INTEGRATED REPORT 2017

TRANSITIONS

LEADING THE ENERGY & INFORMATION TRANSITIONS

Nexans

BRINGS ENERGY TO LIFE

Contents

Two fundamental transitions will underpin the future of the cabling industry: energy and information. Nexans plans to be at the forefront of this transformation, leading the charge

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MESSAGE FROM OUR CEO

Delivering on the dual transition

In a rapidly transforming world that is increasingly reliant on information and energy, 2017 has seen Nexans position itself to become a leader in advanced cabling and connectivity solutions. By providing critical links that underpin social life and economic development, we are actively shaping tomorrow's society, able to meet the challenges of the dual energy and information transition. These shifts will be the drivers of our future.

Our Nexans in Motion plan has enabled us to return to profitability over the past three years. Determined to capitalize on this and be in step with societal and environmental developments, we carried out an in-depth analysis of the global megatrends that are affecting our business activities today. These include the energy transition and skyrocketing data transmission.

We are in a strong position to continue to develop solutions that rise to the challenge of these megatrends. We will build on our strengths in high-potential markets, such as industry, and accelerate our growth in telecoms, data centers, and high-voltage cabling. Furthermore, we will leverage our strong position in the building market and further extend our offer.

As our first integrated report, Transitions reflects our commitment to creating value not just in the short and medium terms but also in the long run. It illustrates our desire to look beyond cables to creating life links that are essential to building a sustainable and vibrant society. We do so with integrity and we are accountable to all global stakeholders because a heightened sense of corporate social responsibility forms an integral part of our business strategy. ●

"By providing critical links that underpin social life and economic development in a rapidly changing world, we are actively shaping tomorrow's society."
Arnaud Poupart-Lafarge,
Chief Executive Officer

AMBITION

We bring energy and information to life

Nexans is critical link for society in a world undergoing constant transformation. We link people and put ideas into action to build the future. We connect industry to society and we uphold our duties with the utmost integrity. Our heightened sense of corporate social responsibility forms an integral part of our business strategy to the benefit of all stakeholders and the community.

OUR PURPOSE

LIFE LINK
Our purpose is to support development and social contacts through essential links. Without us, there can be no communities, exchanges, communications, energy or modern life

OUR MISSION

BEYOND CABLES
Our systems deliver energy and data, building the essential link that transports information and power to everyone, everywhere

OUR EXPERTISE

CABLE MAKER
By producing cables developed through 120 years of constant innovation, we are the material link at the heart of the industry

Our employees are dedicated to maintaining the highest standards of ethics, human rights, respect for the environment and for each other

PROFILE

A global player in the cable industry linking people, ideas and the future

Cables make up a hidden network powering everything around us. Millions of homes, hospitals and businesses are powered every day by Nexans' high-quality sustainable cabling solutions. We work behind the scenes, delivering the innovative services and resilient products that carry thousands of watts of energy and terabytes of data around the world. With over 120 years of experience we drive a safer, smarter and more efficient future.

34 COUNTRIES WITH NEXANS MANUFACTURING SITES, **ON ALL CONTINENTS**

WORLDWIDE
COMMERCIAL PRESENCE

IN FIGURES

6.4
NEXANS TURNOVER IN BILLIONS OF EUROS

26,000
EMPLOYEES

TOP 50
NEXANS RANKS AMONG THE TOP 50 MOST INNOVATIVE COMPANIES IN FRANCE

ACTIVITIES

Building & Territories
covering the following markets: Building, Smart Cities / Smart Grids, E-mobility, Local infrastructure, Decentralized energy systems, Rural electrification

High Voltage & Projects
including the following markets: Offshore wind farms, Submarine interconnections, Land high voltage, Smart solutions for Oil & Gas (Direct Electrical Heating, subsea heating cables)

Telecom & Data
covering the following segments: Data transmission (submarine, fiber, FTTx), Telecom network, Hyperscale data centers, LAN cabling solutions

Industry & Solutions
including the following segments: Transportation, Automation, Renewables, Resources (Oil & Gas, mining), High-tech (nuclear, medical)

FAST TRANSITIONS

Challenges to succeeding in the energy and information transitions

MEGATRENDS IMPACTING CUSTOMERS p.10

THE ESSENTIAL LINK FOR THE ENERGY AND DATA REVOLUTION p.12

GLOBAL CHALLENGES

Megatrends impacting customers

In early 2017, the executive management team launched an in-depth study of the major trends that will impact our business and customers by 2030. As a result of strategic dialogs with a large panel of internal and external stakeholders, Nexans identified 30 global trends in our rapidly transforming world, including seven key megatrends that require the anticipation of all possible risks and careful analysis of future opportunities.

ENERGY REVOLUTION

28%

Share of renewables in energy production in 2030 (vs. 13% in 2015)[1]

Challenges & Opportunities:

- Diversification of energy sources
- Evolving regulations & public policies
- Transforming energy networks & storage solutions (smart grids)
- Decreasing energy production costs

DIGITAL & DATA

x2

More digital data exchanged every 2 years[2]

Challenges & Opportunities:

- Skyrocketing data volumes and growing need for data transmission capacities
- Need to leverage data to improve customer experience and business performance
- Innovation outpacing existing skill sets
- Growing digital divide

GLOBAL MOBILITY

1.8 billion

International tourist arrivals by 2030 (up from 940 million in 2010)[3]

Challenges & Opportunities:

- Rising demand for transportation and growing popularity of e-mobility
- Increasing congestion and pollution
- New mobility concepts, e.g. car-sharing, car-pooling, etc.
- New transportation infrastructure

LOW COST & PREMIUM POLARIZATION

x2

Share of solutions in industrial revenues by 2030[2]

Challenges & Opportunities:

- Increasing price pressure and acceleration of commoditization
- Growing margins in premium markets
- Rapid development of new, emerging markets

CHANGING BALANCE OF ECONOMIC POWER

x2

GDP share of emerging BRIC[4] countries in 2030 (vs. 18% in 2012)[2]

Challenges & Opportunities:

- Increased competition in niche markets
- Access to rapidly developing emerging markets
- Need to reinforce competitiveness through innovation in mature markets

SMART DEVICES & INFRASTRUCTURES

+30%

Annual growth of smart grids[1]

Challenges & Opportunities:

- Rapid proliferation of smart solutions for buildings, cities, manufacturing, healthcare and transportation
- Global growth in the number of mobile and connected devices
- Growing need for hybrid energy and data cables

URBANIZATION & DENSIFICATION

60%

Global population living in cities by 2030 (vs. 50% today)[5]

Challenges & Opportunities:

- Development of urban infrastructure
- Aging energy infrastructure
- Power grids and data networks overwhelmed by demand
- Increased pressure for lower cost solutions

(1) International Energy Agency
(2) Oliver Wyman Analysis
(3) UNWTO
(4) Brazil, Russia, India and China
(5) UN Population Fund

KEY TRANSFORMATIONS

The essential link for the energy and data revolution

Two of the megatrends have emerged as fundamental: energy and data. Today, these two trends are the key drivers of a major shift in our society. And they also have the largest impact on our business and clients.

