Chief Executive Officer

The annual fixed compensation of 750,000 euros for the 2023 fiscal year remained unchanged for the third consecutive year and was approved at the Shareholders' Meeting of May 11, 2023.

4.6.4.2 Variable compensation of the Chief Executive Officer

The target amount of the variable compensation of Christopher Guérin for 2023 is 750,000 euros, which represents 100% of the fixed compensation, and is based on:

- up to 60% of the fixed compensation, based on collective objectives made up of the following financial criteria:
  - 25% – ROCE,
  - 50% – EBIDTA,
  - 25% – Free Cash Flow;
- up to 40% of the fixed compensation, based on individual objectives consisting of the following objectives:
  - strategy deployment – 25%,
  - operational efficiency – 25%,
  - culture and engagement – 25%,
  - ESG strategy deployment – 25%.

For 2023, the annual variable compensation of Christopher Guérin may vary from 0% to 150% of the annual fixed compensation, which corresponds to a maximum amount of 1,125,000 euros.

The 2023 collective and individual objectives were clearly defined by the Board of Directors at its meeting on February 14, 2023.

On the recommendation of the Compensation Committee, the Board approved the variable compensation of Christopher Guérin for 2023 at its meeting on February 14, 2024, This amounted to 1,036,500 euros, which represents an achievement rate of 92.1% of the maximum annual variable compensation.

The Board of Directors noted that the collective portion of the variable compensation amounted to 675,000 euros (for a potential maximum of 675,000 euros, which represents an achievement rate of 100% of the maximum).

- The ROCE rate reached 21.8% at December 31, 2023, at a constant exchange rate for a maximum objective of 19.5%. The achievement rate of the ROCE objective was 100% of the maximum. This reflects a significant achievement of this indicator compared to the budget.
- The Group achieved an EBITDA of 689.2 million euros at a constant exchange rate for a maximum objective of 640 million euros. The achievement rate of this target was 100% of the maximum, with this indicator having overachieved compared to the budget.
- The Group achieved an NFCF of 436.9 million euro, at a constant exchange rate, for a maximum objective of 270 million euros. The achievement rate of this objective was 100% of the maximum, with this indicator also having overachieved compared to the budget.

The Board of Directors noted that the individual portion amounted to 361,500 euros (for a potential maximum of 450,000 euros, which represents 80.3% of this amount).

After assessing the level of achievement of individual objectives, the Board of Directors defined them as follows:

- the achievement rate for the "deployment of the strategy" objective was 74.4% of the maximum amount.

  The Company achieved exceptional net profit of 235 million euros against a target of 200 million euros for 2023. Halden's expansion plan was completed on schedule and the first production started in the new extension. Investments in France and Morocco were launched in accordance with the plan. The asset rotation was not fully realized due to the negative market conditions.
- The achievement rate for the "operational efficiency" objective was 79.0% of the maximum amount.

The transition to Industry 4.0 is eight sites ahead of plan. The Group generated significant synergies in EBITDA and cash flow through the successful integrations of Centelsa and Reka. The use of recycled copper increased in the Nexans products. Generation & Transmission faced operational challenges during 2023.

- The achievement rate for the "culture and engagement" objective was 87.9% of the maximum amount.

The Company has done exceptional work on building the foundations of the new Nexans model culture. The new organization has been defined and is ready to be implemented in 2024. Workforce planning for the Sales & Marketing defining the key skills required for the future has been carried out. The Group is strengthening its development programs and talent pool with the finalization of the Graduate program for industrial functions, the Emerging Leaders program and the revamp of the programme linked to the development of Plant Managers .

- The achievement rate of the "deployment of the ESG policy" was 80.0% of the maximum amount.

The three-year climate strategy was defined and the E3 cluster was successfully deployed. The implementation and adoption of the E3 model at Group level was a success, enabling Nexans to strengthen its performance model and its culture in all countries. The Group has made progress in terms of both safety and gender equality, with a rate of 27.4% in 2023 for executive and managerial functions. Nexans continues to take actions to improve the Group's overall diversity for executive, managerial and industrial positions.

a) On this basis, the total amount of the variable portion as determined by the Board in respect of 2023 therefore amounted to 1,036,500 euros, which represents 92.1% of the maximum amount.

Payment of the Chief Executive Officer's variable compensation is subject to approval by the 2024 Annual Ordinary Shareholders' Meeting.

4.6.4.3 Stock options and performance shares granted to Christopher Guérin

STOCK OPTIONS GRANTED FOR THE 2023 FISCAL YEAR TO THE CHIEF EXECUTIVE OFFICER

In accordance with the Group's long-term compensation policy, the Chief Executive Officer did not receive any stock options in 2023. Since 2010, the Company no longer grants any stock options.

SHARES GRANTED TO CHRISTOPHER GUÉRIN FOR THE 2023 FISCAL YEAR

In accordance with the Group's long-term compensation policy and the authorization of the Annual Shareholders' Meeting of May 11, 2022 (15th and 16th resolutions), the Board of Directors approved, on March 16, 2023, on the recommendation of the Compensation Committee, a new long-term compensation plan (Plan no. 23). This plan involves grants of performance shares and free shares to Group's key senior managers, including the Chief Executive Officer.

The Board of Directors granted 13,600 performance shares to Christopher Guérin on March 16, 2023.

Performance shares granted during the fiscal year to the Chief Executive Officer (Table 6 of the AFEP-MEDEF Code)

	No. and date of plan	Number of shares granted during the fiscal year	Value of the shares based on the method used in the consolidated financial statements	Vesting date	End of lock-up period	Performance conditions
Christopher Guérin	Plan no. 23 of 03/16/2023	13,600	€566,944	03/16/2027	03/16/2027	Conditions detailed below

The total number of performance shares granted to the Chief Executive Officer in 2023 as described above and still valid at the date of this Universal Registration Document would represent, if they were fully vested, 0.03% of the share capital at December 31, 2023.

The vesting on March 16, 2027, of granted performance shares is subject to continued employment in the Company and three performance conditions common to all performance share beneficiaries:

1) 40% of the shares granted are contingent on a stock market performance condition consisting of measuring the relative evolution of Nexans' total shareholder return (TSR) compared with that of a reference panel made up of the following nine companies: Belden, Legrand, Prysmian, Rexel, ABB, Schneider Electric, Leoni, NKT Cables and ZTT.

a) The Board of Directors may revise the panel during the period if any of the companies cease to exist or merge with another company.

b) For the period considered, the TSR corresponds to the increase in the share price plus the dividend per share. The increase in the share price is measured by comparing the average opening price for the three months preceding the share grant with the average for the three months preceding the end of the performance assessment period.

c) The dividend per share is the sum of all dividends paid on a (Nexans or panel company) share during the three-year performance assessment period.

d) The TSR thus obtained will be compared with that of the panel assessed over the same period. A ranking between Nexans and the companies in the panel will be carried out;

Rank achieved by Nexans compared to panel TSR	% of shares vested based on this condition
1^{st} or 2^{nd} in the ranking	100%
3^{rd} in the ranking	90%
4^{th} in the ranking	80%
5^{th} in the ranking	60%
Below 5^{th} in the ranking	0%

2) 40% of the shares granted are contingent on an economic market performance condition consisting of measuring, on the one hand, the level of consolidated EBITDA margin (expressed as a percentage of sales at standard metal prices) and, on the other hand, the NCCR (Normalized Cash Conversion Ratio) defined as the ratio of Free Cash Flow normalized by EBITDA;

EBITDA margin thresholds for the 2025 fiscal year if the NCCR is greater than 40%	% of shares vested based on this condition
≥12%	100%
≥11.6% and <12%	90%
≥11.2% and <11.6%	80%
≥10.8% and <11.2%	70%
≥10.4% and <10.8%	60%
≥10.0% and <10.4%	50%
<10%	0%

3) 20% of the shares granted are contingent on a CSR performance condition consisting of measuring the achievement of 12 objectives at the end of 2025.

2025 CSR objectives

			2025 objectives
ENGAGEMENT			
	**Safety**	Workplace safety rate[a]	0.8
	Human capital	Women in Management positions[b]	30%
		Women in Top management positions[c]	22%
	Employee engagement	Employee engagement index[d]	80%
ENVIRONMENT			
	**Decarbonation**	Reduction of GHG emissions (scope 1, 2) (base year 2019) SBTi engagement[e]	35%
		Reduction of GHG emissions (scope 3) (base year 2019) SBTi[f]	29%
		Re100 engagement[g]	55%
	Circular economy	Rate of recycled copper production waste used in our products[h]	6%
	Energy transition	Revenue generated from products and services that contribute to energy transition and efficiency[i]	≥80%
ECOSYSTEMS			
	**Business ethics**	Proportion of employees who completed the compliance training program[j]	100%
	Stakeholders	Supplier risk assessment rate (suppliers falling within the scope of assessment)[k]	100%
	Nexans Foundation	Amount allocated by the Nexans Foundation[l]	≥€400,000

(a) Global workplace accident frequency rate Total number of workplace accidents resulting in more than 24 hours of lost time/Total number of hours worked.
(b) Gender parity in managerial positions. Number of female employees in managerial positions/Total number of managers.
(c) Top management: a category of employees defined by the Group's Executive Committee and the Group's management positions based on Nexans' internal classification system. Number of women in management positions (equivalent to G grades and above)/Total number of employees in management positions.
(d) Engagement score from the Nexans Employee Engagement Survey (Nexans Living Voices).
(e) Greenhouse gas emissions for scope 1 and 2, as defined by the "GHG protocol" – ghgprotocol.org. The objectives are based on the 2019 objectives for reducing greenhouse gas emissions.
(f) Greenhouse gas emissions for scope 3 as defined by the "GHG protocol" – ghgprotocol.org. The objectives are based on the 2019 objectives for reducing greenhouse gas emissions.
(g) NEXANS' commitment to achieve 100% renewable electricity by 2030 (Re100).
(h) Percentage of recycled copper production waste used in production compared to the Group's total copper needs.
(i) Offshore wind farms, interconnection projects, utilities, smart grids (energy transition), energy efficiency (building), accessories, solar energy, wind energy, eco-mobility and asset management.
(j) Training completion rate for the identified population, as defined annually in the Group compliance training strategy approved by the Board of Directors, who have followed the online training courses on governance and compliance topics such as anti-corruption, conflicts of interest, the right to competition, harassment and discrimination or internal whistleblowing procedures.
(k) Gradual rating of suppliers mapped as being subject to European reporting obligations in terms of sustainable development in order to carry out the necessary due diligence based on their level of risk.
(l) Amount dedicated to the Nexans Foundation to financially support sustainable electrification projects aimed at reducing energy insecurity and poverty, promote training and education of populations and preserve the environment.

The number of performance shares fully vested under the CSR performance condition will depend on the number of CSR objectives achieved at December 31, 2025.

CSR index achieved at the end of 2025	% of shares vested based on this condition
≥90%	100%
≥70% and <90%	70%
<70%	0%

Out of the performance shares granted to the Chief Executive Officer, the number of shares that will actually vest at the end of the vesting period on March 16, 2027, may range between a minimum of 0 and a maximum of 13,600 shares, depending on the attainment of the following applicable performance targets.

SHARES VESTED IN 2023

Performance shares that became available during the 2023 fiscal year for the Chief Executive Officer (Table 7 of the AFEP-MEDEF Code)

	No. and date of plan	Number of shares that became available during the fiscal year
Christopher Guérin	Plan no. 19 of 03/19/2019	28,000

The achievement level of the performance conditions of Plan no. 19 of March 19, 2019, was noted by the Board of Directors on March 16, 2023.

1) 50% of the total number of shares granted was subject to a stock market performance condition consisting of measuring Nexans' TSR over a three-year period and comparing it with the TSR of a panel of reference companies. The number of shares vested was determined based on the following scale:

Rank achieved by Nexans compared to panel TSR	% of shares vested based on this condition
>90th percentile	100%
>80th percentile	80%
>70th percentile	70%
>60th percentile	60%
≥50th percentile	50%
<50th percentile	0%

Nexans' TSR performance is ranked 1st. The achievement level is such that the number of shares vested based on this condition is 100%;

2) 50% of the total number of shares granted were subject to an economic performance condition consisting of measuring the achievement of the Nexans group's Simplified Economic Value Added level for the 2021 fiscal year. The Simplified Economic Value Added is defined as the operating margin less 10% of the capital employed at the end of the year. The number of shares vested was determined based on the following scale:

Simplified Economic Added Value levels for the 2021 fiscal year	% of shares vested based on this condition
≥€120m	100%
≥€108m and <€120m	90%
≥€96m and <€108m	80%
≥€84m and <€96m	70%
≥€72m and <€84m	60%
≥€60m and <€72m	50%
<€60m	0%

The achievement level of 160 million euros is such that the number of shares vested based on this condition is 100%.

Following the determination by the Compensation Committee that the performance conditions were met, Christopher Guérin definitely acquired 100% of the shares granted under Plan no. 19 of March 19, 2019, which equates to 28,000 shares.

4.6.4.4 Commitments given to the Chief Executive Officer

First appointed as Chief Executive Officer: July 4, 2018

Employment contract	Supplementary pension plan	Indemnities or benefits related to termination or a change in duties	Non-compete indemnity
No	Yes	Yes	Yes

EMPLOYMENT CONTRACT

In accordance with the recommendations of the AFEP-MEDEF Code, Christopher Guérin's employment contract was terminated when he was appointed Chief Executive Officer of the Company on July 4, 2018.

TERMINATION BENEFITS

As Chief Executive Officer, Christopher Guérin has received the following commitments from the Company. They were authorized at the Board meeting of July 3, 2018, and ratified at the Shareholders' Meeting held on May 15, 2019.

In accordance with Article 25.6 of the AFEP-MEDEF Code, the total termination and non-compete indemnities may not exceed two years' worth of actual compensation (fixed and variable).

TERMINATION INDEMNITY

As Chief Executive Officer, Christopher Guérin is entitled to a termination indemnity. The termination indemnity will be payable only (1) in the event of a forced departure linked to a change of control or a change of strategy, with it being specified that this condition will be deemed to be met unless otherwise decided by the Board of Directors, particularly in the case of serious misconduct and (2) after the Board of Directors has placed on record that the applicable performance conditions have been met, either at the time of, or after the termination or change in the Chief Executive Officer's duties, in accordance with Article L.225-42-1 of the French Commercial Code.

The payment of the indemnity would be subject to an overall rate of achievement of objectives for target annual variable compensation of at least 80% on average over the three years prior to the date of the forced departure. The Compensation Committee will determine the achievement rate of the applicable performance conditions and submit their findings to the Board for a final decision.

The indemnity will be equal to two years' worth of his total compensation (fixed and variable), *i.e.* 24 times his most recent monthly compensation (fixed portion) prior to the month of his departure plus an amount equal to his most recent monthly base compensation (fixed portion) multiplied by his most recent nominal bonus rate.

The final amount payable in relation to the termination indemnity would be paid in one installment within a maximum of one month after the Board of Directors' assessment of whether the applicable criteria have been met.

In compliance with the compensation policy for executive officers described in Section 4.6.2 above, the termination indemnity may not exceed two years' worth of actual compensation (fixed and variable).

NON-COMPETE INDEMNITY

Christopher Guérin has undertaken not to exercise any business that would compete either directly or indirectly with any of the Company's businesses for a period of two years from the end of his term of office as Chief Executive Officer, irrespective of the reason for the termination of his duties.

In return for this non-compete commitment, Christopher Guérin will receive compensation equal to one year's total compensation (fixed and variable portions), which represents 12 times the amount of the last monthly compensation (fixed portion) due for the month preceding that when the departure occurs plus an amount equal to the product of the last nominal bonus rate applied to the last monthly compensation (fixed portion), paid in the form of 24 equal and successive monthly payments due in the month preceding that when the employee departure takes place. The Board of Directors may require Christopher Guérin as Chief Executive Officer to comply with a non-compete obligation for a period of less than two years. In such a case, the non-competition indemnity would be reduced *pro rata temporis*.

In accordance with Article 25.3 of the AFEP-MEDEF Code (December 2022 version), in the event of Christopher Guérin's departure, the Board of Directors will decide whether or not the non-compete agreement entered into with him will apply and will be entitled to cancel it (in which case no non-compete indemnity will be payable).

In addition, in accordance with Article 25.4 of the AFEP-MEDEF Code, no non-compete indemnity will be due if Christopher Guérin takes retirement upon leaving the Group.

SUPPLEMENTARY PENSION PLAN

On July 3, 2018, in connection with his term of office as Chief Executive Officer, the Board of Directors approved Christopher Guérin's membership of the defined contribution pension plan set up for certain employees and exectuive corporate officers, with effect from September 1, 2018. The annual amounts payable under this defined contribution pension plan are paid exclusively by the Company and are equal to 20% of the Chief Executive Officer's reference compensation, defined as his annual fixed and variable compensation. For the year 2023, contributions amounted to 300,000 euros.

PENSION AND WELFARE PLANS AND UNEMPLOYMENT INSURANCE PLAN

Christopher Guérin is entitled to the welfare plan (covering death and disability benefits and medical expenses) set up for the Company's employees. He also has coverage for loss of employment, acquired from an insurance agency, guaranteeing him, in case of an involuntary loss of professional activity, daily indemnities in the amount of 55% of 1/365th of tranches A, B and C of his professional income for the fiscal year preceding his departure, applicable for a 12-month period following the loss of employment. The annual amount of contributions for 2023 to cover the risk of job loss amounted to 11,261 euros.

4.6.5 Pay ratios

The equity ratios used to measure the differences between the compensation of executive officers and that of the Company's employees are published in accordance with Article L.22-10-9 of the French Commercial Code and with reference to AFEP-MEDEF guidelines.

Pay ratio between the level of compensation of executive officers and the average and median compensation of employees

The scope used for the application of Article L.22-10-9 of the French Commercial Code is that of Nexans S.A. and its French subsidiaries with the exception of Eurocable and Nexans solar technologies. This represents 96% of the headcount in France. This scope was chosen in order to have intelligible and tangible ratios and to exclude the problems caused by the different exchange rates, inflation rates and salary regimes of the various countries in which the Nexans Group has employees. The employees taken into account for the calculation of this ratio are employees on fixed-term and permanent contracts who were present and active throughout the related year.

Items included in the calculation of the equity ratios relate to all compensation components, excluding payroll taxes, paid or allocated during the year to the executive corporate officers (numerator) and to the employees (denominator). The calculation includes the annual fixed compensation on a full-time basis, variable and exceptional compensation paid, share or option allocations valued in IFRS at the date when the board of Directors meeting approved the grant and any other benefit of any kind awarded or paid during the fiscal year.

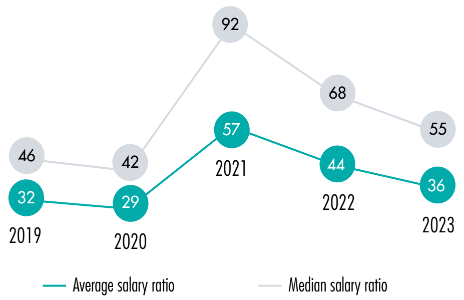


Figure 5 : Pay ratio / average and median employee remuneration

in millions of euros	2019	2020	2021	2022	2023
Chief Executive Officer					
Compensation	1,675,916	1,657,018	3,455,504	2,660,257	2,405,489
Change (in %) of the Chief Executive Officer's compensation	-22%	-1%	109%	-23%	-10%
Average	32	29	57	44	36
Median	46	42	92	68	55
Chairman					
Compensation	250,000	250,000	250,000	320,000	320,000
Change (in %) of the Chairman's compensation	0%	0%	0%	28%	0%
Average	5	4	4	5	5
Median	7	6	7	8	7
Employees					
Average	51,943	57,577	60,232	60,035	65,955
Change (in %) of the average compensation	-7%	11%	5%	0%	10%
Median	36,325	39,655	37,656	39,214	43,766

Pay ratio between the level of compensation of executive directors and the Group's performance

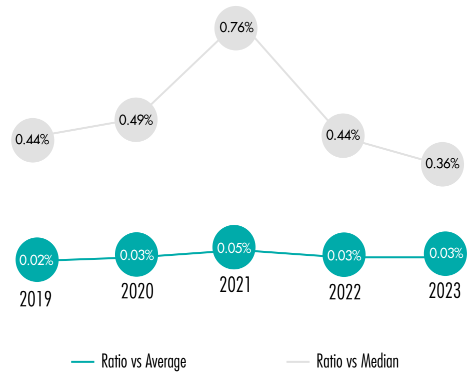


Figure 6 : Pay ratio / Company performance

Ratio in %	2019	2020	2021	2022	2023
Sales	0.02	0.03	0.05	0.03	0.03
EBITDA	0.44	0.49	0.76	0.44	0.36

4.6.6 Stock options and performance shares

4.6.6.1 The Group's long-term compensation policy

The Group's long-term compensation policy is part of a global strategy to retain, motivate and engage executives and employees. It is competitive with regard to market practices, aligned with the corporate interest of the Company and its shareholders. Each long-term compensation plan is submitted to the vote of shareholders at the Annual Ordinary Shareholders' Meeting.

The Group's long-term compensation policy is adjusted according to the concerned population. It is based on the allocation of free shares, with or without performance conditions:

- performance shares are granted each year to the Chief Executive Officer, members of the Executive Committee and to a limited number of key employees. Performance conditions include an economic performance conditions indexed to the Group's financial indicators, a CSR performance condition, and a relative stock market performance condition based on the assessment of Nexans' TSR (Total Shareholder Return) compared to a reference panel. These conditions apply consistently to all beneficiaries;
- free shares, without performance conditions, are granted each year to a limited number of key employees as a result of their expertise, performance and potential.

The free share and performance share plans have a term of four years, from the date of issue of the plan. The performance conditions are set over three years.

The definitive vesting of the granted free shares is subject to the approval of the Board, on the recommendation of the Compensation Committee after noting the total or partial satisfaction of the performance and presence conditions set at the time of the grant.

Performance and free shares plans are granted each year, within a same calendar period, except in case of exceptional circumstances.

Performance shares plan beneficiaries undertake not to use hedging instruments during the vesting period.

Performance shares plan beneficiaries are not allowed to sell vested shares during "blackout" periods, in accordance with the applicable legal and regulatory requirements and the Group's "Insider dealing" procedures.

4.6.6.2 Stock options

SUMMARY OF STOCK OPTION PLANS

Since 2010, the Company no longer grants any stock options.

There were no outstanding stock option plans at December 31, 2023.

SHARES PURCHASED IN 2023 FOLLOWING THE EXERCISE OF STOCK OPTIONS BY THE 10 EMPLOYEES WHO ARE NOT CORPORATE OFFICERS EXERCISING THE MOST OPTIONS

None.

4.6.6.3 Free shares and performance shares

HISTORY OF FREE SHARE PLANS AND PERFORMANCE SHARE PLANS

At its meeting on March 16, 2023, the Board of Directors noted the achievement of all the performance conditions of Plan no. 19 of March 19, 2019. Therefore, 215,150 shares vested under performance share Plan no. 19.

For more details on the achievement of the performance conditions, see the "Corporate Governance – Compensation of executive officers" section of the www.nexans.com website.

History of free share plans and performance share plans (Table 9 – AFEP-MEDEF nomenclature)

	Plan no. 19	Plan no. 20	Plan no. 21	Plan no. 21A	Plan no. 21B	Plan no. 22	Plan no. 22A	Plan no. 23	Plan no. 23A
Date of Annual Shareholders' Meeting	05/17/2018	05/15/2019	05/13/2020	05/12/2021	05/13/2020	05/12/2021	05/12/2021	05/11/2022	05/11/2022
Date of the Board of Directors	03/19/2019	03/17/2020	03/18/2021	09/30/2021	11/08/2021	03/17/2022	10/25/2022	03/16/2023	10/24/2023
Number of performance shares granted (based on maximum performance)	269,850	291,350	283,665	100,000	2,750	299,465	10,100	297,850	6,000
o/w to the executive officer (based on maximum performance)	28,000	20,000	20,000	11,000	-	14,000	-	13,600	-
o/w to the 10 employees receiving the most shares[(a)]	101,100	50,000	50,000	51,000	2,750	50,500	10,100	61,000	6,000
Number of free shares granted	49,850	49,300	49,480	-	-	49,300	-	48,880	-
Vesting date	03/19/2023	03/17/2024	03/18/2025	03/17/2025	11/08/2025	03/17/2026	03/17/2026	03/16/2027	03/16/2027
End of lock-up period	03/19/2023	03/17/2024	03/18/2025	03/17/2025	11/08/2025	03/17/2026	03/17/2026	03/16/2027	03/16/2027
Total number of beneficiaries	297	545	506	43	2	547	5	513	1
Number of shares vested at 12/31/2023	253,400	-	-	-	-	-	-	-	-
Number of shares canceled or lapsed	66,300	59,550	50,640	9,800	-	33,735	-	9,070	-
Outstanding granted shares at 12/31/2023	-	281,100	282,505	90,200	2,750	315,030	10,100	337,660	6,000
Performance conditions[(b)]	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies and (2) a financial performance condition consisting of measuring the Company's Simplified Economic Value Added, which corresponds to the value created in excess of the average cost of capital, at the end of 2021. Simplified Economic Value Added will be calculated as follows: operating margin – 10% of capital employed.	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies, (2) a financial performance condition consisting of measuring the Free Cash Flow level, which is defined as total cash flow before dividends and mergers/acquisitions, as reported in the 2022 financial statements; and, lastly (3) a global CSR performance condition based on 10 criteria to be achieved by the end of 2022.	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies; (2) a financial performance condition consisting of measuring the Free Cash Flow level, which is defined as total cash flow before dividends and mergers/acquisitions, as reported in the 2023 financial statements; and, lastly (3) a global CSR performance condition consisting of measuring the achievement of the Group's CSR ambitions at the end of 2023, as set out in the 2021-2023 roadmap.	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies; (2) an Electrification rate condition measured as a percentage of the Nexans group's consolidated sales; and, lastly (3) a financial performance condition based on the achievement rate at the end of 2024 of three indicators, namely (i) the consolidated Group EBITDA, (ii) the EBITDA for the Electrification activity and (iii) the normalized cash conversion ratio (NCCR).	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies; (2) a financial performance condition consisting of measuring the Free Cash Flow level, which is defined as total cash flow before dividends and mergers/acquisitions, as reported in the 2023 financial statements; and, lastly (3) a global CSR performance condition consisting of measuring the achievement of the Group's CSR ambitions at the end of 2023, as set out in the 2021-2023 roadmap.	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies; (2) a financial performance condition consisting of measuring the Free Cash Flow level, which is defined as total cash flow before dividends and mergers/acquisitions, as reported in the 2024 financial statements; and, lastly (3) a CSR performance condition, which consists of measuring the achievement of the Group's CSR ambitions at the end of 2024, as set out in the 2022-2024 roadmap.	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies; (2) a financial performance condition consisting of measuring the Free Cash Flow level, which is defined as total cash flow before dividends and mergers/acquisitions, as reported in the 2024 financial statements; and, lastly (3) a CSR performance condition, which consists of measuring the achievement of the Group's CSR ambitions at the end of 2024, as set out in the 2022-2024 roadmap.	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies; (2) a financial performance condition consisting of measuring the consolidated EBITDA and the NCCR, which is defined as the Free Cash Flow normalized by the EBITDA, as reported in the 2025 financial statements; and lastly (3) a CSR performance condition consisting of measuring the achievement of the Group's CSR ambitions at the end of 2025.	(1) a stock market performance condition consisting of measuring Nexans' total shareholder return (TSR) and comparing it with a panel of reference companies; (2) a financial performance condition consisting of measuring the consolidated EBITDA and the NCCR, which is defined as the Free Cash Flow normalized by the EBITDA, as reported in the 2025 financial statements; and lastly (3) a CSR performance condition, which consists of measuring the achievement of the Group's CSR ambitions at the end of 2025.

(a) Excluding executive officers.

(b) More details about all of these performance conditions are provided in the governance section of Nexans' website, in the section dedicated to the Board of Directors' decisions on the compensation of the executive officers.

The potential dilutive impact of the performance shares and free shares granted under Plan no. 23 and 23A was approximately 0.81% of the capital at the end of 2023 (made up of 43,753,380 shares).

At December 31, 2023, the number of performance shares and free shares in the process of vesting was 1,325,345. If all of these rights were vested they would represent 3.03% of the share capital.

FREE SHARES GRANTED DURING 2023

In accordance with Article L.225-197-4 of the French Commercial Code, the following section details share grants made during 2023 pursuant to Articles L.225-197-1 to L.225-197-3 of the French Commercial Code.

At December 31, 2023, the Nexans holding company comprised a Chairman of the Board of Directors, Jean Mouton, Chief Executive Officer, Christopher Guérin and five employees.

Pursuant to the authorizations granted by the Combined Shareholders' Meetings of May 11, 2022, the Board of Directors adopted two long-term compensation plans in 2023 with the following main features:

	Plan no. 23	Plan no. 23A
Date of Annual Shareholders' Meeting	05/11/2022	05/11/2022
Grant date	03/16/2023	10/24/2023
Number of performance shares granted	297,850	6,000
Number of free shares granted	48,880	-
o/w to the Chief Executive Officer	13,600	-
o/w to the 10 employees receiving the most shares	61,000	6,000
Vesting date	03/16/2027	03/16/2027
End of lock-up period	03/16/2027	03/16/2027
Total number of beneficiaries	513	1
Number of shares vested	-	-
Number of shares canceled	9,070	-

The vesting of performance shares under Plan no. 23 and 23A is contingent on continued employment in the Company and performance conditions measured over a four-year, three-year and five-month period.

NUMBER AND VALUE OF THE FREE SHARES GRANTED TO EACH OF THE CORPORATE OFFICERS DURING THE YEAR IN RECOGNITION OF THEIR POSITIONS AND ACTIVITIES BY THE COMPANY AND RELATED COMPANIES PURSUANT TO ARTICLE L.225-197-2 OF THE FRENCH COMMERCIAL CODE

No. and date of plan	Beneficiary[(a)]	Number of shares granted in 2023	Valuation of shares[(b)]	Vesting date	End of lock-up period
Plan no. 23	Chief Executive Officer	13,600	€566,944	03/16/2027	03/16/2027

(a) Position held at the grant date.
(b) Method used for the consolidated financial statements.

NUMBER AND VALUE OF THE FREE SHARES GRANTED TO EACH OF THE CORPORATE OFFICERS DURING THE YEAR IN RECOGNITION OF THE POSITIONS THEY HOLD IN CONTROLLED COMPANIES WITHIN THE MEANING OF ARTICLE L.233-16 OF THE FRENCH COMMERCIAL CODE

None.

NUMBER AND VALUE OF FREE SHARES GRANTED TO EACH OF THE COMPANY'S EMPLOYEES, WHO ARE NOT CORPORATE OFFICERS, AND WHO RECEIVED THE GREATEST NUMBER OF FREE SHARES

Nexans S.A. beneficiary employees[a]	Number of performance shares granted	Value of shares granted[b]
Member of the Executive Committee	10,000	€416,870
Member of the Executive Committee	6,000	€250,122
Member of the Executive Committee	6,000	€250,122
Member of the Executive Committee	6,000	€250,122
Member of the Executive Committee	6,000	€250,122
Member of the Executive Committee	6,000	€250,122

(a) Position held at the grant date.
(b) Method used for the consolidated financial statements.

NUMBER AND VALUE OF FREE SHARES GRANTED TO ALL BENEFICIARY EMPLOYEES AND NUMBER AND BREAKDOWN OF THESE BENEFICIARY EMPLOYEES BY CATEGORY

Performance shares

Category of beneficiary	Number of beneficiaries	Number of performance shares granted	Value of shares granted[b]
CEO[a]	1	13,600	€566,944
Members of the Executive Committee	11	67,000	€2,793,032
Other employees	305	223,250	€9,306,632
TOTAL	**317**	**303,850**	**€12,666,607**

(a) Position held at the grant date.
(b) Valued at the grant date under the method used for the consolidated financial statements.

Free shares not subject to performance conditions

	Number of beneficiaries	Number of free shares granted	Value of shares granted[b]
Employees who are not members of the Executive Committee[a]	197	48,880	€2,765,630
TOTAL	**197**	**48,880**	**€2,765,630**

(a) Positions held at the grant date.
(b) Valued at the grant date under the method used for the consolidated financial statements.

Characteristics of stock options and performance shares granted to executive directors

Since the Group adopted the AFEP-MEDEF Code, any grants of performance shares and/or stock options to executive officers have complied with the recommendations set out in said Code and the characteristics described in the compensation policy for executive officers set out in Section 4.6.1.2 above, particularly:

Performance conditions	Performance shares granted to executive directors will only vest if the Compensation Committee notes that the performance conditions have been met.
Lock-up	The Chief Executive Officer is required to hold, in registered form and for as long as he remains in office, one quarter of his fully vested performance shares. This requirement applies unless the Board of Directors decides otherwise in view of the Chief Executive Officer's situation and particularly taking into account the objective of holding an increasing number of shares that have vested under such plans.
Prohibition of hedging instruments	The Chief Executive Officer has formally undertaken not to use hedging instruments during the vesting period.
Recommended "blackout" periods	Group procedure on insider dealing.

4.7 List of related-party agreements and commitments

4.7.1 Agreements and commitments remaining in force in 2023

In accordance with Article L.225-40-1 of the French Commercial Code, at its meeting on February 14, 2024 the Board of Directors reviewed the agreements and commitments authorized and entered into in prior years and which remained in force during 2023.

Agreements entered into with a shareholder holding more than 10% of the share capital and voting rights and corporate officers concerned: Andrónico Luksic Craig (director of Nexans and Invexans until December 29, 2023), Francisco Pérez Mackenna (director of Nexans and Vice-Chairman of the Board of Directors of Invexans) and Oscar Hasbún Martínez (director of Nexans and Invexans)

INVEXANS LIMITED (QUIÑENCO GROUP) ENGAGEMENT LETTER OF OCTOBER 25, 2022

On October 25, 2022, the Board of Directors accepted Invexans' long-term commitment, under the terms and conditions of which Invexans will not request representation on the Board of Directors in excess of three non-independent members on a Board of 14 members, or if the Board were to be enlarged, in excess of a number of directors proportionate to its shareholding.

The principle, content and terms of the commitment of Invexans Limited were reviewed by the Board of Directors without the presence of Andrónico Luksic Craig, Francisco Pérez Mackenna and Oscar Hasbún Martínez (Nexans and Invexans Board members).

The Board noted the interest for Nexans to accept this commitment given the pre-existing commitment entered into in 2014, in the context of the termination of the shareholders' agreement.

This commitment entered into force on October 25, 2022 and will expire on November 22, 2030 or before this date should one of the following events transpire:

- the filing of a public offer for Nexans' entire share capital and voting rights including, to avoid any ambiguity, by Invexans;
- a third party not acting in concert, within the meaning of Article L.233-10 of the French Commercial Code, with Invexans, holds a share in the Company that exceeds the lower of the following thresholds: (i) 15% of the share capital or voting rights or (ii) the percentage of the share capital or voting rights held by Invexans;
- the percentage of the share capital held by Invexans in Nexans falls below 10%;
- Invexans holds 30% or more of the share capital or voting rights in Nexans following a transaction approved by Nexans' shareholders and has obtained an exemption from the obligation to file a takeover bid from the French financial markets authority (Autorité des marchés financiers – AMF).

TAX AGREEMENT OF SEPTEMBER 20, 2022

On July 26, 2022, the Board of Directors authorized the conclusion of a tax agreement with Invexans S.A. as part of the ratification of the Supervening Tax Credit Allocation Agreement. In accordance with the acquisition agreement entered into in 2008 for the sale by Invexans to Nexans of its cables business in Latin America, Invexans S.A. is entitled to receive 90% of the tax refund covering the period from 2002 to 2008 (net of all taxes related to the tax refund) that may be paid by the Brazilian authorities to Nexans' Brazilian subsidiary, Nexans Brazil.

Invexans S.A. indirectly holds 19% of the share capital and voting rights of Nexans through its subsidiary Invexans Limited. Nexans Brazil is indirectly wholly-owned by Nexans through its subsidiary Nexans Participations. Accordingly, pursuant to Articles L.225-38 *et seq.* of the French Commercial Code, this transaction was subject to prior approval by the Board of Directors.

The principle, content and terms of the proposed agreement were examined by the Board of Directors without the presence of Andrónico Luksic Craig, Francisco Pérez Mackenna and Oscar Hasbún Martínez (Nexans and Invexans Board members). The Board noted the interest for the Company to enter into this agreement in view of the pre-existing commitments made in 2008 to Invexans S.A. as part of the acquisition of Nexans Brazil.

In accordance with the provisions of Article L.225-40 of the French Commercial Code, Andrónico Luksic, Francisco Pérez and Oscar Hasbún did not take part in the deliberations or decision of the Board of Directors.

During the 2023 fiscal year, the agreement did not give rise to any payment, in the absence of a decision by the Brazilian tax authorities.

4.7.2 Agreements and commitments executed in 2023

None.

4.7.3 Statutory Auditors' special report on related-party agreements

Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31st, 2023

To the Shareholders of Nexans,

In our capacity as Statutory Auditors of Nexans, we hereby report to you on related-party agreements,

It is our responsibility to report to you, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.225-31 of the French Commercial Code (Code de commerce), it is your responsibility to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide you with the information required by Article R.225-31 of the French Commercial Code (Code de commerce) in relation to the implementation during the year of agreements already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with the professional standards and doctrine of the French National Association of Statutory Auditors (Compagnie nationale des commissaires aux comptes – CNCC) to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements submitted for the approval of the Shareholders' Meeting

In accordance with Article L.225-38 of the French Commercial Code (Code de commerce), we informed you that no signed over the year ended December the 31st 2023 and authorized agreement is to be submitted for the approval of the shareholders' meeting.

Agreements already approved by the Shareholders' Meeting

In accordance with Article R.225-30 of the French Commercial Code (Code de commerce), we were informed that the following agreements, approved by the Shareholders' Meeting in previous years, remained in force during the year.

AGREEMENT ENTERED INTO WITH INVEXANS SA (QUIÑENCO GROUP), SHAREHOLDER HOLDING MORE THAN 10% OF THE SHARE CAPITAL AND VOTING RIGHTS, RELATING TO A TAX REFUND BY THE BRAZILIAN TAX AUTHORITIESS

Corporate officers involved: Andronico Luksic Craig (Nexans and Invexans Board member), Francisco Pérez Mackenna (Nexans Board member and Vice-Chairman of the Board of Directors of Invexans) and Oscar Hasbún Martinez (Nexans and Invexans Board member).

Procedures: On July 26, 2022, the Board of Directors authorized the conclusion of a tax agreement with Invexans SA as part of the Supervening Tax Credit Allocation Ratification Agreement. In accordance with the acquisition agreement entered into in 2008 for the sale by Invexans to Nexans of its cables business in Latin America, Invexans SA is entitled to receive 90% of the tax refund covering the period from 2002 to 2008 (net of all taxes related to the tax refund) that may be paid by the Brazilian authorities to Nexans' Brazilian subsidiary, Nexans Brazil.

Invexans SA indirectly holds 19% of the share capital and voting rights of Nexans through its subsidiary Invexans Limited. Nexans Brazil is indirectly wholly-owned by Nexans through its subsidiary Nexans Participations. The principle, content and terms of the proposed agreement were examined by the Board of Directors without the presence of Andrónico Luksic Craig, Francisco Pérez Mackenna and Oscar Hasbún Martinez (Nexans and Invexans Board members).

The agreement was signed on September 20, 2022. During the 2023 fiscal year, the agreement did not give rise to any payment, in the absence of a decision by the Brazilian tax authorities.

Reasons given by the Board: The Board noted the interest for the Company to enter into this agreement in view of the pre-existing commitments made in 2008 to Invexans SA as part of the acquisition of Nexans Brazil.

LETTER OF COMMITMENT BY INVEXANS LIMITED (QUIÑENCO GROUP), SHAREHOLDER HOLDING MORE THAN 10% OF THE SHARE CAPITAL AND VOTING RIGHTS, DATED OCTOBER THE 25TH, 2022

Corporate officers involved: Andrónico Luksic Craig (Nexans and Invexans Board member), Francisco Pérez Mackenna (Nexans Board member and Vice-Chairman of the Board of Directors of Invexans) and Oscar Hasbún Martinez (Nexans and Invexans Board member).

Procedures: On October 25, 2022, the Board of Directors accepted Invexans Limited's new long-term commitment, under the terms and conditions of which Invexans Limited will not request representation on the Board of Directors in excess of 3 non-independent members on a Board of 14 members, or if the Board were to be enlarged, in excess of a number of directors proportionate to its shareholding.

The principle, content and terms of the commitment of Invexans Limited were reviewed by the Board of Directors without the presence of Andrónico Luksic Craig, Francisco Pérez Mackenna and Oscar Hasbún Martinez (Nexans and Invexans Board members).