In the 21st century, information and energy have become inextricably intertwined. With the growth of the global population, the world has an ever-increasing demand for energy. IEA[1] predicts that in some 20 years, we will need 48% more energy than today. By then, new energy infrastructures are likely to have emerged, especially as distributed energy systems go live, bringing new challenges and opportunities to the cabling industry.

As climate concerns push sustainable development to the top of the international agenda, nations will look to further improve their energy efficiency and integrate more clean energy resources while also addressing associated intermittency issues – where data will play a key role. In order to respond to consumption peaks at times when the wind is not blowing and the sun is not shining as well as to improve the efficiency of our energy use, we will increasingly rely on data regarding power production and consumption patterns.

In parallel, a data-based approach aimed at improving efficiency will continue to spread across other sectors. For many years our business has seen a rapidly growing need for hybrid cables capable of carrying both power and data. In the automation sector, for instance, cables both power industrial applications and control their processes. In the aerospace segment, super lightweight cables are used to power in-flight entertainment systems and transmit music, films or games to passengers' screens.

This proliferation of smart infrastructures and devices in all industries and all areas of our daily lives has caused global data volumes to explode. By 2021, data traffic is expected to reach over 3.3 billion terabytes annually[2], an equivalent of over 108 million years of high-definition video. New data infrastructures, including cabling solutions, will be needed to support this exponential growth in information transmission.

At Nexans, our aim is to support the global transition that is being driven by the energy and data revolution. Our new structure and the 'Paced for Growth' strategic plan are the foundations that will allow us to deliver on our promise and build the world of tomorrow, powered by Nexans' cutting-edge cabling and connectivity solutions. ●

48%
PREDICTED RISE IN THE DEMAND FOR ENERGY BY 2040[3]

3.5 BILLION
PEOPLE ESTIMATED TO HAVE BEEN ONLINE IN 2016[4]

(1) International Energy Agency
(2) Cisco, *The Zettabyte Era: Trends and Analysis*, 2017
(3) The US Energy Information Administration
(4) International Telecommunications Union

7 MEGATRENDS

- ENERGY REVOLUTION
- DIGITAL & DATA
- GLOBAL MOBILITY
- LOW COST & PREMIUM POLARIZATION
- CHANGING BALANCE OF ECONOMIC POWER
- SMART DEVICES & INFRASTRUCTURES
- URBANIZATION & DENSIFICATION

2 DRIVERS

ENERGY

INFORMATION

Nexans

SMART TRANSITIONS

Navigating the transformation intelligently

LEADERSHIP SUPPORTING RESPONSIBLE TRANSFORMATION p.16

CAPITALIZING ON NEW OPPORTUNITIES p.20

LISTENING TO STAKEHOLDERS p.22

CREATING SHARED VALUE p.24

GOVERNANCE

Leadership supporting responsible transformation

Nexans Management Board

1. Benjamin Fitoussi
Senior Executive Vice President, MERA (Middle East Russia Africa) and Industry Solutions & Projects Business Group

With his strong customer focus, Benjamin is a fervent advocate of multicultural management. He is recognized for his ability to define and drive new business optimization strategies.

2. Dirk Steinbrink
Senior Executive Vice President, High-Voltage and Underwater Cable Business Group

As a Doctor of Engineering in Electrical Engineering in High Voltages, Dirk is known for his expertise in complex industrial projects. On the Management Board, he brings an international point of view to decision-making.

3. Anne-Marie Cambourieu
Senior Corporate Vice President, Human Resources in charge of Communications and Corporate Social Responsibility

With her extensive HR experience in various industries, Anne-Marie brings employee development and motivation best practices to Nexans. She oversees in particular all CSR- and HR-related aspects with a view to creating the best conditions for the Group's global performance.

4. Arnaud Poupart-Lafarge
Chief Executive Officer

Leading by example, he embodies the values and the vision of the Group. By connecting Nexans operations to evolving customer needs to global social trends, Arnaud gathers all teams around one common goal: to create value for all Nexans' stakeholders, including customers, employees, shareholders, as well as local communities and the global society.

5. Pascal Portevin
Senior Corporate Executive Vice President, International and Operations

Efficient, pragmatic and known for his analytical skills, Pascal is genuinely committed to the continual improvement of processes and operations.

6. Nicolas Badré
Chief Financial Officer

With a strong background in the industry, he has a perfect command of financial laws and mechanisms. He constantly connects theory and practice, finance and business, providing the Management Board with a full view of the Group's most essential topics.

7. Christopher Guerin
Senior Executive Vice President, Europe and Telecom/Datacom, Power Accessories Business Groups

Modern and dynamic, Christopher is passionate about new approaches for conducting business and is brilliant at injecting a 'start-up spirit' to the Group.

Management Board

The Nexans Management Board is the key decision-making body at the Group level. It is chaired by the CEO and composed of six Senior Executive Vice Presidents (EVP) managing all the business groups as well as support functions. Together, they spearhead the Group's aim to go beyond cables, and to make Nexans the critical link conveying energy and information worldwide. The Management Board is in charge of the successful implementation of the Group strategy and capturing growth opportunities within Nexans' core businesses.

It mobilizes all teams by defining the most effective structure and best practices to respond to market challenges. Furthermore, the Management Board defines the rules and procedures that must be applied under all circumstances.

It is a collective leadership unit founded on the individual responsibilities of each member of the Management Board, where the CEO and Senior EVPs act as supervisors for all Business Divisions. To ensure fast decision making, all businesses have direct access to the Management Board, which provides guidance, support and continuously challenges the status quo.

The Management Board's initiatives are reinforced through the expertise of the Management Council, composed of Business Divisions' EVPs and Head of Group functions. The Management Council's role is to discuss market dynamics and better define the Group's vision and policies.

A series of thematic committees (such as the Group Career Committee, which manages human resource development, policies and standards; the Corporate Social Responsibility Committee, which defines CSR policy, including environmental management, ethics and business conduct; the Merger & Acquisition Committee and others) completes the management structure. This approach has proven effective by providing consistency, timeliness and rigor in the review and approval of decisions for the management of the Group.

"Today, our goal is to partner with our customers to shape the hyperconnected world of tomorrow, powered and empowered by Nexans. Building on the variety of personal and professional strengths of its members, the Management Board is the driving force in implementing this strategy. Our role is to challenge and encourage operational teams to better address the evolving needs for energy and information across global communities."

Arnaud Poupart-Lafarge, CEO

Ethics: a fundamental value at Nexans

One of the Management Board's key responsibilities is also to oversee the implementation of Nexans' compliance rules across the Group.

Nexans' commitment to compliance is unconditional. In addition to the Group's Management Board, this topic is dealt with at the highest level by the top managers and within the business groups. Respecting the ethics rules and guidelines is mandatory for all Nexans employees as well as the Group's business partners. In case of any breach, Nexans applies the principle of zero tolerance.

This commitment is demonstrated through Nexans' adherence to the United Nations Global Compact and its 10 fundamental principles, as well as by the signing by all Group managers of an annual certificate of compliance with the Code of Ethics and Business Conduct: in 2017, around 95% of the Group's managers signed this certificate.

The Code of Ethics and Business Conduct is therefore the basis of this commitment, defining all applicable rules. It is supplemented by several procedures and rules specific to certain ethical risks such as competition law, bribery, prevention of fraud, conflicts of interest, compliance with applicable regulations on embargoes, action against money laundering or protection of personal data. The Code is supplemented by several specific procedures and guidelines adapted according to the mapping of ethical risks. These guidelines set out in detail and illustrate the rules and processes that all Group employees have to comply with in terms of preventing corruption, gifts and invitations, competition law and export control.

In addition, the Group's business partners are required to sign a specific ethical charter or a written commitment to respect these same rules.

On all these subjects, the Group's Ethical Compliance Program aims to define prevention, detection and treatment actions in the event of violations. Nexans was awarded the ETHIC Intelligence certificate in 2016, demonstrating the quality of the anti-corruption prevention policy featuring in its Ethics Compliance Program.

Board of Directors

Nexans' Board of Directors is charged with ensuring Management is successfully guiding the company to becoming the leader in advanced cabling and connectivity solutions. It oversees and monitors Nexans' full engagement with all our stakeholders, supplying the critical links for economic development and social life through our innovative and sustainable solutions and services. In this way, the Board ensures Management executes its strategic plan in line with its mandate and in the best interest of the company and its stakeholders.

The strength of Nexans' Board comes from its independence, diversity and focus on sustainability.

The 13 members of the Board are leaders in their fields – fields that are key to our strategy. The Board includes independent directors, foreign nationals as well as members with dual citizenship. This provides the company with an important international perspective and a deeper understanding of the wider market. In order to assess the independence of each member, the Board of Directors is reviewed every year according to the independence criteria defined by Recommendation 8.4 of the AFEP-MEDEF Corporate Governance Code. The Board of Directors met 10 times in 2017, with a 92.8% participation rate.

"Nexans aims to be the benchmark for the cabling industry, with worldwide recognition of its innovative and sustainable solutions and services aimed at accelerating the energy and information transitions. The Board of Directors ensures this goal. Its strength comes from the personal engagement of its members and their unique expertise that both complement each other and are aligned with Nexans' strategy."

Georges Chodron de Courcel, Chairman of the Board of Directors

42%
PROPORTION OF WOMEN ON THE BOARD[1]

55%
INDEPENDENCE RATE[2]

6 INTERNATIONAL MEMBERS

4 DIRECTORS PROPOSED BY MAIN SHAREHOLDERS

- 3 DIRECTORS PROPOSED BY INVEXANS (GROUP QUIÑENCO)
- 1 DIRECTOR PROPOSED BY BPIFRANCE PARTICIPATIONS

2 DIRECTORS REPRESENTING EMPLOYEES

- 1 DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS
- 1 DIRECTOR REPRESENTING EMPLOYEES

Three preparatory committees

ACCOUNTS AND AUDIT COMMITTEE

The Committee is composed of three members, two of whom are independent directors. In the course of its work, the Accounts and Audit 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. The Committee can also seek the advice of external specialists.

APPOINTMENTS, COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE

This Committee is composed of four members, half of which are independent directors, appointed by the Board of Directors. The Chairwoman is an independent director.
Executive directors may be invited to take part in meetings relating to the compensation policy for senior-level managers or appointments. In addition, executive directors may be heard by the Committee before it deliberates on their compensation.

STRATEGY AND SUSTAINABLE DEVELOPMENT COMMITTEE

In order to provide its opinion to the Board of Directors, the Committee's missions include the review of the five-year strategic plan and an annual follow-up of the progress made in strategic initiatives selected among the most significant ones. The Committee also reviews how the Group takes sustainable development issues into account in defining its strategy.

(1) According to French regulation, this percentage excludes the Director representing employees
(2) Calculated without counting the Director representing employees and the Director representing employee shareholders

13
RECENTLY APPOINTED BY NEXANS FRANCE GROUP COUNCIL
Angéline Afanoukoe

RECENTLY APPOINTED AS CENSOR
Anne Lebel
Natixis Chief Human Resources Officer

1. Cyrille Duval [3]
Chief Executive Officer of Sorame and Chairman of CEIR

2. Marie-Cécile de Fougières [4]
Nexans Customer Service Manager EPC's[6] and Operators

3. Francisco Pérez Mackenna
Chief Executive Officer of Quiñenco

4. Kathleen Wantz-O'Rourke [3]
Group Senior Vice President Operations & Performance at AKKA Technologies in 2017

5. Philippe Joubert [3]
Senior Advisor at the World Energy Council and Special Envoy Climate and Energy for the World Business Council for Sustainable Development

6. Véronique Guillot-Pelpel [3]
Judge at the Paris Commercial Court

7. Georges Chodron de Courcel
Chairman of the Nexans Board of Directors

8. Fanny Letier
Executive Director, Small and mid-cap investments, within Bpifrance

9. Hubert Porte
Executive Chairman of the private equity firm Ecus Administradora General de Fondos S.A.

10. Andrónico Luksic Craig
Chairman of the Quiñenco Board of Directors

11. Colette Lewiner [3]
Advisor to the Chairman of Capgemini

12. Marc Grynberg [3]
Chief Executive Officer of Umicore

13. Angéline Afanoukoe [5]
Nexans External Affairs Senior Manager

*** Arnaud Poupart-Lafarge**
Nexans Chief Executive Officer

(3) Independent Director
(4) Director representing employee shareholders
(5) Director representing employees
(6) Engineering, Procurement and Construction

For the full presentation of the Nexans Board of Directors, visit our website:
www.nexans.com

PACED FOR GROWTH

Capitalizing on new opportunities

In a rapidly transforming world that is increasingly reliant on connectivity, Nexans is well-placed to capitalize on developing opportunities. Several interlinked megatrends such as energy transition, digital revolution and global mobility all hold vast potential.