This commitment entered into force on October 25, 2022 and will expire on November 22, 2030 or before this date should one of the following events transpire:

- the filing of a public offer for Nexans' entire share capital and voting rights including, to avoid any ambiguity, by Invexans);
- a third party not acting in concert, within the meaning of Article L.233-10 of the French Commercial Code, with Invexans, holds a share in the Company that exceeds the lower of the following thresholds: (i) 15% of the share capital or voting rights or (ii) the percentage of the share capital or voting rights held by Invexans;
- The percentage of the share capital held by Invexans in Nexans falls below 10%;
- Invexans holds 30% or more of the share capital or voting rights in Nexans following a transaction approved by Nexans' shareholders and has obtained an exemption from the obligation to file a takeover bid from the French financial markets authority (Autorité des marchés financiers – AMF).

Reasons given by the Board: The Board noted the interest for Nexans to accept this commitment given the pre-existing commitment entered into in 2014, in the context of the termination of the shareholders' agreement.

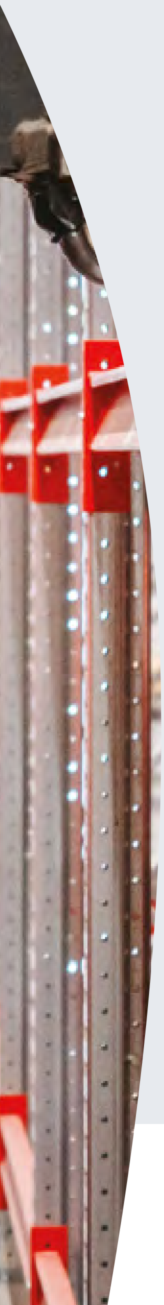
The Statutory Auditors, on March 21, 2024

Mazars	**PricewaterhouseCoopers**
Paris La Défense, electronically signed document,	Neuilly-sur-Seine, electronically signed document
Juliette Decoux-Guillemot	Edouard Demarcq
Partner	Partner

05

Nexans 2023 financial statements

05



5.1 Consolidated financial statements

5.1.1 Consolidated income statement

in millions of euros	Notes	2023	2022
NET SALES[a]	**1.E.A, 3 AND 4**	**7,790**	**8,369**
Cost of sales		(6,795)	(7,373)
GROSS PROFIT		**995**	**996**
Administrative and selling expenses		(474)	(490)
R&D costs		(89)	(87)
OPERATING MARGIN[b]	**1.E.B AND 3**	**432**	**420**
Core exposure effect[c]	1.E.c	(12)	(30)
Reorganization costs	23.B	(49)	(39)
Other operating income and expenses	6, 7 and 8	1	46
Share in net income of associates		1	(2)
OPERATING INCOME	**1.E.D**	**374**	**395**
Cost of debt (net)	1.E.e	(59)	(35)
Other financial income and expenses[d]	1.E.e and 9	(24)	(22)
INCOME BEFORE TAXES		**292**	**339**
Income taxes	1.E.f and 10	(68)	(90)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		**223**	**248**
Net income from discontinued operations		-	-
NET INCOME (LOSS)		**223**	**248**
• attributable to owners of the parent		221	245
• attributable to non-controlling interests		2	3
ATTRIBUTABLE NET INCOME (LOSS) PER SHARE *(in euros)*	**11**		
• basic earnings (loss) per share		5.08	5.64
• diluted earnings (loss) per share		4.92	5.47

(a) Sales at constant copper and aluminum prices are used by the Group to monitor its operational performance because the effect of changes in non-ferrous metal prices is neutralized to show underlying business growth. Cost of sales is restated on the same basis.
Sales at constant metal prices calculated using reference prices are presented in the segment information provided in ***Note 3*** *and are used in the activity report in* ***Section 1.6****.*

(b) Operating margin is one of the business management indicators used to assess the Group's operating performance.

(c) Effect relating to the revaluation of Core exposure at its weighted average cost.

(d) Other financial income and expenses includes the adjustment on monetary impact of Turkey and Ghana due to the application of IAS 29 standard "Hyperinflation" (see ***Note 1*** *and* ***Note 9****).*

5.1.2 Consolidated statement of comprehensive income

in millions of euros	Notes	2023	2022
Net income (loss)		**223**	**248**
Recyclable components of comprehensive income (loss)		**(91)**	**(60)**
• currency translation differences		(59)	(3)
• cash flow hedges	26	(32)	(58)
Tax impacts on recyclable components of comprehensive income (loss)	**10.C**	**4**	**11**
Non-recyclable components of comprehensive income (loss)		**(9)**	**86**
• actuarial gains and losses on pensions and other long-term employee benefit obligations	22.B	(9)	78
• financial assets at fair value through other comprehensive income		-	8
Tax impact on non-recyclable components of comprehensive income (loss)	**10.C**	**2**	**(18)**
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)		**(94)**	**20**
TOTAL COMPREHENSIVE INCOME		**129**	**268**
• attributable to owners of the parent		127	267
• attributable to non-controlling interests		2	1

5.1.3 Consolidated balance sheet

At December 31, *in millions of euros*	Notes	2023	2022
ASSETS			
Goodwill	7 and 12	293	289
Intangible assets	13	210	175
Property, plant and equipment	14	1,854	1,645
Investments in associates	15	19	25
Deferred taxes assets	10.D	129	122
Other non-current assets	16	234	137
NON-CURRENT ASSETS		**2,740**	**2,393**
Inventories and work in progress	17	1,319	1,432
Contract assets	4.B	187	198
Trade receivables	18	856	935
Current derivative liabilities	26	67	52
Other current assets	19	235	259
Cash and cash equivalents	24.A	1,131	1,134
Assets and groups of assets held for sale		-	-
CURRENT ASSETS		**3,796**	**4,010**
TOTAL ASSETS		**6,536**	**6,402**

At December 31, *in millions of euros*	Notes	2023	2022
Liabilities and equity			
Capital, premiums, results and reserves		1,793	1,664
Other components of equity		(98)	(12)
Equity attributable to owners of the parent		**1,695**	**1,652**
Non-controlling interests		16	15
EQUITY	**21**	**1,711**	**1,667**
Pensions and other long-term employee benefit obligations	22	237	232
Non-current provisions	23	82	76
Long-term debt	24	747	511
Non-current derivative liabilities	26	33	10
Deferred taxes liabilities	10.D	129	151
NON-CURRENT LIABILITIES		**1,227**	**981**
Current provisions	23	117	100
Short-term debt	24	598	805
Contract liabilities	4.B	738	588
Current derivative liabilities	26	61	64
Trade payables	25	1,601	1,735
Other current liabilities	25	482	461
Liabilities related to groups of assets held for sale		-	-
CURRENT LIABILITIES		**3,597**	**3,754**
TOTAL EQUITY AND LIABILITIES		**6,536**	**6,402**

5.1.4 Consolidated statement of changes in equity

in millions of euros	Number of shares outstanding[(a)]	Capital stock	Additional paid-in capital	Treasury stock	Retained earnings and other reserves	Changes in fair value and other	Currency translation differences	**Equity attributable to owners of the parent**	Non-controlling interests	**Equity**
AT DECEMBER 31, 2021	**43,636,889**	**44**	**1,614**	**(10)**	**(226)**	**16**	**9**	**1,447**	**17**	**1,465**
IAS 29 "Hyperinflation" application[(b)]	-	-	-	-	-	-	6	6	-	6
JANUARY 1, 2022	**43,636,889**	**44**	**1,614**	**(10)**	**(226)**	**16**	**15**	**1,453**	**17**	**1,470**
Net income	-	-	-	-	245	-	-	245	3	248
Other comprehensive income (loss)	-	-	-	-	69	(46)	(1)	21	(1)	20
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**-**	**314**	**(46)**	**(1)**	**267**	**1**	**268**
Dividends paid	-	-	-	-	(52)	-	-	(52)	(1)	(53)
Changes in capital	(2,247)	-	(9)	42	-	-	-	33	1	34
Changes in treasury shares[(a)]	(173,664)	-	-	(58)	(6)	-	-	(65)	-	(65)
Employee share-based plans:										
• Service cost	-	-	-	-	16	-	-	16	-	16
• Proceeds from share issues	-	-	-	-	-	-	-	-	-	-
Transactions with owners not resulting in a change of control	-	-	-	-	-	-	-	-	-	-
Other Activities	-	-	-	-	(1)	1	-	-	(4)	(4)
DECEMBER 31, 2022	**43,460,978**	**44**	**1,604**	**(26)**	**46**	**(29)**	**13**	**1,652**	**15**	**1,667**
Net income	-	-	-	-	221	-	-	221	2	223
Other comprehensive income (loss)	-	-	-	-	(8)	(27)	(60)	(94)	-	(94)
TOTAL COMPREHENSIVE INCOME	**-**	**-**	**-**	**-**	**214**	**(27)**	**(60)**	**127**	**2**	**129**
Dividends paid	-	-	-	-	(92)	-	-	(92)	(1)	(94)
Changes in capital	-	-	-	-	-	-	-	-	-	-
Changes in treasury shares[(a)]	172,544	-	-	16	(23)	-	-	(6)	-	(6)
Employee share-based plans:										
• Service cost	-	-	-	-	13	-	-	13	-	13
• Proceeds from share issues	-	-	-	-	-	-	-	-	-	-
Transactions with owners not resulting in a change of control	-	-	-	-	-	-	-	-	-	-
Other Activities	-	-	-	-	1	-	-	(1)	-	1
DECEMBER 31, 2023	**43,633,522**	**44**	**1,604**	**(10)**	**159**	**(56)**	**(46)**	**1,695**	**16**	**1,711**

(a) *The number of shares outstanding corresponded to issued shares less shares held in treasury; acquisition, shares hold in treasury and shares negotiated in the stock market are detailed on* ***Note 21****.*

(b) *This line contains the application of IAS 29 hyperinflation standard detailed in* ***Note 1*** *and in* ***Note 9****.*

5.1.5 Consolidated statement of cash flows

in millions of euros	Notes	2023	2022
Net income		223	248
Depreciation, amortization and impairment of assets (including goodwill)	7, 13 and 14	156	180
Cost of debt (gross)		80	41
Core exposure effect[(a)]		12	30
Current and deferred income tax charge (income)	10	68	90
Net (gains) losses on asset disposals	8	9	(54)
Net change in provisions and non-current liabilities		(9)	(41)
Fair value changes on operational derivatives		(37)	(29)
Charges related to the cost of share-based payments		13	16
Other restatements		4	25
CASH FLOWS FROM OPERATIONS BEFORE GROSS COST OF DEBT AND TAX[(B)]		**520**	**506**
Decrease (increase) in working capital	20	262	104
Impairment of current assets and accrued contract costs		24	48
Income taxes paid		(107)	(114)
NET CHANGE IN CURRENT ASSETS AND LIABILITIES		**180**	**38**
NET CASH GENERATED FROM OPERATING ACTIVITIES		**700**	**544**
Proceeds from disposals of property, plant and equipment and intangible assets		6	62
Capital expenditure	13, 14	(377)	(298)
Decrease (increase) in loans granted and short-term financial assets		(23)	11
Purchase of shares in consolidated companies, net of cash acquired		(60)	(211)
Proceeds from sale of shares in consolidated companies, net of cash transferred		13	7
NET CASH USED IN INVESTING ACTIVITIES		**(440)**	**(429)**
NET CHANGE IN CASH AND CASH EQUIVALENTS AFTER INVESTING ACTIVITIES		**260**	**115**
Proceeds from (repayments of) long-term and short-term borrowings	24	(58)	198
• of which proceeds from the European Investment Bank loan		-	200
• of which repayment of bonds 2018-2023		(325)	-
• of which proceeds from the bonds 2023-2028		400	-
Cash capital increases (reductions)[(c)]	21	(6)	(32)
Interest paid		(59)	(43)
Transactions with owners not resulting in a change of control		-	-
Dividends paid		(93)	(54)
NET CASH USED IN FINANCING ACTIVITIES		**(215)**	**70**
Impact of the hyperinflation[(d)]		3	5
Net effect of currency translation differences		(62)	(28)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(15)**	**162**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**24.A**	**1,129**	**968**
CASH AND CASH EQUIVALENTS AT YEAR-END	**24.A**	**1,114**	**1,129**
• of which cash and cash equivalents recorded under assets		1,131	1,134
• of which short-term bank loans and overdrafts recorded under liabilities		(16)	(5)

*(a) Effect relating to the revaluation of Core exposure at its weighted average cost, which has no cash impact (see **Note 1.E.c**).*
*(b) The Group also uses the "Operating cash flow" concept, which is calculated after adding back cash outflows relating to reorganizations (see **Note 23** and deduction of paid taxes).*
(c) This line includes also inflows and outflows on acquisitions/sales of treasury stocks.
*(d) This line contains the impacts related to the application of IAS 29 "hyperinflation" rules (see **Note 1** and **Note 9**).*

5.1.6 Notes to the corporate financial statements

Detailed summary of the notes

Note 1. Summary of significant accounting principles

A. General principles

Nexans (the Company) is a French joint stock corporation under French law, subject to all texts governing commercial companies in France and in particular the provisions of the French Commercial Code. Nexans was incorporated on January 7, 1994 (under the corporate name Atalec) and has its registered office at Le Vinci, 4 allée de l'Arche, 92400 Courbevoie, France.

Its shares are listed for trading on Compartment A of the regulated market of Euronext Paris, within the SBF 120 index.

The Nexans Group produces electrical cables and provides its customers with innovative energy transport solutions and services.

The consolidated financial statements are presented in euros rounded to the nearest million. Rounding may in some cases lead to non material discrepancies in the different totals or year-on-year changes. They were approved by the Board of Directors on February 14, 2024 and will become final after approval at the Shareholders' Meeting, which will take place on May 16, 2024 on first call.

Significant information on the accounting methods used in the preparation of these consolidated financial statements is described below. Except where otherwise indicated, these policies have been applied consistently to all the financial years presented.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Nexans Group have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union at December 31, 2023.

The Group has applied all standards, interpretations and amendments of mandatory application to fiscal years beginning on or after January 1, 2023, which were as follows:

- amendments to IAS 1 "Disclosure of Accounting Policies";
- amendments to IAS 8 "Definition of Accounting Estimates";
- amendments to IAS 12 "Deferred Taxes Relating to Assets and Liabilities Arising from the Same Transaction";
- IFRS 17 "Insurance Contracts" and its amendments.

These publications had no material impact on the Group's consolidated financial statements. In particular, following the recommendation of "Pillar 2" of the OECD leading to the creation of a minimum tax regime for large international organizations, on December 14, 2022 the European Union adopted a directive making this regime effective on January 1, 2024, transposed by France as part of the 2024 Finance Bill. The "Pillar 2" rules are therefore applicable to all entities effectively controlled by Nexans, whether consolidated or not.

At the same time, in May 2023, the IASB published an amendment to IAS 12 which included a mandatory temporary exception to the application of IAS 12 to the "Pillar 2" tax calculations and positions. This amendment was adopted by the EU in November 2023. As a result of this temporary exception, the Group does not include the effects of deferred taxes relating to the entry into force of "Pillar 2" in its financial statements.

At the stage of the work carried out, the Group will probably be subject to "Pillar 2" rules from January 1, 2024 in certain jurisdictions. However, no significant tax expense is expected.

NEW STANDARDS PUBLISHED BUT NOT YET EFFECTIVE

The IASB has issued the following amendment that has been endorsed by the European Union and is applicable from January 1, 2024:

- amendment to IAS 1 "Classification of current and non-current liabilities".

The Group does not expect its application of this amendment to have a material impact on its consolidated financial statements.

The IASB has not issued any new standards, amendments or interpretations not yet endorsed by the European Union and potentially applicable to Group.

ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements requires Management to exercise its judgment and make estimates and assumptions that could have a material impact on the reported amounts of assets, liabilities, income and expenses.

These assessments are carried out on a regular basis by Management in order to take into account past experience and other factors deemed relevant in view of the economic conditions. In particular, the regulations applicable in the coming years and the foreseeable consequences of the commitments made in favor of carbon neutrality, the forecasts of technological and market developments (raw material costs, changes in customer expectations, *etc.*) are taken into account and any other change that could have a significant impact on the consolidated financial statements in accordance with IFRS.

The main sources of uncertainty relating to estimates are discussed in the notes specific to these items when necessary and relate to the following items:

- the recoverable amount of certain items of property, plant and equipment, goodwill and other intangible assets, and determining the groups of cash-generating units (CGUs) used for goodwill impairment testing (see **Note 1.F.a**, **Note 1.F.b**, **Note 1.F.c** and **Note 7**). The Group included in its review of the recoverable amount assumptions related to the consequences of climate change;
- recognition and recoverability of deferred tax assets for unused tax losses (see **Note 1.E.f** and **Note 10.E**);
- margins to completion and percentage of completion on long-term contracts (see **Note 1.E.a**);
- the measurement of pension liabilities and other employee benefits (see **Note 1.F.j** and **Note 22**);
- provisions and contingent liabilities (see **Note 1.F.k**, **Note 23** and **Note 30**);
- the measurement of derivative instruments and their qualification as cash flow hedges (see **Note 1.F.n** and **Note 26**);
- cancelable lease terms for real estate leases (see **Note 1.F.m**).

The estimates and underlying assumptions are based on past experience and other factors considered reasonable under the circumstances. They are reviewed on an ongoing basis. They serve as the basis for determining the carrying amounts of assets and liabilities when such amounts cannot be obtained directly from other sources. Due to the inherent uncertainties of any valuation process, it is possible that actual amounts reported in the Group's future financial statements may differ from the estimates used in these financial statements. The impact of changes in accounting estimates is recognized in the period of the change if it only affects that period or over the period of the change and subsequent periods if they are also affected by the change.

B. Consolidation methods

The consolidated financial statements include the financial statements of Nexans, the subsidiaries over which Nexans exercises control, and companies accounted for by the equity method (associates).

The financial statements of subsidiaries and associates are prepared for the same period as those of the parent company. Adjustments are made to harmonize any differences in accounting policies that may exist.

Subsidiaries (companies controlled by Nexans) are fully consolidated from the date the Group takes over control through the date on which control is transferred outside the Group. Control is defined as the direct or indirect power to govern the financial and operating policies of a company in order to benefit from its activities.

Other companies over which the Group exercises significant influence are classified as associates and accounted for by the equity method. Significant influence is presumed to exist when the Group's direct or indirect interest is over 20%.

The type of control or influence exercised by the Group is assessed on a case-by-case basis using the presumptions set out in IFRS 10, IFRS 11 and the revised version of IAS 28. A list of the Group's main subsidiaries and associates is provided in **Note 32**.

Intra-group balances and transactions, including any intra-group profits, are eliminated in consolidation.

C. Foreign currency translation methods

The Group's financial statements are presented in euros. Consequently:

- the balance sheets of foreign operations whose functional currency is not the euro are translated into euros at the year-end exchange rate;
- income statement items of foreign operations are translated at the average annual exchange rate. This exchange rate is considered as approximating the rate applicable to the underlying transactions.

The resulting exchange differences are included in other comprehensive income under "Currency translation differences". The functional currency of an entity is the currency of the primary economic environment in which the entity operates. In the majority of cases, this currency corresponds to the local currency.

Cash flow statement items are also translated at the average annual exchange rate.

In 2023, all the conditions to consider Ghana as a hyperinflationary economy within the meaning of IFRS standards were met (the last condition required concerned the level of cumulative inflation over three years, wholesale price inflation and retail price inflation having exceeded the 100% threshold in the second half of 2023). As a result, the Group has applied IAS 29 on financial reporting in hyperinflationary economies since January 1, 2023 for this country.

This standard IAS 29 requires restatement of the non-monetary items of the assets and liabilities of a country experiencing hyperinflation as well as its income statement to reflect the change in the general purchasing power of its functional currency, resulting in a profit or loss on the net monetary position which is recognized in net income. In addition, the financial statements of this country are translated at the closing rate for the period in question.

The consequences of the application of IAS 29 for this country as well as for Turkey, already in a hyperinflationary situation in 2022, are described in **Note 9** "Other financial income and expenses".

IAS 29 has not been applied to translate the financial statements of any other Group company.

Since 2021, the Lebanese economy was considered as hyperinflationary within the meaning of IAS 29. Nevertheless, the functional currency of the Group entity located in Lebanon is the US dollar, and its activities in this country are mainly carried out in this currency. As a result, no restatement is made in the Group's financial statements.

Foreign currency transactions are translated at the exchange rate prevailing at the transaction date. When these transactions are hedged and the hedge concerned is documented as a qualifying hedging relationship for accounting purposes, the gain or loss on the spot portion of the corresponding derivative directly affects the hedged item so that the overall transaction is recorded at the hedging rate in the income statement.

In accordance with IAS 21, "The Effects of Changes in Foreign Exchange Rates", foreign currency monetary items in the balance sheet are translated at the year-end closing rate. Any exchange gains or losses arising on translation are recorded as financial income or expense except if they form part of the net investment in the foreign operation within the meaning of IAS 21, in which case they are recognized directly in other comprehensive income under "Currency translation differences".

Foreign exchange derivatives are measured and recognized in accordance with the principles described in **Note 1.F.n**.

D. Business combinations

Business combinations are accounted for using the acquisition method, whereby the identifiable assets acquired, liabilities assumed and any contingent liabilities are recognized and measured at fair value.

For all business combinations the acquirer must (other than in exceptional cases) recognize any non-controlling interest in the acquiree either at fair value (the "full goodwill" method) or at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets measured at their acquisition-date fair value. In the latter case, no goodwill is recognized on non-controlling interests (the "partial goodwill" method).

Goodwill, determined as of the acquisition date, corresponds to the difference between:

- the aggregate of the acquisition price, generally measured at acquisition-date fair value, the amount of any non-controlling interest in the acquiree measured as described above, and for a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and
- the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with IFRS 3.

The Group has a period of 12 months from the acquisition date to complete the initial accounting for a business combination, during which any "measurement period adjustments" may be made. These adjustments are notably made to reflect information obtained subsequent to the acquisition date about facts and circumstances that existed at that date.

The consideration transferred in a business combination must be measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer. Any contingent consideration at the acquisition date is systematically included in the initial fair value measurement of the consideration transferred in exchange for the acquiree, based on probability tests.

Any changes in the fair value of contingent consideration that the acquirer recognizes after the acquisition date and which do not correspond to measurement period adjustments as described above – such as meeting an earnings target different from initial expectations – are accounted for as follows:

- contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity;
- contingent consideration classified as an asset or liability that is a financial instrument and is within the scope of IFRS 9 is measured at fair value, with any resulting gain or loss recognized in the income statement (notably the effect of unwinding the discount) or in other comprehensive income as appropriate.

The Group accounts for acquisition-related costs for subsidiaries as expenses in the periods in which the costs are incurred and the services received. However, if the acquisition of a subsidiary is financed through the issuance of equity or debt instruments, the related costs are recognized in equity or debt respectively in accordance with IFRS 9 and IAS 32.

E. Income statement items

A. SALES

Net sales

Net sales represent revenue from sales of goods held for resale, as well as sales of goods and services deriving from the Group's main activities, for which consideration has been promised in contracts drawn up with customers. Net sales correspond to the Net sales at current metal prices in **Note 3** related to Operating segments.

The Group's main activities correspond to sales of cables produced in its plants, as well as cable installation services. Cables are sold either separately under specific contracts with customers (see below, "Sales of goods") or together with installation services under contracts that combine both sales of cables and installation services (see below, "Goods and services contracts").

In accordance with IFRS 15, revenue is recognized under sales when the control of goods or services is transferred to the customer. The amount recognized corresponds to the consideration the entity expects to receive in exchange for the goods or services.

For all business, the sales amount recognized in revenue corresponds to the amount of consideration to which the entity expects to be entitled based on the terms and conditions of each contract and standard commercial practices. Where applicable, penalties are deducted from contract revenue when a risk is estimated and it is likely to be payable. Revenue also includes certain variable consideration, notably relating to discounts and rebates, which are measured using the expected value method or based on the single most likely amount, depending on the specific terms and conditions of the contracts concerned.

For all of the Group's activities, the revenue recognized as the consideration promised from customers for the transfer of goods or services takes into account the financial impact of payment deferrals when such deferrals are significant and represent a period of more than one year.

Sales of goods

Customer contracts covering sales of goods include a single performance obligation for each delivery.

Revenue from sales of goods is recognized at a specific point in time, corresponding to the moment when control of the asset concerned is transferred to the customer, which is generally when the goods are delivered.

In addition, as the delivery of goods also corresponds to the moment when the Group obtains an enforceable right to payment, the contra-entry to the recognized amount of sales is presented in "Trade receivables" on the assets side of the consolidated balance sheet.

Goods and services contracts

Contracts covering both sales of goods and cable installation services essentially concern the Group's high-voltage cable activities. They are contracts that are specifically negotiated for constructing and installing an asset or a group of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use. When the customer cannot use an asset or a group of assets during their production or installation due to the specific features of their design and interdependency as provided for contractually, then a single performance obligation is identified per contract.

Performance obligations under goods and services contracts are considered to be satisfied over time if (i) the asset or group of assets created in connection with a goods and services contract is specific to the requirements of the customer and cannot have an alternative use, and (ii) Nexans has an enforceable right to payment for the services performed up until the date in question. The input method is used to measure progress towards fulfilling the performance obligation based on costs incurred. The costs taken into account do not include any inefficiencies that were not anticipated and cannot therefore trigger any revenue recognition.

For each goods and services contract, the cumulative amount of revenue recognized in respect of all of the Group's service obligations under the contract, less any advance payments received from customers and trade receivables which are recognized separately, is presented in the consolidated balance sheet under "Contract assets" or "Contract liabilities".

Any expected loss to completion is recognized immediately in cost of sales in the consolidated income statement, and under "Short-term provisions" or "Long-term provisions" in the consolidated balance sheet.

Customer advance payments

The Group may receive partial payments from customers before the corresponding work is performed, which are referred to as customer advance payments. In accordance with IFRS 15, these advance payments are recorded under "Contract liabilities" or "Contract assets" depending on the net balance sheet position of the related goods and services contract.

In the same way as for recognition of consideration promised by customers, when recognizing customer advance payments, the Group takes into account the financial impact of payment deferrals when such deferrals are significant and represent a period of more than one year.

Sales at constant metal prices

On an operating level, the effects of fluctuations in metal prices are passed on in selling prices.

To neutralize the effect of fluctuations in non-ferrous metal prices and thus measure the underlying trend in its business, the Group also presents its sales figures based on a constant price for copper and aluminum. These reference prices were set at 5,000 EUR/ton for copper and 1,200 EUR/ton for aluminum. They are then broken down in the currencies of each unit, thus incorporating the economic conditions specific to the environment of these units. The sales at constant metal prices are shown in **Note 3**.

B. OPERATING MARGIN

Operating margin, a key indicator, measures the Group's operating performance and comprises gross profit (which includes indirect production costs), administrative and selling expenses and research and development costs (see **Note 1.F.a**).

Share-based payments (see **Note 1.F.i**), pension operating costs (see **Note 1.F.j**) and employee profit-sharing are allocated by function to the appropriate lines in the income statement based on cost accounting principles.

The operating margin is assessed before the effect of: (i) the revaluation of the Core Exposure (see **Note 1.E.c**); (ii) impairment of property, plant and equipment, intangible assets and goodwill resulting from impairment tests; (iii) changes in fair value of non-ferrous metal derivatives; (iv) capital gains and losses on asset disposals; (v) related acquisition costs for completed acquisitions and expenses and fees related to planned acquisitions; (vi) expenses and provisions for antitrust investigations; (vii) reorganization costs; (viii) of which share in net income of associates (ix) financial income; (x) taxes; and (xi) net income from discontinued operations.

The Group also uses adjusted EBITDA and ROCE as operating performance indicators.

From 2023 onwards, adjusted EBITDA is defined as the operating margin before (i) depreciation, amortization and impairment, (ii) share-based expenses and (iii) certain specific operating items that are not representative of the performance of the Company (see **Note 3** for more details). ROCE corresponds to the return on capital employed and is calculated as operating margin divided by capital employed. It is calculated by dividing the operating margin by the capital employed.

C. CORE EXPOSURE EFFECT

This line of the consolidated income statement includes the following two components (see also **Note 27.C**):

- a "price" effect: in the Group's IFRS financial statements non-ferrous metal inventories are measured using the weighted average unit cost method, leading to the recognition of a temporary price difference between the accounting value of the copper used in production and the actual value of this copper as allocated to orders through the hedging mechanism. This difference is exacerbated by the existence on a permanent basis of a minimum inventory of metal that is not hedged (called "Core exposure").

  The accounting impact related to this difference is not included in operating margin and instead is accounted for in a separate line of the consolidated income statement, called "Core exposure effect". Within operating margin – which is a key performance indicator for Nexans – inventories consumed are valued based on the metal price specific to each order, in line with the Group's policy of hedging the price of the metals contained in the cables sold to customers;
- a "volume" effect: at the level of operating margin – which is a performance indicator – Core exposure is measured at historic cost, whereas at operating income level it is valued at weighted average cost (see **Note 1.F.e**) in accordance with IFRS. The impact of any changes in volumes of Core exposure during the period is also recorded under "Core exposure effect" in the consolidated income statement. However, this effect is generally limited, as the tonnage of Core exposure is usually kept at a stable level from one period to the next, except for any structural change in the event of structural reorganizations within the Group or following a lasting significant contraction or expansion in business volumes, in accordance with the management principles described in **Note 27.C**.

D. OPERATING INCOME

Operating income includes operating margin (see **Note 1.E.b**), Core exposure effect (see **Note 1.E.c**), reorganization costs (see **Note 1.F.k**), share in net income of associates, and other operating income and expenses. Other operating income and expenses are presented in **Note 6** and mainly include impairment losses recorded on property, plant and equipment, goodwill and other intangible assets following impairment tests (see **Note 1.F.c**), gains and losses on asset disposals, and expenses and provisions for antitrust investigations.

E. FINANCIAL INCOME AND EXPENSES

Financial income and expenses include the following:

- cost of debt, net of financial income from investments of cash and cash equivalents;
- other financial income and expenses, which primarily include foreign currency gains and losses on transactions not qualified as cash flow hedges, additions to and reversals of provisions for impairment in value of financial investments, net interest expense on pensions and other long-term benefit obligations, and dividends received from non-consolidated companies.

Details on the majority of these items are provided in **Notes 9** and **24**.

F. INCOME TAXES

The income tax expense for the year comprises current and deferred taxes.

Deferred taxes are recognized for temporary differences arising between the carrying amount and tax base of assets and liabilities, as well as for tax losses available for carryforward. In accordance with IAS 12, no deferred tax assets or liabilities are recognized for temporary differences resulting from goodwill for which impairment is not deductible for tax purposes, or from the initial recognition of an asset or liability in a transaction which:

- is not a business combination;
- at the time of the transaction, affects neither accounting profit nor taxable profit (except in the case of finance leases and actuarial gains or losses on pension benefit obligations);
- does not give rise, at the time of the transaction, to a taxable temporary difference and a deductible temporary difference of an equal amount.

Deferred tax assets that are not matched by deferred tax liabilities expected to reverse in the same period are recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized, based on medium-term earnings forecasts (generally covering a five-year period) for the company concerned. The Group ensures that the forecasts used for calculating deferred taxes are consistent with those used for impairment testing (see **Note 1.F.c**).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled. The rates applied reflect Management's intentions of how the underlying assets will be realized or the liabilities settled. All amounts resulting from changes in tax rates are recorded either in equity or in net income in the year in which the tax rate change is enacted or substantively enacted, based on the initial recognition method for the corresponding deferred taxes.

A deferred tax liability is recognized for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, except to the extent that the Group is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if the entity is legally entitled to offset current tax assets and liabilities and if the deferred tax assets and liabilities relate to taxes levied by the same taxation authority.

F. Items recognized in the consolidated statement of financial position

A. INTANGIBLE ASSETS

See **Notes 1.D** and **1.F.c** for a description of the Group's accounting treatment of goodwill.

Intangible assets are stated at cost less any accumulated amortization and impairment losses. When they are acquired in a business combination, their cost corresponds to their fair value.

The Group applies the cost model for the measurement of intangible assets rather than the allowed alternative method that consists of regularly revaluing categories of assets. Government grants are recognized as a deduction from the gross amount of the assets to which they relate.

Intangible assets primarily correspond to the following:

- trademarks, customer relationships and certain supply contracts acquired in business combinations. Except in rare cases, trademarks are deemed to have an indefinite useful life. Customer relationships are amortized on a straight-line basis over the period during which the related economic benefits are expected to flow to the Group (between five and 25 years). Supply contracts can be deemed to have an indefinite useful life when they are automatically renewable and where there is evidence, notably based on past experience, indicating that the contractual rights will be renewed. Otherwise, their useful lives generally correspond to the term of the contract;
- the costs for acquired or developed software, usually intended for internal use, and development costs, to the extent that their cost can be reliably measured and it is probable that they will generate future economic benefits. These assets are amortized by the straight-line method over their estimated useful lives (between three and five years);
- development costs that meet the recognition criteria in IAS 38. Capitalized development costs are amortized over the estimated useful life of the project concerned, from the date the related product is made available. Research costs, as well as development costs that do not meet the recognition criteria in IAS 38, are expensed as incurred. Research and development costs to be rebilled to or by customers under the terms of construction contracts are included in "Contract assets" and "Contract liabilities".

Intangible assets are derecognized when the risks and rewards of ownership of the asset are transferred.

B. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less any accumulated depreciation and impairment losses. When they are acquired in a business combination, their cost corresponds to their fair value. In accordance with IAS 23, directly attributable borrowing costs are included in the cost of qualifying assets.

The Group applies the cost model for the measurement of property, plant and equipment rather than the allowed alternative method that consists of regularly revaluing categories of assets. Government grants are recognized as a deduction from the gross amount of the assets to which they relate.

Property, plant and equipment are depreciated by the straight-line method based on the following estimated useful lives:

Industrial buildings and equipment	
• Buildings for industrial use	20 years
• Infrastructure and fixtures	10-20 years
• Equipment and machinery:	
• Heavy mechanical components	30 years
• Medium mechanical components	20 years
• Light mechanical components	10 years
• Electrical and electronic components	10 years
• Small equipment and tools	3 years
Buildings for administrative and commercial use	**20-40 years**

The depreciation method and periods applied are reviewed at each year-end where necessary. The residual value of the assets is taken into account in the depreciable amount when it is deemed significant. Replacement costs are capitalized to the extent that they satisfy the criteria in IAS 16.

Property, plant and equipment are derecognized when the risks and rewards of ownership of the asset are transferred.

Property, plant and equipment also include right-of-use assets recognized for leases (see **Note 1.F.m**).

C. ASSET IMPAIRMENT TESTS

At each period-end, the Group assesses whether there is an indication that an asset may be impaired. Impairment tests are also carried out whenever events or changes in the market environment indicate that property, plant and equipment or intangible assets (including goodwill), may have suffered impairment. An impairment loss is recognized where necessary for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Intangible assets with indefinite useful lives and goodwill are tested for impairment at least once a year.

For operating assets that the Group intends to hold and use in its operations over the long term, the recoverable amount of a cash-generating unit (CGU) corresponds to the higher of fair value less costs to sell (where determinable) and value in use. Where the Group has decided to sell particular operations, the carrying amount of the related assets is compared with their fair value less costs to sell. Where negotiations in relation to such a sale are in progress, fair value is determined based on the best estimate of the outcome of the negotiations at the reporting date.

Value in use is calculated on the basis of the future operating cash flows determined in the Group's budget process and strategic plan, which represent Management's best estimate of the economic conditions that will prevail during the remainder of the asset's useful life. The assumptions used are made on the basis of past experience and external sources of information, such as discount rates and perpetual growth rates.

When an analysis of the related context reveals that a CGU, intangible asset, or item of property, plant and equipment that is in use or ready for use may have become impaired, the asset concerned is tested for impairment in accordance with IAS 36, based on the following:

- CGU: a cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of goodwill is tested at the level of the CGU or group of CGUs to which it is allocated. The structure of the Group's CGUs is aligned with its operational organization and is based on a combined vision of market segments and geographic areas;
- other intangible assets and property, plant and equipment: groups of assets with finite useful lives are tested for impairment if there is a specific indication that they may be impaired (as defined in IAS 36.12). Examples of indications that an asset may be impaired include a pronounced decline in profitability, a considerably lower performance than in the original business plan, or a significant loss of customers, market share or product certifications;
- the discount rate applied corresponds to the expected market rate of return for a similar investment, specific to each geographic area, regardless of the sources of financing. The discount rates used are post-tax rates applied to post-tax cash flows. The recoverable amounts determined using these post-tax rates are the same as those that would be obtained by using pre-tax rates applied to pre-tax cash flows;
- five-year business plans are used, based on the Group's budget process and strategic plan, with an extrapolation calculated in conjunction with local management for the final years of the projection period if appropriate;
- operational cash flows are extrapolated based on growth rates specific to each geographic area.

Impairment losses (net of reversals) are recorded in the income statement under "Other operating income and expenses" unless they directly relate to a reorganization operation (see **Note 1.F.k**).

D. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS OR THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at fair value through profit or loss or through other comprehensive income relate to the shares in non-consolidated entities. They are initially recognized at fair value. For each of these assets, the Group decides whether to measure subsequent changes in fair value either through profit or loss or through other comprehensive income (without any possibility of subsequently being recycled to profit or loss). This choice is made at the initial recognition date and is irreversible.

E. INVENTORIES AND WORK IN PROGRESS

Inventories and manufacturing work in progress are stated at the lower of cost and net realizable value. The costs incurred in bringing inventories to their present location and conditions are accounted for as follows:

- raw materials: purchase cost according to the weighted average cost (WAC) method;
- finished goods and work in progress: cost of materials and direct labor, and share of indirect production costs, according to the WAC method.

In compliance with IAS 23, qualifying inventories include directly attributable borrowing costs.

Inventories include core exposure:

- in respect of rodmills, core exposure represents the minimum quantity of non-ferrous metal inventories necessary to establish and maintain continuous operation;
- in respect to Nexans cabling activities, the Core exposure represents the amounts of non-ferrous metals required for the Group's cable plants to operate.

Its overall volume is generally kept stable and is constantly replenished, however the level of Core exposure may have to be adapted at times, particularly in the event of a lasting significant contraction or expansion in business volumes. In the event of structural reorganizations within the Group, the level of Core exposure may have to be revised.

The impact of changes in value of this component is shown in a separate line of the income statement and is included as a component of cash flows from operations in the statement of cash flows.

Net realizable value of inventories is the estimated sale price in the ordinary course of business, less estimated completion costs and the costs necessary to carry out the sale. If the carrying amount of non-ferrous metal inventories is higher than their market value at the year-end, an impairment loss is only recognized when the products to which the assets are allocated have a negative production margin. Additional factors may be taken into account in determining inventory impairment losses, such as obsolescence, physical damage, defects or other indications of impairment (short lengths, *etc.*). As stated in **Note 1.E.c**, impairment losses on Core exposure are recognized under "Core exposure effect" in the consolidated income statement. Any impairment losses related to other categories of inventories are recognized within operating margin.

F. TRADE RECEIVABLES AND OTHER RECEIVABLES

Trade receivables are stated at their transaction price, determined in accordance with IFRS 15. Interest-free short-term operating receivables are recognized at nominal value as the impact of discounting is not material.

Impairment losses for trade receivables are recognized based on two methods:

- a collective method based on a statistical approach that reflects the expected credit losses over the lifetime of receivables, including receivables not past due, in accordance with IFRS 9.

  In order to apply this method, the Group has drawn up a matrix of the rates used to write down its trade receivables that factor in country risks, observed default probabilities and expected losses in the event of default. The base used to calculate these statistical loss allowances also takes into account any contractual guarantees received in relation to the receivables concerned. The carrying amount of the asset is written down and the amount of the loss is recognized in the income statement under "Cost of sales";

- an individual method, whereby an impairment loss is recorded for a trade receivable whenever there is an objective indication that the Group will not be able to collect the full amounts due under the conditions originally provided for at the time of the transaction.

  The following are indicators that a receivable may be impaired: major financial difficulties for the debtor; the probability that the debtor will undergo bankruptcy or a financial reorganization; and a payment default. The amount of the impairment loss recorded represents the difference between the carrying amount of the asset and the estimated value of future cash flows, discounted at the initial effective interest rate.

  Receivables written down by the individual method are excluded from the calculation base for impairment losses determined by the collective method.

  In the same way as for the collective method described above, under the individual method, the carrying amount of the asset is written down and the amount of the impairment loss is recognized in the income statement under "Cost of sales".