To become the leader in advanced cabling and connectivity solutions, we have built our strategy around three strategic axes:

- continue to improve performance through cost competitiveness;
- build on core strengths in our existing portfolio in promising markets and regions; and
- accelerate growth by developing new offers linked to the critical megatrends.

Anticipating customer needs

We are preparing today to meet future customer challenges in four key market segments:

- Building & Territories: providing new sustainable and smart solutions for buildings, cities and regions, including e-mobility and the energy transition;
- High Voltage & Projects: continuing to grow in the subsea cabling business while improving high-voltage land cabling competitiveness, helping customers find the most efficient and reliable cable solution;
- Telecom & Data: supporting customers in selecting the right copper or optical fiber infrastructure including submarine backbones and providing 'plug-and-play' cable and connectivity solutions, with a specific offer for hyperscale data centers;
- Industry & Solutions: partnering with original equipment manufacturers to develop customized cabling and connectivity solutions for power, data transmission and automation needs.

Leveraging our capacities

To successfully implement our plan in the rapidly evolving market landscape, we will underpin our strategy with concrete enablers that will help us to achieve our goals:

- Cost competitiveness: To offset the cost-price squeeze, we will keep improving our operational performance and further reduce our variable and fixed costs through initiatives targeted at reducing purchasing costs of raw materials, reducing raw material consumption by redesign to cost analysis, and more.

- Operational efficiency: We will increase our productivity by upgrading our assets, focusing on operational reliability, lean manufacturing, optimized processes (including supply chain, standardization and machine intelligence) enabled by the development of the factories of the future in Nexans manufacturing facilities.

- Agile innovation: Innovation will remain at the core of Nexans' activity with 70% of our R&D investment dedicated to optimization of core existing products for existing customers. At the same time, 20% of Nexans' R&D budget will be allocated to adjacent innovation aimed at expanding from existing businesses into businesses that are new to the company, while the remaining 10% will be dedicated to transformational activities, including industry breakthroughs and new inventions for markets that do not yet exist.

- Sales excellence: In the framework of our five-year plan, Nexans will boost the salesforce, notably through training and an increased customer focus based on global client relationship management and a dedicated Key Account Management program. In addition, new differentiated "beyond the cable" offering with a new portfolio of services and solutions will be developed and coupled with a new AI-based[1] pricing management strategy.

- Digital transformation: To deliver on our promises, Nexans will leverage the potential of technology, driving digital transformation across the entire Group. We will build on automation and data & analytics platforms to streamline operations and accelerate the adoption of Industry 4.0 across our factories. In parallel, we will harness the technology to transform our organization and develop new competencies through dedicated training programs. From a sales perspective, digital technology will serve to improve customer experiences and refine our understanding of evolving client needs in order to adapt our offers accordingly.

- Organization and People: To successfully pursue our vision, we will continue to rely on Nexans' people. In addition to training programs and internal resource reallocation in support of our major development areas, we will acquire new skills and capabilities in some priority functions, including sales, customer services, as well as product design and development. ●

(1) Artificial Intelligence

AMBITION

BECOME LEADER IN ADVANCED CABLING AND CONNECTIVITY SOLUTIONS

3 STRATEGIC AXES

BUILD ON STRENGTHS IN ATTRACTIVE MARKETS

CONTINUE TO FOCUS ON COST LEADERSHIP

ACCELERATE GROWTH THROUGH PORTFOLIO OF ACTIVITIES

BUSINESS SEGMENTS

ENABLERS

COST COMPETITIVENESS

OPERATIONAL EFFICIENCY

AGILE INNOVATION

SALES EXCELLENCE

DIGITAL TRANSFORMATION

ORGANIZATION & PEOPLE

CSR AMBITION

Listening to stakeholders

We defined our long-term CSR strategy and sustainable profitability in accordance with our stakeholders' expectations and business opportunities. Through an in-depth materiality assessment, we identified four sustainability priorities and 12 ambitions that are fully aligned and integrated with the Group's strategy.

The United Nation's (UN) Sustainable Development Goals are the cornerstone of our CSR strategy. These Goals include building resilient infrastructure, promoting innovative, inclusive and sustainable industrialization, ensuring sustainable consumption and production patterns, as well as fighting against climate change.

		KPI	Baseline 2017	Target 2022
PEOPLE	Workplace safety	Workplace accident frequency rate[1]	2.02	< 1
	Human capital	Managers with an Individual Development Plan[2]	72%	100%
		Women in management positions[3]	22.9%	25%
	CSR awareness	Directors and managers with CSR goals in their annual performance targets	NA	100%
PLANET	Environmental management	Industrial sites certified EHP and/or ISO 14001[4]	93%	97%
	Energy	Energy intensity[5]	279MWh/€m	-3%
	Climate	Reduction of greenhouse gas emissions (scopes 1, 2 and 3)[6]	2.70%	-5%
PRODUCTS	Energy transition	Activities' revenues generated from sustainable products and services[7]	€700m	NC
	Innovation	R&D investments (% of revenues in standard sales)[8]	€102m (2.2%)	NC
	Sustainable products	Total waste recycled[9]	44%	>50%
PARTNERS	Business ethics	Managers having signed the Compliance Certificate	96%	100%
	Stakeholders	OTIF-1C[10]	93.3%	94%
		Employee engagement index	NA	+3
	Nexans Foundation	Amount allocated by the Nexans Foundation	€300k	€300k

(1) Overall workplace accident frequency rate: total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. This rate relates to internals and externals
(2) An employee initiated document with several feedback sources discussed with his/her manager to establish tangible development goals - an on going process revisited once a year
(3) Women occupying a graded position as per C&B grading system
(4) Number of sites certified EHP (Highly Protected Environment) and/or ISO 14001 /Total number of manufacturing sites
(5) MWh consumed by the industrial sites/m€ of standard sales
(6) CO_2 emissions include direct and certain indirect emissions (from electricity and steam consumption, upstream power line losses, use of fossil fuels and waste treatment, as well as fugitive emissions)
(7) Revenues generated from products and services that contribute to energy transition (offshore wind farm, interconnections projects, e-mobility, smart grids, accessories, solar energy and wind energy)
(8) Total R&D expenses (R&D, innovation, local development and assistance engineering costs)
(9) Recycling rate of non-ferrous metal waste generated
(10) On Time In Full first confirmed: number of order lines shipped in the right quantity at first confirmed date/Total number of shipped order lines in the month, including logistic and plant data

4 priorities, 12 ambitions

PEOPLE

BRING INDIVIDUAL AND COLLECTIVE PERFORMANCE TO OUR BUSINESS

Workplace safety
Guarantee health and safety on sites

Human capital
Build people who build business

CSR awareness
Empower collaborators on CSR

RELATED SUSTAINABLE DEVELOPMENT GOALS

PLANET

MANAGE ENVIRONMENTAL IMPACTS

Environmental management
Maintain a high standard of environmental management

Energy
Improve production energy-efficiency

Climate
Reduce our impact on the climate

RELATED SUSTAINABLE DEVELOPMENT GOALS

PRODUCTS

MANAGE IN A COMPETITIVE AND INNOVATIVE SUSTAINABLE BUSINESS MODE

Energy transition
Engage with customers to contribute to a sustainable economy

Innovation
Guarantee an innovative collaboration with stakeholders

Sustainable products
Increase resource efficiency

RELATED SUSTAINABLE DEVELOPMENT GOALS

PARTNERS

EMBEDDING LEADERSHIP BASED ON VALUES AND ETHICS

Business ethics
Maintain a compliant framework and fair business practices

Stakeholders
Maintain a sustainable stakeholder relationship

Nexans Foundation
Help underprivileged communities access energy

RELATED SUSTAINABLE DEVELOPMENT GOALS

BUSINESS MODEL

Creating shared value

INPUTS

HUMAN

26,000 employees

1,712 employees recruited on permanent contracts in 2017

MANUFACTURED

34 countries with manufacturing sites

88 production sites

INTELLECTUAL

€102m invested in R&D

900 researchers, engineers and technicians work in innovation and product development

NATURAL

460,000 tonnes of copper consumed

103,000 tonnes of aluminum consumed

2,300,000 m³ of water consumed

FINANCIAL

€1,472m equity

€2,179m capital employed

SOCIAL

Since **2008** Nexans has been a signatory of the UN Global Compact

€300k Nexans Foundation's yearly budget

ACTIVITIES

IMPACTS

HUMAN

2.02 workplace accident frequency rate[1]

7.6% turnover (cable activity)

72% employee engagement rate[2]

18% of employees own shares in Nexans

€1,174m total compensation to employees

MANUFACTURED

OUR RECORDS

550,000 V the highest voltage for an insulated cable (alternating current)

135 kg/m the heaviest cable

240 km the longest single stretch of cable

INTELLECTUAL

TOP 50 most innovative companies in France

615 patent families

52 new patents filed in 2017

25 hours of training per employee trained

NATURAL

93% of sites have an environmental certificate

255 MWh/€m of energy intensity (by standard sales)

44% of generated non-ferrous metal waste recycled

FINANCIAL

€411m EBITDA

€277m operational cash flow

3.34% of employee share ownership

SOCIAL

68 projects supported by the Foundation in 30 countries giving nearly 700,000 people access to energy

€3,711m in supplier payments

(1) Overall workplace accident frequency rate = total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. This rate relates to internals and externals
(2) Based on our internal opinion survey in 2016

POSITIVE TRANSITIONS

Results for sustainable and shared growth

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SUSTAINABILITY PERFORMANCE p.34

SHARING VALUE WITH STAKEHOLDERS p.36

GUARANTEEING SUSTAINABILITY p.38

INDICATORS p.40

MARKET SEGMENTS

Building & Territories

Building & Territories remains our core business in scale and global reach, representing roughly 40% of total revenue in 2017. In mature markets, the drive towards connected cities and energy efficiency are key growth areas, while in regions such as Africa and South America, there is an increasing demand for off-grid systems to bridge the electrification gap. Nexans is well positioned to meet these needs and provide new solutions for sustainable communities and smart cities.

PERSPECTIVES

Our focus will be to maintain our leading position in core markets in construction and utilities, while focusing on productivity and competitiveness of industrial operations and fixed costs. Customer proximity is crucial in this segment, and we will leverage our local market presence in the regions where the Group is currently well positioned while expanding offers in the high-growth areas, such as smart grids and smart cities, decentralized energy distribution and e-mobility. In parallel, we aim to invest selectively in emerging territories with strong potential, e.g. the rapidly developing countries of the Middle East or on the African continent, where the need for microgrid solutions is growing fast. ●

363 THOUSAND

PUBLIC ELECTRIC VEHICLE CHARGING POINTS INSTALLED IN 2016[1]

€629 BILLION

ASIA-PACIFIC PROJECTED INVESTMENT IN SOLAR POWER 2014–2035[2]

88

SMART CITIES IN THE WORLD BY 2025[3]

KEY INITIATIVES

ELECTRIC VEHICLE INFRASTRUCTURE – G2MOBILITY

In 2016, we increased our stake in the capital of G2mobility, a French leader in smart charging solutions for electric vehicles (EV), strengthening our strategic partnership with the start-up. This industrial and commercial collaboration is accelerating the deployment of EV charging infrastructure.

EU CONSTRUCTION PRODUCTS REGULATION (CPR) – IMPROVED FIRE RESISTANCE

In compliance with the CPR, a more stringent fire-resistance standard that became mandatory across Europe in 2017, Nexans re-engineered its building product range and has carried out an extensive program to inform customers, installers and other stakeholders of the new performance regulations.

CONNECTING RENEWABLES TO THE GRID – EDRMAX BY NEXANS™

Nexans developed a medium-voltage cable suitable for installation in any type of ground condition to provide cost-effective connection of renewable power sources such as solar panels and wind turbines to the grid. The new cable was eco-designed, resulting in 12% lower CO_2 emissions across its entire lifecycle, from the sourcing of raw materials to recycling.