These impairment methods also apply to "Contract assets" recognized in the consolidated balance sheet.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents, whose changes are shown in the consolidated statement of cash flows, comprise the following:

- cash and cash equivalents classified as assets in the balance sheet, which include cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value;
- bank overdrafts repayable on demand which form an integral part of the entity's cash management. In the consolidated balance sheet, bank overdrafts are recorded as current financial liabilities.

H. ASSETS HELD FOR SALE

Presentation in the consolidated balance sheet

Non-current assets or groups of assets held for sale, as defined by IFRS 5, are presented on a separate line on the assets side of the balance sheet. Liabilities related to groups of assets held for sale are shown on the liabilities side, also on a separate line, except those for which the Group will remain liable after the related sale as a result of the applicable sale terms and conditions. Non-current assets classified as held for sale cease to be depreciated from the date on which they fulfill the classification criteria for assets held for sale.

In accordance with IFRS 5, assets and groups of assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The potential capital loss arising from this measurement is recognized in the income statement under "Other operating income and expenses" in "Net asset impairment".

Presentation in the income statement

A group of assets sold, held for sale or whose operations have been discontinued is a major component of the Group if:

- it represents a separate major line of business or geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- it is a subsidiary acquired exclusively with a view to resale.

Where a group of assets sold, held for sale or whose operations have been discontinued is a major component of the Group, it is classified as a discontinued operation and its income and expenses for all periods presented are shown on a separate line of the income statement, "Net income (loss) from discontinued operations", which comprises the total of:

- the post-tax profit or loss of discontinued operations; and
- the post-tax gain or loss recognized on the measurement at fair value less costs to sell or on the disposal of assets or groups of assets held for sale constituting the discontinued operation.

When a group of assets previously presented as "held for sale" ceases to satisfy the criteria in IFRS 5, each related asset and liability component – and, where appropriate, income statement item – is reclassified to the relevant items of the consolidated financial statements.

I. SHARE-BASED PAYMENTS

Stock options, performance shares and free shares may be granted to senior managers and certain other Group employees. These plans correspond to equity-settled share-based payment transactions and are based on the issue of new shares in the parent company (Nexans).

In accordance with IFRS 2, "Share-based Payment", stock options, performance shares and free shares are measured at fair value at the grant date (corresponding to the date on which the plan is announced) up until the end of the subscription period. The value is fixed at the end of the subscription period. The Group uses different measurement models to calculate this fair value, notably the Black & Scholes and Monte-Carlo pricing models.

The fair value of vested stock options, performance shares and free shares is recorded as a payroll expense on a straight-line basis from the grant date to the end of the vesting period, with a corresponding adjustment to equity recorded under "Retained earnings and other reserves".

If stock options or share grants are subject to internal performance conditions, their number is updated at the year-end. For plans that are subject to market performance conditions, changes in fair value after the grant date do not affect the amounts recognized in the financial statements.

J. PENSIONS, STATUTORY RETIREMENT BONUSES AND OTHER EMPLOYEE BENEFITS

In accordance with the laws and practices of each country where it operates, the Group provides pensions, early retirement benefits and statutory retirement bonuses.

For basic statutory plans and other defined contribution plans, expenses correspond to contributions made. No provision is recognized as the Group has no payment obligation beyond the contributions due for each accounting period.

For defined benefit plans, provisions are determined as described below and recognized under "Pensions and other long-term employee benefit obligations" in the balance sheet (except for early retirement plans which are deemed to form an integral component of a reorganization plan, see **Note 1.F.k**):

- provisions are calculated using the projected unit credit method, which sees each service period as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. These calculations take into account assumptions with respect to mortality, staff turnover, discounting, projections of future salaries and the return on plan assets;
- plan assets are measured at fair value at the year-end and deducted from the Group's projected benefit obligation;
- in accordance with the revised version of IAS 19, actuarial gains and losses – resulting from experience adjustments and the effects of changes in actuarial assumptions – are recognized as components of other comprehensive income that will not be reclassified to the income statement, and are included in "Changes in fair value and other" within equity;
- the Group analyzes the circumstances in which minimum funding requirements in respect of services already received may give rise to a liability at the year-end.

When the calculation of the net benefit obligation results in an asset for the Group, the recognized amount (which is recorded under "Other non-current assets" in the consolidated balance sheet) cannot exceed the present value of available refunds and reductions in future contributions to the plan, less the present value of any minimum funding requirements.

Provisions for jubilee and other long-service benefits paid during the employees' service period are valued based on actuarial calculations comparable to the calculations used for pension benefit obligations. They are recognized in the consolidated balance sheet under "Pensions and other long-term employee benefit obligations". Actuarial gains and losses on provisions for jubilee benefits are recorded in the income statement.

In the event of an amendment, curtailment or settlement of a defined benefit pension plan, the Group's obligation is remeasured at the date when the plan amendment, curtailment or settlement occurs and the gain or loss on remeasurement is included within operating margin. When a defined benefit pension plan is subject to a reduction in liquidity or an amendment as a result of a reorganization plan, the related impact is presented in "Reorganization costs" in the income statement.

The financial component of the annual expense for pensions and other employee benefits (interest expense after deducting any return on plan assets calculated based on the discount rate applied for determining the benefit obligations) is included in other financial expenses (see **Note 9**).

K. PROVISIONS

Provisions are recognized when the Group has a present obligation (legal or constructive) resulting from a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of discounting is material, the provisions are determined by discounting expected future cash flows applying a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liabilities concerned. The effect of unwinding the discounting is recognized as a financial expense and the effects of any changes in the discount rate are recognized in the same account as that through which the provision was accrued.

A provision is set aside to fully cover reorganization costs when they relate to an obligation by the Group to another party resulting from a decision made at an appropriate managerial or supervisory level, backed by a detailed formal plan that has been announced before the year-end to the party or parties concerned. Such costs primarily correspond to severance payments, early retirement benefits (except where qualified as employee benefits, see **Note 1.F.j**), costs for unworked notice periods, training costs of employees whose employment contracts have been terminated, and other costs directly linked to the shutdown of facilities.

Asset retirements and impairment of inventories and other assets, as well as other cash outflows directly linked to reorganization measures but which do not meet the criteria for the recognition of a provision are also recorded under reorganization costs in the income statement. In the consolidated balance sheet, this type of impairment is presented as a deduction from the related non-current or current assets. Reorganization costs also include costs directly related to the programs undertaken by the Group transformation strategy.

L. FINANCIAL BORROWING AND DEBT

Financial liabilities are initially recognized at fair value, corresponding to their issue price less transaction costs directly attributable to the acquisition or issue of the financial liability. If the liability is issued at a premium or discount, the premium or discount is amortized over the life of the liability using the effective interest method. The effective interest method calculates the interest rate that is necessary to discount the cash flows associated with the financial liability through maturity to the net carrying amount at initial recognition.

Convertible bonds and other borrowings

Under IAS 32, "Financial Instruments: Presentation", if a financial instrument has both a liability and an equity component, the issuer must account for these components separately according to their nature.

This treatment applies, where appropriate, to OCEANE bonds which are convertible into new shares and/or exchangeable for existing shares, as the conversion option meets the definition of an equity instrument.

The liability component is measured on the issue date on the basis of contractual future cash flows discounted applying the market rate (taking into account the issuer's credit risk) for a similar instrument but which is not convertible/redeemable for shares.

The value of the conversion option is calculated as the difference between the issue price of the bonds and the value of the liability component. This amount is recognized under "Retained earnings and other reserves" in equity.

Following initial measurement of the liability and equity components, the liability component is measured at amortized cost. The interest expense relating to the liability is calculated using the effective interest method.

Put options given to minority shareholders

Put options given to minority shareholders in subsidiaries are recognized as financial liabilities at their discounted value. The impact of changes in the exercise price of these options is recognized in equity.

M. LEASES

Leases are recognized in the balance sheet at their inception for an amount corresponding to the present value of the future lease payments. The discount rates used for the present value calculations are based on the Group's incremental borrowing rate to which a spread is added to take into account the economic environments specific to each country.

This amount is recognized under "Lease liabilities" on the liabilities side and "Right-of-use assets" on the assets side. The right-of-use asset recognized for a lease is then depreciated over the term of the lease, which generally corresponds to the non-cancelable period of a lease, together with optional periods, *i.e.* periods where the Group is reasonably certain that it will exercise an extension option or not exercise a termination option.

In the income statement, due to the balance sheet treatment referred to above, lease payments are recognized as depreciation of the right-of-use asset, included in "Operating margin", and interest on the lease liability, included in "Cost of debt (net)". The tax impact of the restatements carried out on consolidation is accounted for via the recognition of deferred taxes.

In the statement of cash flows, lease payments are presented in cash flows from financing activities under "Proceeds from (repayments of) long-term and short-term borrowings" for the portion corresponding to the repayment of lease liabilities and under "Interest paid" for the portion corresponding to the payment of interest on lease liabilities.

Payments under leases corresponding to low value assets or short-term leases are recognized directly as expenses.

N. DERIVATIVE INSTRUMENTS

Only derivatives negotiated with external counterparties are deemed eligible for hedge accounting.

Foreign exchange hedges

The Group uses derivatives (mainly forward purchases and sales of foreign currencies) to hedge the risk of fluctuations in foreign currency exchange rates. These instruments are measured at fair value, calculated by reference to the forward exchange rates prevailing at the year-end for contracts with similar maturity profiles.

Foreign exchange cash flow hedges

When foreign exchange derivatives are used to hedge highly probable future transactions (forecast cash flows or firm orders) that have not yet been invoiced, and to the extent that they satisfy the conditions for cash flow hedge accounting, the change in the fair value of the derivative comprises two elements:

- the "effective" portion of the unrealized or realized gain or loss on the hedging instrument, which is recognized directly in equity under "Changes in fair value and other". Any gains or losses previously recognized in equity are reclassified to the income statement in the period in which the hedged item impacts income, for example when the forecast sale takes place. These gains or losses are included in operating margin when they relate to commercial transactions;
- the "ineffective" portion of the realized or unrealized gain or loss, which is recognized directly in the income statement as financial income or expense.

Foreign exchange derivatives that do not qualify for hedge accounting

Changes in fair value of derivatives that do not qualify for hedge accounting are recognized directly in the income statement as financial income or expense.

These derivatives notably include instruments used as economic hedges that were never or are no longer designated as hedges for accounting purposes.

Hedging of risks associated with fluctuations in non-ferrous metal prices

Forward purchases of non-ferrous metals used in the Group's operations and which require physical delivery of the metals concerned are not included within the scope of IFRS 9. The purchases are recognized on the delivery date.

The Group uses futures contracts negotiated primarily on the London Metal Exchange (LME) to hedge its exposure to non-ferrous metal price fluctuations (copper, aluminum and, to a lesser extent, lead). These contracts are settled net in cash and constitute derivative instruments falling within the scope of application of IFRS 9.

Cash flow hedges of risks associated with fluctuations in non-ferrous metal prices

Due to the sharp volatility in non-ferrous metal prices over the past several years, the Group has taken measures to enable a large portion of these derivative instruments to be classified as cash flow hedges as defined in IFRS 9. Consequently, whenever these instruments are used to hedge future transactions (mainly purchases of copper wires and cathodes) that are highly probable but not yet invoiced, and meet the requirements for cash flow hedge accounting, the Group applies IFRS 9 as follows:

- the "effective" portion of the unrealized gain or loss on the hedging instrument is recognized directly in equity under "Changes in fair value and other". The corresponding realized gain or loss is recognized within operating margin;

- the "ineffective" portion of the unrealized gain or loss is recognized in the consolidated income statement under "Other operating income and expenses". The corresponding realized gain or loss is recognized within operating margin, which, in accordance with the Group's management model, includes all of the realized impacts relating to non-ferrous metals.

The scope of entities eligible for hedge accounting covers most of the Group's metal derivatives.

Hedges of risks associated with fluctuations in non-ferrous metal prices that do not qualify for hedge accounting

Changes in fair value of derivatives that do not qualify for hedge accounting are recognized directly within operating income under "Changes in fair value of non-ferrous metal derivatives". Any realized gains or losses are recorded in operating margin when the derivatives expire.

These derivatives notably include instruments used as economic hedges that were never or are no longer designated as hedges for accounting purposes.

Note 2. Significant events of the year

A. Changes in Group structure

ACQUISITION OF REKA CABLES

In November 2022, Nexans entered into an agreement with REKA Industrial Plc to acquire REKA Cables (the "Transaction"). This acquisition enables the Group to strengthen its position in the Nordic countries, particularly in the Building & Territories businesses.

Founded in 1961, REKA Cables specializes in the manufacture of low- and medium-voltage cables for Building & Territories activities. With a workforce of 270 employees and an estimated revenue of more than 160 million euros in 2022, this company, present in four countries, is one of the leaders in the Finnish market and enjoys an excellent reputation in the Nordic countries. In November 2021, it became one of the first cable manufacturers to achieve carbon neutrality (Scopes 1 and 2).

Nexans successfully completed the acquisition of REKA Cables from REKA Industrial after obtaining approval from the Finnish competition authority at the end of April 2023.

The details and conditions of this transaction as well as the provisional goodwill are presented in **Note 12**.

REKA entities have been fully consolidated since April 30, 2023. Their activities contributed to the Group's consolidated financial statements for the year 2023 for revenue at current metal prices of 101 million euros and an Operating Margin of 5 million euros.

On a 12-month basis, considering, for example, that REKA was acquired on January 1, 2023, the contribution to recurring revenue and Operating Margin can be estimated at 152 million euros and 7 million euros respectively.

SALE OF THE TELECOM BUSINESS

On October 31, 2023, Nexans completed the sale of its Telecom Systems business, renamed Aginode, to Syntagma Capital, a private equity fund based in Belgium.

This activity constituted the major part of the former "Telecom and data" segment. Its contribution is presented under "Other Activities" in the segment information.

This transaction marks the final step in Nexans' exit from the telecom and data segment, in line with its strategy to simplify its activities to amplify its impact on the Electrification markets.

The consequences of this transaction are presented in **Note 8**.

B. Financing

ISSUANCE OF SUSTAINABILITY BONDS

Nexans completed its first sustainability bond issue in April 2023, for a total nominal amount of 400 million euros, with a five-year maturity and an annual interest rate of 5.50%.

This first sustainability bond issue is part of Nexans' Sustainable Financing Framework, which is a central pillar of its refinancing strategy and a concrete step towards the integration of sustainable development into the Group's fundamental values.

The bonds issued are linked to the climate objectives that Nexans has set for December 31, 2026, for the reduction of its Scope 1 and 2 greenhouse gas emissions, as well as for the Cradle-to-Shelf portion related to the CO_2 content of Scope 3 emissions products.

REPAYMENT OF THE BOND MATURING IN 2023

On May 10, 2023, Nexans redeemed early the 325 million euros bond issue, whose initial maturity was scheduled for August 8, 2023.

Note 3. Operating segments

The Group has the following reportable segments within the meaning of IFRS 8 (after taking into account the aggregations authorized by the standard). These segments reflect the managerial organization of the Group and are defined on the basis of products and applications specific to different markets, all geographical areas combined:

- **"Building & Territories":** this segment provides reliable cabling systems and smart energy solutions enabling buildings and territories to be more efficient, sustainable and people-friendly. It covers the following markets: building, smart cities/grids, e-mobility, local infrastructure, decentralized energy systems and rural electrification. It has two components:
  - **"Distribution"** which covers the cables intended for the energy distribution networks managed by the electricity suppliers within the "Territories",
  - **"Usage"**, corresponding to all the equipment cables of the various "Buildings";
- **"Generation & Transmission":** this segment partners its customers from the start of the cycle (design, engineering, financing, asset management) right through to the end (systems management) to help them find the cabling solution that is the best suited to their needs in terms of efficiency and reliability. It includes the following markets: offshore wind farms, subsea interconnections, onshore high voltage, subsea data transmissions (closely related to high voltage submarine projects and previously included in the former "Telecom & Data" segment), as well as the finalization of ongoing projects for smart solutions for the oil and gas sector;
- **"Industry & Solutions":** this segment provides support to OEMs and industrial infrastructure project managers in personalizing their cabling and connection solutions to enable them being powered and meet their electrification, digitization and automation requirements. It covers the following markets: transport (aeronautics, rail, shipbuilding, automotive), automatic devices, renewable energy (solar and wind power), resources (oil and gas, mining) and other sectors (nuclear, medical, handling).

The Group's segment information also includes a column entitled **"Other Activities"**, which corresponds to certain specific or centralized activities carried out for the Group as a whole which give rise to expenses that are not allocated between the various segments, and the Electrical Wires business, comprising wire rods, electrical wires and winding wire production operations.

It also includes the residual portion of the former "Telecom & Data" segment, in particular the Telecom Systems sub-segment, sold on October 31, 2023 (see **Note 8**). Thus, among the items that contribute to the **"Other Activities"** item, the following facts should be mentioned:

- at December 31, 2023, 76% of the sales at constant metal prices recorded under this segment were generating by the Group's "Electrical Wires" business (compared with 76% in 2022), with the remainder being generated almost entirely by the "Telecom & Data" business;
- the operating margin for "Other Activities" was a -41 million euros at December 31, 2023. It includes the combined impact of profit generated from sales of copper wires and certain centralized Group costs that are not allocated between the segments (such as holding company expenses).

Transfer prices between the various operating segments are generally the same as those applied for transactions with parties outside the Group.

The segments presented in the segment information correspond to product families that are similar in nature, customer type, distribution methods and manufacturing processes.

The Group changed the definition of its EBITDA in 2023. It is now called adjusted EBITDA in line with AMF recommendations:

- in view of the clarifications provided by the ANC on the calculation of employee share ownership plans, and to align with the treatment within the cable sector, the Group has decided to exclude share expenses from its adjusted EBITDA as of 2023;
- furthermore, in 2023, the Group recorded additional costs on long-term projects impacted by past reorganizations to exit the oil and gas business. These costs resulted in subsequent losses at completion which are not representative of the actual performance of the business. These losses on completion are therefore excluded from adjusted EBITDA.

As a result, starting in 2023, adjusted EBITDA is defined as the operating margin before (i) depreciation, amortization and provisions, (ii) share-based expenses and (iii) certain other specific operating items that are not representative of the company's performance.

Sales at constant metal prices for 2023 and 2022 have been calculated using the reference prices of 5,000 EUR/ton for copper and 1,200 EUR/ton for aluminum. They are then broken down in the currencies of each unit, thus incorporating the economic conditions specific to the environment of these units.

A. Information by reportable segment

2023 *in millions of euros*	Building & Territories: Usage	Building & Territories: Distribution	Generation & Transmission	Industry & Solutions	Other Activities	Total Group
Net sales at current metal prices	2,214	1,366	896	1,886	1,428	7,790
Net sales at constant metal prices	1,679	1,186	870	1,750	1,026	6,512
Adjusted EBITDA	229	156	83	185	13	665
Specific operational items[a]	-	-	(40)	-	(13)	(53)
Depreciation and amortization	(24)	(25)	(52)	(38)	(40)	(179)
Operating margin	205	131	(9)	147	(41)	432
Net impairment of non-current assets (including goodwill) (see Note 7)	-	-	(0)	7	16	23

(a) Specific operating items include 13 million euros related to share-based payments in "Other Activities", and 40 million euros in "Generation & Transmission" related to additional costs on long-term projects affected by previous reorganizations. These additional costs led to losses on completion which are not representative of the actual performance of the business.

2022 *in millions of euros*	Building & Territories: Usage	Building & Territories: Distribution	Generation & Transmission	Industry & Solutions	Other Activities	Total Group
Net sales at current metal prices	2,492	1,305	993	1,718	1,861	8,369
Net sales at constant metal prices	1,837	1,088	958	1,559	1,302	6,745
Net sales at constant metal prices and perimeter, and 2023 exchange rates	1,734	1,060	864	1,539	1,239	6,436
Adjusted EBITDA	221	88	159	135	13	616
Specific operational items[a]	-	-	-	-	(16)	(16)
Depreciation and amortization	(23)	(23)	(58)	(38)	(38)	(180)
Operating margin	198	65	101	96	(40)	420
Net impairment of non-current assets (including goodwill) (see Note 7)	0	0	(0)	(7)	7	0

(a) The adjusted EBITDA presented for 2022 excludes 16 million euros of expenses related to share-based payments in "Other" and previously included in the reported EBITDA.

The segments presented in the segment information correspond to product families that are similar in nature, customer type, distribution methods and manufacturing processes.

B. Information by major geographic area

2023 *in millions of euros*	Canada	Germany	France	Norway	Other Activities[b]	Total Group
Net sales at current metal prices[a]	1,182	1,000	987	899	3,721	7,790
Net sales at constant metal prices	864	981	803	866	2,998	6,512
Non-current assets IFRS 8 (at December 31)[a]	37	188	189	651	1,312	2,377

(a) Based on the location of the assets of the Group's subsidiaries.
(b) Countries that do not individually account for more than 10% of the Group's net sales at constant metal prices.

2022 *in millions of euros*	Canada	Germany	France	Norway	Other Activities[b]	Total Group
Net sales at current metal prices[a]	1,487	896	1,228	963	3,794	8,369
Net sales at constant metal prices[a]	1,058	873	929	922	2,963	6,745
Net sales at constant metal prices and perimeter, and 2023 exchange rates[a]	993	873	929	816	2,824	6,436
Non-current assets IFRS 8 (at December 31)[a]	37	162	195	490	1,250	2,133

(a) Based on the location of the assets of the Group's subsidiaries.
(b) Countries that do not individually account for more than 10% of the Group's net sales at constant metal prices.

C. Information by major customer

The Group did not have any customers that individually accounted for over 10% of its sales in 2023 or 2022.

Note 4. Revenue from contracts with customers

A. Consolidated sales

Consolidated sales can be analyzed as follows:

2023 (*Sales, in millions of euros*)	Building & Territories		Generation & Transmission	Industry & Solutions	Other Activities	Total Group
	Usage	Distribution				
Performance obligations satisfied at a point in time	2,214	1,366	110	1,886	1,428	7,005
Performance obligations satisfied over time	-	-	786	-	-	786
NET SALES	**2,214**	**1,366**	**896**	**1,886**	**1,428**	**7,790**

2022 (*Sales, in millions of euros*)	Building & Territories		Generation & Transmission	Industry & Solutions	Other Activities	Total Group
	Usage	Distribution				
Performance obligations satisfied at a point in time	2,492	1,305	153	1,718	1,861	7,529
Performance obligations satisfied over time	-	-	840	-	-	840
NET SALES	**2,492**	**1,305**	**993**	**1,718**	**1,861**	**8,369**

B. Contract assets and contract liabilities

Contract assets and contract liabilities can be analyzed as follows:

in millions of euros	December 31, 2023		December 31, 2022	
	Sales of goods	Goods and services contracts	Sales of goods	Goods and services contracts
Contract assets	-	187	-	198
Contract liabilities	(130)	(608)	(146)	(443)
TOTAL	**(130)**	**(421)**	**(146)**	**(245)**

SALES OF GOODS

Contract liabilities correspond to customer advance payments. The related performance obligation is satisfied within two years of receipt of the advance payment. The majority of the amounts reported at December 31, 2022, are included in 2023 sales.

GOODS AND SERVICES CONTRACTS

Among the contract assets and liabilities for goods and services contracts, the assets correspond mainly to revenue recognized in respect of services rendered but not yet invoiced at the period-end. Amounts recorded in "Contract assets" are transferred to "Trade receivables" when the Group obtains an enforceable right to payment.

The liabilities relate to customer advance payments yet to be recognized in sales as the related performance obligation is satisfied.

The 176 million euros negative change in contract assets and liabilities reflects:

- 110 million euros positive change corresponding to outstanding contract liabilities at December 31, 2022 that were recognized in revenue in 2023;
- 35 million euros positive effect of timing differences between 2023 billings and revenues recognized using the percentage completion method;
- 135 million euros negative change corresponding to outstanding contract assets at December 31, 2022 that were billed in 2023;
- 210 million euros negative change for the net increase in advances received;
- 20 million euros positive change related to differences in foreign currencies values between 2022 and 2023.

C. Unsatisfied performance obligations

SALES OF GOODS

Due to the nature of the business, performance obligations related to sales of goods are satisfied within the short term. Consequently, no details are provided of unsatisfied performance obligations.

GOODS AND SERVICES CONTRACTS

Goods and services contracts mainly concern the Group's high-voltage cable and umbilical cable activities. Unsatisfied performance obligations for these activities amount to 2,689 million euros, of which more than 80% should be satisfied over the next two years.

Note 5. Payroll costs and headcount

		2023	2022
Payroll costs (including payroll taxes)	*in millions of euros*	1,171	1,096
Average staff of consolidated companies	*in number of employees*	28,541	26,910

Payroll costs in the above table include share-based payments within the meaning of IFRS 2. These payments totaled 17 million euros in 2023 (including payroll taxes). See **Note 21** for further details.

Compensation paid to employees affected by reorganization plans in progress is not included in the above table.

Note 6. Other operating income and expenses

in millions of euros	Notes	2023	2022
Net asset impairment	7	23	0
Changes in fair value of non-ferrous metal derivatives		(1)	2
Net gains (losses) on asset disposals	8	(9)	54
Acquisition-related costs (completed and planned acquisitions)		(10)	(9)
Expenses and provisions for antitrust investigations		(2)	(1)
OTHER OPERATING INCOME AND EXPENSES		**1**	**46**

Note 7. Net asset impairment

in millions of euros	2023	2022
Impairment losses – non-current assets	-	(14)
Reversals of impairment losses – non-current assets	23	14
Impairment losses – goodwill	-	-
Impairment losses – assets and groups of assets held for sale	-	-
NET ASSET IMPAIRMENT	**23**	**0**

The Group carries out impairment tests on goodwill at least once a year, on intangible assets with an indefinite useful life at least once a year, and on other intangible assets and property, plant and equipment whenever there is an indication that they may be impaired (see **Note 1.F.c.**).

The valuation of the Group's goodwill is carried out at the level of the Cash Generating Units (CGU) to which they are allocated. In the event of an unfavorable difference between the carrying amount and the recoverable amount, an impairment loss is recognized.

Since 2022, the Group has integrated the challenges associated with the consequences of climate change and the commitments taken for the contribution to carbon neutrality in its approach to the review of the valuation of its assets, in particular *via* the following elements:

- the investments related to the commitments made in terms of objectives for the contribution to carbon neutrality are insignificant and have no consequences on the review of the valuation of the Group's assets;
- the forecasts of tensions on the copper market led the Group to include in its sensitivity tests the consequences of a possible 10% reduction in volume on the Building & Territories business. The other activities were not subject to a sensitivity test on this point: they are not affected by such a shortage, either because they are considered as a strategic activity, or because they are not very exposed to a potential reduction in the availability of copper.

In 2023, the Group also commissioned a study by Axa Climate on the challenges of the physical risks related to climate change for the Group's assets. The Group is currently reviewing the initial conclusions of this study alongside the actions and protections already in place to determine its exposure and future action plans to be put in place.

At this stage, the Group has not identified any item related to this work that could lead to the recognition of an impairment on one of its assets. Any future action plans will be included in the assumptions for impairment tests as they are realized.

In addition, the Group also associated the challenges of climate change with its last sustainable development bond issue (see **Note 24**).

A. Results of the impairment tests performed over the year

As described in **Note 1**, and in accordance with IAS 36, impairment tests were first carried out on individual assets when an indication of impairment was identified.

As part of the closing of the financial statements at December 31, 2023, the Group conducted a review of the main impairment issues to identify any indications of impairment that appeared during the period, both on individual assets and on Cash-Generating Units (CGU).

Following the identification of indicators related to the economic situation in Ghana, Lebanon and Turkey, the Group carried out impairment tests which did not reveal any impairment to be recognized.

The improved performance of the North America Industry & Solutions CGU and that of the Asia-Pacific Building & Territories CGU led the Group to recognize impairment reversals of respectively 7 million euros and 17 million euros on intangible assets (customer relations, brands).

In 2022, the tests carried out had led to the recognition of impairment losses of 14 million euros and were recognized under property, plant and equipment of the Group's activities located in Ukraine, as a result of the existing conflict. These impairments losses were offset by the improved performance of the North America Industry & Solutions CGU and the Brazilian entity. In this respect, the Group had recognized impairment reversals of 7 million euros on intangible assets (customer relations) and 7 million euros on property, plant and equipment.

The review of the valuations at the CGU level did not lead to the recognition of any impairments losses or reversals on the CGUs in 2023 or 2022, other than those mentioned above.

B. Goodwill breakdown

Goodwill balances and movements in goodwill can be analyzed as follows by CGU:

in millions of euros	South America Building & Territories CGU	Asia-Pacific Building & Territories CGU	Europe Building & Territories CGU	Europe Industry & Solutions CGU	Other CGUs	Total
DECEMBER 31, 2022	**108**	**69**	**21**	**31**	**60**	**289**
Business combinations	-	-	-	-	-	-
Disposals/acquisitions	-	-	20	-	(7)	14
Impairment losses	-	-	-	-	-	-
Exchange differences and other	(4)	(3)	(0)	(0)	(2)	(9)
DECEMBER 31, 2023	**104**	**66**	**41**	**31**	**51**	**293**

The goodwill of the Europe Building & Territories CGU increased by 20 million euros due to the acquisition of REKA Cables (see **Note 12**).

No impairment loss on goodwill was recognized by the Group in 2023 or 2022.

C. Key assumptions

The discount rates in the Group's main monetary areas and the perpetuity growth rates applied when preparing the business plans used in connection with impairment testing are presented below by geographic area:

	Discount rates (after tax) of future flows		Infinite growth rate	
	2023	2022	**2023**	2022
Europe (Euro Zone)	9.0%	8.8%	1.2%	1.3%
Chile	11.5%	11.0%	2.4%	2.5%
United States of America	10.3%	10.0%	2.1%	1.9%
Brazil	15.0%	13.5%	2.0%	2.0%
China	11.0%	11.0%	3.4%	4.6%
Peru	12.5%	12.0%	3.0%	3.0%
Norway	10.0%	9.5%	1.4%	1.3%
Australia	10.3%	10.0%	2.3%	2.3%
Ukraine	35.0%	26.0%	1.2%	1.3%
Lebanon	35.0%	26.0%	2.7%	2.7%

The cash flow assumptions used for impairment calculations were based on the latest projections approved by Group Management and therefore factor in Management's most recent estimates of the Group's future business levels (as contained in the 2024 Budget and the Strategic Plan). Cash flows are projected over a five-year period for the purpose of these assumptions.

D. Sensitivity analyses

The main assumptions described above are used for measuring the CGUs that are tested for impairment. Sensitivity analyses are performed to assess the effect on the calculations of changes in the assumptions. The method used consists of testing the effect of the following changes in assumptions:

- 100-basis point increase in the discount rate compared to the assumptions used;
- 50-basis point decrease in the perpetuity growth rate compared to the assumptions used;
- 50-basis point decrease in EBITDA margin (measure of business performance) compared to the assumptions used;
- a 10% reduction in the volume on the Building & Territories business to reflect a potential shortage of copper.

The sensitivity tests did not reveal any potential need to recognize additional impairment losses.

Note 8. Net gains (losses) on asset disposals

in millions of euros	2023	2022
Net gains (losses) on disposals of fixed assets	4	52
Net gains (losses) on disposals of investments	(13)	2
Other Activities	-	-
NET GAINS (LOSSES) ON ASSET DISPOSALS	**(9)**	**54**

The Group recognized capital gains (losses) on disposals of -13 million euros in the 2023 fiscal year which mainly corresponded to the following items:

- the sale of the Telecom Systems business for 57 million euros, leading to a net capital loss of 8 million euros. The sale price of 57 million euros was paid in cash for 24 million euros, the balance corresponding to five-year loans, with most of which carrying an interest rate of 15%. The sale price may be adjusted within 90 business days of the acquisition. The sale agreement also includes an earn-out clause calculated at 20% of the potential gain on the resale of the business by the buyer. This clause is capped at 40 million euros;
- the sale of all the shares held in the equity-accounted company IES Energy, which represented 27.80% of the share capital. This sale resulted in a net capital loss of 6 million euros.

The Group recognized capital gains (losses) on disposals of 54 million euros in 2022, which mainly corresponded to the following items:

- the sale of the industrial site in Hanover for 60 million euros, with net proceeds of 55 million euros;
- the sale of the shares held in two entities in Senegal, one consolidated, the other not, for a net capital gain of 4 million euros.

Note 9. Other financial income and expenses

in millions of euros	2023	2022
Dividends received from non-consolidated companies	2	2
Provisions	(1)	4
Net foreign exchange gain (loss)	(10)	(16)
Net interest expense on pensions and other long-term employee benefit obligations	(5)	(2)
Hyperinflation	(3)	(5)
Other Activities	(7)	(4)
OTHER FINANCIAL INCOME AND EXPENSES	**(24)**	**(22)**

In 2023, the impairment recorded on cash deposits in Lebanon was reversed in full for 4 million euros following the change in the conversion rate used to convert deposits into Lebanese currencies. The balance of these deposits of 4 million euros remains classified in other net receivables, excluding cash and cash equivalents. **Note 24**).

In 2022, the impairment recorded on cash deposits in Lebanon was partially reversed for 4 million euros due to the reduction in the balance of these deposits. The balance of the impairment amounted to 35 million euros at December 31, 2022, while the net balance of these deposits for 4 million euros remains classified in other net receivables, excluding cash and cash equivalents (see **Note 24**).

Foreign exchange gains and losses (net) correspond to realized or unrealized foreign exchange gains and losses on commercial transactions, recorded in the balance sheet or in the backlog. These exchange gains and losses may vary significantly from one year to the next.

EFFECTS OF THE APPLICATION OF IAS 29 "HYPERINFLATION" IN TURKEY AND IN GHANA

As indicated in **Note 1**, the Group applied IAS 29 for its Turkish and Ghanaian subsidiaries and used the indicators published by the IMF to revalue the income statement, cash flows and non-monetary assets and liabilities:

- in Turkey, the indicator increased by 65% in the 2023 fiscal year (64% in 2022). The EUR/TRY exchange rate used for the translation of the income statement was 32.65 at December 31, 2023 (19.96 at December 31, 2022);
- in Ghana, the indicator increased by 22% in the 2023 fiscal year. The EUR/GHC exchange rate used for the translation of the income statement was 13.18 at December 31, 2023.

The first application of IAS 29 in 2023 for Ghana resulted in an appreciation of less than 1 million euros in consolidated equity.

The consequences of the treatment of hyperinflation in the income statement for the fiscal year are reflected in:

- for the Turkish subsidiary, an increase in consolidated revenue for the period of around 60 million euros (up 6 million euros in 2022), an increase in operating margin of around 6 million euros (increase of 1 million euros in 2022), while other financial income and expenses include an expense of 2 million euros reflecting the consequence of hyperinflation on the net monetary position (expense of 5 million euros in 2022);
- for the Ghanaian subsidiary, an increase in consolidated revenue for the period of around 2 million euros, an insignificant increase in the operating margin, while other financial income and expenses included an expense of 1 million euros reflecting the impact of hyperinflation on the net monetary position.

Note 10. Income taxes

A. Analysis of the income tax charge

in millions of euros	2023	2022
Current income tax charge	(93)	(104)
Deferred income tax (charge) benefit, net	24	14
INCOME TAXES	**(68)**	**(90)**

In 2023, Nexans headed up a tax group in France that comprised 14 companies. Other tax groups have been set up where possible in other countries, including Germany, the United States, Italy and South Korea.

B. Effective income tax rate

The effective income tax rate was as follows:

Tax proof *in millions of euros*	2023	2022
Income before taxes	292	339
- of which share in net income of associates	1	(2)
INCOME BEFORE TAXES AND SHARE IN NET INCOME OF ASSOCIATES	**290**	**340**
Standard tax rate applicable in France (in %)[(a)]	25.83%	25.83%
THEORETICAL INCOME TAX CHARGE	**(75)**	**(88)**
Effect of:		
• Difference between foreign and French tax rates	(7)	1
• Change in tax rates for the period	(0)	0
• Unrecognized deferred tax assets	20	5
• Taxes calculated on a basis different from "Income before taxes"	(14)	(8)
• Other permanent differences	7	(2)
ACTUAL INCOME TAX CHARGE REPORTED	**(68)**	**(90)**
EFFECTIVE TAX RATE (IN %)	**23.57%**	**26.48%**

(a) For the purpose of simplicity, the Group has elected to only use the standard tax rate for France, i.e., including surtaxes.

The theoretical income tax charge is calculated by applying the parent company's tax rate to consolidated income before taxes and share in net income of associates.

The difference between the effective tax rate and the standard tax rate applicable in France for the 2023 fiscal year is limited as the taxes assessed on a basis other than pre-tax income are compensated by a higher recognition of deferred tax assets and definitively non-taxable income.

C. Taxes recognized directly in other comprehensive income

The taxes recognized directly in other comprehensive income at December 31, 2023, can be analyzed as follows:

in millions of euros	December 31, 2022	Gains (losses) generated during the year[(a)]	Amounts recycled to the income statement[(a)]	Total other comprehensive income (loss)	December 31, 2023
Currency translation differences	(8)	(1)	-	(1)	(9)
Cash flow hedges	11	9	(4)	5	16
TAX IMPACTS ON RECYCLABLE COMPONENTS OF COMPREHENSIVE INCOME[(b)]	**2**	**8**	**(4)**	**4**	**6**
Financial assets at fair value through other comprehensive income	0	-	N/A	(0)	(0)
Actuarial gains and losses on pensions and other long-term employee benefit obligations	24	2	N/A	2	26
TAX IMPACTS ON NON-RECYCLABLE COMPONENTS OF COMPREHENSIVE INCOME	**24**	**2**	**-**	**2**	**26**

(a) The tax effects relating to cash flow hedges as well as the gains and losses generated during the year and amounts recycled to the income statement are presented in the consolidated statement of changes in equity in the "Changes in fair value and other" column.

*(b) These taxes will be recycled to the income statement in the same periods as the underlying transactions to which they relate (see **Notes 1.C** and **1.F.n**).*

D. Deferred taxes recognized in the consolidated balance sheet

Deferred taxes break down as follows by type:

in millions of euros	December 31, 2022	Impact on income	Impact on equity	Change in consolidation scope	Exchange differences and other	December 31, 2023
Fixed assets	(58)	(4)	(0)	(6)	1	(67)
Other assets	(68)	(14)		(1)	5	(79)
Employee benefit obligations	34	(12)	2	(1)	(1)	22
Provisions for contingencies and charges	14	8		1	(0)	23
Other payables	32	(15)	(0)	(0)	(8)	8
Derivatives (metal & exchange)	4	(14)	5	0	(0)	(5)
Unused tax losses, non-deductible interest and tax credits	587	50		(2)	8	643
DEFERRED TAX ASSETS (GROSS) AND DEFERRED TAX LIABILITIES	**544**	**(2)**	**7**	**(9)**	**5**	**545**
Unrecognized deferred tax assets	(573)	26	(1)	5	(1)	(545)
NET DEFERRED TAXES	**(30)**	**24**	**6**	**(4)**	**4**	**0**
• of which recognized deferred tax assets	122					129
• of which deferred tax liabilities	151					129
NET DEFERRED TAXES EXCLUDING ACTUARIAL GAINS AND LOSSES	**(64)**					**(22)**

At December 31, 2023, deferred tax assets in an amount of 545 million euros were not recognized as the Group deemed that their recovery was not sufficiently probable (573 million euros at December 31, 2022). These mainly concern the tax losses described in **Note 10.E** below.

E. Unused tax losses

For countries in a net deferred tax asset position after offsetting deferred tax assets and deferred tax liabilities arising from temporary differences, the net deferred tax asset recognized in the consolidated balance sheet is determined based on updated business plans (see **Note 1.E.f**).

The line "Unused tax losses, deductible interest and tax credits" (see **Note 10.D**) consisted of 633 million euros in unused tax losses, 9 million euros in non-deductible interest and 1 million euros in tax credits at December 31, 2023.

Unused tax losses carried forward represented potential tax benefits for the Group of 633 million euros at December 31, 2023 (587 million euros at December 31, 2022). The main entities to which these tax losses related at those dates were as follows:

- French subsidiaries, in an amount of 264 million euros (257 million euros at December 31, 2022), of which 8 million euros were recognized in deferred tax assets at December 31, 2022 (8 million euros at December 31, 2022);
- German subsidiaries, in an amount of 180 million euros (165 million euros at December 31, 2022), of which 26 million euros were recognized in deferred tax assets at December 31, 2023 (26 million euros at December 31, 2022).

Deferred tax assets recognized in France and Germany are consistent with the Group's analysis based on the latest business plans and the reorganization measures implemented in the subsidiaries concerned.

The potential tax benefits deriving from unused tax losses carried forward break down as follows by expiration date:

At December 31, *in millions of euros*	2023	2022
Year Y+1	2	2
Years Y+2 to Y+4	11	15
Year Y+5 and subsequent years[a]	620	570
TOTAL	**633**	**587**

(a) This line includes the potential tax benefits derived from unused tax losses that may be carried forward indefinitely.

F. Taxable temporary differences relating to interests in subsidiaries, joint ventures and associates

No deferred tax liabilities have been recognized in relation to temporary differences where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future, or where the reversal of the temporary difference will not give rise to a significant tax payment.

Note 11. Earnings per share

The following table presents a reconciliation of basic earnings per share and diluted earnings per share:

	2023	2022
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT[A]	**221**	**245**
Average number of shares outstanding	43,601,217	43,528,978
Average number of dilutive instruments[b]	1,358,282	1,349,278
Average number of diluted shares	44,959,499	44,878,256
NET INCOME ATTRIBUTABLE TO OWNER OF THE PARENT PER SHARE		
• Basic earnings per share[c]	5.08	5.64
• Diluted earnings per share[c]	4.92	5.47

(a) In millions of euros. In 2023 and 2022, attributable net income corresponded to adjusted net income attributable to owners of the parent.
(b) Dilutive instruments in 2023 and 2022 corresponded to free share and performance share rights.
(c) In euros.

Note 12. Goodwill

The evolution of goodwill in 2023 (293 million euros at December 31, 2023, *versus* 289 million euros at December 31, 2022) is mainly related to the acquisition of REKA and to a lesser extent to changes in exchange rates over the period as the Group's main goodwill items are expressed in foreign currencies as they relate to the Australian (Olex), South American (Madeco, Centelsa) and North American (AmerCable) acquisitions.

All goodwill are tested for impairment as soon as there is an indication of impairment and at least once a year, according to the methods and assumptions described in **Note 1**. No impairment was recognized under goodwill at December 31, 2023 and December 31, 2022.

GOODWILL ASSOCIATED WITH THE PURCHASE OF REKA CABLES

The acquisition was paid in full in cash for an acquisition cost of the shares of 46 million euros accompanied by the immediate repayment by the Group of all the financial debt to the previous shareholder of REKA at the date of the acquisition, *i.e.* 7 million euros. The cash acquired amounted to 3 million euros.

The price paid does not include any price adjustment clause.

The amount paid net of cash acquired ultimately amounted to 51 million euros at December 31, 2023.

The goodwill recognized before allocation to identifiable assets and liabilities amounted to 37 million euros on the date of entry into the scope of consolidation.

The table below shows the main elements used to determine the goodwill before allocation:

in millions of euros	REKA acquisition 2023
Acquisition price[(a)]	46
- of which portion paid in cash and cash equivalents	0
PURCHASE PRICE OF SHARES (1)	**47**
Repayment of previous shareholder's debt	7
REPAYMENT OF DEBT (2)	**7**
Assets	
Non-current assets (including financial assets)	32
Inventories	26
Receivables	2
Cash and cash equivalents	3
Deferred taxes assets	0
Other assets	1
Liabilities	
Provisions	0
Deferred taxes liabilities	1
Financial borrowing and debt	14
Other liabilities	31
Net attributable assets acquired (3)	**18**
GOODWILL (1)+(2)-(3)	**37**

(a) *The entire acquisition price was paid in cash and cash equivalents.*

The corresponding acquisition costs amounted to 3 million euros in 2023 and were recognized in the income statement in accordance with IFRS 3. In accordance with the Group's accounting principles (see **Note 1.D**), they are presented on the specific "Acquisition-related costs (completed and planned acquisitions)" line within "Other operating income and expenses" (see **Note 6**).

PROVISIONAL ALLOCATION ON ACQUISITION OF REKA CABLES

In accordance with the provisions of IFRS 3, the allocation of the acquisition cost to the fair value of the assets, liabilities and contingent liabilities acquired was carried out during the second half of 2023.

This allocation work reduced the initial goodwill from 37 million euros to 20 million euros.

The impact of these allocations can be broken down as follows:

in millions of euros	References	REKA acquisition 2023
GOODWILL BEFORE ALLOCATION AT APRIL 30, 2023		**37**
Allocation to property, plant and equipment	(1)	5
Allocation to trademarks	(2)	5
Allocation to customer relationships	(2)	16
Allocation to inventories	(3)	1
Provisions	(4)	(6)
Net deferred tax liabilities	(5)	(4)
GOODWILL AFTER PRICE ALLOCATION AT APRIL 30, 2023		**20**

(1) During the 2023 fiscal year, the Group assessed the fair value of all of the Centelsa Group's tangible assets: land, buildings and industrial equipment in the various countries in which it operates.

(2) Over the same period, Nexans also measured the REKA Group's intangible assets. Two significant categories of intangible assets, brands and customer relationships, have been identified and valued with the assistance of specialized consulting firms. These two categories were considered to have a finite life.

(3) Valuation of inventories at their fair value on the acquisition date.

(4) The Group has identified the fair value of the liabilities and contingent liabilities at the acquisition date, taking into account the sharing of risks between the buyer and the seller, in particular according to the liability guarantee clauses.

(5) Deferred taxes recognized as part of the acquisition price allocation: they cover the deferred taxes recognized on the allocations of the goodwill to the tangible and intangible assets acquired as well as to the liabilities and contingent liabilities identified at the acquisition date. Goodwill is non-depreciable for tax purposes

It should be noted that this provisional goodwill will become definitive at the end of a period of 12 months following the acquisition, *i.e.* on April 30, 2024.

Note 13. Intangible assets

in millions of euros	Trademarks	Customer relationships	Software	Intangible assets in progress	Other Activities	Total
Gross value	77	249	118	15	58	516
Accumulated amortization and impairment	(26)	(185)	(102)	(0)	(28)	(342)
NET AT JANUARY 1, 2023	**51**	**63**	**16**	**15**	**30**	**175**
Acquisitions and capitalizations	-	-	1	13	0	14
Disposals	-	-	(0)	-	(0)	(0)
Amortization expense for the year	(0)	(7)	(8)	-	(3)	(18)
Impairment losses, net of reversals[a]	17	5	-	-	-	23
Changes in Group structure	5	16	(0)	-	1	21
Exchange Differences and other	(2)	(2)	4	(11)	6	(5)
NET AT DECEMBER 31, 2023	**71**	**76**	**13**	**16**	**34**	**210**
Gross value	80	257	119	16	66	537
Accumulated amortization and impairment	(8)	(181)	(106)	-	(32)	(327)

(a) See ***Note 7***.

Note 14. Property, plant and equipment

in millions of euros	Land and buildings	Plant, equipment and machinery Right-of-use assets	Rights of use	Property, plant and equipment in progress	Other Activities	Total
Gross value	1,014	2,362	169	281	304	4,129
Accumulated amortization and impairment	(581)	(1,691)	(64)	(1)	(146)	(2,484)
NET AT JANUARY 1, 2023	**432**	**671**	**104**	**279**	**158**	**1,645**
Acquisitions and capitalizations	9	41	58	306	7	421
Disposals	(3)	(2)	(0)	(0)	(0)	(5)
Amortization expense for the year	(29)	(89)	(28)	-	(14)	(160)
Impairment losses, net of reversals[a]	-	5	-	-	-	5
Changes in Group structure	2	(4)	12	(2)	0	7
Exchange Differences and other	12	48	(18)	(93)	(9)	(60)
NET AT DECEMBER 31, 2023	**423**	**670**	**128**	**491**	**143**	**1,854**
Gross value	1,005	2,369	204	492	300	4,370
Accumulated amortization and impairment	(582)	(1,699)	(76)	(1)	(158)	(2,516)

(a) See ***Note 7****.*

Right-of-use assets primarily concern real estate leases for 116 million euros at December 31, 2023 (94 million euros at December 31, 2022).

Note 15. Investments in associates – Summary of financial data

A. Equity value

At December 31, *in millions of euros*	% control	2023	2022
Qatar International Cable Company	30.33%	12	11
Colada Continua	41.00%	4	4
Recyclables	36.50%	4	4
IES Energy		N/A	6
TOTAL		**19**	**25**

In 2023, the Group sold its 27.80% stake in IES Energy. This sale resulted in a capital loss of 6 million euros (see **Note 8**).

B. Financial data relating to associates

The information below is presented in accordance with the local GAAP of each associate as full balance sheets and income statements prepared in accordance with IFRS were not available at the date on which the Group's consolidated financial statements were published.

Condensed balance sheet

At December 31, *in millions of euros*	2023	2022
Property, plant and equipment and intangible assets	48	91
Current assets	77	125
TOTAL CAPITAL EMPLOYED	**125**	**216**
Equity	65	85
Net debt	(18)	7
Other payables	78	124
TOTAL FINANCING	**125**	**216**

Condensed income statement

in millions of euros	2023	2022
Sales at current metal prices	386	416
Operating income	5	(4)
Net income	3	(8)

Note 16. Other non-current assets

At December 31, *in millions of euros, net of impairment*	2023	2022
Long-term loans and receivables	79	20
Shares in non-consolidated companies	24	19
Pension plan assets	79	72
Derivative instruments	36	11
Other Activities	17	16
TOTAL	**234**	**137**

The maturity schedule for non-current assets at December 31, 2023 is presented below, excluding shares in non-consolidated companies and pension plan assets:

At December 31, *in millions of euros*	Value in the consolidated balance sheet	One to five years	Due beyond five years
Long-term loans and receivables	79	68	10
Derivative instruments	36	36	-
Other Activities	17	3	13
TOTAL	**131**	**109**	**23**

Movements in impairment losses recognized for other non-current assets carried at net realizable value were as follows:

in millions of euros	Long-term loans and receivables	Other Activities
DECEMBER 31, 2022	**15**	**0**
Additions	5	-
Disposals/reversals	(4)	-
Other Activities[a]	1	0
DECEMBER 31, 2023	**17**	**0**

(a) The "Other" line corresponds to reclassifications that had no income statement impact and changes in Group structure.

Note 17. Inventories and work in progress

At December 31, *in millions of euros*	2023	2022
Raw materials and supplies	653	698
Industrial work in progress	317	362
Finished products	418	438
GROSS VALUE	**1,387**	**1,498**
Impairment	(68)	(66)
NET VALUE	**1,319**	**1,432**

Note 18. Trade receivables

At December 31, *in millions of euros*	2023	2022
Gross value	882	958
Impairment	(25)	(23)
NET VALUE	**856**	**935**

Receivables securitization and factoring programs are discussed in **Note 27.A**.

Changes in provisions for impairment of trade receivables can be analyzed as follows (see **Note 27.D** for details on the Group's policy for managing customer credit risk):

in millions of euros	At January 1	Additions	Utilizations	Reversals	Changes in Group structure	Other (currency translation differences…)	At December 31
2023	**23**	**6**	**(0)**	**(1)**	**(2)**	**(1)**	**25**
2022	26	3	(0)	(4)	(1)	(1)	23

Receivables more than 30 days past due at the year-end but not written down were as follows:

in millions of euros	Between 30 and 90 days past due	More than 90 days past due
DECEMBER 31, 2023	**10**	**9**
December 31, 2022	18	9

At December 31, 2023 and 2022, the remaining receivables past due but not written down mainly related to leading industrial groups, major public and private electricity companies and telecommunications operators, and major resellers.

Note 19. Other current assets

At December 31, *in millions of euros*	2023	2022
Prepaid and recoverable income taxes	34	28
Other tax receivables	84	109
Cash deposits paid	8	9
Prepaid expenses	26	23
Other receivables, net	84	89
NET VALUE	**235**	**259**

Cash deposited to meet margin calls on copper forward purchases traded on the LME whose fair value was negative at the year-end (see **Note 27.C**) is presented under "Cash deposits paid" in the above table and amounted to 4 million euros at December 31, 2023 (6 million euros at December 31, 2022).

Since December 31, 2020, other receivables, net include cash deposits placed by the Group's entity in Lebanon with local banks due to the crisis situation in the country. These deposits amounted to 4 million euros at December 31, 2023. Refer to **Note 9** for details of changes in impairment losses recognized in 2023.

Note 20. Change in working capital requirement

The change in working capital mentioned in the statement of cash flows in **5.1.5** is detailed below:

At December 31, *in millions of euros*	2023	2022
Inventories and work in progress	70	(99)
Trade receivables and other receivables	42	(129)
Trade payables and other debts	151	331
DECREASE (INCREASE) IN WORKING CAPITAL	**262**	**104**

Note 21. Equity

A. Composition of capital stock

At December 31, 2023, Nexans S.A.'s capital stock comprised 43,753,380 fully paid-up shares, each with a par value of 1 euro and a single voting right (43,753,380 shares at December 31, 2022).

B. Distribution

At the Shareholders' Meeting, shareholders will be invited to vote on the distribution of a dividend of 2.30 euros per share, which, taking into account the 43,753,380 ordinary shares comprising the Company's share capital at December 31, 2023, represents a total payment of 101 million euros.

If the Company holds any treasury shares at the time the dividend is paid, the amount corresponding to unpaid dividends on these shares will be allocated to retained earnings. The total amount of the dividend could be increased in order to reflect the number of additional shares that may be issued between January 1, 2024 and the date on which the Shareholders' Meeting is called to approve the dividend payment.

On May 11, 2023, the Combined General Meeting called to approve the financial statements for the year ended December 31, 2022, authorized the payment of a dividend of 2.10 euros per share, which, based on the 43,657,466 treasury shares making up the Company's capital stock on the payment date of May 17, 2023, had resulted in a disbursement of 92 million euros.

C. Treasury stock

Movements in treasury stock from 2021 to 2023 are presented below:

	Notes	Number of treasury stock
AT DECEMBER 31, 2021		**118,738**
Share buyback program[(a)]		254,144
Grant to employees		(80,480)
Liquidity contract (purchases)/sales	21.D	-
AT DECEMBER 31, 2022		**292,402**
Share buyback program[(a)]		80,856
Grant to employees	21.D	(253,400)
Liquidity contract (purchases)/sales		-
AT DECEMBER 31, 2023		**119,858**

(a) Corresponding to share purchases under the buyback programs approved by the Board of Directors on May 11, 2022 and September 26, 2023.

From January 1, 2023, to December 31, 2023, the Company purchased 1,170,394 shares, including 80,856 through the share buyback program and 1,089,538 through the liquidity contract for a total of 93 million euros, and sold 1,089,538 shares *via* the liquidity contract for 87 million euros, which represents a net decrease in total equity of -6 million euros.

D. Free shares and performance shares

The Group allocated an aggregate 352,730 free shares and performance shares in 2023 and 358,865 free shares and performance shares in 2022.

At December 31, 2023, there were 1,323,345 free shares and performance shares outstanding, each entitling their owner to one share on vesting, representing a total of 3.03% of the Company's capital stock (1,331,425 shares at December 31, 2022, representing 3.04% of the Company's capital stock).

The free shares and performance shares outstanding at December 31, 2023 can be analyzed as follows:

A. PLAN CHARACTERISTICS

Grant date	Number of shares originally granted	Number of shares outstanding at the year-end	End of vesting period
March 13, 2018	211,100	-	March 13, 2022
July 27, 2018	14,500	-	July 27, 2022
March 19, 2019	319,700	-	March 19, 2023
March 17, 2020	340,650	281,100	March 17, 2024
March 18, 2021	333,145	282,505	March 18, 2025
September 30, 2021	100,000	90,200	March 17, 2025
November 8, 2021	2,750	2,750	November 8, 2025
March 17, 2022	348,765	315,030	March 17, 2026
October 25, 2022	10,100	10,100	March 17, 2026
March 16, 2023	346,730	337,660	March 16, 2027
October 24, 2023	6,000	6,000	March 16, 2027
TOTAL	**2,033,440**	**1,325,345**	

B. MOVEMENTS IN OUTSTANDING FREE SHARES AND PERFORMANCE SHARES

	Number of shares
SHARES OUTSTANDING AT BEGINNING OF YEAR	**1,331,425**
Shares granted during the year	352,730
Shares canceled during the year	(105,410)
Shares vested during the year[a]	(253,400)
SHARES OUTSTANDING AT THE YEAR-END	**1,325,345**

(a) Including 253,400 shares allocated from treasury stock.

C. VALUATION OF FREE SHARES AND PERFORMANCE SHARES

The assumptions applied to value the shares impacting income for 2023 and 2022 were as follows:

Grant date	Share price at grant date (*in euros*)	Vesting period	Volatility (%)[a]	Risk-free interest rate (%)	Dividend rate (%)	Fair value of each share (*in euros*)
March 13, 2018	44.64	4 years	35.00%	0.02%	2.00%	21.14 – 41.21
July 27, 2018	29.28	4 years	42.00%	0.00%	2.00%	12.53 – 28.70
March 19, 2019	28.22	4 years	35.00%	-0.22%	2.00%	10.90 – 26.05
March 17, 2020	24.77	4 years	37.63%	-0.32%	2.00%	7.11 – 22.87
March 18, 2021	70.85	4 years	44.03%	-0.55%	2.00%	42.40 – 65.40
September 30, 2021	79.60	3-4 years	41.31%	-0.58%	2.00%	45.46 – 74.28
November 8, 2021	87.20	4 years	41.11%	-0.58%	2.00%	51.70 – 80.50
March 17, 2022	84.50	4 years	40.74%	0.03%	2.00%	48.87 – 78.00
October 25, 2022	98.80	3-4 years	40.74%	2.30%	2.00%	70.44 – 92.32
March 16, 2023	65.30	4 years	36.33%	3.16%	2.00%	21.03 – 61.50
October 24, 2023	65.30	3-4 years	36.33%	3.16%	2.00%	21.03 – 61.50

(a) Only for shares subject to a stock market performance condition.

The fair value of free shares and performance shares is recorded as a payroll expense from the grant date to the end of the vesting period, with a corresponding adjustment to equity. In the income statement, this expense amounted to 13 million euros in 2023 (compared to an expense of 16 million euros in 2022, including the expense related to the employee share ownership plan).

E. Put options granted to non-controlling interests

At December 31, 2023, Nexans no longer has any outstanding put options on non-controlling interests.

Note 22. Pensions, retirement bonuses and other long-term benefits

There are a large number of retirement and other long-term employee benefit plans in place within the Group:

- in France, each Group employee is eligible for state pension plans and is entitled to statutory retirement indemnities paid by the employer. Senior executive Vice President members of the Executive Committee and corporate executive officers are members of a defined contributions supplementary pension plan that has been set up by the Company;
- in other countries, pension plans are subject to local legislation, and to the business and historical practices of the subsidiary concerned. Nexans takes care to ensure that its main defined benefit plans are funded in such a way as to ensure that they have plan assets that approximate the value of the underlying obligations. The majority of unfunded defined benefit plans have been closed.

Provisions for jubilee and other long-term benefits paid during the employees' service period are valued based on actuarial calculations comparable to the calculations used for pension benefit obligations, but actuarial gains and losses are not recognized in other comprehensive income but in benefit expense.

The Group also has certain guaranteed-yield plans that are not included in pension benefit obligations as defined in IAS 19 because they are not material.

For France, the impact of the pension reform voted in 2023 was insignificant and less than 1 million euros.

A. Key assumptions

The basic assumptions used for the actuarial calculations required to measure obligations under defined benefit plans are determined by the Group in conjunction with its external actuary. Demographic and other assumptions (such as for staff turnover and salary increases) are set on a per-company basis, taking into consideration local job market trends and forecasts specific to each entity.

The (equivalent average) rates used for the main countries concerned are listed below (together, these countries represented some 94% of the Group's pension obligations at December 31, 2023):

	Discount rate 2023	Estimated future salary increases 2023	Discount rate 2022	Estimated future salary increases 2022
France	3.20% – 3.70%	1.90% – 2.60%	3.15% – 3.80%	1.90% – 2.40%
Germany	3.20% – 3.70%	3.50%	3.15% – 3.80%	3.00%
Norway	4.30%	N/A	3.60%	N/A
Switzerland	1.30%	1.20%	2.15%	1.10%
Canada	4.60% – 4.90%	3.60%	4.95%	3.60%
United States of America	5.20%	N/A	5.25%	N/A
South Korea	4.85%	3.00%	4.85%	3.00%
Australia	5.50%	3.00%	4.85%	2.50%

The discount rates applied were determined as follows:

- by reference to market yields on high-quality corporate bonds (rated AA or above) in countries or currency zones where there is a deep market for such bonds. This approach was notably used to determine the discount rates in the Eurozone, Canada, the United States, Switzerland, Japan, South Korea, Australia and Norway;
- by reference to market yields on government bonds with similar maturities to those of the benefit payments under the pension plans concerned in countries or currency zones where there is no deep market for high-quality corporate bonds (including for bonds with short maturities).

B. Principle movements

Retirement costs for the year *in millions of euros*	2023	2022
Service cost	(10)	(11)
Net interest expense	(5)	(2)
Actuarial gains (losses) (on jubilee benefits)	1	3
Past service cost	(1)	(1)
Effect of curtailments and settlements	0	0
Other Activities	-	(4)
NET COST FOR THE YEAR	**(15)**	**(15)**
• of which operating cost	(10)	(14)
• of which finance cost	(5)	(2)

Valuation of defined benefit obligation *in millions of euros*	2023	2022
PRESENT VALUE OF DEFINED BENEFIT OBLIGATION AT JANUARY 1	**588**	**739**
Service cost	10	11
Interest expense	19	9
Employee contributions	2	2
Plan amendments	1	1
Business acquisitions and disposals	11	-
Plan curtailments and settlements	(0)	(0)
Benefits paid	(49)	(48)
Actuarial (gains) losses	31	(144)
Exchange differences and other	8	19
PRESENT VALUE OF DEFINED BENEFIT OBLIGATION AT DECEMBER 31	**619**	**588**

Plan assets *in millions of euros*[(a)]	2023	2022
FAIR VALUE OF PLAN ASSETS AT JANUARY 1	**436**	**490**
Interest income	14	7
Actuarial gains (losses)	16	(55)
Employer contributions	6	6
Employee contributions	2	2
Business acquisitions and disposals	9	-
Plan curtailments and settlements	-	-
Benefits paid	(31)	(30)
Exchange differences and other	12	16
FAIR VALUE OF PLAN ASSETS AT DECEMBER 31	**465**	**436**

(a) The coverage of the obligations does not include the unrecognized surplus (due to asset limitations), presented in the funded status table below.

Funded status *in millions of euros*	2023	2022
Present value of wholly or partially funded benefit obligations	(423)	(392)
Fair value of plan assets	465	436
FUNDED STATUS OF BENEFIT OBLIGATION	**42**	**44**
Present value of unfunded benefit obligation	(197)	(196)
BENEFIT OBLIGATION NET OF PLAN ASSETS	**(155)**	**(152)**
Unrecognized surplus (due to asset ceiling)	(4)	(8)
NET PROVISION RECOGNIZED AT DECEMBER 31	**(158)**	**(160)**
• of which pension assets	*79*	*72*

Change in net provision *in millions of euros*	2023	2022
NET PROVISION RECOGNIZED AT JANUARY 1	**160**	**249**
Expense (income) recognized in the income statement	15	15
Expense (income) recognized in other comprehensive income	10	(78)
Utilization	(23)	(25)
Other impacts (exchange differences, acquisitions/disposals, *etc.*)	(3)	(2)
NET PROVISION RECOGNIZED AT DECEMBER 31	**158**	**160**
• of which pension assets	*79*	*72*

C. Significant events of the year

Actuarial losses recognized in 2023 were mainly due to the lower discount rates applied, partially compensated by the return on plan assets.

The Group's employer contributions relating to defined benefit plans are estimated at 5 million euros for 2024.

Other retirement benefits for which the Group's employees are eligible correspond to defined contribution plans under which the Group pays a fixed contribution and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay benefits. Contributions under these plans are recognized immediately as an expense. The amount of contributions paid in relation to these plans amounted to 105 million euros in 2023 (95 million euros in 2022).

Actuarial gains recognized in 2022 were mainly due to the higher discount rates applied and the return on plan assets (excluding amounts included in interest on the net defined benefit obligation).

D. Analysis of actuarial gains and losses

Actuarial gains and losses arising on the Group's defined benefit obligation (DBO) can be analyzed as follows:

	2023		2022	
	in millions of euros	% of DBO	*in millions of euros*	% of DBO
Discount rate	18	3%	(146)	-25%
Salary increases	0	0%	1	0%
Mortality	0	0%	(2)	0%
Staff turnover	-	0%	-	0%
Inflation rate	3	0%	4	1%
Other changes in assumptions	3	0%	2	0%
(GAINS)/LOSSES FROM CHANGES IN ASSUMPTIONS	**24**	**4%**	**(142)**	**-24%**
(GAINS)/LOSSES FROM PLAN AMENDMENTS	**0**	**0%**	**-**	**0%**
(GAINS)/LOSSES FROM EXPERIENCE ADJUSTMENTS	**7**	**1%**	**(2)**	**0%**
OTHER ACTIVITIES	**-**	**0%**	**-**	**0%**
TOTAL (GAINS)/LOSSES ARISING DURING THE YEAR	**31**	**5%**	**(144)**	**-24%**

E. Breakdown of plan assets by category

The Group's portfolio of plan assets breaks down as follows:

	2023		2022	
At December 31	*in millions of euros*	% of plan assets	*in millions of euros*	% of plan assets
Equities[(a)]	153	33%	145	33%
Bonds and other fixed income products[(a)]	163	35%	166	38%
Real estate	105	22%	83	19%
Cash and cash equivalents	7	2%	7	2%
Other Activities	37	8%	36	8%
FAIR VALUE OF PLAN ASSETS	**465**	**100%**	**436**	**100%**

(a) All of the instruments recognized under "Equities" and "Bonds and other fixed income products" are listed.

F. Sensitivity analyses

The present value of the Group's obligation for pensions and other retirement benefits is sensitive to changes in discount rates. A 50 basis-point decrease in the discount rates applied would have had the following impacts on the present value of the Group's defined benefit obligation:

	2023		
At December 31	Actual DBO *in millions of euros*	Adjusted DBO *in millions of euros*	% change
Europe	446	468	5.02%
North America	144	151	4.91%
Asia	14	14	3.83%
Other countries	16	16	4.75%
TOTAL	**619**	**650**	**4.96%**

The present value of the Group's obligation for pensions and other retirement benefits is also sensitive to changes in inflation rates. Depending on the type of plan concerned, changes in inflation rates can affect both the level of future salary increases and the amounts of annuity payments. A 50 basis-point increase in the inflation rates used would have had the following impacts on the present value of the Group's defined benefit obligation (assuming that the discount rates applied remain constant):

	2023		
At December 31	Actual DBO *in millions of euros*	Adjusted DBO *in millions of euros*	% change
Europe	446	456	2.19%
North America	144	144	0.00%
Asia	14	14	0.00%
Other countries	16	16	1.63%
TOTAL	**619**	**629**	**1.62%**

G. Characteristics of the main defined benefit plans and associated risks

The Group's main defined benefit plans are in Switzerland (35% of total benefit obligations at December 31, 2023) and Germany (24% of total benefit obligations at December 31, 2023).

SWITZERLAND

The pension plan of Nexans Suisse S.A. is a contribution-based plan with a guaranteed minimum rate of return and a fixed conversion rate on retirement. It offers benefits that comply with the Swiss Federal law on compulsory occupational benefits (the "LPP/BVG" law).

As specified in the LPP/BVG law, the plan has to be fully funded. Therefore, if there is a funding shortfall, measures must be taken to restore the plan to a fully funded position, such as by the employer and/or employees contributing additional financing and/or by reducing the benefits payable under the plan.

The pension fund is established as a separate legal entity. This foundation is responsible for the management of the plan and is composed of an equal number of employer and employee representatives. The strategic allocation of plan assets must comply with the investment guidelines put in place by the Foundation, which are aimed at limiting investment risks.

In addition, Nexans Suisse S.A. is exposed to a lifetime risk concerning the commitment. Indeed, three-quarters of commitments relate to retirees.

The life of the plan is approximately 10 years.

GERMANY

Nexans Deutschland GmbH's most significant plan is a defined benefit plan that has been closed to new entrants since January 1, 2005. For former employees currently receiving benefits under the plan (and plan members who have not yet retired), pension benefits are calculated based on their vested rights as of the date the plan was closed. This plan is not funded.

Members are also covered against the risk of disability. In general, any disability payments due will be made on top of the amount of future pension benefits. In addition, the plan provides for reversionary benefits.

In addition, Nexans Deutschland GmbH is exposed to a lifetime risk and pension indexation risk concerning the commitment. In fact, more than 90% of commitments relate to retirees.

The life of the plan is approximately 8 years.

Note 23. Provisions

A. Analysis by nature

At December 31, *in millions of euros*	2023	2022
Accrued contract costs	87	70
Provisions for reorganization costs	22	25
Other provisions	91	82
TOTAL	**200**	**177**

The movements in these provisions were as follows:

in millions of euros	Total	Accrued contract costs	Provisions for reorganization	Other provisions
AT DECEMBER 31, 2021	**168**	**45**	**44**	**79**
Additions	53	41	8	5
Reversals (utilized provisions)	(29)	(7)	(21)	(1)
Reversals (surplus provisions)	(19)	(9)	(6)	(4)
Business combinations	-	-	-	-
Exchange Differences and other	3	(0)	0	3
AT DECEMBER 31, 2022	**177**	**70**	**25**	**82**
Additions	78	48	16	14
Reversals (utilized provisions)	(30)	(11)	(16)	(3)
Reversals (surplus provisions)	(30)	(22)	(2)	(5)
Business combinations	-	-	-	-
Exchange Differences and other	6	3	(0)	3
AT DECEMBER 31, 2023	**200**	**87**	**22**	**91**

The above provisions have not been discounted as the effect of discounting would not have been material.

Provisions for accrued contract costs are primarily set aside by the Group as a result of its contractual responsibilities, particularly relating to customer warranties, loss-making contracts and penalties under commercial contracts (see **Note 30**). They include provisions for construction contracts in progress, where applicable, in accordance with the method described in **Note 1.E.a**.

The "Other provisions" column mainly includes provisions set aside for antitrust investigations, which amounted to 65 million euros at December 31, 2023, and 66 million euros at December 31, 2022 (see **Note 30**).

Surplus provisions are reversed when the related contingency no longer exists or has been settled for a lower amount than the estimate made based on information available at the previous period-end (including provisions for expired customer warranties).

B. Analysis of reorganization costs

Reorganization costs amounted to 49 million euros in 2023, breaking down as follows:

in millions of euros	Redundancy costs	Asset impairment and retirements[a]	Other monetary costs	Total
Charges to provisions, net of reversals of surplus provisions	14	(6)	(1)	8
Other costs for the year	7	-	34	41
TOTAL REORGANIZATION COSTS	**21**	**(6)**	**33**	**49**

(a) *Presented as a deduction from the corresponding assets in the consolidated balance sheet.*

As was the case in previous years, wherever possible the reorganization plans implemented by the Group in 2023 included assistance measures negotiated with employee representative bodies as well as measures aimed at limiting lay-offs and facilitating redeployment.

Costs for the financial year include those related to the transformation program as part of the approach announced by the Group on November 9, 2018, and February 17, 2021 (9 million euros in 2023 versus 20 million euros in 2022), as well as costs for 9 million euros (3 million euros in 2022) related to the implementation of operational tools and processes in preparation for the segregation of electrification and non-electrification activities.

Note 24. Net debt

On February 15, 2023, Standard & Poor's revised the outlook associated with the Group's "BB+" long-term rating from "stable" to "positive". The rating did not change as of December 31, 2023.

At December 31, 2022, the Group's long-term debt was rated BB+ by Standard & Poor's with a stable outlook.

A. Analysis by nature

At December 31, *in millions of euros*	Notes	2023	2022
Long term – ordinary bonds[(a)]	24.C	398	200
Other long-term borrowings[(a)]	24.D	246	229
TOTAL LONG-TERM DEBT[(b)]		**644**	**429**
Short term – ordinary bonds[(a)]	24.C	199	325
Short-term borrowings and short-term accrued interest not yet due[(b)]	24.D	354	449
Bank loans		16	4
TOTAL SHORT-TERM DEBT[(b)]		**569**	**778**
TOTAL GROSS DEBT[(b)]		**1,213**	**1,207**
Cash		(1,056)	(1,084)
Cash equivalents		(75)	(50)
NET DEBT (CASH) EXCLUDING LEASE LIABILITIES		**82**	**73**
Lease liabilities[(c)]		132	110
TOTAL NET FINANCIAL DEBT		**214**	**182**

(a) *Excluding short-term accrued interest not yet due and lease liabilities.*
(b) *Excluding lease liabilities.*
(c) *Out of the total lease liabilities recognized, 103 million euros corresponded to non-current liabilities and the balance to current liabilities. The related interest expense amounted to 4 million euros in 2023.*

At December 31, 2023, the net balance of cash deposits with Lebanese banks amounted to 4 million euros (4 million euros at December 31, 2022).

At December 31, 2023, as at December 31, 2022, they were classified as other net receivables, excluding cash and cash equivalents.

B. Change in gross debt

in millions of euros	December 31, 2022	New borrowings/ repayments	Change in consolidation scope	Change in accrued interest	Transfers from long-term to short-term	Other Activities[(a)]	December 31, 2023
Long-term – ordinary bonds	200	398	-	0	(200)	-	398
Other long-term borrowings	229	49	-	-	(32)	(1)	246
Short-term – ordinary bonds	325	(325)	-	-	200	(1)	199
Other short-term borrowings	436	(132)	-	-	32	(5)	330
Lease liabilities	110	(28)	(0)	0	-	50	132
Short-term accrued interest not yet due	13	N/A	-	9	1	0	24
GROSS DEBT EXCLUDING SHORT-TERM BANK LOANS AND OVERDRAFTS	**1,312**	**(39)**	**(0)**	**10**	**1**	**44**	**1,328**

(a) *Including the non-cash impacts of new leases signed during the year.*

Borrowings included for 18 million euros borrowings from the divested Telecom Systems scope, presented as net cash used in investing in the consolidated statement of cash flow.

C. Ordinary bonds

in millions of euros	Carrying amount at end-2023	Face value at issue date	Maturity date	Nominal interest rate
Ordinary bonds redeemable in 2024	204	200	April 5, 2024	2.75%
Ordinary bonds redeemable in 2028	414	400	April 5, 2028	5.50%
TOTAL ORDINARY BONDS[(a)]	**618**	**600**		

(a) Including 22 million euros in short-term accrued interest.

On May 10, 2023, Nexans redeemed early the 325-million euro bond issue, whose initial maturity was scheduled for August 8, 2023.

On April 5, 2023, Nexans completed its first sustainability bond issue for an amount of 400 million euros. This five-year fixed-rate issue (maturing on April 5, 2028) carried an annual coupon of 5.5%. The bonds were issued at par. This first sustainable development bond was part of Nexans' "Sustainable Financing Framework". The bonds issued were linked to the climate objectives that Nexans hope to achieve by December 31, 2026, for the reduction of its Scope 1 and 2 greenhouse gas emissions, as well as for its Cradle-to-Shelf approach relating to the CO2 content of Scope 3 emissions products. Failure to comply with any of these obligations would result in an increase of 50 basis points in the coupon rate of the last year.

Climate change is also taken into account by the Group in its approach to risks and estimates of the consequences on the valuation of its assets (see **Note 7**).

On April 5, 2017, Nexans carried out a 200-million-euro bond issue with a maturity date of April 5, 2024 and an annual coupon of 2.75%. The bonds were issued at par.

D. Other borrowings

On October 6, 2021, the European Investment Bank (EIB) granted Nexans a loan facility in the amount of 200 million euros, intended to promote its active participation in the global energy transition and its commitment to contribute to achieving carbon neutrality by 2030.

On April 5, 2022, Nexans drew down the entire financing line, *i.e.* an amount of 200 million euros. The loan, repayable at maturity, has a maturity of five years (maturing on April 5, 2027) and carries a fixed-rate annual coupon of 1.93%.

Accrued interest not yet due amounted to 3 million euros at December 31, 2023.

The amount recognized under "Other borrowings" at December 31, 2022, included the 90 million euros drawn down on the loan to finance the construction of the Nexans Aurora cable-laying vessel. This loan was repaid in full at the end of 2023 for 83 million euros.

Short-term borrowings also include 287 million euros in outstanding commercial papers with an average maturity of three months.

E. Analysis of gross debt by currency and interest rate

LONG-TERM FINANCIAL BORROWINGS AND DEBT

	Weighted average EIR[(a)] (%)		*in millions of euros*	
At December 31, excluding short-term accrued interest not yet due	**2023**	2022	**2023**	2022
Euro – Ordinary bonds redeemable in 2024	N/A	2.87%	N/A	200
Euro – Ordinary bonds redeemable in 2028	5.65%	N/A	398	N/A
Euro – European Investment Bank (EIB) loan	1.93%	1.93%	200	200
Other Activities	3.49%	3.85%	46	29
TOTAL LONG-TERM DEBT[(b)]	**4.34%**	**2.50%**	**644**	**429**

(a) Effective interest rate.
(b) Excluding lease liabilities.

The majority of Nexans' medium- and long-term debt is at fixed rates.

Long-term debt in euros consists of a lease liability in France relating to a sale and leaseback project that did not meet the criteria for classification as a disposal under IFRS 15.

Long-term financial borrowings and debt denominated in currencies other than the euro include, notably, loans granted in China, Ivory Coast, Colombia or Brazil.

SHORT-TERM FINANCIAL BORROWINGS AND DEBT

	Weighted average EIR[(a)] (%)		in millions of euros	
At December 31	**2023**	2022	**2023**	2022
Euro – Ordinary bonds redeemable in 2023	N/A	3.89%	N/A	325
Euro – Ordinary bonds redeemable in 2024	2.87%	N/A	200	N/A
Euro – Negotiable debt securities program	3.94%	0.75%	287	273
Euro – Other Activities	9.41%	0.66%	2	96
US dollar	7.55%	6.57%	25	24
Other Activities	10.23%	8.53%	31	49
TOTAL SHORT-TERM DEBT EXCLUDING ACCRUED INTEREST[(b)]	**4.09%**	**2.72%**	**545**	**766**
Accrued interest (including short-term accrued interest on long-term debt)	N/A	N/A	25	12
TOTAL SHORT-TERM DEBT[(b)]	**4.09%**	**2.72%**	**569**	**778**

(a) *Effective interest rate.*
(b) *Excluding lease liabilities.*

At December 31, 2023, short-term debt in euros consisted mainly of the ordinary bond to be repaid in 2024 and outstanding commercial papers mentioned in **Note 27.A**.

US dollar-denominated debt primarily concerns Colombia.

Debt denominated in currencies other than euros and US dollars corresponds mainly to borrowings taken out locally by certain Group subsidiaries in Asia (China), Africa and the Middle East (Turkey, Morocco and Côte d'Ivoire), and South America (Brazil and Colombia). In some cases, such local borrowing is required as the countries concerned do not have access to the Group's centralized financing facilities. However, it may also be set up in order to benefit from a particularly attractive interest rate or to avoid the risk of potentially significant foreign exchange risk depending on the geographic region in question.

The vast majority of the Group's short-term debt is at fixed rates.

F. Analysis by maturity (including accrued interest)

Nexans Financial and Trading Services, a wholly-owned Nexans subsidiary, is responsible for the Group's centralized cash management. However, in its capacity as parent company, Nexans S.A. still carries out the Group's long-term bond issues.

Nexans Financial and Trading Services monitors changes in the liquidity facilities of the holding companies, as well as the Group's overall financing structure on a weekly basis (see **Note 27.A**).

In view of Nexans' available short-term liquidity facilities and long-term debt structure, the Group's debt maturity schedule set out below is presented on a medium- and long-term basis:.

Maturity schedule at December 31, 2023

	Due within one year		Due in one to five years		Due beyond five years		**Total**	
in millions of euros	Principal	Interest	Principal	Interest	Principal	Interest	**Principal**	**Interest**
Ordinary bonds redeemable in 2028	-	22	400	88	-	-	400	110
European Investment Bank (EIB) loan	-	4	200	12	-	-	200	15
Ordinary bonds redeemable in 2024	200	6	-	-	-	-	200	6
Negotiable debt securities program	287	4	-	-	-	-	287	4
Other bank loans and overdrafts	58	4	25	4	21	0	104	8
Lease liabilities	29	5	55	14	48	20	132	40
TOTAL	**574**	**45**	**680**	**118**	**69**	**20**	**1,323**	**183**

Notes concerning the preparation of the maturity schedule:

- foreign exchange and interest rate derivatives used to hedge the Group's external debt are not material for the Group as a whole;
- the euro equivalent amount for borrowings in foreign currencies has been calculated using the year-end exchange rate at December 31, 2023;
- it has been assumed that the nominal amounts of short-term borrowings including short-term bank loans and overdrafts will be fully repaid at regular intervals throughout 2023;
- the interest cost has been calculated based on contractual interest rates for fixed-rate borrowings and on weighted average interest rates at December 31, 2023 for variable-rate borrowings (see **Note 24.D** above).