DIGITAL TOOLS FOR IMPROVED PRODUCTIVITY – EASYCALC AND EASYREEL APPS

Nexans EASYCALC™ allows professional electricians and installers to determine the most suitable cable size for their electrical installations.

Nexans EASYREEL™ was developed to allow customers to request the pickup of Nexans cable drums on site with their smart phone. The returned drums are repaired, cleaned, and re-used or recycled.

High Voltage & Projects

The high-voltage segment has been the main contributor to the almost doubling of our operating margin over the last three years. The continuing expansion of offshore windfarms and other renewable energy sources requiring local, regional and international interconnections need ever better performing and resistant cabling and connectivity solutions. High-voltage submarine installation is a particularly promising area for major players such as Nexans, as this requires extensive technical expertise.

PERSPECTIVES

Our aim is to be the premium provider of high-voltage connectivity solutions, capitalizing on the ongoing energy transition. Manufacturing, installation and maintenance of submarine cabling systems remains a key focus, with a particularly strong demand in Europe, North America and the Asia-Pacific region. The interest for ultra-high-voltage land cabling is also growing, with several large-scale projects currently underway. To address these needs, we are developing turnkey subsea and land cabling solutions that support customers at all stages of the process, from design and engineering to installation and system management. ●

(1) Bloomberg New Energy Finance
(2) International Energy Agency (IEA)
(3) IHS Markit
(4) National Renewable Energy Laboratory, 4C Offshore
(5) HVDC – High Voltage Direct Current, HVAC – High Voltage Alternating Current

€231 BILLION

EUROPE'S PROJECTED INVESTMENT IN OFFSHORE WIND POWER 2014–2035[2]

4.7 GW

IN THE US, 4.7 GW OF POWER WILL BE PROVIDED BY OFFSHORE WINDFARMS BY 2027[4]

13,917 KM

OF HIGH-VOLTAGE DIRECT CURRENT TRANSMISSION AND INTERCONNECTION PROJECTS IN 2018[1]

KEY INITIATIVES

REINFORCING HV SUBMARINE CABLE PRODUCTION AND INSTALLATION CAPACITIES

In response to the growing demand for high-voltage submarine cabling, Nexans will increase its Goose Creek manufacturing capacities in South Carolina, US, by adding a submarine power cable portfolio to the plant's existing land HV cable range. Nexans is also constructing a new state-of-the-art ship with 10,000 tons of turntable capacity capable of installing large volumes of submarine HVDC and HVAC[5] cable systems.

LEADING THE CHARGE IN HVDC TECHNOLOGY

Nexans has delivered two 200 kV mass impregnated (MI) high voltage direct current (HVDC) submarine cables for the Maritime Link project in Canada, the longest in North America. Nexans' HVDC expertise, however, has reached even more impressive heights with the cross-linked polyethylene cables qualified for 320 kV and successfully type tested at 525 kV, and MI cables with paper-based insulation ready for 600 kV.

CONNECTING THE OFFSHORE WINDFARM – HORNSEA PROJECT ONE

The Danish company Ørsted (formerly DONG Energy) has contracted Nexans to provide 139 km of subsea cable for the Hornsea Project One 1.2 GW offshore windfarm, located off the northeast coast of Britain. The latest-generation cables will interlink a total of 58 turbines, connecting them to the offshore transformer station.

INSTALLING THE WORLD'S LONGEST SUPERCONDUCTOR CABLE

In 2014, Nexans was part of a joint project to install the world's longest superconductor cable (1 km) in the electricity grid in Essen, Germany. In 2016, AMSC, a global energy solutions provider, announced a partnership with Nexans to deliver Resilient Electric Grids in North America. Other ultra-high-voltage projects are under consideration: for example, a 400 kV partially underground cabling system, which would eclipse previous installations.

Telecom & Data

In line with the increasing demand for data transmission and storage capacities, expanding our telecom and data offer is central to our ambitions. In today's hyperconnected world, we see our role in connecting people, businesses, cities and continents through our full range of differentiated connectivity solutions, including LAN cabling, telecom solutions, FTTx networks, solutions for hyperscale data centers, as well as submarine backbones.

PERSPECTIVES

Our ambition is to reinforce our position in the Telecom and Data market by increasing our production capacities and supporting the digital economy driven by 5G, smart devices, connected and autonomous cars. We intend to develop "ready-to-install" cable and connectivity solutions as well as full turnkey solutions for submarine fiber installations. We will also maintain our position in the LAN sub-market and continue to focus on hyperscale data centers with a tailored approach based on quick and easy installation, cost-efficiency and optimized space use. ●

(1) Cisco, *Global Cloud Index*, 2018
(2) CRU, *Telecom Cables Market Outlook*, 2016

628
HYPERSCALE DATA CENTERS WORLDWIDE BY 2021 [1]

$360 MILLION
FTTX SUBSCRIBERS IN THE ASIA-PACIFIC REGION BY 2021 [2]

3.72 BILLION
GLOBAL FIBER OPTICS MARKET BY 2022 [3]

KEY INITIATIVES

NEXANS DATA CENTER SOLUTIONS TO SUPPORT THE HYPERCONNECTED WORLD

In 2017, Nexans launched Nexans Data Center Solutions (NDS), a new business unit that supports hyperscale data center operators with physical-layer connectivity services and solutions. NDS offers a complete portfolio of innovative physical-layer infrastructure solutions allowing data centers to scale up their capacity when and where needed. Nexans also helps hyperscale data centers overcome any physical-layer-related network challenges and industrialize new concepts and approaches.

SEAX-1: NEXANS SUBSEA CABLE TO BOOST BANDWIDTH IN MALAYSIA

In the framework of the SEAX-1 project, Nexans is supplying 250 kilometers of high-speed fiber optic cables to Huawei Marine Networks. Connecting Malaysia and Indonesia, the project will provide reliable connectivity to the rapidly growing number of Internet users in the region.

INTRODUCING THE ULTIMATE™ FIBER RANGE

Ultimate™ fiber optic micro-cables are rigorously tested with cold, heat and wear to ensure they withstand the toughest weather conditions, even in the Nordic countries. Designed for quick and easy installation in telecom applications, the Ultimate™ product range has already become a big success in Sweden as an increasing number of households and businesses in the country upgrade their fiber-optic networks.

Industry & Solutions

In the attractive Industry market, our key sectors include Automation, Renewables & Wind OEMs, Aerospace, Rail & Rolling stock, as well as the Downstream Oil & Gas industry. As these segments are increasingly impacted by the megatrends (in particular by the energy revolution, global mobility and smart infrastructures), it is our goal to support OEMs with customized cabling and connectivity solutions for all their power, data transmission and automation needs.