Note 25. Trade payables and other current liabilities

At December 31, *in millions of euros*	2023	2022
TRADE PAYABLES	**1,601**	**1,735**
Social liabilities	256	231
Current income tax payables	69	86
Other tax payables	30	20
Deferred income	1	0
Other payables	126	125
OTHER CURRENT LIABILITIES	**482**	**461**

At December 31, 2023, the Group's trade payables included approximately 253 million euros (405 million euros at December 31, 2022) related to copper purchases whose payment periods, in some cases, can be longer than usual for such supplies.

Amounts due to suppliers of fixed assets totaled 1 million euros at December 31, 2023 (1 million euros at December 31, 2022).

Note 26. Derivative instruments

	December 31, 2023							December 31, 2022		
in millions of euros	Notional amounts					Market value		Notional amounts	Market value	
Foreign exchange derivatives	USD	NOK	EUR	Other Activities	Total	Assets	Liabilities		Assets	Liabilities
FOREIGN EXCHANGE DERIVATIVES – CASH FLOW HEDGES						**86**	**74**		**36**	**38**
Forward sales	940	2,575	2,797	218	**6,530**			**4,039**		
Forward purchases	775	3,570	1,854	362	**6,561**			**4,036**		
FOREIGN EXCHANGE DERIVATIVES – ECONOMIC HEDGES						**5**	**7**		**7**	**21**
Forward sales	487	231	608	601	**1,927**			**2,280**		
Forward purchases	585	135	901	306	**1,926**			**2,263**		
Metal derivatives	Copper	Aluminum	Lead	Other Activities	Total	Assets	Liabilities	Notional amounts	Assets	Liabilities
METAL DERIVATIVES – CASH FLOW HEDGES						**13**	**12**		**19**	**15**
Forward sales	260	31	6	-	**297**			**232**		
Forward purchases	518	58	44	-	**621**			**660**		
METAL DERIVATIVES – ECONOMIC HEDGES						**-**	**-**		**-**	**-**
Forward sales	-	-	-	-	**-**			**-**		
Forward purchases	-	-	-	-	**-**			**-**		
TOTAL FOREIGN EXCHANGE AND METAL DERIVATIVES						**104**	**93**		**62**	**74**

FOREIGN EXCHANGE DERIVATIVES

In 2023, the loss relating to the ineffective portion of the Group's foreign exchange derivatives amounted to 18 million euros. In the consolidated income statement this loss is included in "Other financial income and expenses" for the operations component of the hedge and in "Cost of debt (net)" for the financial component.

A 22 million euro net loss on cash flow hedges was recognized in the consolidated statement of comprehensive income and a net loss of 7 million euros was recycled to the income statement.

METAL DERIVATIVES

In 2023, the ineffective portion of gains or losses arising on the fair value remeasurement of metal derivatives designated as cash flow hedges represented a non-material amount that was recognized in the consolidated income statement on the line "Changes in fair value of non-ferrous metal derivatives" in "Other operating income and expenses".

An aggregate 5-million euro gain was recognized in the consolidated statement of comprehensive income for metal derivatives designated as cash flow hedges and an 8-million euro loss was recycled to the income statement.

Note 27. Financial risks

The Treasury, Financing and Metals Department defines the financial risk management policy, covering:

- liquidity, foreign exchange, interest rate, credit and banking counterparty risks;
- risks relating to changes in non-ferrous metal prices, as well as the credit and financial counterparty risks of entities that trade in non-ferrous metals markets.

The department is part of the legal entity Nexans Financial and Trading Services.

Where permitted by local regulations, Group subsidiaries' foreign exchange and interest rate risks are managed on a centralized basis and their access to liquidity is managed through a cash pooling system.

Nexans Financial and Trading Services is the counterparty for all hedges of commodities risks, except for those set up by subsidiaries in Brazil, South Korea, China, Australia and New Zealand.

The main subsidiaries that did not have access to the centralized cash management system at December 31, 2023, are located in Morocco, Lebanon, China, South Korea, Peru, Brazil, Chile, Ghana and Colombia. These subsidiaries, which have their own banking partners, are nevertheless subject to Group procedures regarding their choice of banks and foreign exchange and interest rate risk management.

Non-ferrous metal risk management policy is also defined and controlled centrally for the entire Group by the Treasury, Financing and Metals Department, which takes centralized positions on the market based on requests from subsidiaries. At December 31, 2023, only subsidiaries in Australia, New Zealand and China had direct access to such markets.

A. Liquidity risk

GROUP FINANCING

Monitoring and controlling liquidity risks

The Treasury, Financing and Metals Department monitors changes in the treasury and liquidity positions of the Group on a weekly basis (encompassing both holding companies and operating entities). As such, subsidiaries are required to provide cash forecasts for the four weeks of the current month as well as for the following two months. These forecasts are then compared to actual cash figures.

Bank borrowings taken out by subsidiaries that are not part of the Nexans Financial and Trading Services centralized cash management system must be approved in advance by the "Financing Committee" and may not have maturity dates exceeding 12 months, unless express authorization is obtained.

The key liquidity indicators that are monitored are the unused amounts of credit facilities granted to the Group, and available cash and cash equivalents.

The Group also monitors its net debt position on a monthly basis (see **Note 24** for the definition of net debt).

Management of cash surpluses

The Group's policy for investing cash surpluses is guided by the overriding principles of ensuring sufficient availability and using safe investment vehicles. The banks considered by the Group as acceptable counterparties must be rated at least A2 by Standard & Poor's and P2 by Moody's, or must be majority-owned by the government of their home country (which must be either an EU member, Canada or the United States).

At December 31, 2023, the Group's cash surpluses were recognized under "Cash and cash equivalents" in the consolidated balance sheet and were invested in:

- current accounts with banks considered by the Group as acceptable counterparties;
- money-market mutual funds (OPCVM) which are not exposed to changes in interest rates and whose underlying assets are investment-grade issues by both corporations and financial institutions; or
- term deposits and certificates of deposit issued by banks, with an initial investment period of less than one year.

As an exception to the above and due to the crisis in Lebanon, bank deposits in Lebanese banks have been excluded from cash and cash equivalents (see **Note 19**).

Main sources of financing

Over the past several years the Group has implemented a strategy of diversifying its sources of financing, through:

- issues of ordinary bonds maturing in 2024 and 2028 (see **Note 24**);
- a medium-term syndicated credit facility renewed on October 25, 2022 and now representing an amount of 800 million euros, lasting for an initial period of five years. In October 2023, the Group activated its first extension option, bringing the maturity of the line to 2028. There is now a one-year extension option;
- a loan facility granted by the European Investment Bank (EIB) for an amount of 200 million euros, fully drawn in April 2022;
- a confirmed credit facility signed on February 7, 2023 for 325 million euros, then reduced in April 2023 to 200 million euros, in order to secure the Group's liquidity and cover the refinancing of bonds maturing in 2023 and 2024. In the event of a drawdown, the maximum maturity will be August 7, 2025;

- a negotiable debt securities program signed on December 21, 2018 for a maximum amount of 400 million euros, and increased to 600 million euros on November 15, 2021. Outstandings amounted to 287 million euros at December 31, 2023 (273 million euros at December 31, 2022);
- at December 31, 2023, Nexans France SAS had sold 47 million euros worth of receivables under a program set up in the second half of 2021 (45 million euros at December 31, 2022);
- the other main receivables securitization and factoring programs in 2023 concerned Norway, Sweden and Finland:
  - in Finland, receivables sold under the factoring program totaled 44 million euros at December 31, 2023;
  - in Norway, receivables sold under the factoring program totaled 31 million euros at December 31, 2023 (16 million euros at December 31, 2022);
  - in Sweden, receivables sold under the factoring program totaled 29 million euros at December 31, 2023 (29 million euros at December 31, 2022);
  - an analysis of the terms of the contracts and programs showed that rights to the cash flows from the receivables and substantially all of the related risks and benefits were transferred to the factor. The factored receivables were therefore derecognized in accordance with IFRS;
- local credit facilities.

COVENANTS AND ACCELERATION CLAUSES

On October 25, 2022, the Group signed a new syndicated credit agreement for an amount of 800 million euros, replacing the syndicated credit agreement signed in 2018. Its maturity date was extended to October 25, 2028, following the exercise of the first one-year extension option by the Group. It includes two extension options of one year each, possibly extending its final maturity to October 25, 2029.

On October 6, 2021, the European Investment Bank (EIB) granted Nexans a loan facility in the amount of 200 million euros, intended to promote its active participation in the global energy transition and its commitment to contribute to achieving carbon neutrality by 2030.

In April 2022, the Group drew down this financing for an amount of 200 million euros. The repayment will be made *in fine* in April 2027.

On February 7, 2023, the Group signed a confirmed financing line for an amount of 325 million euros, reduced to 200 million euros in April 2023, to ensure its liquidity and be able to hedge, if necessary, the refinancing of bond issues maturing in 2023 and 2024. In the event of a drawdown, the maximum maturity will be August 7, 2025.

The renewed syndicated loan, the confirmed loan facility and the loan granted by the European Investment Bank (EIB) are subject to the following two hard covenants:

- the consolidated net debt to equity ratio (including non-controlling interests) must not exceed 1.20; and
- a consolidated debt is capped at 3.2x consolidated EBITDA, as defined in **Note 1.E.b**.

These ratios were well within the specified limits at both December 31, 2023, and at the date the Board of Directors approved the financial statements.

If any of the covenants were breached, the syndicated credit facility, the confirmed financing line or the European Investment Bank (EIB) loan facility would become unavailable and any drawdowns would be repayable, either immediately or after a contractual cure period depending on the nature of the breach.

The Group is not subject to any other financial ratio covenants.

The syndicated loan agreement and the European Investment Bank (EIB) loan contain standard covenants (negative pledge, cross default, *pari passu* and change of control clauses), which, if breached, could accelerate repayment of the syndicated loan or the bond debt.

B. Interest rate risk

The Group structures its financing in such a way as to avoid exposure to the risk of rises in interest rates:

- the Group's medium- and long-term debt is predominantly at fixed rates and at December 31, 2023, mainly consisted of the 2028 bond issue and the loan from the European Investment Bank (EIB);
- the Group's short-term debt includes the ordinary bonds redeemable in 2024 and the commercial paper at fixed rates of interest that is due within 12 months at the reporting date. The remainder of the Group's short-term debt is at a variable rate based on monetary indicators depending on the underlying currency (ESTER, EURIBOR, SOFR, SONIA, *etc.*).

  Fixed-rate debts with original maturities of less than one year are considered as variable-rate debts. Short-term cash surpluses are invested in instruments which have maturities of less than one year (fixed rate renegotiated at renewal) or variable-rate instruments (ESTER, EURIBOR, SOFR, SONIA, *etc.*). Consequently, the Group's net exposure to short-term changes in interest rates is limited: active net exposure of 775 million euros at December 31, 2023, and 688 million euros at December 31, 2022.

Following the disappearance of LIBOR in June 2023, the transition to the new market standard was successful, with no significant impact on the Group.

The Group did not have any interest rate hedges in place in either 2023 or 2022.

Consolidated net debt breaks down as follows between variable and fixed interest rates:

	2023			2022		
At December 31, *in millions of euros*	Current	Non-current	Total	Current	Non-current	Total
Variable rate						
Financial liabilities[(a)]	346	9	355	437	9	447
Cash and cash equivalents	(1,131)	-	(1,131)	(1,134)	-	(1,134)
NET VARIABLE RATE POSITION	**(785)**	**9**	**(775)**	**(697)**	**9**	**(688)**
Fixed rate						
Financial liabilities[(a)]	252	737	989	368	502	869
Cash and cash equivalents	-	-	-	-	-	-
NET FIXED RATE POSITION	**252**	**737**	**989**	**368**	**502**	**869**
NET DEBT	**(532)**	**746**	**214**	**(330)**	**511**	**182**

(a) Including the short-term portion of accrued interest not yet due on long-term debt.

C. Foreign exchange and metal price risks

The Group's foreign exchange risk exposure primarily relates to operations-based transactions (purchases and sales).

Due to its international presence, the Group is exposed to foreign currency translation risk on the net assets of subsidiaries whose functional currency is not the euro. It is Group policy not to hedge these risks.

The Group's sensitivity to foreign exchange risk on operating cash flows is considered to be moderate due to its operational structure. Indeed, the majority of Nexans' operating subsidiaries have a very strong local presence, except in the high-voltage business. The Group's policy is to hedge its foreign exchange and non-ferrous metal price risks on cash flows relating to foreseeable significant contractual commercial transactions, and certain forecast transactions. The operations arising from this hedging activity may result in certain positions being kept open. Where this happens, the positions are limited in terms of amount and term, and they are overseen by the Treasury, Financing and Metals Department.

The risk management policy for non-ferrous metals is defined by the Finance Department. It is implemented by subsidiaries that purchase copper, aluminum and, to a lesser extent, lead. The Group's main exposure to metal price risk arises from fluctuations in copper prices.

METHODS USED TO MANAGE AND HEDGE EXPOSURE TO FOREIGN EXCHANGE RISK

The Group verifies that its procedures for managing foreign exchange risk are properly applied by means of quarterly reports provided to the Treasury, Financing and Metals Department by all subsidiaries exposed to this type of risk, irrespective of whether or not they are members of the cash pool. The reports contain details on the subsidiaries' estimated future cash flows in each currency and the related hedges that have been set up, as well as a reconciliation between actual figures and previous forecasts.

The Treasury, Financing and Metals Department has developed training materials for the Group's operations teams and carries out *ad hoc* audits to ensure that the relevant procedures have been properly understood and applied. Lastly, the Internal Audit Department systematically verifies that the procedures for identifying and hedging foreign exchange risks have been properly applied during its audit engagements carried out at the Group's subsidiaries.

In addition, some bids are made in a currency other than that in which the entity concerned operates. Foreign exchange risks arising on these bids are not systematically hedged, which could generate a gain or loss for the Group if there is a significant fluctuation in the exchange rate between the date when the bid is presented and the date it is accepted by the customer. However, in such cases, the Group takes steps to reduce its potential risk by applying expiration dates to its bids and by incorporating the foreign exchange risk into the price proposal.

Foreign exchange risk is identified at the level of the Group's subsidiaries. The subsidiaries' treasurers execute hedges centrally or locally using forward currency transactions. For subsidiaries that are members of the cash pool, these transactions are carried out with the Treasury, Financing and Metals Department. Other subsidiaries enter into forward currency transactions with their local banks. The objective is to reduce flows in the subsidiary's functional currency and/or to avoid open positions in a given currency for a given maturity.

METHODS USED TO MANAGE AND HEDGE EXPOSURE TO METALS RISK

The exposure of a certain number of subsidiaries to the risk of changes in non-ferrous metal prices is hedged at Group level. To this end, each Group company reports its exposures to the Treasury, Financing and Metals Department.

The Group verifies that its procedures for managing and hedging metal risks are correctly applied by means of each operating subsidiary reporting monthly on its exposure to copper, aluminum and lead risk in both tonnage and value terms. The related reports are analyzed and consolidated at Group level by the Treasury, Financing and Metals Department.

In addition, the Treasury, Financing and Metals Department regularly provides training sessions and performs controls within the subsidiaries to ensure that the procedures are properly understood and applied. It has also created training modules on the Group intranet for operations teams, including salespeople, buyers, finance staff and "hedging operators", who are in charge of daily hedging activities concerning metal risks. Lastly, the Internal Audit Department systematically checks that the procedures for identifying and hedging metal risks have been properly applied during its audit engagements carried out at the Group's operating subsidiaries.

In order to offset the consequences of the volatility of non-ferrous metal prices (copper and, to a lesser extent, aluminum and lead), Nexans' policy is to pass on metal prices in its own selling prices, and hedge the related risk either by setting up a physical hedge or by entering into futures contracts on the London, New York and, to a lesser degree, Shanghai, metal exchanges. Nexans does not generate any income from the speculative trading of metals.

The Group's production units require access at all times to a minimum level of metal inventories for their routine operations, which is referred to as "Core exposure". Core exposure represents the minimum amounts that are necessary for the production units to operate appropriately. Consequently, the quantities of metal corresponding to Core exposure are not hedged and are recorded within operating margin based on initial purchase cost. However, as described in **Note 1.E.c**, at the level of operating income, Core exposure is measured at its weighted average cost and therefore the difference between historical cost and weighted average cost is recognized under "Core exposure effect" in the income statement.

As a result, any reduction (*via* sales) in the volume of Core exposure due to structural changes in the needed tonnages for the operations of an entity in the event of structural reorganizations within the Group or a lasting significant change in the business levels of certain operations, can impact the Group's operating margin.

In addition, the Group's operating margin is still partially exposed to fluctuations in non-ferrous metal prices for certain product lines, such as copper cables for cabling systems and building sector products. In these markets, any changes in non-ferrous metal prices are generally passed on in the selling price, but with a time lag that can impact margins. The fierce competition in these markets also affects the timescale within which price increases are passed on.

In accordance with its risk management policy described above, the Group enters into physical contracts only for operational purposes (for the copper component of customer or supplier orders) and uses futures contracts only for hedging purposes (LME, COMEX or SHFE traded contracts, see **Note 27.D**, "Metals derivatives"). The Group's main subsidiaries document their hedging relationships in compliance with the requirements of IFRS 9 relating to cash flow hedges.

D. Credit and counterparty risk

In addition to customer credit risk, counterparty risk arises primarily on foreign exchange and non-ferrous metal derivatives as well as on the Group's investments and deposits placed with banks.

CUSTOMER CREDIT RISK

The Group's diverse business and customer base and wide geographic reach are natural mitigating factors for customer credit risk. At December 31, 2023, no single customer in any country represented more than 5% of the Group's total outstanding receivables, except for Sonepar (7%).

The Group also applies a proactive policy for managing and reducing its customer credit risk by means of a Group-wide credit management policy which has been rolled out to Nexans' international subsidiaries. A portion of trade receivables is not covered by this Group insurance program and case-by-case studies are carried out to find solutions. The recent economic and political crises around the world have made the market environment difficult. The Group focuses on optimizing credit and collection procedures, to limit the incidence of late payments and disputes. As a result, and in view of the current relatively favorable situation of the policy, the credit insurer has confirmed its support and its willingness to support Nexans' future growth strategy.

FOREIGN EXCHANGE DERIVATIVES

In accordance with Group policy, to keep counterparty risk as low as possible, entities wishing to hedge the foreign exchange risk on their medium- or long-term commercial commitments may only purchase long-term derivatives (expiring in more than one year) from banks that have been assigned medium- and long-term ratings of at least A- by Standard & Poor's and A3 by Moody's. For short-term derivatives (expiring in less than one year), the banks must have been assigned short-term ratings of at least A2 by Standard & Poor's and P2 by Moody's. Where this requirement cannot be fulfilled due to local banking conditions, the entities in the countries concerned limit their counterparty risk by keeping their exposure to a minimum and spreading it between at least three banks.

For subsidiaries that are not members of the cash pool, the same criteria apply but exceptions may be made, notably for subsidiaries located in countries with sovereign ratings that are below the specified thresholds. In this case, subsidiaries are asked to set up derivatives involving counterparty risk only with branches or subsidiaries of banking groups whose parent company satisfies the above risk criteria.

Based on a breakdown by maturity of notional amounts at December 31, 2023 (the sum of the absolute values of notional amounts of buyer and seller positions), the Group's main exposure for all subsidiaries (both members and non-members of the cash pool) is to short-term maturities:

At December 31, *in millions of euros*	2023 Buyer position notional amounts	2023 Seller position notional amounts	2022 Buyer position notional amounts	2022 Seller position notional amounts
Within one year	5,117	5,109	3,896	3,918
Between one and two years	1,327	1,332	850	853
Between two and three years	765	760	918	915
Between three and four years	1,278	1,256	513	511
Beyond four years	-	-	122	121
TOTAL	**8,487**	**8,457**	**6,299**	**6,319**

METAL DERIVATIVE INSTRUMENTS

The Nexans Group hedges its exposure to copper, aluminum and, to a lesser extent, lead, by entering into derivatives transactions in three organized markets: the LME in London, the COMEX in New York and, in certain limited cases, the SHFE in Shanghai. Substantially all of the derivatives transactions conducted by the Group are standard buy and sell trades. The Group does not generally use metal options.

The Treasury, Financing and Metals Department performs metal derivatives transactions on behalf of substantially all of the Group's subsidiaries apart from, at December 31, 2023, its Australian, New Zealand and Chinese entities. Non-ferrous metal hedging transactions carried out on commodity exchanges may give rise to two different types of counterparty risk:

- the risk of not recovering cash deposits made (margin calls); and
- the replacement risk for contracts on which the counterparty defaults (mark-to-market exposure, *i.e.* the risk that the terms of a replacement contract will be different from those in the initial contract).

The Treasury, Financing and Metals Department manages counterparty risk on the Group's derivative instruments by applying a procedure that sets ceilings by counterparty and by type of transaction. The level of these ceilings depends notably on the counterparties' ratings. In addition, the transactions carried out are governed by master netting agreements developed by major international Futures and Options Associations that allow for the netting of credit and debit balances on each contract.

The Group's counterparties for these transactions are usually its existing financial partners, provided they have a long-term rating of at least A-/A3. Counterparties rated between BBB-/Baa3 and BBB+/Baa1 can also be approved provided the Group's aggregate exposure to these counterparties does not exceed 20 million US dollars for counterparties rated BBB+, BBB or BBB-.

In Australia and New Zealand, because of the countries' time zone, the Group's subsidiaries carry out metal derivatives transactions with an Australian broker, which is not rated. However, the Group only has a low level of exposure to this broker. Subsidiaries in China hedge their metal risks on the Shanghai Futures Exchange (SHFE), which can only be used by local brokers.

The Group's metal derivatives transactions are governed for the most part by master netting agreements developed by major international futures and options associations that, in the event of a default, allow for the netting of a Group subsidiary's assets and liabilities related to the defaulting counterparty.

The Group's maximum theoretical counterparty risk on its metal derivatives transactions can be measured as the sum of credit balances (including positive mark-to-market adjustments) and cash deposits, after contractually permitted asset and liability netting. At December 31, 2023, this maximum theoretical risk was limited to 9 million euros. It amounted to 16 million euros at December 31, 2022.

The notional amounts of metal derivatives (sum of the absolute values of buy and sell positions) at December 31, 2023 are analyzed by maturity in the table below:

At December 31, *in millions of euros*	2023 Buyer position notional amounts	2023 Seller position notional amounts	2022 Buyer position notional amounts	2022 Seller position notional amounts
Within one year	531	289	537	231
Between one and two years	74	8	51	1
Between two and three years	16	-	60	-
Between three and four years	-	-	12	-
Beyond four years	-	-	-	-
TOTAL	**621**	**297**	**660**	**232**

Cash deposited to meet margin calls on copper forward purchases whose fair value was negative at the year-end (see **Note 19**) amounted to 4 million euros at December 31, 2023 (6 million euros at December 31, 2022).

In conclusion, the Group has limited exposure to credit risk. The Group considers that its management of counterparty risk is in line with market practices but it cannot totally rule out a significant impact on its consolidated financial statements should it be faced with the occurrence of systemic risk.

RISK ON DEPOSITS AND INVESTMENTS

Deposits and investments with banks of Nexans Financial Trading Services' and Nexans Canada's surplus cash amounted to 710 million euros at December 31, 2023, representing approximately 63% of the Group's total cash and cash equivalents. All of these deposits and investments are with counterparties rated as investment grade by Standard & Poor's, with ratings of between A- and AA-.

Nexans Financial Trading Services has no SICAV's shares as of December 31, 2023.

For the Group's other subsidiaries, counterparty risk on deposits and investments is managed in accordance with the principles and procedures described in **Note 27.A**.

E. Market risk sensitivity analysis

A sensitivity analysis is provided below on the impact that a theoretical change in the above-mentioned main market risks would have on consolidated income and equity.

SENSITIVITY TO CHANGES IN COPPER PRICES

Fluctuations in copper prices can impact both consolidated income and equity, as well as the Group's financing needs. Sensitivity calculations are based on an assumed increase in copper prices. A fall in copper prices would have the inverse effect.

A rise in copper prices would result in:

- a rise in the fair value of the Group's portfolio of cash-settled copper derivatives (the Group is a net buyer);
- an upward remeasurement of the Group's Core exposure;
- a limited increase in working capital and therefore a limited increase in financing needs (any short-term positive impact of margin calls is not taken into account in the sensitivity analysis).

At Group level, the impact on working capital is limited and mainly relates to the timing of derivatives settlement. Potential significant variations could occur at local level due to pricing conditions.

An increase in the fair value of cash-settled copper derivatives would positively affect either consolidated operating income or equity, based on the accounting treatment used for these derivative instruments (the derivatives of the Group's main subsidiaries are designated as cash flow hedges within the meaning of IFRS 9).

The simulation below is based on the following assumptions (with all other assumptions remaining constant, notably exchange rates):

- a 10% increase in copper prices at December 31, 2023 and 2022 and translation of this impact evenly across the entire price curve without any distortion of forward point spreads;
- all working capital components (inventories, and the copper component of trade receivables and payables) would be impacted by the increase in copper prices;
- 46,000 tons and 41,000 tons of copper included in working capital at December 31, 2023, and December 31, 2022, respectively;
- short-term interest rate (3-month Euribor) of +3.91% in 2023 and +2.13% in 2022. A worst-case scenario, in which the increase in working capital would be constant throughout the year, leading to an annualized increase in financial expenses (not taking into account the temporary positive impact of margin calls or the effect of changes in exchange rates);
- 43,500 tons of copper classified as core exposure at December 31, 2023, and 44,775 tons at December 31, 2022;
- using a theoretical income tax rate of 25.83% in 2023 as in 2022.

Any impact of changes in copper prices on both impairment in value of the Group's non-current assets (in accordance with IAS 36) and the provision for impairment of inventories has not been taken into account in this simulation, as it is impossible to identify a direct linear effect.

At December 31, *in millions of euros*	2023	2022
Impact on operating income	33	35
Impact on financial income and expenses	(1)	(1)
NET IMPACT ON INCOME (AFTER TAX)	**23**	**26**
IMPACT ON EQUITY[(a)] (AFTER TAX)	**20**	**25**

(a) Excluding net income (loss) for the period.

SENSITIVITY TO THE US DOLLAR (USD) AND NORWEGIAN KRONE (NOK) EXCHANGE RATES

The main impacts on the consolidated financial statements stem from the revaluation of the Group's portfolio of derivative instruments. The impact on equity related to designated cash flow hedges and the impact on income have been separated out. The impact on income is offset by the revaluation of underlying US dollar positions included in the Group's trade receivables and trade payables portfolios, and net debt.

The Group's other financial assets and liabilities are only exceptionally subject to foreign exchange risk. They were not taken into account in this simulation.

The US dollar is the main foreign currency to which the Group is exposed.

The simulation below is based on a 10% decrease in the US dollar spot rate against the world's other major currencies compared with the rates prevailing at December 31, 2023, and December 31, 2022 (*e.g.*, using USD/EUR exchange rates of 1.22 and 1.17 respectively, without any changes in the forward points curve).

The Norwegian krone is an essential counterparty currency used in contracts for submarine high-voltage cables.

The simulation below is based on similar assumptions to those used for the US dollar (*i.e.* a 10% decrease in the Norwegian krone spot rate against the world's other major currencies), *e.g.*, using closing NOK/EUR exchange rates of 12.4 and 11.5 at December 31, 2023 and 2022 respectively, without any changes in the forward points curve.

Foreign currency translation impacts have not been taken into account in the following calculations:

	2023		2022	
in millions of euros	Net impact on income (after tax)[(a)]	Impact on equity (after tax)[(b)]	Net impact on income (after tax)[(a)]	Impact on equity (after tax)[(b)]
NET POSITION – UNDERLYINGS[(c)]	(10)	-	(11)	-
NET POSITION – DERIVATIVES	1	10	(14)	10
USD – NET IMPACT ON THE GROUP	**(9)**	**10**	**(25)**	**10**
NET POSITION – UNDERLYINGS[(d)]	7	-	12	-
NET POSITION – DERIVATIVES	(0)	(75)	12	(45)
NOK – NET IMPACT ON THE GROUP	**7**	**(75)**	**24**	**(45)**

(a) Using a theoretical income tax rate of 25.83% in 2023 and 2022.
(b) Excluding net income for the period, the theoretical income tax rate was 25.83% in 2023 and 2022.
(c) Impact primarily due to net open positions in countries whose currencies are very closely correlated to the US dollar.
(d) Impact primarily due to net open positions in countries whose currencies are very closely correlated to the Norwegian krone.

Note 28. Additional disclosures concerning financial instruments

The main types of financial assets and liabilities are divided into the following categories:

At December 31, *in millions of euros*	IFRS 9 category	Fair value category	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
Assets						
Shares in non-consolidated companies	Financial assets at fair value through profit or loss		21	21	16	16
	Financial assets at fair value through other comprehensive income		3	3	3	3
Other non-current financial assets	Loans and receivables		95	95	36	36
Commercial receivables						
Contract assets	Loans and receivables		187	187	198	198
Trade receivables	Loans and receivables		856	856	935	935
Derivative instruments[a]	Financial assets at fair value through profit or loss	Foreign exchange: 2	91	91	43	43
		Metal: 1	13	13	19	19
Other current financial assets	Loans and receivables		175	175	208	208
Cash and cash equivalents	Financial assets at fair value through profit or loss	Term deposits: 2	75	1,131	50	1,134
		Other: 1	1,056		1,084	
Liabilities						
Gross debt						
Bonds[b]	Financial liabilities at amortized cost		618	642	533	529
European Investment Bank loan[b]	Financial liabilities at amortized cost		200	200	200	200
Other financial liabilities	Financial liabilities at amortized cost		395	395	474	474
Commercial payables						
Contract liabilities	Financial liabilities at amortized cost		738	738	588	588
Trade payables	Financial liabilities at amortized cost		1,601	1,601	1,735	1,735
Derivative instruments[a]	Financial liabilities at fair value through profit or loss	Foreign exchange: 2	81	81	59	59
		Metal: 1	12	12	15	15
Other current financial liabilities	Financial liabilities at amortized cost		412	412	376	376

(a) *Derivative instruments designated as cash flow hedges are carried at fair value through other comprehensive income. Any gains or losses previously recognized in equity are reclassified to the income statement in the period in which the hedged item impacts income.*

(b) *Including short-term accrued interest (see **Note 24.C**).*

The Group's fixed rate debt mainly comprised its ordinary bonds redeemable in 2024 and 2028 and the loan taken out with the European Investment Bank, whose fair values may differ from their carrying amounts in view of the fact that they are carried at amortized cost.

The fair value of the 2024 and 2028 ordinary bonds was calculated based on a bank valuation provided at December 31, 2023 and included interest accrued at the year-end. The same method was used at December 31, 2022.

Note 29. Related party transactions

Related party transactions primarily concern commercial and financial transactions carried out with the Quiñenco group – Nexans' principal shareholder – as well as with associates, non-consolidated companies, and directors and key management personnel (whose total compensation is presented in the table set out in **Note 29.C** below).

A. Related party transactions with associates and non-consolidated companies

INCOME STATEMENT

in millions of euros	2023	2022
REVENUE		
• Non-consolidated companies	30	58
• Associated companies	1	1
COST OF SALES		
• Non-consolidated companies	(12)	(10)
• Associated companies	(2)	(3)

BALANCE SHEET

The main items in the balance sheet concerned were as follows:

At December 31, *in millions of euros*	2023	2022
ASSETS		
• Non-consolidated companies	3	5
• Associated companies	0	0
FINANCIAL LIABILITIES/(RECEIVABLES)		
• Non-consolidated companies	(14)	(4)
• Associated companies	-	-
OTHER LIABILITIES		
• Non-consolidated companies	1	1
• Associated companies	0	1

B. Relations with the Quiñenco group

At December 31, 2023, the Quiñenco group held approximately 19% of the Company's capital stock through two subsidiaries, Invexans Limited (UK) and Tech Pack (Chile). The Quiñenco group has given the Company a long-term undertaking that it would not request representation on the Board in excess of three non-independent members in a Board of 14 members, or if the Board were to be enlarged, in excess of a number of directors proportionate to its shareholding.

At December 31, 2023, the main contractual relations between Nexans and the Quiñenco group concerned agreements related to the contract dated February 21, 2008, for the acquisition of the Quiñenco group's cable business, as amended by an addendum signed on September 30, 2008.

The impact of the commercial agreements with the Quiñenco group on the income statement and balance sheet is included in the tables set out in **Note 29.A** above, on the line "Associates".

C. Compensation of key management personnel

In 2023 as in 2022, key management personnel corresponds to corporate officers and members of the Executive Committee.

TOTAL COMPENSATION

Total compensation paid to the Group's Key Management Personnel can be analyzed as follows:

in millions of euros	2023	2022
Compensation for corporate officer positions[(a)]	2.7	3.1
Compensation under employment contracts and benefits in kind[(a)]	8.3	8.7
Performance shares[(b)]	4.1	3.7
Termination benefits[(a)]	-	0.0
Long-term incentive plan[(b)]	0.2	0.2
Accruals for pensions and other retirement benefit obligations[(c)]	1.1	0.9
TOTAL COMPENSATION	**16.4**	**16.6**

(a) Amounts paid during the year, including payroll taxes.
(b) Amounts expensed in the income statement during the year.
(c) Payments related to supplementary defined contribution pension plans.

COMMITMENTS GIVEN TO THE CHIEF EXECUTIVE OFFICER

All of the commitments given to Christopher Guérin in his capacity as Chief Executive Officer are described in detail each year in the Universal Registration Document (section entitled "Commitments given to the Chief Executive Officer").

As Chief Executive Officer, Christopher Guérin has received the following commitments from the Company, which were authorized at the Board meeting of July 3, 2018 and approved yearly at the Shareholders' Meeting:

- if Christopher Guérin is removed from his position as Chief Executive Officer, he will be entitled to payment of a termination indemnity representing two years' worth of his total fixed and variable compensation. This indemnity will be subject to actual performance in relation to the objectives applicable to his target annual variable compensation being at least equal to 80% of said objectives on average over the three years preceding his removal. This indemnity will be payable only in the event of a forced departure due to a change of control or strategy, which will be deemed to be the case unless specifically decided otherwise by the Board of Directors, notably in the event of serious misconduct;
- as compensation for an undertaking not to exercise any business that would compete either directly or indirectly with any of the Company's businesses for a period of two years from the end of his term of office as Chief Executive Officer, Christopher Guérin will receive a non-compete indemnity, regardless of the cause of termination of his duties. Said indemnity will be paid in 24 equal and successive monthly installments and will equal one year of his fixed and variable compensation, *i.e.* 12 times the amount of his most recent monthly compensation (fixed portion) plus the corresponding percentage of his bonus. The Board could decide to impose a non-competition obligation on the Chief Executive Officer for a period shorter than two years. In such a case, the non-competition indemnity would be reduced *pro rata temporis*.

In accordance with Article 25.3 of the AFEP-MEDEF Code (December 2022 version), in the event of Christopher Guérin's departure, the Board of Directors will decide whether or not the non-compete agreement entered into with him will apply and will be entitled to cancel it (in which case no non-compete indemnity will be payable).

In addition, in accordance with Article 25.4 of the AFEP-MEDEF Code, no non-compete indemnity will be due if Christopher Guérin takes retirement upon leaving the Group. In any event, no indemnity shall be paid beyond the age of 65.

Lastly, in accordance with the compensation policy for corporate officers described in **Section 4** of this Document, all severance benefits (termination benefits and non-compete benefits) may not exceed two years' worth of actual compensation (fixed and variable).

If Christopher Guérin retired, he would be entitled to benefits under the supplementary defined contribution pension plan set up by the Group in 2019 for certain employees and corporate officers. Annual contributions to the plan paid by the Company correspond to 20% of the Chief Executive Officer's total actual annual compensation (fixed plus variable), *i.e.* 300,000 euros in 2023.

Note 30. Disputes and contingent liabilities

A. Antitrust investigations

In late January 2009, antitrust investigations were launched in several countries against various cable manufacturers including Group companies in relation to anticompetitive behavior in the submarine and underground high-voltage power cables sector.

On April 7, 2014, Nexans France SAS and the Company were notified of the European Commission's decision, which found that Nexans France SAS had participated directly in an infringement of European antitrust legislation in the submarine and underground high-voltage power cable sector. The Company was held jointly liable for the payment of a portion of the fine imposed on Nexans France SAS by the European Commission.

In early July 2014, Nexans France SAS paid a fine of 70.6 million euros imposed on it by the European Commission.

Nexans France SAS and the Company appealed the European Commission's decision to the General Court of the European Union. The appeal was dismissed on July 12, 2018. Nexans France SAS and the Company appealed the General Court's judgment before the European Court of Justice, which, in turn, dismissed the appeal on July 16, 2020.

In April 2019, certain Group entities received claims from customers filed before the courts in the United Kingdom, the Netherlands and Italy against Nexans and other defendants.

Prysmian is one of the main defendants in certain antitrust damages claims initiated in the United Kingdom by National Grid and Scottish Power in 2015. Contribution claims have been brought by Prysmian against Nexans France SAS and the Company in these cases. Prysmian and the other main defendants have now reached a settlement with National Grid and Scottish Power.

In April 2017, Vattenfall initiated a claim for alleged antitrust damages against Prysmian and NKT before the High Court in London. On June 12, 2020, Nexans France SAS and the Company were notified of a contribution claim brought by Prysmian. Both cases have been transferred from the High Court to the Competition Appeal Tribunal. NKT has entered into an agreement with Vattenfall. Vattenfall's action against Prysmian and Prysmian's action for contribution against Nexans are ongoing.

In May 2022 an application for a collective proceedings order was lodged in the UK before the Competition Appeal Tribunal (CAT) seeking authorization to bring an action for damages on behalf of certain individuals against Nexans, Prysmian and NKT. The prospective claim is based on the European Commission's 2014 "Power Cables" decision. A hearing before the CAT on the advisability of certifying this appeal, an essential preliminary step for the continuation of the lawsuit, is scheduled for April 2024. The claimant has secured financing from a professional third-party litigation funder. As part of its assessment the CAT will scrutinize the funding agreement to determine, inter alia, whether the proposed defendants' costs would be sufficiently covered in the event that the claimant is unsuccessful in the claim.

In July 2022, London Array Limited and others filed a lawsuit with the CAT against Nexans France SAS and the Company, on the basis of the European Commission's decision. Nexans France SAS and the Company are working on their defense; a first hearing is scheduled for April 2025.

Italian company Terna S.p.A. launched an antitrust damages claim before the Court of Milan. Nexans Italia filed a defense on October 24, 2019 focusing on Nexans Italia's lack of standing to be sued. On February 3, 2020 the judge ruled Terna's claim to be null for lack of clarity. Terna has since supplemented its claim and the case is ongoing. A final outcome is not expected before the end of 2024.

The claim in Netherlands was made jointly by Electricity & Water Authority of Bahrain, Gulf Cooperation Council Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, against certain companies of the Prysmian Group and its former shareholders, and companies in the Nexans Group and ABB Group. This action has been brought before the Court of Amsterdam. On December 18, 2019, Nexans and other defendants filed a motion contesting jurisdiction. The court issued its judgment on November 25, 2020, declaring itself incompetent with regard to the claims against the non-Dutch defendants, including the non-Dutch subsidiaries of the Company. The court also ordered the claimants to pay the costs of the proceedings. The claimants appealed this ruling and the matter has since been referred to the European Court of Justice for a ruling.

Investigations carried out by the American, Japanese, New Zealand and Canadian authorities in the high-voltage power cable sector were closed without sanctions. During investigations led by the Australian antitrust authority (ACCC), the Australian courts dismissed ACCC's case and refused to sanction Nexans and its Australian subsidiary in the high-voltage power cable sector in a case pertaining to the sale of low- and medium-voltage cables.

Investigation in Brazil by the General Superintendence of the antitrust authority "CADE" in the high-voltage power cable sector was concluded on February 11, 2019. On April 15, 2020 the Administrative Tribunal of CADE condemned the Company, together with other cable manufacturers. The Company has paid the 1 million euro (BRL equivalent) fine and has appealed the decision. The case is ongoing.

Investigation by the antitrust authority in South Korea ("KFTC") in the high-voltage power cable sector has not been officially closed but Nexans understands that the statute of limitations should be considered expired.

Nexans' local Korean subsidiaries have cooperated with the KFTC in investigations initiated between 2013 and 2015 in businesses other than the high-voltage. As a result, full leniency (zero fine) has been granted by KFTC in 15 cases, and for two other cases the Korean subsidiaries were granted a 20% reduction of fines and were ordered to pay the KFTC a total of approx. 850,000 euros. All such investigations are now closed, and the risks associated with the majority of claims brought by customers in connection with them are now all closed.

On November 24, 2017, in Spain, Nexans Iberia and the Company (in its capacity as Nexans Iberia's parent company) were notified of a decision by the Spanish competition authority ("CNMC"), which found that Nexans Iberia had participated directly in an infringement of Spanish competition laws in the low and medium voltage cable sectors. The Company was held jointly liable for the payment of part of the fine levied on Nexans Iberia by the CNMC. In early January 2018, Nexans Iberia settled the 1.3 million euro fine levied by the CNMC. Nexans Iberia and the Company have appealed the CNMC's decision. On May 29, 2023, the Court of Appeal's decision was rendered in favor of Nexans. The Spanish Court ruled that a single and continuous infringement of the rules of competition law, during the period from 2002 to 2013, could not be proved. Nexans Iberia and the Company appealed the decision.

On July 27, 2020, Nexans Iberia was served with a claim filed by Iberdrola before the Commerce Court of Barcelona, on the basis on the CNMC's decision (which also sanctioned one of Iberdrola's subsidiaries). Iberdrola is seeking a total of 9.4 million euros in damages from all the defendants, including Prysmian and several local Spanish producers. Nexans Iberia has filed defense arguments and the case is pending.

During the first semester of 2022, four additional claims were files by Spanish claimants against Nexans Iberia on the basis of the CNMC decision in the low/medium voltage case. Nexans Iberia's sales to such claimants, if any, are non-substantial and Nexans is litigating these claims for which two are pending the appeal judgment against the CNMC decision and two have been re-instated in January and March 2023 respectively.

On January 20 and May 10, 2022, the German Federal Cartel Office (FCO) carried out searches at three of Nexans' sites in Germany. The searches are part of an investigation on cable manufacturers concerning alleged coordination of industry-standard metal surcharges in Germany. The FCO also conducted inspections at the premises of other companies in Germany. Nexans won its appeal against these visits, but the investigation is still ongoing.

More recently, on January 30, 2024, the Competition Authority conducted searches on three Nexans France sites as part of an investigation into the energy cable distribution sector in the French Overseas Territories.

As of December 31, 2023, the Group recorded contingency provision of 65 million euros to cover all the investigations mentioned above as well as the direct and indirect consequences of the related rulings that have been or will be handed down and in particular the follow-on damages claims by customers (existing or potential claims). The amount of the provision is based on management's assumptions that take into account the consequences in similar cases and currently available information. There is still considerable uncertainty as to the extent of the risks related to potential claims and/or fines. The final costs related to these risks could therefore be significantly different from the amount of the provision recognized.

The Group's risk prevention and compliance systems have been strengthened regularly and significantly in recent years. However, the Group cannot guarantee that all risks relating to practices that do not comply with the applicable rules of ethics and business conduct will be fully eliminated.

The compliance program includes means of detection which could generate internal investigations, and even external investigations. As consistently communicated by the Company in the past, unfavorable outcomes for antitrust proceedings and/or investigations as well as the associated consequences could have a material adverse effect on the results and thus the financial position of the Group.

B. Other disputes and proceedings giving rise to the recognition of provisions

For cases where the criteria are met for recognizing provisions, the Group considers the resolution of the disputes and proceedings concerned will not materially impact the Group's results in light of the provisions recorded in the financial statements. Depending on the circumstances, this assessment takes into account the Group's insurance coverage, any third-party guarantees or warranties and, where applicable, evaluations by the independent counsel of the probability of judgment being entered against the Group.

The Group considers that the other existing or probable disputes for which provisions were recorded at December 31, 2023 do not individually represent sufficiently material amounts to require specific disclosures in the consolidated financial statements.

C. Contingent liabilities relating to disputes and proceedings

Certain contracts entered into by the Group as of December 31, 2023, could lead to performance difficulties, but the Group currently considers that those difficulties do not justify the recognition of provisions in the financial statements or specific disclosure as contingent liabilities.

Note 31. Off-balance sheet commitments

The Group's off-balance sheet commitments that were considered material at December 31, 2023, and December 31, 2022, are set out below.

A. Commitments related to the Group's scope of consolidation

RISKS RELATING TO MERGERS AND ACQUISITIONS AND DIVESTMENTS

Group companies may grant sellers' warranties to purchasers of divested businesses, generally without taking out bank guarantees or bonds. When events make it probable or potential for a risk to materialize in respect of the guarantees given, it is either provisioned (if it can be estimated), or mentioned as a contingent liability if it is sufficiently significant. See **Note 23** and **Note 30**.

Conversely, when acquiring other entities, Group companies are sometimes given sellers' warranties.

In 2020, the Group sold Berk-Tek, based in the United States. In the sale contract, sellers' warranties have been granted through an American subsidiary and a Canadian subsidiary, for a maximum amount of 20 million US dollars. The warranties cover a period of six years ending in September 2026.

In October 2023, as part of the disposal of the Telecom & Data business, Nexans S.A., and some of its European subsidiaries also granted liability guarantee commitments. These guarantees have a maximum general amount set at 5 million euros, for a duration ranging from 18 months to a maximum of five years. Exceptionally, the guarantee on environmental liabilities is extended to seven years. Declared claims or risks of claims in progress are subject to a specific ceiling of 4 million euros.

ACQUISITION OF THE QUIÑENCO GROUP'S CABLE BUSINESS

When Nexans acquired the cables business of the Chile-based group Quiñenco on September 30, 2008, it took over a number of pending or potential disputes. The most significant of these, subject to certain deductibles, are covered by the seller's warranty granted by Invexans S.A. (formerly Madeco, Chile) under the purchase agreement. A provision was recorded for this business's liabilities and contingent liabilities when the Group completed the initial accounting for the acquisition in accordance with IFRS 3.

A settlement agreement was entered into on November 26, 2012 between the Company, Nexans Brasil and the Quiñenco group concerning the amounts payable by the Quiñenco group to Nexans Brasil in relation to the outcome of civil, employment law and tax proceedings in Brazil.

Under the terms of this agreement, Quiñenco undertook to pay Nexans Brasil a lump sum of around 23.6 million Brazilian reals (approximately 9.4 million euros). In return, the Quiñenco group was released from any obligation to pay compensation with respect to the civil and employment law proceedings in progress that were specified in the settlement agreement, except if the total amount of related losses incurred by the Company exceeds a certain limit. Some of the tax proceedings in Brazil relating to the period prior to the acquisition, or in progress at the time of the acquisition and still ongoing at the date of the settlement agreement, remain governed by the terms of previous agreements entered into between the parties. Settlement agreements were signed between 2014 and 2017 covering part of the amounts involved, in order to enable Nexans to benefit from a tax amnesty in Brazil.

ACQUISITION OF CENTELSA

When the Group acquired the cable manufacturer Centelsa on April 1, 2022, it took over a number of pending or potential disputes.

A provision was recorded for this business's liabilities and contingent liabilities when the Group completed the initial accounting for the acquisition in accordance with IFRS 3.

It should be noted that the Group has the possibility, in the event that certain conditions are met and beyond an excess amount, to activate a liability guarantee mechanism granted by the Xignux Group under the acquisition.

The liability warranty has a duration that can range from 24 months to five years (example on environmental issues) depending on the nature of the claims that the Group could possibly be required to notify the Xignux Group. For some complaints, the duration will be that provided by local law (example in the event that the complaint relates to tax matters or fraud).

The duration of the liability guarantee runs from the closing of the acquisition (*i.e.* from April 1, 2022). Regarding the liability cap, the liability guarantee is capped between 15% and 100% of the purchase price of Centelsa. The cap of 100% of the purchase price of Centelsa applies in particular to the fundamental guarantees.

ACQUISITION OF REKA CABLES

On April 30, 2023, Nexans acquired the entire share capital of REKA Cables Ltd under a sale and purchase agreement dated November 10, 2022.

The sale and purchase agreement included certain customary representations, warranties and commitments from both parties related to the transaction and the target company. In addition, Nexans secured W&I insurance for the transaction, providing coverage for damages resulting from breaches of the guarantees given in the sales and purchase agreement by the seller.

A provision was recorded for this business's liabilities and contingent liabilities when the Group completed the initial accounting for the acquisition in accordance with IFRS 3.

B. Commitments related to the Group's financing

The main off-balance sheet commitments related to the Group's financing are summarized below:

At December 31, *in millions of euros*	Notes	2023	2022
COMMITMENTS GIVEN			
Syndicated loan[a]	27.A	880	880
COMMITMENTS RECEIVED			
Syndicated credit facility – Unused line expiring on October 25, 2028	27.A	800	800
Secured financing line – Unused line maturing on April 5, 2024	27.A	200	-

(a) When the Group's syndicated credit facility was set up, Nexans undertook to guarantee the commitments given by Nexans Financial & Trading Services to the banking pool concerned.

C. Commitments related to the Group's operating activities

The main off-balance sheet commitments related to the Group's operations are summarized below:

At December 31, *in millions of euros*	Notes	2023	2022
COMMITMENTS GIVEN			
Derivatives – Purchases of foreign currencies[(a)]	27	8,487	6,299
Forward purchases of metals	27	621	660
Firm commitments to purchase property, plant and equipment		286	36
Commitments for third-party indemnities	See (1)	7,370	6,296
Take-or-pay copper purchase contracts (in tons)	See (2)	129,866	121,586
Other commitments given		-	-
COMMITMENTS RECEIVED			
Forward sales of foreign currencies[(a)]	27	8,457	6,319
Forward sales of metals	27	297	232
Copper sales commitments at set prices (in tons)	See (2)	112,772	110,993
Other commitments received		414	375

(a) Including derivatives used to hedge the Group's net debt.

(1) Commitments for third-party indemnities

Group companies generally give customers warranties on the quality of the products sold without taking out bank guarantees or bonds. They have, however, also given commitments to banks and other third parties, in particular financial institutions, which have issued guarantees or performance bonds to customers, and guarantees to secure advances received from customers (1,329 million euros and 1,177 million euros at December 31, 2023 and 2022 respectively).

When events, such as delivery delays or disputes over contract performance, make it probable or potential for a risk to materialize in respect of the guarantees given, it is either provisioned (if it can be estimated), or mentioned as a contingent liability if it is sufficiently significant. See **Note 23** and **Note 30**.

At December 31, 2023, the Group had granted parent company guarantees in an amount of 6,041 million euros (5,120 million euros at December 31, 2022). These mainly correspond to performance bonds given to customers.

(2) Take-or-pay contracts and copper sales commitments (physically-settled contracts)

The volumes stated in the table correspond to quantities negotiated as part of copper take-or-pay contracts or copper sales commitments whose price was set at the year-end, including quantities presented in inventories. See **Note 27.D**.

More generally, the Group enters into firm commitments with certain customers and suppliers under take or-pay contracts, the largest of which concern copper supplies.

Note 32. Main consolidated companies

The table below lists the main entities included in the Group's scope of consolidation at December 31, 2023.

Companies by geographic area	% control	% interest	Consolidation method[a]
FRANCE			
Nexans S.A.[b]	100%	100%	Parent company
Nexans Participations	100%	100%	
Lixis	100%	100%	
Nexans France	100%	100%	
Nexans Wires	100%	100%	
Tréfileries and Laminoirs Méditerranée S.A.	100%	100%	
Recycables	36.50%	36.50%	Equity method
Nexans Power Accessories France	100%	100%	
Nexans Industrial Solutions	100%	100%	
Nexans Aerospace France	100%	100%	
Nexans Financial & Trading Services[c]	100%	100%	
BELGIUM			
Nexans Benelux S.A.	100%	100%	
Nexans Network Solutions NV	100%	100%	
Nexans Services	100%	100%	
GERMANY			
Nexans Deutschland GmbH	100%	100%	
Metrofunkkabel Union GmbH	100%	100%	
Nexans Auto Electric GmbH[d]	100%	100%	
Nexans Power Accessories Deutschland GmbH	100%	100%	
Nexans Industrial Solutions GmbH	100%	100%	
NORTHERN EUROPE			
Nexans Nederland BV	100%	100%	
Nexans Norway A/S	100%	100%	
Nexans Subsea Operations	100%	100%	
Nexans Skagerrak	100%	100%	
Nexans Marine Operations	100%	100%	
Nexans Vessel Management	100%	100%	
Nexans Suisse S.A.	100%	100%	
Nexans Re[e]	100%	100%	
Nexans Logistics Ltd	100%	100%	
Nexans UK Ltd	100%	100%	
Nexans Sweden AB	100%	100%	
Reka Cables	100%	100%	
Nexans Finland Holding	100%	100%	
Nexans Industry Solutions[f]	100%	100%	
SOUTHERN AND EASTERN EUROPE			
Nexans Iberia SL	100%	100%	
Nexans Industrial Solutions Iberia	100%	100%	
Takami	100%	100%	
Nexans Italia SpA	100%	100%	
Nexans Partecipazioni Italia Srl	100%	100%	
Nexans Intercablo SpA	100%	100%	
Nexans Hellas S.A.	100%	100%	

Companies by geographic area	% control	% interest	Consolidation method[a]
Nexans Power Accessories Czech Republic, spol. s r.o	100%	100%	
Nexans Turkiye Endustri Ve Ticaret AS	100%	100%	
NORTH AMERICA			
Nexans Canada Inc	100%	100%	
Nexans USA Inc	100%	100%	
AmerCable Inc	100%	100%	
Nexans Magnet Wire USA Inc	100%	100%	
Nexans Specialty Holdings USA Inc	100%	100%	
Nexans Energy USA Inc	100%	100%	
Nexans Industrial Solutions Inc	100%	100%	
SOUTH AMERICA			
Invercable	100%	100%	
Nexans Chile S.A.	100%	100%	
Colada Continua S.A.	41.00%	41.00%	Equity method
Nexans Colombie	100%	100%	
Indeco Peru[b]	96.73%	96.73%	
Cobrecon	100%	98.37%	
Nexans Brasil S.A.	100%	100%	
Alcatek	100%	100%	
Centelsa	100%	100%	
Cobres de Columbia	100%	100%	
Cedetec	100%	100%	
AFRICA AND MIDDLE EAST			
Liban Câbles s.a.l	91.15%	91.15%	
Nexans Maroc[g]	97.56%	97.56%	
Qatar International Cable Company	30.33%	30.33%	Equity method
Nexans Kabelmetal Ghana Ltd	59.13%	59.13%	
Nexans Côte d'Ivoire	60.00%	59.00%	
ASIA-PACIFIC			
Nexans Hong Kong Ltd	100%	100%	
Nexans Singapore	100%	100%	
Nexans China Wire & Cables Co. Ltd	100%	100%	
Nexans (Yanggu) New Rihui Cables Co. Ltd	100%	100%	
Nexans (Suzhou) Cables Solutions Co. Ltd	100%	100%	
Nexans Korea Ltd	99.51%	99.51%	
Kukdong Electric Wire Co. Ltd	97.90%	97.90%	
Nippon High Voltage Cable Corporation	100%	100%	
OLEX Australia Pty Ltd	100%	100%	
OLEX New Zealand Ltd	100%	100%	

(a) The companies in this list are fully consolidated, unless otherwise specified.
(b) Listed companies.
(c) The entity responsible for the Group's cash management.
(d) Nexans Auto Electric GmbH – a company based in Germany – itself consolidates various sub-subsidiaries, located in the United States, Germany, Romania, Ukraine, the Czech Republic, Slovakia, Tunisia, China, Bulgaria and Mexico.
(e) Nexans Re is the Group's captive reinsurer.
(f) Nexans Industry Solutions prepares consolidated financial statements that include various subsidiaries located mainly in China and Poland.
(g) Nexans Maroc prepares consolidated financial statements that include various subsidiaries located mainly in Morocco.-

Note 33. Statutory Auditors' fees

The total fees paid to the Statutory Auditors for all controlled entities in France and recorded in the income statement for 2023 break down as follows:

in thousands of euros	Audit of the consolidated financial statements	Audit of the corporate financial statements	Other non-audit related services[(a)]	Total
Mazars	304	176	100	581
PricewaterhouseCoopers Audit	299	287	57	644
TOTAL	**604**	**463**	**157**	**1,224**

(a) Other services include the review of CSR data made as an independent third party.

Note 34. Subsequent events

AGREEMENT FOR THE ACQUISITION OF LA TRIVENETA CAVI

On February 9, 2024, Nexans signed a major agreement for the acquisition of La Triveneta. Based in Italy and present in 30 countries, this emblematic company is renowned for its excellence in the European medium- and low-voltage cable markets. Triveneta Cavi mainly produces low-voltage cables for the construction, infrastructure, flame-retardant cable system and renewable energy sectors. The company employs around 700 people and has recorded annual sales of more than 800 million euros over the last twelve months.

Financing was secured by a bridge-to-bond agreement signed on February 8, 2024. The transaction will be financed through debt. The financing of the acquisition will have a limited impact on the net debt to adjusted EBITDA ratio, thus allowing the Group to maintain strong credit indicators. After financing the transaction, the net debt to adjusted EBITDA ratio will not exceed one.

Completion of the transaction is subject to regulatory approvals and customary closing conditions.

No other significant event has occurred since December 31, 2023.

5.1.7 Statutory Auditors' report on the consolidated financial statements

(For the year ended December 31, 2023)

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Opinion

In compliance with the engagement entrusted to us by your Shareholder's meeting, we have audited the accompanying consolidated financial statements of NEXANS ("the Group") for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Accounts, Audit and Risk Committee.

Basis for Opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements rules required by the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5 of Regulation (EU) N° 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recognition of goods and services contracts

Description of risk

At December 31, 2023, sales from goods and services contracts, recognized on a percentage-of-completion basis as described in Notes 1.E.a and 4 to the consolidated financial statements, amounted to 786 million euros. These contracts mainly cover the Group's "high-voltage cable" activity.

Sales and earnings on these goods and services contracts at the end of an accounting period mainly depend on:

- revenue and margin to completion estimates;
- the percentage of completion determined on the basis of the input method based on cost incurred.

Estimates of the data to completion and the percentage of completion are based on the Group's internal systems and procedures for each contract.

We deemed the recognition of goods and services contracts to be a key audit matter due to (i) the significant impact of these contracts on the Group's consolidated financial statements and (ii) the level of judgment required from management to determine the results to completion.

How our audit addressed this risk

As part of our audit of the consolidated financial statements, our work consisted mainly in:

- evaluating the Group's internal systems and procedures relating to estimates of revenue and costs at completion and the measurement of percentage of completion as well as testing the key controls put in place by Management;
- reconciling goods and service contract management data with accounting records;
- selecting contracts based on their financial impact and risk profile and conducting interviews with the business management controllers, the Business Lines and the Finance Department about the progress of these contracts and their assessment of the risks to:
  - corroborate key revenue and cost-to-complete assumptions in relation to costs incurred to date, contract data and correspondence with the customer or its representatives, as appropriate. This work is based in particular on experience gained in previous years on these contracts or comparable contracts,
  - corroborate the percentage of completion of revenue and assess the appropriate accounting treatment;
- assessing the appropriateness of the disclosures set out in Notes 1.E.a and 4 to the consolidated financial statements.

Disputes and antitrust investigations

Description of risk

In the same way as all other industrial players, in view of the

Group's wide geographic reach it is required to comply with numerous national and regional laws and regulations, notably concerning commercial, customs and tax matters. In particular, the Group is involved in antitrust investigations or disputes as described in Note 30 to the consolidated financial statements, in particular in section A "Antitrust investigations" thereof, which reports on the antitrust investigations initiated against the Group.

As indicated in Note 1.F.k to the consolidated financial statements, provisions are recognized when the Company has a present obligation resulting from a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

We deemed this issue to be a key audit matter given the significance of disputes and antitrust investigations and the level of judgment required from management to determine provisions in multiple and constantly changing regulatory environments.

How our audit addressed this risk

As part of our audit of the consolidated financial statements, our work consisted mainly in:

- evaluating the procedures implemented by the Group to identify and list all disputes and antitrust investigations;
- carrying out interviews with the Group's legal department in order to obtain an understanding of the risks, as well as the status of antitrust proceedings and investigations;
- assessing the factors used by the Group to determine the risks and provisions recognized at the end of the reporting period to cover the financial consequences (direct and indirect) of these disputes, with particular attention paid to the opinions of the Group's legal advisors;
- verifying that the significant risks and disputes identified during the implementation of these procedures are described appropriately in Note 30 to the consolidated financial statements.

Measurement of goodwill, property, plant and equipment and intangible assets

Description of risk

At December 31, 2023, the carrying amount of the Group's goodwill, property, plant and equipment and intangible assets totaled 293 million euros, 1,854 million euros and 210 million euros, respectively.

Goodwill is described in section D "Business combinations" of Note 1 "Summary of significant accounting policies" and the allocation by cash-generating unit (CGU) is presented in Note 7 to the consolidated financial statements.

The Group carries out impairment tests on goodwill at each closing date and on property, plant and equipment and intangible assets whenever there is an indication that they may be impaired, as described in section F.c "Impairment tests" of Note 1 "Summary of significant accounting policies" to the consolidated financial statements.

We deemed the measurement of goodwill, property, plant and equipment and intangible assets to be a key audit matter given the significance of these assets in the Group's financial statements and the level of judgment required from management, particularly in terms of determining the recoverable amount of these assets, most often based on discounted cash flow forecasts that require the use of assumptions and estimates.

How our audit addressed this risk

We conducted a critical assessment of the methods implemented by management to determine the recoverable amount of goodwill, property, plant and equipment and intangible assets. We obtained management's latest budgets and strategic plans and impairment tests for CGUs and property, plant and equipment and intangible assets. On the basis of this information and this specific context, our work mainly consisted in:

- analyzing the impairment tests carried out by the Group;
- assessing the reasonableness of the key assumptions used by management, in particular for the determination of cash flows in relation to the underlying operational data and the long-term growth rate;
- assessing, with the support of our evaluation experts, the relevance of the discount rates used and their components;
- confirming that CGU allocation accurately reflects the Group's structure and the way the CGUs are managed;
- performing our own sensitivity calculations to determine whether a reasonable change in the long-term growth rate and discount rate assumptions could result in the recognition of a significant impairment of the underlying assets;
- assessing the appropriateness of the related disclosures in the note 1D, 1Fc) and 7 of the Group financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the Board of Director.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (code de commerce) is included in the Group's management report, it being specified that, in accordance with Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

FORMAT OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in article L451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Moreover, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of NEXANS by the Shareholder's Meeting held on May 15, 2006, for PricewaterhouseCoopers Audit and on May 5, 2015, for Mazars.

As at December 31, 2023, PricewaterhouseCoopers Audit and Mazars were in the 18th year and 9th year of total uninterrupted engagement respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Accounts, Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE ACCOUNTS, AUDIT AND RISK COMMITTEE

We submit a report to the Accounts, Audit and Risk Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Accounts, Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Accounts, Audit and Risk Committee the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Accounts, Audit and Risk Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Courbevoie, February 23, 2024

The statutory auditors

PricewaterhouseCoopers Audit	Mazars
Edouard Demarcq	Juliette Decoux-Guillemot

5.2 Corporate financial statements

5.2.1 Income statement

in thousands of euros	Notes	2023	2022
SALES	**4.A**	**41,094**	**39,869**
Other operating income		2,598	1,673
TOTAL OPERATING INCOME		**43,692**	**41,542**
Other purchases and external charges		(40,377)	(36,822)
Taxes other than on income		(850)	(762)
Payroll expenses	4.B	(14,936)	(22,376)
Net (additions to)/reversals of depreciation, amortization and provisions – Operating items		(1,135)	(1,164)
Other expenses		(768)	(652)
TOTAL OPERATING EXPENSES		**(58,066)**	**(61,775)**
NET OPERATING INCOME (LOSS)	**4**	**(14,374)**	**(20,233)**
Dividend income		169,365	135,785
Net interest expense		(33,046)	(22,345)
Net (additions to)/reversals of depreciation, amortization and provisions		(616)	(353)
Net foreign exchange gains/(losses)		(110)	(436)
FINANCIAL INCOME AND EXPENSES	**5**	**135,593**	**112,650**
NET INCOME (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX		**121,219**	**92,417**
NON-RECURRING ITEMS	**6**	**(17,065)**	**(19,967)**
Employee profit-sharing		(217)	(243)
Income taxes	7	906	861
NET INCOME FOR THE YEAR		**104,843**	**73,068**

5.2.2 Balance sheet

in thousands of euros	Notes	Gross amount	Depreciation, amortization and provisions	Net at December 31, 2023	Net at December 31, 2022
Assets					
Intangible assets		4,602	(19)	4,583	4,583
Financial assets	8	2,838,154	(42)	2,838,112	2,836,554
TOTAL FIXED ASSETS		**2,842,756**	**(61)**	**2,842,694**	**2,841,137**
Prepayments to suppliers		44	-	44	45
Trade receivables	9	26,101	(319)	25,782	19,975
Other receivables	9	297,383	-	297,383	164,074
Marketable securities	10	6,967	-	6,967	23,762
Prepaid expenses		2,371	-	2,371	1,885
TOTAL CURRENT ASSETS		**332,866**	**(319)**	**332,547**	**209,742**
Other assets	11	3,556	-	3,556	2,094
TOTAL ASSETS		**3,179,178**	**(380)**	**3,178,798**	**3,052,972**

in thousands of euros	Notes	December 31, 2023	December 31, 2022
Liabilities			
Share capital		43,753	43,753
Additional paid-in capital		1,681,486	1,681,486
Legal reserve		4,411	4,411
Regulated reserves		0	0
Retained earnings		67,698	86,310
NET INCOME FOR THE YEAR		**104,843**	**73,068**
Regulated provisions		5,953	5,953
TOTAL EQUITY	**12**	**1,908,144**	**1,894,982**
PROVISIONS FOR CONTINGENCIES AND CHARGES	**13**	**23,204**	**24,044**
Convertible bonds		-	-
Other bonds	14 & 15	620,342	533,910
Other borrowings and debt	14 & 15	489,995	475,395
Trade payables	15	19,775	17,033
Other payables	15	117,337	107,609
TOTAL LIABILITIES		**1,247,450**	**1,133,947**
Unrealized foreign exchange gains		-	-
TOTAL EQUITY AND LIABILITIES		**3,178,798**	**3,052,972**

5.2.3 Notes to the corporate financial statements

Detailed summary of the notes

The notes below constitute the notes to the balance sheet, presented before distribution, for the fiscal year ended December 31, 2023, which totaled 3,178,798 thousand euros and to the income statement for the fiscal year presented in list form. The 12-month fiscal year, covering the period from January 1 to December 31, 2023, generated a profit of 104,843 thousand euros.

The tables in these notes are presented rounded to the nearest thousand.

Note 1. The Company's business

Nexans S.A. (the "Company") is a holding company. Consequently, its business consists of managing the equity interests it holds in other companies.

Nexans is the consolidating parent company of the Nexans Group.

Note 2. Significant events

The following significant events occurred in 2023:

- on April 5, 2023, Nexans carried out a new ordinary bond issue worth 400 million euros. This five-year fixed-rate issue carried an annual interest of 5.50%. The bonds were issued at par;
- on May 10, 2023, the Company redeemed early the 2023 bond issue with a nominal value of 325 million, the initial maturity of which was scheduled for August 8, 2023;
- on February 7, 2023, Nexans negotiated a confirmed credit facility for 325 million euros, reduced in April 2023 to 200 million euros, to ensure the Group's liquidity and cover the refinancing of bonds maturing in 2023 and 2024. In the event of a drawdown, the maximum maturity of this finance will be August 7, 2025;
- Nexans extended the maturity of its 800 million euro multi-currency syndicated loan by one year, changing the maturity of its credit facility initially scheduled for October 25, 2027, to October 25, 2028. Nexans has an extension option for an additional year;
- during the financial year, Nexans acquired 80,856 of its own shares as part of the buyback programs implemented by the Board of Directors to meet the obligations arising from the free share and performance plans (see Note 12.C);
- on March 19, 2023, 253,400 free shares and performance shares were vested at the expiration of the acquisition periods for Plan no. 19 (see Note 12.C);
- on October 31, 2023, the Nexans group completed the sale of its Telecom Systems business to Syntagma Capital, a private equity fund based in Belgium.
- Nexans recognized the proceeds from the sale of intellectual property rights related to this transaction for 2,700 thousand euros in its financial statements. In return for the price and in accordance with the terms of the contract, the buyer was granted a loan of 1,575 thousand euros by the Company.

Note 3. Summary of significant accounting policies

A. General principles

The corporate financial statements have been prepared in accordance with the general conventions prescribed by ANC Regulation no. 2014-03 dated June 5, 2014 for the French chart of accounts and the other regulations applicable on the date the financial statements were drawn up.

The balance sheet and the income statement at December 31, 2023 have been prepared on a going concern basis in accordance with French generally accepted accounting principles, including the principles of prudence, consistent application of accounting policies from one year to the next and segregation of accounting periods.

Assets and liabilities have been measured according to the historical cost convention.

The main accounting policies applied are described below.

B. Intangible assets

This item includes:

- "software", which is measured at historical cost and amortized on a straight-line basis over three years;
- acquired trademarks.

Their amortization period corresponds to that of their legal protection.

Trademarks subject to legal protection for an indefinite period of time are not amortized.

C. Financial assets

SHARES IN SUBSIDIARIES AND AFFILIATES

The gross value of these shares recognized in the balance sheet prior to December 31, 2006 corresponds to their purchase price (excluding incidental expenses) or their transfer value.

Shares in subsidiaries and affiliates acquired as from January 1, 2007 are stated at their purchase price plus any directly attributable transaction expenses, in accordance with the option available under CRC standard 2004-06.

An impairment loss is booked when the carrying amount of these interests exceeds their fair value. Fair value is determined on the basis of value in use, which corresponds to the amount that the Company would be prepared to pay for the subsidiary or affiliate in the event of an acquisition. The following factors may be used for estimating the value in use: actual and projected earnings, equity, the entity's business outlook, the economic environment, the entity's average share price for the most recent month, *etc.*

SHARE ACQUISITION COSTS

Share acquisition costs incurred subsequent to December 31, 2006 and included in the cost of the shares are deducted for tax purposes through excess tax depreciation recorded over a period of five years (Article 209-VII of the French General Tax Code).

D. Trade receivables

Trade receivables are stated at nominal value. An impairment loss is recorded when it is doubtful that the receivable will be collected.

E. Receivables, payables and cash and cash equivalents denominated in foreign currencies

Receivables and payables denominated in foreign currencies are translated into euros at the exchange rate prevailing at the year-end:

- hedged foreign currency receivables and payables do not have any impact on the income statement due to the symmetric revaluation of the currency hedges (see below). In accordance with the principle of prudence, a provision is recorded for unrealized foreign exchange losses that are not hedged. Unrealized foreign exchange gains have no impact on the income statement;
- gains and losses arising on the translation of unhedged foreign currency receivables and payables are recorded in the balance sheet under "Unrealized foreign exchange gains" or "Unrealized foreign exchange losses".

Cash and cash equivalents and cash pooling current accounts denominated in foreign currencies are translated into euros at the year-end exchange rate and any resulting foreign exchange gains or losses are recognized in the income statement.

F. Treasury stock

Nexans buys back its own shares under shareholder authorizations given to the Board of Directors.

The shares are recognized and measured at the year-end based on the purpose for which they are being held:

- shares that are not allocated to any specific purpose are initially recognized in "Other financial assets" at cost. At the period-end, a provision for impairment is recorded if their carrying amount is greater than their market value as determined based on the average Nexans share price for the month of December;
- shares held for allocation to certain employees and executive officers of the Group are recognized under "Marketable securities";
- shares available for allocation to employees but not reserved for any specific share-based payment plan are initially measured at cost. At the period-end, a provision for impairment is recorded if the carrying amount is greater than their market value as determined based on the average Nexans share price for the month of December;
- shares reserved for a specific share-based payment plan are recognized in "Marketable securities" and are measured at cost if they are allocated at the outset to the plan or, if they are allocated to the plan subsequent to their acquisition, at their net book value on the reclassification date. In accordance with CRC Regulation no. 2014-03 dated June 5, 2014, a provision for charges is recorded in liabilities for these shares due to the commitment to allocate them to employees.

G. Financial instruments

Nexans manages market risks – primarily arising from changes in exchange rates – by using derivative financial instruments, notably currency swaps. These instruments are used solely for hedging purposes.

Gains and losses on the hedging instruments are accounted for in the income statement on a symmetrical basis with the losses or gains on the underlying hedged items. At the balance sheet date, unrealized gains are recorded in "Other receivables" and unrealized losses are included in "Other liabilities".

H. Additional paid-in capital

Costs incurred on the issue of shares are charged against additional paid-in capital. If the share issue premium is not sufficient to offset all of these costs, the surplus is recorded as an expense in the income statement.

I. Provisions for contingencies and charges

Provisions are recognized when Nexans S.A. has a present legal or constructive obligation resulting from a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably measured.

J. Debt issuance costs

Debt issuance costs are recorded under deferred charges on the assets side of the balance sheet and amortized over the life of the debt using the straight-line method.

Note 4. Net operating income (loss)

After taking into account rebillings to subsidiaries, the Company reported a net operating loss of 14,374 thousand euros, primarily corresponding to headquarters expenses, commissions and brokerage fees, depreciation, amortization and provisions, and various consulting fees.

A. Sales

Nexans' 2023 sales came to 41,094 thousand euros, and primarily related to the invoicing of services provided to Group entities.

B. Payroll expenses

Payroll expenses include employees' gross salaries and related payroll taxes payable by the Company, as well as the net book value of shares allocated to Company employees under free share plans, if any.

HEADCOUNT

At December 31, 2023, the Company had an average headcount of 7.67 people (including the two corporate officers).

MANAGEMENT COMPENSATION

The total amount of compensation (including benefits-in-kind) paid to the Chairman of the Board of Directors and the Chief Executive Officer in 2023 was 2,459 thousand euros.

In addition, under the compensation plans 28,000 free shares were allocated to Christopher Guérin. Their final cost was approximately 2,998 thousand euros.

The members of the Board of Directors and the censors received an aggregate of 768 thousand euros in compensation for their attendance in meetings and services to the Board in 2023 (gross amount before social security deductions and withholding taxes). This amount was recorded in the "Other expenses" line of the income statement.

COMMITMENTS GIVEN TO EMPLOYEES

The Company has put in place pension and other post-employment benefit plans for its employees.

At December 31, 2023, the present value of its obligation under these plans, net of plan assets, was 1,104 thousand euros, which was recorded off-balance sheet.

As compensation for an undertaking not to exercise any business that would compete either directly or indirectly with any of the Company's businesses for a period of two years from the end of his term of office as Chief Executive Officer, Christopher Guérin will receive a non-compete indemnity, regardless of the cause of termination of his duties. Said indemnity will be paid in 24 equal and successive monthly installments and will equal one year of his fixed and variable compensation, *i.e.* 12 times the amount of his most recent monthly compensation (fixed portion) plus the corresponding percentage of his bonus. The Board could decide to impose a non-competition obligation on the Chief Executive Officer for a period shorter than two years. In such a case, the non-competition indemnity would be reduced *pro rata temporis*.

If he were to be removed from his position as Chief Executive Officer, he would be entitled to payment of a termination indemnity representing two years' worth of his total fixed and variable compensation. This indemnity would be subject to actual performance in relation to the objectives applicable to his target annual variable compensation being at least equal to 80% of said objectives on average over the three years preceding his removal.

Note 5. Financial income and expenses

The Company recorded net financial income of 135,593 thousand euros, mainly reflecting:

- dividends received from subsidiaries for a total amount of 169,365 thousand euros;
- proceeds from the compensation of cash pooling advances in current accounts for 8,892 thousand euros;
- 26,115 thousand euros in interest expenses on the Company's bonds (see Note 14.A);
- interest expenses for the loan from the European Investment Bank for 3,860 thousand euros;
- interest expenses on issues of negotiable securities (NEU CP) for 12,003 thousand euros.

Note 6. Net non-recurring items

At December 31, 2023, the non-recurring items consisted mainly of:

- a net expense related to free share allocation plans of 15,713 thousand euros;
- an allocation to provisions for contingencies and charges related to third-party litigation or claims for 2,500 thousand euros;
- a transactional indemnity to be paid to Comscope for non-compliance with the cross-licensing agreement in the amount of 1,700 thousand US dollars (1,538 thousand euros);
- proceeds from the sale of intellectual property rights for 2,700 thousand euros.

Note 7. Income taxes

in thousands of euros	Net income (loss) from ordinary activities	Non-recurring items and employee profit sharing	Other tax effects	TOTAL
PRE-TAX INCOME	**121,219**	**(17,282)**	**-**	**103,937**
Income taxes				
• at the standard rate	-	-	1,036	1,036
• gain/(loss) from tax consolidation	-	-	(131)	(131)
INCOME TAXES	**-**	**-**	**906**	**906**
NET INCOME	**121,219**	**(17,282)**	**906**	**104,843**

A. Comments

At December 31, 2023, Nexans recognized an income tax expense mainly comprising a net tax consolidation expense of 131 thousand euros.

The 1,036 thousand euros recorded under "Other tax effects" correspond to research tax credits.

B. Tax consolidation

Nexans S.A. has entered into a tax consolidation agreement with its French subsidiaries in which it directly or indirectly holds an interest of more than 95%. This agreement, which came into force for the first time on January 1, 2002, was signed pursuant to the option taken by Nexans to opt for French tax consolidation in accordance with Articles 223-A *et seq.* of the French General Tax Code.

The option is automatically renewable for a period of five years, with the current period expiring on December 31, 2026. For every taxation period, the contribution of each subsidiary to the corporate income tax payable on the consolidated net income of the tax group corresponds to the corporate income tax and other contributions for which each subsidiary would have been liable if it had been taxed on a stand-alone basis.

In accordance with the provisions of the tax consolidation agreement, the tax savings realized as a result of the tax losses of subsidiaries, which could be passed back to those subsidiaries if they return to profit, are recognized in "Other liabilities" in the balance sheet (see Note 15).

As part of the tax consolidation agreement under which Nexans is liable for the global tax charge, a tax loss was recorded at the year-end. The cumulative tax losses at December 31, 2023, represent an unrecognized tax asset of 264,142 thousand euros.

Expenses and charges not deductible from Nexans' taxable income, as referred to in Article 39-4 of the French General Tax Code, incurred in respect of the 2023 fiscal year amounted to 5 thousand euros.

C. Deferred taxes

No deferred taxes are recognized in the corporate financial statements. Deferred tax assets arise from expenses that will be deductible for tax purposes in future periods, or the carryforward of unused tax losses which will reduce the Company's tax base in future periods. Deferred tax liabilities arise from expenses deducted in advance for tax purposes, or from income that will be taxable in future periods and will therefore increase the Company's future tax base.

Considering only the tax entity, the temporary differences that generated future tax receivables are mainly tax loss carryforwards, which amounted to 689,333 thousand euros at December 31, 2023, *i.e.* a future estimated tax saving of 178,065 thousand euros at the rate of 25.83% (rate used for deferred taxes).

The main reductions in the future tax debt excluding tax loss carryforwards, expressed at the rate of 25.83%, represented 8,338 thousand at December 31, 2023 and are linked to the unlimited carry forward of non-deductible financial expenses (Article 212 *bis* of the French General Tax Code).

Note 8. Financial assets

	Gross values				Net values	
in thousands of euros	December 31, 2022	Increase	Decrease	December 31, 2023	December 31, 2022	December 31, 2023
Shares in subsidiaries and affiliates	2,829,833	-	-	2,829,833	2,829,833	2,829,833
Loans	-	1,616	-	1,616	-	1,616
Other financial assets						
• Treasury stock	2,392	86,348	(86,565)	2,174	2,392	2,132
• Other non-current receivables	4,322	86,557	(86,348)	4,531	4,322	4,531
• Security deposits	7	-	(7)	-	7	-
TOTAL FINANCIAL ASSETS	**2,836,554**	**172,905**	**(172,921)**	**2,838,154**	**2,836,554**	**2,838,112**

A. Shares in subsidiaries and affiliates

The composition of the "Shares in subsidiaries and affiliates" item is detailed in the table of subsidiaries and affiliates in Note 16.G. The impairment methods for securities are described in Note 3.

MOVEMENTS DURING THE YEAR

The Company did not make any significant purchases or sales of shares in subsidiaries or affiliates during the fiscal year.

IMPAIRMENT TESTS

The company performed an impairment test on the investment's shares of its subsidiaries. No new impairment was booked.

B. Loans

As part of the sale by the Group of its Telecom Systems business, Nexans granted the buyer a loan for a nominal amount of 1,575 thousand euros for a period of five years.

C. Other financial assets

In April 2021, the Company signed a liquidity contract with an investment service provider, ODDO BHF SCA, which is tasked with carrying out daily share purchase and sale transactions in order to create a liquid market in Nexans shares and stabilize the share price or avoid price fluctuations that are out of step with the market.