PERSPECTIVES

Our goal is to continue to provide added-value connectivity solutions in a highly heterogeneous market, growing our market share in the most attractive segments while defending our historically strong positions in other markets and leveraging the expected partial recovery of certain segments, such as Shipyards and O&G upstream. We will continue our innovation programs aimed at complementing our offer beyond cables with new services, including connectivity solutions, engineering and asset management services. ●

(3) Zion Market Research, *Fiber Optics Market: Global Industry Perspective, Comprehensive Analysis and Forecast, 2016-2022*, 2017
(4) Bloomberg New Energy Finance, *New Energy Outlook 2017*, 2017
(5) International Federation of Robotics, *World Robotics Report 2016 Industrial Robots*, 2016
(6) Bloomberg New Energy Finance, *10 Predictions for 2018*, 2018

72%
OF THE $10.2 TRILLION SPENT GLOBALLY ON NEW POWER GENERATING TECHNOLOGY UNTIL 2040 WILL BE INVESTED IN RENEWABLE ENERGY SOURCES [4]

16%
INCREASE IN ROBOT SALES IN 2016 VS. 2015 [5]

107 GW
OF NEW SOLAR CAPACITY TO GO ONLINE IN 2018 [6]

KEY INITIATIVES

ISTANBUL METRO SUPPLIED BY NEXANS

Nexans was chosen by the Istanbul Transportation Authority to supply 1,000 km of low- and medium-voltage cables for an extension of the city's metro and light rail systems. We also provided lighting cables for 20 new stations.

STRATEGIC ACQUISITION OF BE CABLECON

As a strategic move into the wind turbine cable-kitting business, Nexans has acquired the Denmark-based company BE CableCon, which has been an expert supplier of cable kits to Europe's most important wind turbine companies.

LONG-STANDING SUCCESSFUL PARTNERSHIP WITH AIRBUS

Nexans extends its long-term partnership with Airbus, winning a five-year contract as its main cable supplier. In the framework of the agreement, we will supply exceptionally lightweight fire-resistant hook-up, power and data cables for the A320 Neo, the A350 series, and the flagship A380, representing about 95% of each aircraft's total cable requirements.

OASIS 3 OCEAN LINER TO EXCLUSIVELY USE NEXANS CABLES

The world's biggest cruise ship will be supplied with 5,000 km of Nexans halogen-free SHIPLINK™ cables. These fire-resistant cables will be used exclusively throughout the liner – which has 2,744 passenger cabins and 1,197 crew cabins – for power, control, instrumentation and Ethernet cabling.

RESPONSIBLE PRODUCTION

Sustainability at the core of production

At Nexans, we have a history of thinking responsibly throughout a product's life cycle – from conception and production all the way to its use and end of life. We bring energy to life now and for years to come, creating value through our people, products and our very approach to business.

To ensure outstanding responsible production, in addition to the ISO 14001 certification, we have developed an even stricter internal Environment Highly Protected (EHP) label. To earn this label, sites must have systems for environmental management and environmental risk management to meet their pre-defined targets.

In addition, our Nexans Excellence Way program standardizes best practices for safety, quality, service, consumption and inventory management through employee engagement.

We comply with local regulations, like EU REACh[1] and RoHS[2] that encourage research into substitutes that are safe for the environment and human health. ●

(1) Registration, Evaluation, Authorization of Chemicals
(2) Restriction of Hazardous Substances

RESPONSIBLE PRODUCTION

PEOPLE

Our people are the heart of our Group. We aim for the highest workplace safety standards and empower our employees to grow and develop their skills.
For all staff, with the support of the worldwide HSE network, we have deployed 15 Safety Golden Rules and organize a yearly Safety Day.
Thanks to these actions, the accident frequency rate has decreased by 78% since 2010.

R & D

Focusing on the transition to cleaner energy, smarter grids, renewable energy and fire-resistant cables, we are constantly improving our products in our four research centers worldwide.
Proof of our teams' creative power are the 52 new patents we added in 2017 to the over 600 existing patents.
Ecodesign awarded first place to our EDRMAX by Nexans™, a grid connection solution minimizing energy loss during use.

USE

Our products are built to last and limit their impacts even during their use phase. With a strong Life Cycle Assessment process, we registered PEPecopassport® covering about 1,000 of our products. This program measures products' environmental impact at every stage of their life cycle.
Furthermore, Nexans has designed the EcoCalculator to help customers identify cables combining energy efficiency, CO_2 emissions reduction and personal safety.

WATER

The cable manufacturing process implies the use of water for cooling operations. To further reduce water wastage, we are investing in closed circuit equipment.
88% of the sites using water for cooling have a recycling rate of over 75%.

ENERGY

Saving energy is a major focal point for the Group.
Our strategy for reducing consumption is notably focused on production energy efficiency.
In 2017, 26% of the environmental investments were dedicated to energy efficiency.

GREENHOUSE GAS EMISSIONS

All our manufacturing sites are closely monitored for greenhouse gas emissions. For example, to reduce the impact of our operations, renewable energy equipment has been installed in some plants (China, Lebanon, Belgium, Switzerland).

WASTE

Since 2014, the proportion of waste produced per cable was reduced by 22%. We also use copper waste in our continuous casting operation.
In 2017, we reused approximately 22,090 tonnes of copper waste.

SOURCING

We are committed to sourcing raw materials, notably copper, aluminum and plastics, from sustainable sources. To help achieve that goal, all suppliers are invited to adhere to the Supplier CSR Charter.
We have also recently joined our forces with Codelco, our main supplier, with a common aim to drive a more sustainable and traceable copper market.

LANDFILL

RECYCLING

Based on our long experience in recycling our own cable waste, we have launched Nexans Recycling Services. This service will allow the Group's customers and partners to monetize and dispose of their leftover copper and aluminum cables while contributing to the circular economy.

RESULTS

Sustainability performance

To report on the value creation for all our stakeholders, Nexans has adopted an approach that integrates both financial and extra-financial factors that are key in guiding Nexans' strategy. This provides a clear global vision of our performance and serves as proof of our success.