Transactions carried out by the investment service provider on behalf of the Company are recorded under "Other financial assets":

- shares are recorded under "Treasury stock" at their acquisition cost; they are written down when the average share price for the month of December is lower than their carrying amount;
- the balance of the cash account is recorded in "Other non-current receivables".

The resources allocated to the liquidity account amount to 6,000 thousand euros.

During 2023, the transactions under the liquidity contract consisted of cumulative acquisitions of 1,089,538 shares the same amount of cumulative sales, *i.e.* 1,089,538 shares, generating a net loss on treasury shares of 8 thousand euros.

At December 31, 2023, Nexans held 27,951 treasury shares under the liquidity contract, acquired at a total cost of 2,174 thousand euros.

The average price of Nexans shares in December 2023 was 76.28 euros. As a result, an impairment loss of 42 thousand euros was recognized in the 2023 financial statements.

At December 31, the cash held in the ODDO BHF SCA account totaled 4,531 thousand euros.

Note 9. Receivables by maturity

At December 31, *in thousands of euros*	2023				2022
	Gross amount	O/w accrued income	Due within one year	Due beyond one year	Gross amount
LOANS & FIXED ASSET RECEIVABLES	**6,147**	**40**	**4,531**	**1,616**	**4,329**
PREPAYMENTS TO SUPPLIERS	**44**	**-**	**44**	**-**	**45**
TRADE RECEIVABLES	**26,101**	**12,999**	**26,101**	**-**	**20,294**
OTHER RECEIVABLES	**297,383**	**-**	**283,294**	**14,089**	**164,074**
• Employee-related receivables and prepaid payroll costs	-	-	-	-	3
• Prepaid and recoverable income taxes	18,685	-	4,596	14,089	19,068
• Accrued VAT	5,123	-	5,123	-	4,171
• Group and associates: tax consolidation	1,089	-	1,089	-	2,891
• Group and associates: cash pooling current accounts[a]	272,389	-	272,389	-	137,845
• Other debtors	97	-	97	-	97
PREPAID EXPENSES	**2,371**	**-**	**2,371**	**-**	**1,885**

(a) *The cash pooling agreements put in place are open-ended agreements.*

Detail of "Loans" and "Other fixed asset receivables" is provided in Note 8 above.

- At December 31, 2023 and 2022, "Trade receivables" corresponded solely to intra-group receivables. At December 31, 2023, impairment losses of 319 thousand euros were recorded in "Trade receivables", reducing their net book value to 25,782 thousand euros. At the end of the previous fiscal year, the net book value of "Trade receivables" amounted to 19,975 thousand euros.
- "Other receivables due beyond one year" correspond to tax credits due to entities in the tax group headed by the Company (see Note 7). These consist mainly of CIR research tax credits designed to improve French companies' competitiveness. They are considered to be receivable beyond one year because the probability that they will be offset against tax payable by the tax group in 2023 is low.
- The "Prepaid expenses" item includes interest deducted from negotiable debt securities (NEU CP) not due at December 31, 2023, for 2,138 thousand euros.

Note 10. Marketable securities

At December 31, 2023 and 2022, "Marketable securities" corresponded to Nexans shares acquired under the buyback programs authorized by the Shareholders' Meeting (see Note 12.C).

Note 11. Other assets

in thousands of euros	Net amounts at January 1, 2023	Increases	Additions to provisions for impairment	Net amounts at December 31, 2023
Debt issuance costs	2,094	2,598	(1,135)	3,556
Unrealized foreign exchange losses	-	-	-	-
TOTAL	**2,094**	**2,598**	**(1,135)**	**3,556**

Debt issuance costs are amortized on a straight-line basis over the life of the debt.

Expenses recorded during the fiscal year are mainly related to the 2023-2028 bond issue (2,498 thousand euros).

Note 12. Equity

A. Composition of share capital

At December 31, 2023, Nexans' share capital comprised 43,753,380 shares, each with a par value of 1 (one) euro. All of these shares are fully paid up, in the same class and carry the same rights.

There are no founder's shares or other rights of participation in profits.

B. Changes in equity

in thousands of euros	Share capital	Additional paid-in capital	Legal reserve	Retained earnings	Net income for the year	Regulated provisions	Total equity
At December 31, 2022 (before appropriation of net income)	**43,753**	**1,681,486**	**4,411**	**86,310**	**73,068**	**5,953**	**1,894,982**
Appropriation of 2022 net income	-	-	-	73,068	(73,068)	-	-
Dividends paid	-	-	-	(91,681)	-	-	(91,681)
Net income for 2023	-	-	-	-	104,843	-	104,843
AT DECEMBER 31, 2023 (BEFORE APPROPRIATION OF NET INCOME)	**43,753**	**1,681,486**	**4,411**	**67,698**	**104,843**	**5,953**	**1,908,144**

Regulated provisions comprise excess tax amortization of share acquisition costs that are included in the cost of the related investments.

C. Treasury stock

At December 31, 2023, the Company held 119,858 treasury shares (0.27% of the share capital), including 27,951 shares purchased under the liquidity contract. Consequently, the number of shares outstanding at that date was 43,633,522.

LIQUIDITY CONTRACT

At December 31, 2023, Nexans held 27,951 treasury shares under the liquidity contract, recorded under "Other financial assets", and valued at 2,132 thousand euros (see Note 8).

Since May 3, 2021, the Company has entrusted ODDO BHF SCA with the management of its shares under a liquidity and market surveillance contract. The implementation of the liquidity contract complies with the regulations of the French Financial Markets Authority (Autorité des marchés financiers – AMF), in particular AMF decision no. 2021-01 of June 22, 2021. Between January 1 and December 31, 2023, the Company carried out the following transactions under the liquidity contract:

- 6,318 purchases, totaling 1,089,538 shares at an average price of 79.25 euros, for a total amount of 86,348 thousand euros; and
- 6,523 sales, totaling 1,089,538 shares at an average price of 79.44 euros, for a total amount of 86,557 thousand euros.

FREE SHARE PLAN

- At December 31, 2023, the Company held 91,907 treasury shares, intended to be used for long-term compensation plans maturing in 2024. They are recorded under "Marketable securities" at their book value on the day of their allocation to Plan no. 20, which was 6,967 thousand euros.

At December 31, 2022, the Company held 264,451 treasury shares intended for allocation under its free share and performance share plans. These shares were recorded under "Marketable securities" at cost, for 23,769 thousand euros.

- After noting that the vesting period for free and performance shares granted under Plan no. 19 had expired, at its meeting on March 16, 2023, the Board of Directors confirmed its decision to deliver the 253,400 vested free shares out of treasury stock.

The net book value of the shares thus allocated to this plan was estimated at 22,124 thousand euros.

At December 31, 2022, the cost associated with this plan was estimated at 23,963 thousand euros.

- The vesting of free shares and performance shares by the beneficiaries of Plan no. 20 will take place in March 2024. A provision of 20,623 thousand euros for expenses associated with the cost of this plan was recognized in the financial statements at December 31, 2023.

SHARE BUYBACK PROGRAMS

- On September 26, 2023, the Board of Directors decided to implement a new share buyback program authorized at the Shareholders' Meeting of May 11, 2023, with the following main characteristics: i) option to buy 275,000 shares at a maximum purchase price of 140 euros; ii) the objective of the share buyback program is to meet the obligations arising from the free share and performance share plans for employees and corporate officers.

Under this decision, in September 2023, Nexans acquired 45,000 shares for a total cost of 3,382 thousand euros.

- On May 11, 2022, the Board of Directors decided to implement a share buyback program to meet the obligations arising from the free share and performance share plans for employees and corporate officers. In this context, 254,144 shares had been bought back at December 2022, for a value of 22,922 thousand euros.

In January 2023, Nexans continued this program and acquired 35,856 of its own shares for a total amount of 3,218 thousand euros.

D. Distribution

The Shareholders' Meeting will be asked to decide on the distribution of a dividend of 2.30 euro per share. The total amount of the proposed dividend would be 100,633 thousand euros based on the 43,753,380 shares constituting the share capital at December 31, 2023.

If the Company holds any treasury shares at the time the dividend is paid, the amount corresponding to unpaid dividends on these shares will be allocated to retained earnings.

The Combined Shareholders' Meeting of May 11, 2023, called to approve the financial statements for the year ended December 31, 2022, authorized the payment of a dividend of 2.10 euro per share – representing a total of 91,682 thousand euros – which was paid out on May 17, 2023.

Note 13. Provisions for contingencies and charges

At December 31, 2023, this item mainly included a provision to cover the cost of long-term compensation plans expiring in 2024. This expense was valued at 20,623 thousand euros (23,963 thousand euros at December 31, 2022).

Note 14. Financial liabilities

A. Ordinary bonds

The Company's borrowings and debt are primarily made up of bonds, which can be analyzed as follows:

	Issue date	Maturity date	Nominal[(a)]	Interest rate	Accrued interest at December 31, 2023[(a)]	Total bond debt recognized in the balance sheet at December 31, 2023[(a)]	Interest expense for 2023[(a)]
CONVERTIBLE BONDS	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
OTHER BONDS							
Ordinary bonds maturing in 2023	08/08/2018	08/08/2023	325,000	3.75%	-	-	4,341
Ordinary bonds maturing in 2024	04/05/2017	04/05/2024	200,000	2.75%	4,068	204,068	5,500
Ordinary bonds maturing in 2028	04/05/2023	04/05/2028	400,000	5.50%	16,274	416,274	16,274
TOTAL ORDINARY BONDS					**20,342**	**620,342**	**26,115**

(a) Amounts in thousands of euros.

All of the bonds in the above table are redeemable at face value at maturity.

At December 31, 2023, ordinary bonds amounted to 620,342 thousand euros, including accrued interest (533,910 thousand euros at December 31, 2022).

During the fiscal year, the Company undertook:

- the early repayment on May 10, 2023, of the 2023 ordinary bond with a nominal value of 325 million euros, whose initial maturity was scheduled for August 8, 2023;

the issue, on April 5, 2023, of a new ordinary bond worth 400 million euros carrying an annual interest of 5.50%. This loan, issued at par and repayable on April 5, 2028, is the first sustainability bond and is part of the Nexans Group's "Sustainable Financing Framework".

B. Other borrowings and debt

The other borrowings and financial liabilities include:

- on October 6, 2021, the European Investment Bank (EIB) granted Nexans a loan facility in the amount of 200 million euros, intended to promote its active participation in the global energy transition and its commitment to contribute to achieving carbon neutrality by 2030.

On April 5, 2022, Nexans drew down the entire financing line, *i.e.* an amount of 200 million euros. The loan, repayable at maturity, has a maturity of five years and carries a fixed-rate annual interest of 1.93%.

Accrued interest not yet due amounted to 2,895 thousand euros at December 31, 2023;

- Negotiable European Commercial Paper:

The Company has a program to issue short-term negotiable securities (NEU CP), up to a maximum of 600 million euros, of which 287,100 thousand euros were outstanding at December 31, 2023 (272,500 thousand euros at December 31, 2022).

C. Covenants

- To ensure its liquidity and be able to cover, if necessary, the refinancing of the bond issues maturing in 2023 and 2024, on February 7, 2023, the Group signed a confirmed financing line for 325 million euros, reduced to 200 million euros from April 24, 2023. This financing line was not used during the financial year.

In the event of a drawdown, the maximum maturity will be August 7, 2025.

- At December 31, 2023, Nexans and its subsidiaries also had an unused confirmed medium-term credit facility in the amount of 800 million euros. The maturity initially scheduled for October 25, 2027, has been extended by one year until October 25, 2028.

Nexans has a one-year extension option, which can extend the final maturity of the syndicated loan to October 25, 2029.

As part of these financing lines and the EIB loan, Nexans undertakes to comply with a financial debt/equity ratio (<1.20) and a maximum financial debt/EBITDA ratio (<3.2). These ratios are calculated based on consolidated data.

If any of the covenants were breached, the syndicated credit facility, the confirmed financing line or the European Investment Bank (EIB) loan facility would become unavailable and any drawdowns would be repayable, either immediately or after a contractual cure period depending on the nature of the breach.

The syndicated loan agreement and the European Investment Bank (EIB) loan contain standard covenants (negative pledge, cross default, *pari passu* and change of control clauses), which, if breached, could accelerate repayment of the syndicated loan or the bond debt.

These ratios were within the specified limits at both December 31, 2023, and at the date the Board of Directors approved the financial statements.

Note 15. Liabilities by maturity

	2023					2022
At December 31, *in thousands of euros*	Amount	O/w accrued expenses	Due within one year	Due between one and five years	Due beyond five years	Amount
OTHER BONDS	**620,342**	**20,342**	**220,342**	**400,000**	**-**	**533,910**
OTHER BORROWINGS AND DEBT	**489,995**	**2,895**	**289,995**	**200,000**	**-**	**475,395**
TRADE PAYABLES	**19,775**	**18,598**	**19,775**	**-**	**-**	**17,033**
OTHER PAYABLES[A]	**117,337**	**8,174**	**107,536**	**9,801**	**-**	**107,609**
• Employee-related receivables and prepaid payroll costs	6,980	6,193	6,980	-	-	7,060
• Accrued VAT	1,769	-	1,769	-	-	1,526
• Other accrued taxes	401	126	401	-	-	438
• Tax consolidation suspense account[b]	92,744	-	92,744	-	-	81,763
• Group and associates: tax consolidation	13,584	-	3,783	9,801	-	15,726
• Other liabilities	1,859	1,855	1,859	-	-	1,096

(a) *The other liabilities due beyond one year comprise amounts payable to members of the tax consolidation group. These amounts correspond to tax credits (notably CIR) that have a low probability of being offset against taxes payable in 2024.*

(b) *Tax losses of subsidiaries in the tax consolidation group that may have to be returned to those subsidiaries in subsequent years.*

Note 16. Miscellaneous information

A. Allocation of free shares and performance shares

At December 31, 2023, there were 1,325,345 free shares and performance shares outstanding, each entitling their owner to one share, representing 3.03% of the share capital (1,331,425 shares outstanding at December 31, 2022, representing 3.04% of the share capital).

In 2022, 352,750 rights to free and performance shares were granted and 253,400 free shares or performance shares were delivered to the beneficiaries at the end of the vesting periods for Plan no. 19 (see Note 12.C).

The free share and performance share rights outstanding at December 31, 2023 can be analyzed as follows:

Grant date	Number of shares originally granted	Number of shares outstanding at the year-end	End of vesting period
03/19/2019	319,700	-	03/19/2023
03/17/2020	340,650	281,100	03/17/2024
03/18/2021	333,145	282,505	03/18/2025
09/30/2021	100,000	90,200	03/17/2025
11/08/2021	2,750	2,750	11/08/2025
03/17/2022	348,765	315,030	03/17/2026
10/25/2022	10,100	10,100	03/17/2026
03/16/2023	346,730	337,660	03/16/2027
10/24/2023	6,000	6,000	03/16/2027
TOTAL SHARE RIGHTS OUTSTANDING		**1,325,345**	

Change in granted free shares and performance shares

FREE SHARES THAT HAD NOT YET BEEN VESTED OR WERE SUBJECT TO A LOCK UP AT THE BEGINNING OF THE YEAR	**1,331,425**
Shares granted during the year[(a)]	352,730
Shares vested during the year	(253,400)
Shares canceled during the year	(105,410)
FREE SHARES THAT HAD NOT YET BEEN VESTED OR WERE SUBJECT TO A LOCK UP AT THE YEAR-END	**1,325,345**

(a) Free shares and performance shares, assuming performance target is met.

The vesting conditions applicable to the performance shares are based both on Nexans' financial performance and its share performance.

B. Related parties – Related companies

Related party transactions concern subsidiaries and associates and are carried out on arm's length terms. They are entered into under normal and current conditions.

The principal information concerning related companies is provided in the list of subsidiaries and affiliates (see Note 16.G).

In 2022, no new agreements representing material amounts were entered into on non-arm's length terms with related parties within the meaning of Article R.123-199-1 of the French Commercial Code.

C. Off-balance sheet commitments

RECIPROCAL COMMITMENTS

None.

COMMITMENTS GIVEN

- The Company has granted parent company guarantees covering the contractual obligations of certain subsidiaries, amounting to 3,155 million euros at December 31, 2023 (excluding the commitments described below related to syndicated loans).
- When the Group's syndicated credit facility was set up, Nexans undertook to guarantee the commitments given by Nexans Financial and Trading Services to the banking pool concerned. This guarantee represented a maximum amount of 880 million euros.
- In October 2023, as part of the sale of the "Telecom System" business, Nexans and some of its European subsidiaries granted liability guarantees. These guarantees have a general maximum amount of 5 million euros, for a period ranging from eighteen months to a maximum of five years. Exceptionally, the guarantee on environmental liabilities is extended to seven years. Declared litigations or risks related to claims in progress are subject to a specific maximum of 4 million euros.

COMMITMENTS RECEIVED

- Confirmed financing line confirmed with a maximum maturity of August 7, 2025: 200 million euros.
- Unused syndicated credit facility expiring on October 25, 2028: 800 million euros.

D. Fees paid to the Statutory Auditors

The total fees paid to the Statutory Auditors recorded in the income statement for 2023, for each Statutory Auditor, can be broken down as follows:

in thousands of euros	Audit of the corporate financial statements	Audit of the consolidated financial statements	Other non audit-related services[(a)]	TOTAL
Mazars 61 rue Henri Regnault, 92075 Paris La Défense	15	304	128	447
PricewaterhouseCoopers Audit 63 rue de Villiers, 92208 Neuilly-sur-Seine	15	300	106	421
TOTAL	**30**	**604**	**234**	**868**

(a) Services primarily linked to the verifications carried out by a potential purchaser or investor before the transaction.

E. Subsequent events

AGREEMENT FOR THE ACQUISITION OF LA TRIVINETA CAVI

On February 9, 2024, Nexans signed a major agreement for the acquisition of La Triveneta. Based in Italy and present in 30 countries, this emblematic company is renowned for its excellence in the European medium- and low-voltage cable markets. Triveneta Cavi mainly produces low-voltage cables for the construction, infrastructure, flame-retardant cable system and renewable energy sectors. The company employs around 700 people and has recorded annual sales of more than 800 million euros over the last twelve months.

Financing was secured by a bridge-to-bond agreement signed on February 8, 2024. The transaction will be financed through debt. The financing of the acquisition will have a limited impact on the net debt to adjusted EBITDA ratio, thus allowing the Group to maintain strong credit indicators. After financing the transaction, the net debt to adjusted EBITDA ratio will not exceed 1.0x.

Completion of the transaction is subject to regulatory approvals and customary closing conditions.

No other significant event has occurred since December 31, 2023.

F. Other information

On April 7, 2014, Nexans France SAS and the Company were notified of the European Commission's decision, which found that Nexans France SAS had participated directly in an infringement of European antitrust legislation in the submarine and underground high-voltage power cable sector. The Company was held jointly liable for the payment of a portion of the fine imposed on Nexans France SAS by the European Commission.

In early July 2014, Nexans France SAS paid 70.6 million euro fine imposed on it by the European Commission.

Nexans France SAS and the Company appealed the European Commission's decision to the General Court of the European Union. The appeal was dismissed on July 12, 2018. Nexans France SAS and the Company appealed the General Court's judgment before the European Court of Justice, which, in turn, dismissed the appeal on July 16, 2020.

In April 2019, certain Group entities received claims from customers filed before the courts in the United-Kingdom, the Netherlands and Italy against Nexans and other defendants.

In the United-Kingdom, Prysmian is one of the main defendants in certain antitrust damages claims initiated by National Grid and Scottish Power in 2015. Contribution claims have been brought by Prysmian against Nexans France SAS and the Company in these cases. Prysmian and the other main defendants have now reached a settlement with National Grid and Scottish Power.

In April 2017, Vattenfall initiated a claim for alleged antitrust damages against Prysmian and NKT before the High Court in London. On June 12, 2020, Nexans France SAS and the Company were notified of a contribution claim brought by Prysmian. Following a transfer from the High Court, to the UK Competition Tribunal, NKT reached a settlement with Vattenfall. Vattenfall's claim against Prysmian and Prysmian's contribution claim against Nexans France SAS and the Company remain pending.

In May 2022 an application for a collective proceedings order was lodged in the UK before the Competition Appeal Tribunal (CAT) seeking authorization to bring an action for damages on behalf of certain individuals against Nexans, Prysmian and NKT. The prospective claim is based on the European Commission's 2014 "Power Cables" decision. A hearing before the CAT will decide whether to grant the application is scheduled for April 2024, such approval being required before any claim can proceed. The claimant has secured financing from a professional third-party litigation funder. As part of its assessment the CAT will scrutinize the funding agreement to determine, inter alia, whether the proposed defendants' costs would be sufficiently covered in the event that the claimant is unsuccessful in the claim.

In July 2022, London Array Limited and others filed a lawsuit with the CAT against Nexans France SAS and the Company, on the basis of the European Commission's decision. Nexans France SAS and the Company are working on their defense; a first hearing is scheduled for April 2025.

Italian company Terna S.p.A. launched an antitrust damages claim before the Court of Milan. Nexans Italia filed a defense on October 24, 2019, focusing on Nexans Italia's lack of standing to be sued. On February 3, 2020, the judge ruled Terna's claim to be null for lack of clarity. Terna has since supplemented its claim and the case is ongoing. A final outcome is not expected before the end of 2024.

The claim in Netherlands was made jointly by Electricity & Water Authority of Bahrain, Gulf Cooperation Council Interconnection Authority, Kuwait Ministry of Electricity and Water and Oman Electricity Transmission Company, against certain companies of the Prysmian Group and its former shareholders, and companies in the Nexans Group and ABB Group. This action has been brought before the Court of Amsterdam. On December 18, 2019, Nexans and other defendants filed a motion contesting jurisdiction. The court issued its judgment on November 25, 2020, declaring itself incompetent with regard to the claims against the non-Dutch defendants, including the non-Dutch subsidiaries of the Company. The court also ordered the claimants to pay the costs of the proceedings. The claimants appealed this ruling and the matter has since been referred to the European Court of Justice for a ruling.

Investigations carried out by the American, Japanese, New Zealand and Canadian authorities in the high-voltage power cable sector were closed without sanctions. During investigations led by the Australian antitrust authority (ACCC), the Australian courts dismissed ACCC's case and refused to sanction Nexans and its Australian subsidiary in the high-voltage power cable sector in a case pertaining to the sale of low- and medium-voltage cables.

Investigation in Brazil by the General Superintendence of the antitrust authority "CADE" in the high-voltage power cable sector was concluded on February 11, 2019. On April 15, 2020, the Administrative Tribunal of CADE condemned the Company, together with other cable manufacturers. The Company has paid the 1 million euro (BRL equivalent) fine and has appealed the decision. The case is ongoing.

Investigation by the antitrust authority in South Korea ("KFTC") in the high-voltage power cable sector has not been officially closed but Nexans understands that the statute of limitations should be considered expired.

Nexans' local Korean subsidiaries have cooperated with the KFTC in investigations initiated between 2013 and 2015 in businesses other than the high-voltage. As a result, full leniency (zero fine) has been granted by KFTC in 15 cases, and for two other cases the Korean subsidiaries were granted a 20% reduction of fines and were ordered to pay the KFTC a total of approx. 850,000 euros. All such investigations are now closed, and the risks associated with the majority of claims brought by customers in connection with them are now all closed.

On November 24, 2017, in Spain, Nexans Iberia and the Company (in its capacity as Nexans Iberia's parent company) were notified of a decision by the Spanish competition authority ("CNMC"), which found that Nexans Iberia had participated directly in an infringement of Spanish competition laws in the low and medium voltage cable sectors. The Company was held jointly liable for the payment of part of the fine levied on Nexans Iberia by the CNMC. In early January 2018, Nexans Iberia settled the 1.3 million euro fine levied by the CNMC. Nexans Iberia and the Company have appealed the CNMC's decision. On May 29, 2023, the Court of Appeal's decision was rendered in favor of Nexans. The Spanish Court ruled that a single and continuous infringement of the rules of competition law, during the period from 2002 to 2013, could not be proved. Nexans Iberia and the Company appealed the decision.

On July 27, 2020, Nexans Iberia was served with a claim filed by Iberdrola before the Commerce Court of Barcelona, on the basis on the CNMC's decision (which also sanctioned one of Iberdrola's subsidiaries). Iberdrola is seeking a total of 9.4 million euros in damages from all the defendants, including Prysmian and several local Spanish producers. Nexans Iberia has filed defense arguments and the case is pending.

During the first semester of 2022, four additional claims were files by Spanish claimants against Nexans Iberia on the basis of the CNMC decision in the low/medium voltage case. Nexans Iberia's sales to such claimants, if any, are non-substantial and Nexans is litigating these claims for which two are pending the appeal judgment against the CNMC decision and two have been re-instated in January and March 2023 respectively.

On January 20 and May 10, 2022, the German Federal Cartel Office (FCO) carried out searches at three of Nexans' sites in Germany. The searches are part of an investigation on cable manufacturers concerning alleged coordination of industry-standard metal surcharges in Germany. The FCO also conducted inspections at the premises of other companies in Germany. Nexans won its appeal against these visits, but the investigation is still ongoing.

More recently, on January 30, 2024, the Competition Authority conducted searches on three Nexans France sites as part of an investigation into the energy cable distribution sector in the French Overseas Territories.

As consistently communicated by the Company in the past, unfavorable outcomes for antitrust proceedings and/or investigations as well as the associated consequences could have a material adverse effect on the results and thus the financial position of the Group.

G. List of subsidiaries and affiliates

At December 31, 2023	Share capital	Equity (excluding capital)[c]	Ownership %	Dividends received	Gross value of securities	Net value of securities	Sales[c]	Net income[c]
Company name	*(in thousands of currency units)*	*(in thousands of currency units)*	%	*(in thousands of euros)*	*(in thousands of euros)*	*(in thousands of euros)*	*(in thousands of currency units)*	*(in thousands of currency units)*
A – Detailed information on subsidiaries and affiliates with a gross value in excess of 1% of Nexans' share capital								
1) Subsidiaries (over 50% owned)								
NEXANS France Paris – France (SIREN: 428 593 230)	130,000	(75,617)	100	-	567,400	567,400	1,799,652	(11,891)
NEXANS PARTICIPATIONS Paris – France (SIREN: 314 613 431)	418,110	1,699,373	100	159,160	2,048,264	2,048,264	5,280	272,095
INVERCABLE S.A.[a]	82,400	125,738	100	10,006	194,948	194,948	-	20,052
Santiago – Chili								
2) Investments (10% to 50% owned)								
NEXANS KOREA[b]	17,125,879	71,585,131	35.53	-	16,940	16,940	258,674,427	11,207,574
Chungcheongbuk – Korea								

(a) Amount in thousands of US dollars: 1 US dollar = 0.90498 euros at 12/31/2023.
(b) Amount in thousands of Korean won: 1,000 Korean won = 0.6975 euros at 12/31/2023.
(c) Provisional data as these companies' financial statements had not yet been formally approved.

Guarantees given by the Company with respect to its subsidiaries are described in the note on off-balance sheet commitments.

5.2.4 Company's financial results for the last five fiscal years

	2023	2022	2021	2020	2019
I – Share capital at the end of the fiscal year					
a) Share capital *(in thousands of euros)*	43,753	43,753	43,756	43,756	43,606
b) Number of shares issued	43,753,380	43,753,380	43,755,627	43,755,627	43,606,320
II – Results of operations *(in thousands of euros)*					
a) Sales before taxes	41,094	39,869	28,637	25,296	27,902
b) Income before tax, employee profit-sharing, depreciation, amortization and provisions	105,066	97,931	52,249	16,252	21,236
c) Income taxes credit	906	861	21,764	462	686
d) Employee profit-sharing due for the fiscal year	(217)	(243)	(81)	(161)	(215)
e) Income after tax, employee profit-sharing, depreciation, amortization and provisions	104,843	73,068	51,030	14,070	23,441
f) Dividends	100,633[(a)]	91,681	52,004	30,611	-
III – Income per share *(in euros)*					
a) Income after tax and employee profit-sharing but before depreciation, amortization and provisions	2.42	2.25	1.19	0.37	0.50
b) Income after tax, employee profit-sharing, depreciation, amortization and provisions	2.40	1.67	1.17	0.32	0.54
c) Dividend per share	2.30	2.10	1.20	0.70	-
IV – Personnel					
a) Average headcount during the year *(in number of employees)*	5.67	6	6	7	8
b) Total fiscal year payroll *(in thousands of euros)*	4,071	4,295	5,364	6,868	6,098
c) Total amount paid for employee benefits during the fiscal year *(in thousands of euros)*	1,629	1,718	2,146	2,289	2,033

(a) Based on the number of shares constituting the share capital as of December 31, 2023.

5.2.5 Statutory auditors' report on the financial statements

For the year ended December 31st, 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of Nexans,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Nexans for the year ended December 31st, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31st, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Accounts, Audit and Risk Committee.

Basis for Opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors Responsibilities for the Audit of the Financial Statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of ethics (code de déontologie) for statutory auditors for the period from January 1st, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

VALUATION OF SHARES IN SUBSIDIARIES AND AFFILIATES

Description of the risk

At December 31st, 2023, the carrying amount of the Company's shares in subsidiaries and affiliates amounted to €2,838 million.

The value in use of shares in subsidiaries and affiliates is assessed by the Company's management on the basis of various criteria that may correspond, depending on the situation, to historical or forecast data. As indicated in Notes 3C and 8 to the financial statements, an impairment loss is booked when the fair value of these shares, which is based on their value in use, falls below their carrying amount. The company performed an impairment test on the investment's shares of its subsidiaries. This test didn't lead to the recognition of any additional impairment.

We deemed the valuation of shares in subsidiaries and affiliates to be a key audit matter due to their significance in the Company's financial statements and to the level of judgment required from management to determine and assess the value in use of each share.

How our audit addressed this risk

As part of our audit of the financial statements, our work mainly consisted in:

- examining the valuation undertaken by the Company, the methods used and the underlying assumptions;
- assessing the recoverable amount on the basis of the factors used in the estimate of value in use: actual and projected earnings, equity, the entity's business outlook, the economic environment, and the entity's average share price for the most recent month;
- assessing the appropriateness of the related disclosures in notes 3C, 8 and 16G of the financial statements.

ANTITRUST INVESTIGATIONS AND DISPUTES

Description of the risk

In the same way as all other industrial players, in view of the Company's wide geographic reach, it is required to comply with numerous national and regional laws and regulations, notably concerning commercial, customs and tax matters. In particular, the Company is involved in antitrust investigations and disputes as described in Note 16F to the financial statements, which notably describes the antitrust investigations initiated against the Company.

As indicated in Note 3I to the financial statements, provisions are recognized when the Company has a present obligation resulting from a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

We deemed this issue to be a key audit matter given the significance of the antitrust investigations and disputes and the level of judgment required from management to determine these provisions in multiple and constantly changing regulatory environments.

How our audit addressed this risk

As part of our audit of the financial statements, our work mainly consisted in:

- evaluating the procedures implemented by the Company to identify and list all antitrust investigations and disputes;
- carrying out interviews with the Company's Legal Department in order to obtain an understanding of the risks, as well as of the status of antitrust proceedings and investigations;
- assessing the factors used by the Company to determine the risks and provisions recognized at the end of the reporting period to cover the financial consequences (direct and indirect) of these disputes, with particular attention paid to the opinions of the Company's legal advisors;
- verifying that the significant risks and disputes identified during the implementation of these procedures are described appropriately in Note 16.F to the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS WITH RESPECT TO THE FINANCIAL POSITION AND THE FINANCIAL STATEMENTS PROVIDED TO SHAREHOLDERS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors.

In accordance with French law, we report to you that the information relating to payment times referred to in Article D. 441-6 of the French Commercial Code (Code de commerce) is fairly presented and consistent with the financial statements.

REPORT ON CORPORATE GOUVERNANCE

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L. 22-10-10 et L.22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (Code de commerce), we have verified their compliance with the source documents communicated to us. Based on these procedures, we have no observation to make on this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

FORMAT OF PRESENTATION OF THE FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17th December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

APPOINTMENT OF THE STATUTOTY AUDITORS

We were appointed as statutory auditors of Nexans by the Shareholder's meetings held on May 15th, 2006 for PricewaterhouseCoopers Audit and on May 5th, 2015 for Mazars.

As at December 31st, 2023, PricewaterhouseCoopers Audit and Mazars were in the 18th and 9th consecutive year of their engagement, respectively.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Accounts, Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT TO THE ACCOUNTS, AUDIT AND RISK COMMITTEE

We submit a report to the Accounts, Audit and Risk Committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Accounts, Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Accounts, Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Accounts, Audit and Risk Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors, on March 21, 2024

Mazars
Paris-La Défense, electronically signed document
Juliette Decoux
Partner

PricewaterhouseCoopers Audit
Neuilly-sur-Seine, electronically signed document
Edouard Demarcq
Partner

5.3 Account control

Statutory Auditors

Mazars

(Regional Company of Auditors of Paris)

Tour Exaltis, 61, rue Henri Régnault,
92075 Paris-La Défense Cedex,

represented by Juliette Decoux-Guillemot

Date of appointment: May 12, 2021

Term of office expires: AGM 2027

PricewaterhouseCoopers Audit

(Regional Company of Auditors of Versailles)

63, rue de Villiers,
92208 Neuilly-sur-Seine Cedex

represented by Édouard Demarcq

Date of appointment: May 17, 2018

Term of office expires: AGM 2024

Deputy Statutory Auditors

Cabinet CBA

Tour Exaltis, 61, rue Henri Régnault,
92075 Paris-La Défense Cedex

Date of appointment: May 12, 2021

Term of office expires: AGM 2027

Patrice Morot

63, rue de Villiers,
92208 Neuilly-sur-Seine Cedex

Date of appointment: May 17, 2018

Term of office expires: AGM 2024

Fees paid to the Statutory Auditors by Nexans at december 31, 2023

	Mazars				PricewaterhouseCoopers Audit			
	Amount (excl. Taxes)		Percentage		Amount (excl. Taxes)		Percentage	
in thousands of euros	2023	2022	2023	2022	2023	2022	2023	2022
Audit services – Certification and review of individual and consolidated financial statements								
Parent company	320	320	16%	17%	315	300	13%	14%
Fully consolidated companies	1,560	1,500	77%	78%	1,767	1,733	74%	78%
SUB-TOTAL	**1,880**	**1,820**	**93%**	**95%**	**2,082**	**2,033**	**87%**	**92%**
Other non-audit related services								
Parent company	129	64	6%	3%	106	50	5%	2%
Fully consolidated companies	11	41	1%	2%	200	129	8%	6%
SUB-TOTAL	**139**	**105**	**7%**	**5%**	**305**	**179**	**13%**	**8%**
TOTAL	**2,019**	**1,925**	**100%**	**100%**	**2,387**	**2,212**	**100%**	**100%**

06

Information about the share capital and ownership structure

06

6.1 Stock market data

Nexans is listed on Euronext Paris (Compartment A)

Deferred settlement service

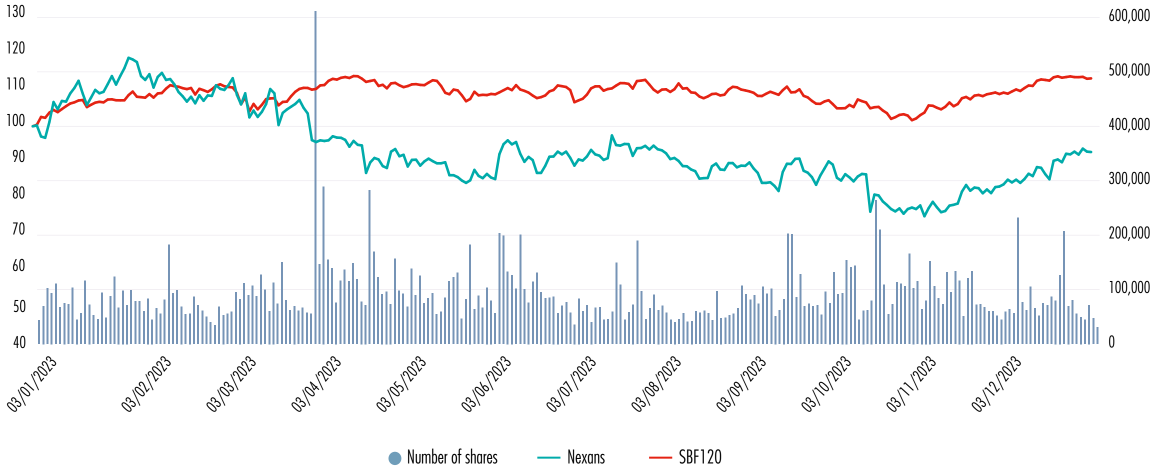
ISIN code FR0000044448

Par value: 1 euro

Indices: SBF 120, NEXT 150, CAC MID & SMALL, CAC MID 60, CAC INDUSTRIALS, CAC SBT 1.5°

SHARE PERFORMANCE

(100 basis from January 3 to December 31, 2023)



PER SHARE DATA

In euros (except ratios)	2023	2022	2021
Net assets [a]	39.11	37.76	33.07
Basic earnings/(loss) per share [b]	5.08	5.64	3.76
Diluted earnings/(loss) per share [c]	4.92	5.47	3.66
PER [d]	7.70	6.69	8.80
Net dividend [e]	2.30	2.10	1.20
Dividend yields [d]	2.90%	2.49%	1.16%

(a) Equity attributable to owners of the parent divided by the number of shares outstanding at December 31.
(b) Based on the weighted average number of shares outstanding.
(c) Earnings/(loss) per share if all securities carrying rights to the Company's ordinary shares are exercised, thereby increasing the total number of shares outstanding.
(d) Based on the December 31 share price.
(e) At the Annual Shareholders' Meeting of May 16, 2024, the Board of Directors will recommend a dividend payment of 2.30 euros per share for 2023.

STOCK MARKET DATA

Share price in euros (except percentages)	2023	2022	2021
High	102.90	101.70	92.70
Low	62.50	69.15	59.40
End-of-year closing price	79.25	84.45	85.85
Change over the year	-6.16%	-1.63%	44.89%
Change in the SBF 120 over the year	15.26%	-10.32%	24.78%
Change in the CAC 40 over the year	16.52%	-9.60%	27.41%
MARKET CAPITALIZATION AT 12/31 (MILLIONS OF EUROS)	**3,467**	**3,695**	**3,756**
Average daily trading volume (number of shares)	91,290	79,805	60,377
Number of shares in issue at 12/31	43,753,380	43,753,380	43,755,627
SHARE TURNOVER [c]	**0.21%**	**0.18%**	**0.14%**

(a) Daily average over the year.

6.2 Share capital

At December 31, 2023, the Company's share capital stood at 43,753,380 euros, fully paid-up and divided into 43,753,380 shares with a par value of one (1) euro each.

Each of the Company's shares carries one voting right.

6.2.1 Estimated breakdown of share capital and voting rights at December 31, 2023

6.2.1.1 Table of changes in the Company's share capital over the last five years

Date	Transaction	Number of shares issued/canceled	Nominal amount of the transaction	Total amount of share capital *(in euros)* and number of shares
January 28, 2019	Capital increase following the conversion of OCEANE bonds	1,406	1,406	43,606,320
November 13, 2020	Share capital increase reserved for employees	499,621	499,621	44,105,941
December 17, 2020	Capital reduction via cancellation of shares	350,314	350,314	43,755,627
July 26, 2022	Share capital increase reserved for employees	497,753	497,753	44,253,380
July 26, 2022	Capital reduction via cancellation of shares	500,000	500,000	43,753,380

6.2.1.2 Potential share capital at December 31, 2023

At December 31, 2023, the following securities carried rights to the Company's shares:

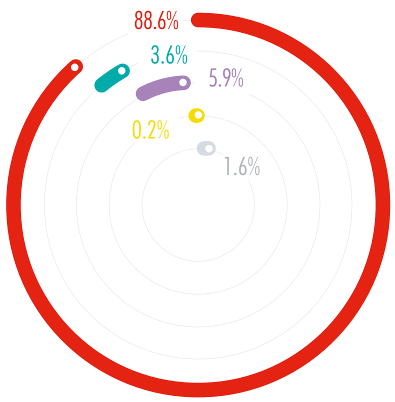
1) the 1,156,265 free shares subject to performance conditions (maximum performance achievement) granted to employees and corporate officers, or to some of them, and not yet fully vested, representing approximately 2.64% of the Company's share capital at December 31, 2023;

2) the 169,080 free shares not subject to performance conditions granted to employees and corporate officers and not yet fully vested, representing approximately 0.39% of the Company's share capital at December 31, 2023.

At December 31, 2023 there were no other securities carrying rights, directly or indirectly, to the Company's share capital.

The potential share capital (existing capital plus any securities likely to carry rights to the Company's shares) represented approximately 103.03% of the Company's share capital at December 31, 2023.

6.2.1.3 Estimated distribution of share capital and voting rights (1) at December 31, 2023



- Institutional investors: 88.6%, 38,770,816 shares:
  Invexans (Quiñenco group. Chile): 19.2%, 8,407,276 shares
  Baillie Gifford & Company LTD (United Kingdom, 7.1%, 3,123,400 shares)
  Bpifrance Participations (France): 7.7%, 3,363,546 shares
- Employees: 3.6%, 1,583,664 shares
- Private investors: 5.9%, 2,588,279 shares
- Treasury shares: 0.2%, 91,907 shares
- Others: 1.6%, 718,714 shares

As the Company's ownership structure changes frequently, the above breakdown is not necessarily representative of the situation at the date this Universal Registration Document was published.

At December 31, 2023, the corporate officers owned approximately 7.9% (2) of the Company's share capital.

To the best of the Company's knowledge, at December 31, 2023, no shareholder other than those cited above held more than 5% of the share capital.

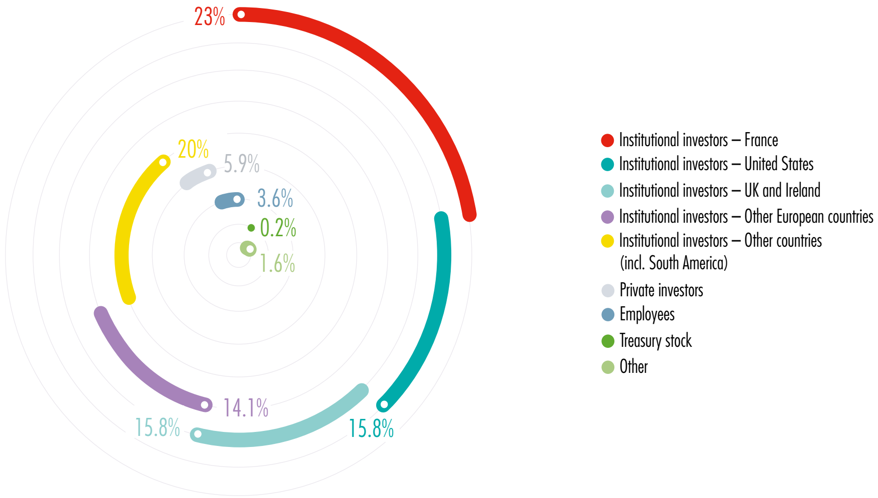
Nexans is not aware of the existence of any individual or legal entity that, directly or indirectly, acting alone or in concert, exercises control over its share capital, nor of any agreement that, if implemented, could trigger a change of control of the Company.

(1) For resolutions in Extraordinary Shareholders' Meetings that relate to major structural transactions (such as mergers and significant capital increases), no single shareholder may exercise voting rights representing more than 20% of the total voting rights of shareholders present or represented at the meeting concerned (see Article 21 of the Company's bylaws).

(2) Includes the shares held by Bpifrance Participations.

6.2.2 Estimated ownership structure by geographic area

At December 31, 2023, the estimated ownership structure by geographic area was as follows:



6.2.3 Legal threshold disclosures filed in 2023

On April 5, 2023, Invexans Limited declared to the French Financial Markets Authority (*Autorité des marchés financiers* - AMF) that it had crossed the 20% and 25% thresholds of the Company's capital and voting rights. On that date, Invexans Limited declared that it held 8,177,416 shares in the Company representing the same number of voting rights, i.e. 18.69% of the share capital.

6.2.4 Changes in Nexans' ownership structure over the last three years

	Estimated situation at December 31, 2021			Estimated situation at December 31, 2022			**Estimated situation at December 31, 2023**		
Shareholders	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	**Number of shares**	**% capital**	**% voting rights**
Institutional investors	40,856,960	93.38	93.38	40,435,460	92.42	92.42	38,770,816	88.61	88.61
Employees	1,409,929	3.22	3.22	1,762,286	4.03	4.03	1,583,664	3.62	3.62
Private investors	1,365,258	3.12	3.12	1,211,894	2.74	2.74	2,588,279	5.92	5.92
Treasury shares [(a)]	90,821	0.21	0.21	292,402	0.67	0.67	91,907	0.21	0.21
Other	32,659	0.07	0.07	51,338	0.15	0.15	718,714	1.64	1.64

(a) Excluding liquidity contract.

6.3 Employee share ownership

The proportion of the share capital owned by the current and former employees, calculated in accordance with Article L.225-102 of the French Commercial Code (*Code de commerce*), was 3.62% at December 31, 2023, i.e. 1,583,664 shares, versus 4.03% at December 31, 2022.

6.4 Shareholders' Meetings

6.4.1 Meetings

Nexans' shareholders are called to Shareholders' Meetings and vote in accordance with the applicable legal provisions and the Company's bylaws.

Information on Shareholders' Meetings and the procedures for exercising voting rights is provided in Articles 20 (Shareholders' Meetings) and 21 (Voting Rights) of Nexans' bylaws, which can be viewed on Nexans' website (www.nexans.com, Corporate Governance section) and is set out in section 4.4.3.1 of this Document.

At the Combined Shareholders' Meeting held on November 10, 2011, the "one-share-one-vote rule" was adopted to replace the double voting rights attached to shares owned by a single shareholder for more than two years.

At the same meeting, shareholders raised the 8% limit on each shareholder's total voting rights in a Shareholders' Meeting to 20%, applicable only to decisions made at Extraordinary Shareholders' Meetings on major transactions affecting the structure of the Group. This limit prevents any single major shareholder from having a right to veto strategic decisions and is therefore in the interest of all shareholders. At the Combined Shareholders' Meeting held on May 15, 2014, Article 21 of the bylaws was amended to stipulate that the automatic double voting rights provided for by the French law to regulate the real economy, enacted on March 29, 2014, would not apply to Nexans.

6.4.2 2024 Shareholders' Meeting

Nexans' 2024 Annual Shareholders' Meeting will be held on May 16, 2024. The notice for the meeting – containing the agenda, information on how to participate in the meeting, the proposed resolutions and the Board of Directors' report on the resolutions – will be available on Nexans' website (www.nexans.com), under Finance and then Shareholders' Information – Shareholders' Meetings – 2024 Shareholders' Meeting.

6.5 Summary table of authorizations in force to increase the share capital and use of such authorizations during 2023

Resolutions approved at the Shareholders' Meetings of May 11, 2022 and May 11, 2023	Limit for each resolution*	Sub-limits applicable to several resolutions*	Limits applicable to several resolutions*	Use during fiscal 2023
Capital increases with and without preferential subscription rights				
Issuance of ordinary shares or securities (French ORAs, OBSAs, OCEANEs, ABSAs, ABSOs, ABSARs) with preferential subscription rights (R19 – 2023 SM), with a greenshoe option if over-subscribed (R23 – 2023 SM)	€14,000,000, i.e. 14,000,000 shares (<32% of the share capital at 12/31/2023) Money market securities = €350,000,000		€14,000,000 or 14,000,000 shares Shares or securities representing debt and granting rights to equity securities = €350,000,000	-
Issuance of ordinary shares via the capitalization of premiums, reserves or profits, or any other sum, the capitalization of which is authorized (R20 – 2023 SM)	€14,000,000, i.e. 14,000,000 shares (<32% of the share capital at 12/31/2023)			-
Issuance of ordinary shares or securities (French ORAs, OBSAs, OCEANEs, etc.) without preferential subscription rights via a public offering other than an offering governed by Article L.411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*) (R21 – 2023 SM), with a greenshoe option if over-subscribed (R23 – 2023 SM), or an issuance of ordinary shares or securities representing debt and granting rights to equity securities (French ORAs, OBSAs, OCEANEs, etc.) via a public offering governed by Article L.411-2, 1° of the French Monetary and Financial Code (private placement) (R22 – 2023 SM), with a greenshoe option if over-subscribed (R23 – 2023 SM)	€4,375,330, i.e. 4,375,330 shares (<10% of the share capital) Money market securities = €350,000,000	€4,375,330, i.e. 4,375,330 shares (<10% of the share capital)		-
Issuance of ordinary shares and securities granting rights to equity securities in consideration of tendered securities: as a method of payment for acquisitions (R24 – 2023 SM)	€4,375,330, i.e. 4,375,330 shares (<10% of the share capital)			-
Employee incentive plans				
Issuance of ordinary shares or securities granting rights to equity securities and reserved for employees who are members of company savings plans (R25 – 2023 SM)	€400,000 i.e. 400,000 shares	-		-
In the event that the above delegation is used, an issuance of ordinary shares or securities granting rights to equity securities for the benefit of a credit institution for the purpose of implementing a SAR (stock appreciation right) type alternative formula, in favor of certain foreign employees (USA, Italy, Chile, China, South Korea, Greece, Sweden) (R26 – 2023 SM)	€100,000 i.e. 100,000 shares			-
Allocation of performance shares in 2024 (R27 – 2023 SM)	€300,000 i.e. 300,000 shares			-
Allocation of free shares in 2024 (R28 – 2023 SM)	€50,000 or 50,000 shares			-
Allocation of performance shares in 2023 (R15 – 2022 SM)	€300,000 or 300,000 shares			Allocation of 297,850 performance shares on 03/16/2023 Allocation of 6,000 performance shares on 10/24/2023
Allocation of free shares in 2023 (R16 – 2022 SM)	€50,000 or 50,000 shares			Allocation of 48,880 free shares on 03/16/2023

** The maximum number of shares that may be issued corresponds to the maximum nominal amount of the capital increases that could take place as the par value of a Company share is equal to 1 euro.*

In the above table, the abbreviation "R… – 2022 SM" stands for the number of the resolution submitted for approval at the Annual Shareholders' Meeting of May 11, 2022.

In the above table, the abbreviation "R… – 2023 SM" stands for the number of the resolution submitted for approval at the Annual Shareholders' Meeting of May 11, 2023.

6.6 Share buybacks and liquidity contract

6.6.1 Share buybacks in 2023 excluding the liquidity contract

In 2023, the Company was authorized to implement share buyback programs pursuant to the resolutions to this effect approved at the Shareholders' Meetings of May 11, 2022 and May 11,2023.

At December 31, 2023, the Company held 119,858 of its own shares (0.27% of the share capital), of which 27,951 were held within the framework of the liquidity agreement.

In accordance with Articles L.22-10-62 *et seq.* of the French Commercial Code, the Shareholders' Meeting of May 11, 2022 gave the Company an 18-month authorization to buy back its own shares provided that a public offer for the Company was not in progress, for the purposes and by the methods specified in the description of the buyback program published on the Company's website. The buyback price was capped at 140 euros per share (or the equivalent on the transaction date in foreign currency) and the number of shares that could be bought back at any time under the program was capped at 10% of the Company's share capital.

At its meeting held on May 11, 2022, the Board of Directors decided to implement a share buyback program complying with the conditions set out in Article 5 of the EU Market Abuse Regulation (Regulation no. 2014/596 of April 16, 2014), for a maximum of 475,000 shares.

The first objective of the share buyback program is to meet the obligations under free share and performance share plans for employees and corporate officers, for which the maximum number of shares that may be bought back may not exceed 325,000.

The second objective of the share buyback program is to reduce the share capital in order to offset the number of shares created by the capital increase reserved for employees (Act 2022 plan), for which the maximum number of shares that may be bought back may not exceed 150,000.

The maximum amount that may be invested in the program is capped at 66.5 million euros.

In 2022, the Company repurchased 500,000 shares at a weighted average price of 84.20 euros per share, for a total cost of 42.1 million euros, allocated to the cancellation to reduce the share capital in order to offset the number of shares created by the capital increase reserved for employees of July 2022, known as the Act 2022 plan. These 500,000 shares were canceled by decision of the Board of Directors on July 26, 2022.

The Company also repurchased 254,144 shares at a weighted average price of 90.19 euros per share, for a total cost of 22.9 million euros, allocated to meeting the obligations under the free share and performance share plans for employees and executive corporate officers.

The Company has continued this program in January 2023 and has repurchased 35,856 shares for a total cost of 3.2 millions euros.

In accordance with Articles L.22-10-62 *et seq.* of the French Commercial Code, the Shareholders' Meeting of May 11, 2023 gave the Company an 18-month authorization to buy back its own shares provided that a public offer for the Company was not in progress, for the purposes and by the methods specified in the description of the buyback program published on the Company's website. The buyback price was capped at 140 euros per share (or the equivalent on the transaction date in foreign currency) and the number of shares that could be bought back at any time under the program was capped at 10% of the Company's share capital.

At its meeting held on September 26, 2023, the Board of Directors decided to implement a share buyback program complying with the conditions set out in Article 5 of the EU Market Abuse Regulation (Regulation no. 2014/596 of April 16, 2014), for a maximum of 275,000 shares.

The objective of the share buyback program is to meet the obligations under free share and performance share plans for employees and corporate officers, for which the maximum number of shares that may be bought back may not exceed 275,000.

The maximum amount that may be invested in the program is capped at 38.5 million euros.

The Company repurchased 45,000 shares at a weighted average price of 75.162 euros per share, for a total cost of 3.4 million euros, allocated to meeting the obligations under the free share and performance share plans for employees and executive corporate officers.

6.6.2 Transactions carried out in 2023 under the liquidity contract

Since May 3, 2021, the Company has entrusted ODDO BHF SCA with the management of its shares under a liquidity and market surveillance contract.

The implementation of the liquidity contract complies with the regulations of the French Financial Markets Authority (*Autorité des marchés financiers* - AMF), in particular AMF decision no. 2021-01 of June 22, 2021.

Between January 1 and December 31, 2023, the Company carried out the following transactions under the liquidity contract:

- 6,318 purchases, totaling 1,089,538 shares at an average price of 79.2517 euros, for a total amount of 86,347,761.20 euros; and
- 6,523 sales, totaling 1,089,538 shares at an average price of 79.4441 euros, for a total amount of 86,557,376.90 euros.

SUMMARY OF THE TRANSACTIONS CARRIED OUT UNDER THE LIQUIDITY CONTRACT ENTRUSTED BY NEXANS TO ODDO BHF SCA AND NATIXIS

		Amount of cash in the securities account		Number of shares		Number of transactions over the period		Average share price per transaction		Volume traded (shares)		Total volume traded (euros)	
Beginning of period	End of period	Beginning of period	End of period	Beginning of period	End of period	Purchase	Sale	Purchase	Sale	Purchase	Sale	Purchase	Sale
01/01/2023	06/30/2023	€4.32m	€2.84m	27,951	48,255	3,294	3,272	€84.49	€84.93	561,706	541,402	€47.45m	€45.98m
07/01/2023	12/31/2023	€2.84m	€4.53m	48,255	27,951	3,024	3,251	€73.67	€74.02	527,832	548,136	€38.88m	€40.57m
TOTAL 2023						**6,318**	**6,523**	**€79.25**	**€79.44**	**1,089,538**	**1,089,538**	**€86.34M**	**€86.55M**

6.6.3 Description of the share buyback program pursuant to Articles 241-1 et seq. of the General Regulations of the French Financial Markets Authority

The following description of the share buyback program to be submitted for approval at the Shareholders' Meeting of May 16, 2024 has been prepared in application of Article 241-2 of the General Regulations of the AMF.

Number of shares and percentage of the share capital held by the Company

At December 31, 2023, the Company held 119,858 of its own shares (0.27% of the share capital), of which 27,951 were held within the framework of the liquidity agreement.

Allocation of the shares held at December 31, 2023 based on the purpose for which they are acquired

The 91,907 shares held by the Company in treasury have been allocated to free share plans for eligible employees and corporate officers governed by Articles L.22-10-59 *et seq.* of the French Commercial Code.

During 2023:

- by decision of the Board of Directors on March 16, 2023, 253,400 shares were transferred to the beneficiaries of free shares and performance shares, pursuant to Long-Term Compensation Plan no. 19 of March 19, 2019.

The Company did not use any derivative instruments and did not hold any open positions.

Purposes of the shares buyback program

Subject to approval of the resolution submitted to the Shareholders' Meeting of May 16, 2024, the shares bought back under the authorization will be used to:

- grant free shares to eligible employees and corporate officers in accordance with Articles L.22-10-59 *et seq.* of the French Commercial Code (*Code de commerce*); or
- implement stock option plans governed by Articles L.22-10-56 *et seq.* of the French Commercial Code (*Code de commerce*) or any similar plan; or
- allocate or sell shares to employees in respect of their participation in the benefits of the Company's expansion, or the implementation of any company savings plan; or
- allocate or sell shares to employees under the statutory profit-sharing plan or any company savings plan under the conditions provided for by law, including Articles L.3332-1 *et seq.* of the French Labor Code (*Code du travail*) or any other employee stock ownership plan governed notably by foreign laws, and carry out any hedging transactions related to the above free share, stock option and employee stock ownership plans; or
- generally, meet any obligations associated with stock option plans or other plans for the allocation of shares to employees or corporate officers of the Company or a related company; or
- cancel all or some of the bought back shares; or
- permit an investment service provider to make a market in Nexans shares under a liquidity contract that complies with the AMF-approved ethics charter; or
- deliver shares upon exercise of rights attached to securities redeemable, convertible, exchangeable or exercisable for shares upon presentation of a warrant or otherwise; or
- deliver shares (in exchange, payment or otherwise) in connection with an acquisition, merger, demerger or capital contribution, provided that the number of shares delivered does not represent more than 5% of the share capital.

However, in the event of a takeover bid for the Company, the Board of Directors would not be authorized to implement the buyback program during the offer period, unless specifically authorized to do so by the shareholders in the Shareholders' Meeting.

Maximum share of capital, maximum number and characteristics of the shares that Nexans proposes to acquire and maximum purchase price

Subject to the approval of the Shareholders' Meeting of May 16, 2024, the Company will have the option to acquire Nexans shares (ISIN code FR0000044448) listed on the Euronext Paris regulated market (compartment A) at a maximum price of 150 euros and for a maximum total amount of 175 million euros. The maximum portion of the share capital that may be repurchased is 10% of the total number of shares comprising the Company's share capital at the time of the repurchase. The shares could be purchased, sold, exchanged or transferred at any time within the limits authorized by the laws and regulations in force on the transaction date, by any method, on- or off-market, via multilateral trading systems, transactions with systematic internalizers or over-the-counter transactions, including in the form of block trades (without any limit on the proportion of the program implemented by this method), or through a public buyback or exchange offer.

6.7 Factors likely to have an impact in the event of a public offer

In addition to the commitments given to Christopher Guérin in his capacity as Chief Executive Officer, as described in Chapter 4.6, "Compensation and benefits for executive corporate officers", certain salaried members of the Company's Executive Committee would be entitled, in the event of termination of their employment contract (for any reason other than gross negligence or serious misconduct), to an indemnity representing one year of their total gross compensation.

The following commitments contain provisions relating to a change in control of the Company:

1) the syndicated loan agreement (*Multicurrency Revolving Facility Agreement*), signed on October 25, 2022, for an amount of 800 million euros and which contains an acceleration clause that would be triggered by a change in control of the Company;
2) the loan agreement with the European Investment Bank (EIB), signed on November 25, 2021, to support its active participation in the global energy transition and its commitment to help achieve carbon neutrality by 2030, for an amount of 200 million euros and which contains an acceleration clause that would be triggered by a change in control of the Company;
3) the prospectus for the issuance of the 2.75% ordinary bonds redeemable in 2024, which provides bondholders with an early redemption option at 101% of the bonds' face value in the event of a change in control of the Company leading to a rating downgrade;
4) the prospectus for the issuance of the 5.50% Sustainability-Linked bonds redeemable in 2028, which provides bondholders with an early redemption option in the event of a change in control of the Company leading to a rating downgrade;
5) the credit facility signed on February 7, 2023 for an amount of 325 million euros, reduced to an amount of 200 million euros in April 2023, to secure the Group's liquidity and refinance bond issues maturing in 2023 and 2024 and which contains an acceleration clause that would be triggered by a change in control of the Company. This credit facility has been cancelled with the completion of the bond issuance on March 11, 2024.

6.8 Relations with the financial community

The Investor Relations Department acts as the interface between the Group and the international financial community made up of institutional investors, including socially responsible ESG (Environment, Social and Governance) investors, financial analysts and private investors. It provides real-time, clear, rigorous and transparent information to keep them informed of the Group's strategy, its positioning, its short- and medium-term financial and non-financial results and objectives.

Nexans provides several information documents to the financial community and its shareholders on its website www.nexans.com under a specific "Investors" section. It includes:

- the Universal Registration Document including the integrated report and the report on corporate governance and sustainable development, as well as the half-year financial report;
- presentations and press releases relating to financial and non-financial results;
- information for private investors;
- information relating to the Shareholders' Meeting.

6.8.1 Institutional investors

The Investor Relations Department maintains close and ongoing dialogue with the financial community. Throughout the year, it meets with investors and financial and non-financial analysts, during visits to the Group's sites, roadshows organized in Europe and North America or conferences organized by the 13 analysts covering the Company. In total, more than 500 investors or analysts were met in 2023, including a large number by the Group's management.

6.8.2 Retail investors

Nexans maintains an ongoing dialogue with retail investors who hold 5.92% of its share capital. In this respect, a "Shareholder" section is available on the Group's website. The Letter to Shareholders provides shareholders with specific information and enables them to share key moments in the Group's life: financial results, commercial successes, product launches and presentations of innovations serving customers. In addition, the Group's management and experts met several times with private investors, particularly during the Shareholders' Meeting and during site visits.

When shareholders register their shares directly with Nexans, there are no custody fees. Registered shareholders are also sent information directly about the Group, including the notice for the Shareholders' Meetings. To register your shares in pure registered form, contact Société Générale Securities Services, which services Nexans shares, at +33 (0)2 51 85 67 89, then * 122.

The team dedicated to retail investors is available by email at investor.relations@nexans.com and strives to provide a rapid response to any request for information.

6.8.3 Contact information

Nexans

Le Vinci, 4 allée de l'Arche

92070 Paris La Défense Cedex, France

Institutional investors and financial analysts

Elodie Robbe-Mouillot, VP investor relations

For any appointment request, e-mail: investor.relations@nexans.com

Private investors

For any questions relating to registered shares: Société Générale Securities Services provides services for Nexans shares (+33 (0)2 51 85 67 89, then * 122).

Société Générale Service des Titres

32 rue du Champ de Tir, BP 81236, 44312 Nantes Cedex 3, France

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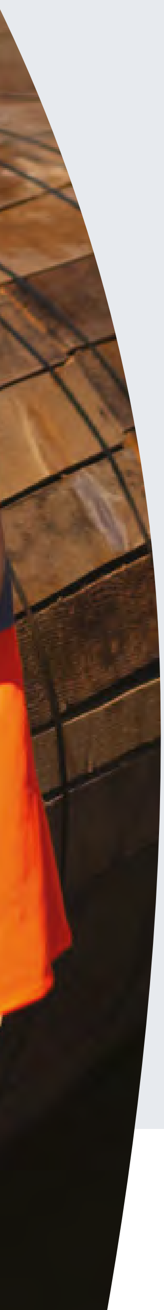
Additional information



7.1 Statement by the Person Responsible for the Universal Registration Document containing an annual financial report

Paris, March 25, 2024

I hereby declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I further declare that to the best of my knowledge, (i) the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of operations of the Company and its subsidiaries, and (ii) the Management Report provides a fair review of the business, results of operations and financial position of the Company and its subsidiaries, as well as a description of the principal risks and uncertainties to which they are exposed.

Christopher Guérin,
Chief Executive Officer

08

Concordance tables

08

8.1 Concordance table of the Universal Registration Document

To make it easier to read this document, the following concordance tables help to identify:

- the main sections in Annex 1 and 2 of Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017;
- the information included in the annual financial report and referred to in Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulations;
- the information included in the Management Report presented by the Board of Directors in accordance with the French Commercial Code;
- the information that must be reported in the Non-financial Performance Statement in accordance with the French Commercial Code.

Pursuant to Article 19 of Regulation (EU) 2017/1129 of June 14, 2017, the following information is incorporated by reference in this Universal Registration Document:

- for the year ended December 31, 2022: the consolidated financial statements and the corresponding Statutory Auditors' report for the year ended December 31, 2022, the parent company financial statements and the corresponding Statutory Auditors' report, and the financial information contained in the Management Report presented in the Universal Registration Document filed with the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) on March 17, 2023 under no. D.23-0106;
- for the year ended December 31, 2021: the consolidated financial statements and the corresponding Statutory Auditors' report for the year ended December 31, 2021, the parent company financial statements and the corresponding Statutory Auditors' report, and the financial information contained in the Management Report presented in the Universal Registration Document filed with the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) on March 25, 2022 under no. D.22-0154.

The sections of the 2021 Universal Registration Document and 2022 Universal Registration Document not included are either not applicable for investors or are covered by another section in the 2023 Universal Registration Document.

The page numbers in the table below refer to this Universal Registration Document.

CONCORDANCE TABLE OF THE UNIVERSAL REGISTRATION DOCUMENT

Sections of Annex 1 and 2 of Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017	Pages
16. MAJOR SHAREHOLDERS	
16.1 Shareholders holding more than 5% of the Company's share capital or voting rights	346
16.2 Existence of different voting rights	N/A
16.3 Issuer control	N/A
16.4 Arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	N/A
17. RELATED PARTY TRANSACTIONS	251, 308, 332
18. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
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18.2 Interim and other financial information	N/A
18.3 Auditing of historical annual financial information	317-320, 337-339
18.4 *Pro-forma* financial information	N/A
18.5 Dividend policy	56, 63, 227, 260, 287
18.6 Legal and arbitration proceedings	64, 82-84, 310-311
18.7 Significant changes in the issuer's financial or trading position	9-11, 54-56
19. ADDITIONAL INFORMATION	
19.1 Share capital	345-349
19.2 Memorandum and Articles of Association	65, 226-227
20. MATERIAL CONTRACTS	64
21. DOCUMENTS AVAILABLE	65, 356

8.2 Concordance table of the annual financial report

This Universal Registration Document contains all the information included in the annual financial report and referred to in Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulations.

The page numbers in the table below refer to this Universal Registration Document.

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Consolidated financial statements of the Nexans Group	256-316
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Statement by the person responsible for the annual financial report	356
Statutory Auditors' report on the parent company financial statements	337-339
Statutory Auditors' report on the consolidated financial statements	317-320
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8.3 Concordance table of the management report

Concordance table of the management report provided for in Articles L.22-10-34, L.232-1, II and R.225-102 *et seq.* of the French Commercial Code.

The page numbers in the table below refer to this Universal Registration Document.

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ACTIVITY REPORT	
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2. Results of the Company, its subsidiaries and the companies it controls	57-64
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4. Objective and exhaustive analysis of business trends, results and financial position, notably on debt, in light of the volume and complexity of business	57-64
5. Subsequent events	64
6. Developments and outlook	3, 9-18, 54-56
7. Research and development activities	51-53
8. Payment periods of trade payables and receivables	63
9. Description of the main risks and uncertainties	70-88
10. Financial risks associated with climate change and low-carbon strategy	75-76, 79-81
11. Internal control and risk management procedures	89-95
12. Information on the use of financial instruments	N/A
13. Investments over the past two years	64
14. Material acquisitions of equity interests in companies headquartered in France	N/A
NON FINANCIAL PERFORMANCE STATEMENT	
15. Non-financial Performance Statement	99-176
16. Key non-financial performance indicators	1, 180-187
17. Report by the appointed independent third party on the Non-financial Performance Statement	177-179
OWNERSHIP AND SHARE CAPITAL	
18. Ownership structure and changes during the year	345-349
19. Employee share ownership	155-156, 348, 350
20. Purchase and sale by the Company of its own shares	350-351
21. Description of the share buyback program	351-352
22. Names of and stakes held in controlled companies	66-67, 314-315, 336
23. Disposals of shares to adjust for cross-shareholdings	N/A
24. Dividends and other distributed income paid over the previous three years	63, 336
25. Disallowed expenses	326
26. Five-year financial summary	336
27. Injunctions or fines for anticompetitive practices	82-84, 310-311, 333-334

8.4 Concordance table of the report on corporate governance

Concordance table of the report on corporate governance provided for in Articles L.22-10-10 and L.225-37 *et seq.* of the French Commercial Code.

The page numbers in the table below refer to this Universal Registration Document.

Information on the report on corporate governance	Pages
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1. Body chosen to carry out the executive management of the Company – diversity policy among governance bodies	191-193
2. Composition, preparation conditions and organization of the Board of Directors' work	195-227
3. Board of Directors' diversity policy	194-195
4. Application of the principle of balanced representation of men and women	194-195
5. List of all the directorships and positions held in any company by each of these corporate officers during the previous year	191, 199-212
6. Restrictions on the powers of the Chief Executive Officer	222-223
7. Transactions involving the Company's shares carried out by executives and persons closely related to them	228
8. Agreements entered into between a corporate officer or shareholder holding more than 10% of the voting rights and a subsidiary	251-253
9. Summary table of authorizations in force to increase the share capital and use of such authorizations during the year	349
10. Reference to the corporate governance code applied by the Company	190
11. Factors likely to have an impact in the event of a takeover bid	352
12. Shareholders' participation at Shareholders' Meetings	226-227, 348
COMPENSATION	
13. Principles and criteria for the determination, distribution and allocation of the components of the total compensation and benefits of all kinds of Nexans executive directors	229-237
14. Fixed, variable and extraordinary components of compensation and benefits of all kinds due or granted for the previous fiscal year	238-245
15. Commitments of any kind benefiting the executives	245, 309, 329
16. Terms and conditions for the transfer of free shares allocated to executives during their terms of office	230, 250
17. Information on stock option plans for corporate officers and employees	241, 246
18. Free shares granted to corporate officers and employees	239, 241-244, 248-250

8.5 Concordance tables for the Non-Financial Performance Statement and corporate social responsibility

Concordances between Articles R.225-104 et seq. of the French Commercial Code and the GRI-G4 indicators

This Universal Registration Document contains all the information referred to in Articles R.225-104 *et seq.* of the French Commercial Code.

Obligations under Articles R. 225-104 *et seq.* of the French Commercial Code	*Global Reporting Index GRI-G4*	Pages of the Universal Registration Document
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Prevention of discrimination	G4-LA5, G4-LA6	148-150; 160
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DUTY OF CARE PLAN		
Duty of care plan		111; 158-160
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Company efforts to take into account the social and environmental consequences of its activity, as well as its societal commitments to sustainable development; strategy specifying, where necessary, the actions or initiatives implemented	G4-1, G4-2, G4-15, G4-34, G4-36, G4-37 to 42, G4-48	99-182
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Total workforce	G4-9	142; 171-172
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Organization of social dialogue	G4-11, G4-LA4	156-157
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Obligations under Articles R. 225-104 *et seq.* of the French Commercial Code	*Global Reporting Index GRI-G4*	Pages of the Universal Registration Document
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Agreements signed	G4-LA8	156-157
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f) Equal treatment		
Gender equality	G4-LA3, G4-LA12, G4-LA13	148-150; 156-157; 171-172
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Prevention of discrimination	G4-LA12, G4-HR3	148-150; 160
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a) General environmental policy		
Company organization to take environmental issues into account	G4-1	100; 113-140; 170
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Measures taken to protect or develop biodiversity	G4-EN11 to G4-EN14, G4-EN26	107-110; 119; 131-135; 136; 137-140
SOCIETAL INFORMATION		
a) Regional, economic and social impact of the activity		
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Obligations under Articles R. 225-104 *et seq.* of the French Commercial Code	*Global Reporting Index GRI-G4*	Pages of the Universal Registration Document
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c) Subcontracting and suppliers		
Integration of social and environmental issues within purchasing policy	G4-LA15, G4-EN33, G4-HR5, G4-HR9, G4-HR11	107-110; 158-160
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d) Fair practices		
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Actions taken to prevent corruption	G4-56, G4-57, G4-58, G4-SO3 to G4-SO5	107-110; 166-168
e) Promotion and compliance with the International Labour Organization's (ILO) fundamental conventions		
Respect for the right to organize and collective bargaining	G4-HR4	156-157
Elimination of discrimination in respect of employment and occupation	G4-HR3	148-150; 160
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Abolition of child labor	G4-HR5	156-157; 158-160
f) Other actions promoting human rights		
Other actions promoting human rights	G4-HR11	146-150; 158-160

CONCORDANCE TABLE OF THE GLOBAL COMPACT PRINCIPLES

This Universal Registration Document contains all the information related to the ten principles of the Global Compact, which are presented below:

Global Compact principles	Pages of the Universal Registration Document
HUMAN RIGHTS	
1. Support and respect the protection of internationally proclaimed human rights	158-160
2. Make sure that they are not complicit in human rights abuses	158-160
INTERNATIONAL LABOR STANDARDS	
3. Uphold freedom of association and respect for the right to collective bargaining	156-157
4. Contribute to the abolition of all forms of forced and compulsory labor	156-157; 158-160
5. Contribute to the abolition of child labor	156-157; 158-160
6. Contribute to the elimination of discrimination in respect of employment and occupation	146-150; 160
ENVIRONMENT	
7. Undertake a precautionary approach to environmental challenges	24-25; 120-130
8. Undertake initiatives to promote greater environmental responsibility	104-105; 120-130
9. Encourage the development and diffusion of environmentally friendly technologies	16-17; 120-130
ANTI CORRUPTION	
10. Work against corruption in all its forms, including extortion and bribery	166-168

TCFD CONCORDANCE TABLE

The following concordance table serves as a reference for the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. The TCFD is a working group focused on climate-related financial disclosures, created within the framework of the Financial Stability Board of the G20 during the COP21.

This working group built its recommendations around four themes representing the fundamental aspects of companies' functioning, including governance, strategy, risk management and measuring targets.

Theme	TCFD recommendation	Pages of the Universal Registration Document
GOVERNANCE		
Describe the organization's governance regarding climate-related risks and opportunities	**1)** Describe the Board of Directors' supervision of climate-related risks and opportunities **2)** Describe management's role in the assessment and management of climate-related risks and opportunities	100; 215-221; 221-222
STRATEGY		
Describe the existing and potential impacts of climate-related risks and opportunities on the organization's activities, its strategy and financial planning where relevant	**1)** Describe the climate-related risks and opportunities the organization has identified in the short-, medium- and long-term **2)** Describe the climate-related risks and opportunities on the organization's activities, strategy and financial planning **3)** Describe the organization's resilience, taking various climate-related scenarios into account, including a scenario of 2°C or less	105-107; 120-130
RISK MANAGEMENT		
Describe the manner in which the organization identifies, assesses and manages climate-related risks	**1)** Describe the organization's processes for identifying and assessing climate-related risks **2)** Describe the organization's processes for managing climate-related risks **3)** Describe the manner in which the processes for identifying, assessing and managing climate-related risks are integrated in the organization's risk management	127-130; 215-221; 221-222
INDICATORS & GOALS		
Describe the indicators and goals used to assess and manage climate-related risks and opportunities where relevant	**1)** Describe the indicators used by the organization to assess climate-related risks and opportunities in relation to its strategy and risk management process **2)** Publish Scope 1 and 2 greenhouse gas emissions (GHGs) and, if relevant, Scope 3 and the related risks **3)** Describe the goals used by the organization to manage climate-related risks and opportunities and its performance on these goals	105-107; 120-130

CONCORDANCE TABLE FOR THE NON-FINANCIAL PERFORMANCE STATEMENT

Type of risk	Policy	Performance indicators	Pages of the Universal Registration Document
Risks related to sustainable purchasing and conflict minerals	Sustainable purchasing	% of suppliers with a score greater than 35/100	107-110; 158-160
Risks related to compliance with regulations governing substances	Substances	Number of substances for which programs for the development of alternative or substitutive solutions are under way, among the regulated substances that have been identified and used by the sites involved	107-110;131-135
Risks related to workplace safety	Workplace safety	Workplace accident frequency rate Workplace accident severity rate	107-110; 143-146
Risks related to attracting and retaining talent	Human Resources	Managerial positions filled internally Percentage of women managers Women in top management positions	107-110; 151-155
Risks related to environmental pollution	Pollution and climate change	% of EHP/ISO14001-certified sites	107-110; 131-135
Compliance risks	Compliance Program	Managers having signed the Compliance Certificate	107-110; 166-168

8.6 Glossary

Governance terms	Definitions
Adjusted Generation & Transmission backlog	See definition in Section 1.6.3.6 p. 61.
AFEP-MEDEF Code	A set of recommendations grouped together in a corporate governance code for listed companies drawn up by the French Association of Private Enterprises (Association française des entreprises privées - AFEP) and the Movement of French Enterprises (Mouvement des entreprises de France - MEDEF), after consulting the various players in the marketplace. It may be designated by issuers as their reference code pursuant to Article L.22-10-10, 4° of the French Commercial Code. The AFEP-MEDEF Code is revised and updated on a regular basis. Its latest version dates from December 2022.
AMF	Autorité des Marchés Financiers - Independent public authority whose role is to ensure that savings invested in financial instruments are protected, investors are properly informed and markets function efficiently.
Backlog	See definition in Section 1.6.3.5 p. 61.
Corporate governance	Refers to all laws, regulations, best practices, institutions and processes that govern the way the Company is managed, administered and controlled.
Dividend	The dividend is the portion of net income or reserves that is available for distribution to shareholders. The amount of the dividend is proposed by the Board of Directors and then voted on by the Annual Shareholders' Meeting after the approval of the financial statements for the previous year.
Adjusted EBITDA	See definition in Section 1.6.3.4 p. 61.
Electrification	The electrification of an area is the connection of that place to an electricity supply. For Nexans, the electrification value chain covers the connection of energy generation, distribution, transmission and usage.
EPCI	An EPCI project covers the Engineering, Procurement, Construction, and Installation scope of work to be provided by a contractor.
Free cash flow	See definition in Section 1.6.3.8 p. 61.
Free share grant	Operation whereby the Company grants free shares to certain employees, without any performance conditions. To vest, free shares are subject to a condition of continued employment.
Leverage ratio	Average of last two published net debt to Last Twelve Months EBITDA ratios
Net financial debt	See definition in Section 1.6.3.10 p. 62.
Normalized cash conversion ratio (NCRR)	See definition in Section 1.6.3.9 p. 62.
Normalized free cash flow (NFCF)	See definition in Section 1.6.3.8 p. 61.
Operating margin	See definition in Section 1.6.3.3 p. 61.
Operating working capital requirement	See definition in Section 1.6.3.7 p. 61.
Organic growth	See definition in Section 1.6.3.2 p. 61.
Performance share grant	Operation whereby the Company grants free shares to certain employees and executive corporate officers, subject to continued employment and financial performance conditions set by the Board of Directors, on the recommendation of the Compensation Committee.
Pre-M&A cash flow	Before M&A and equity operations as published in the financial statements.
Return on capital employed (ROCE)	See definition in Section 1.6.3.11 p. 62.
Return on capital employed from electrification	See definition in Section 1.6.3.11 p. 62.
Sales at constant/standard metal prices	Sales at constant copper and aluminum prices are used by the Group to monitor its operational performance, because the effect of changes in non-ferrous metals prices is neutralized to show underlying business growth. Cost of sales is restated on the same basis.
Severity (of an impact)	The severity of an actual or potential negative impact is determined by its scale (i.e. how serious the impact is), scope (i.e. how widespread the impact is), and irremediable character (how hard it is to counteract or make good the resulting harm). Source: Organisation for Economic Co-operation and Development (OECD), OECD Due Diligence Guidance for Responsible Business Conduct, 2018; modified United Nations (UN), The Corporate Responsibility to Respect Human Rights: An Interpretive Guide, 2012.

Governance terms	Definitions
Share buyback program	A program carried out by the Company, on the decision of the Board of Directors, to buy back its own shares, up to a maximum number of shares not exceeding 10% of the total number of shares comprising the Company's share capital on the date the program was launched. The terms of the program are decided by the Shareholders' Meeting.
Share capital	Total amount of property or securities contributed to the Company by the shareholders. At December 31, 2023, the Company's share capital stood at 43,753,380 euros, divided into 43,753,380 shares with a par value of one (1) euro each, all fully paid up.
SHIFT performance	SHIFT Performance is an analytics management method designed by Nexans to improve the product-customer fit and margin profile of the Company.
Stakeholder	Individual or group that has an interest that is affected or could be affected by the organization's activities Source: Organisation for Economic Co-operation and Development (OECD), OECD Due Diligence Guidance for Responsible Business Conduct, 2018; modified Examples: business partners, civil society organizations, consumers, customers, employees and other workers, governments, local communities, non-governmental organizations, shareholders and other investors, suppliers, trade unions, vulnerable groups.
Standard sales	See definition in Section 1.6.3.1 p. 61.
Sustainable development/sustainability	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Source: World Commission on Environment and Development, Our Common Future, 1987, Brundtland Report.
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 internal and temporary workers

For further information

Nexans' corporate and financial publications may be accessed directly at www.nexans.com or may be requested from:

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