Financial results

(1) Compared with 2014
(2) 12 month OM on end of period Capital Employed, restated for Antitrust provision

Extra-financial results

93%

SITES WITH ENVIRONMENTAL CERTIFICATION

Our environmental management system is based on risk assessment, training and sharing best practices, tracking each site's results, continuous improvement programs and audits

2.02

WORKPLACE ACCIDENT FREQUENCY RATE

Our accident rate has dropped by 78% since 2010 thanks to the dedicated programs we have deployed around the world

397,000

TONNES OF CO_2 EMISSIONS

We are constantly working to monitor and reduce our CO_2 emissions through energy efficiency programs and the use of renewable energy at our production sites

88%

OF THE SITES USING WATER FOR COOLING HAVE A RECYCLING RATE OVER 75%

Our total water consumption was 2,300,000 m³ in 2017

72%

EMPLOYEE ENGAGEMENT

Based on our internal opinion survey in 2016

33%

FEMALE EMPLOYEES

We place great importance on eliminating all forms of discrimination. Respecting the equality of men and women in similar jobs with similar qualifications is a Group priority, especially as much of our workforce is based in industrial settings

25 hrs

TRAINING HOURS PER EMPLOYEE TRAINED

We invest in training locally and at the Group level to ensure that everyone is prepared for market changes. Training is available to all employees and is a key asset for continuous professional development

BUILDING TOGETHER

Sharing value with stakeholders

In the rapidly changing international environment, Nexans is committed to building long-term relationships and to sharing value with each of its stakeholders.

Responsible performance confirmed by extra-financial rating agencies

Nexans' consistently improving scores show both the strength of our CSR policy for stakeholders and intelligent management of the Group's strategy.

oekom research AKTIENGESELLSCHAFT — Prime

2015 D- D D+ C- 2016 C 2017 C+ B- B B+ A- A A+

Prime companies rank among the sustainability leaders in that industry. The best score in our sector is a B. In December, 2017, Nexans was ranked 11th out of 80 companies ranked in the Electronic Components sector.

CDP DRIVING SUSTAINABLE ECONOMIES

2015 D- D C- 2016 C B- 2017 B A- A

ecovadis SUPPLIER SUSTAINABILITY RATINGS

0-24% | 25-44% | 45-64% | 65-84% | 85-100%

2016 68% 2015 2017 72%

Nexans among the top 5% performers evaluated by EcoVadis.

(1) Compensation to employees
(2) Amount of CAPEX expenses during the year
(3) Nexans Foundation budget
(4) Income tax paid
(5) Dividend paid for €23m and share buyback program for €11m
(6) Interest paid
(7) Cost of sales at constant metal prices

€1,174m(1)
EMPLOYEES

In line with the Group's six core values, including "value people," our transformation plan continues to empower and ensure the safety of the men and women of Nexans.

Main actions:
Strong workplace safety standards, yearly Safety Day, and 15 Safety Golden Rules.

Internal survey conducted to assess employee opinions of the Group's transformation over the past two years, trust between employees and management. Over 75% of the 13,000 employees participated.

Helping our employees develop their careers through Nexans University, which is open to all employees.

An ambitious program in Europe to promote new forms of social dialog with Group employees.

Numerous initiatives cultivating a sense of belonging to the global Nexans Community and the pride of contributing to building a brighter, smarter and more sustainable world.

€169m(2)
INVESTMENTS

In 2017, the Group's investments mainly focused on energy infrastructure cables and automotive harnesses, as well as on the expansion of our presence in Africa and the Middle East.

Nexans is signatory of the French Business Climate Pledge.

€300k(3)
NEXANS FOUNDATION

We employ both our skills and cables to improve access to energy for the underprivileged and we encourage our employees to contribute to meaningful local projects.

Main actions:
Created in early 2013, the Nexans Foundation aims to help disadvantaged communities to access electrical power.

700,000 people in 30 countries have benefited from the 68 projects supported by the Nexans Foundation in partnership with 39 NGOs and associations.

€102m
R&D

Nexans has a portfolio of about 600 patent families, which demonstrates the creative abilities of our technical teams and strengthens the Group's market positioning by protecting its intellectual property.

With 52 new patents registered in 2017, Nexans is one of the top 50 most innovative French companies.

€56m(4)
LOCAL AUTHORITIES

In addition to the taxes paid to local governments, we foster close links with authorities on a local level in order to amplify the contribution of our activities to local employment, and therefore regional development. To do so we build close ties with local and regional communities, economic and social actors, universities, schools and training centers with a view to capitalizing on our strong local presence.

€34m(5)
SHAREHOLDERS

Nexans is listed on the Euronext Paris and is committed to establishing a quality dialog with shareholders. We regularly consult them to gain a better understanding of their expectations. This is underpinned by a rigorous and proactive ethical and CSR approach.

Main actions:
In addition to regular meetings, communications and newsletters, Nexans provides a toll-free hotline for shareholders and has opened a dedicated space online called Shareholders' e-club.

With the Group's return to profit, a dividend payment of 0.5 euro was announced at the Annual Shareholders' Meeting in May 2017.

Thanks to the 7th employee share ownership plan, employees now hold 3.34% of Nexans' share capital. This strengthens our financial and human capital, turning employee shareholders into long-term partners.

€61m(6)
BANKS

As a responsible global company, we are selective about the banks with which we partner. In order to work with Nexans, banks must be highly rated or majority owned by their highly-rated home country (which must be either an EU member, Canada or the United States).

€3,711m(7)
SUPPLIERS

We engage suppliers in our sustainable development approach and develop a relationship based on trust, mutual interest and high standards.

Main actions:
CSR risk mapping for supplier selection.

More than 80% of our suppliers signed the CSR Supplier Charter.

16 supplier CSR audits were performed internally in 2017. To accelerate the program, additional audits will be performed by a third party.

Nexans is an active member of Europacable, European Association of Wire & Cable Manufacturers, and signatory of their Industry Charter – committing to ethical, sustainable, high-quality cabling.

Nexans
BRINGS ENERGY TO LIFE

Carbon neutral initiative
In the framework of its partnership with Nexans, Coldeco will deliver the first 'carbon neutral' shipment of copper cathodes to the Group in 2018. This will be the first step on our way to manufacturing the first 'carbon neutral' cable.

RISK MANAGEMENT

Guaranteeing sustainability

As a multinational company with a global presence, Nexans has put in place risk management procedures to identify, assess, prioritize and deal with the risks related to its activities.

As a global company with a worldwide presence, Nexans is constantly exposed to risks, which affect all aspects of our business, including employees, the environment we operate in, our assets and even our reputation. Given this, Nexans has put in place risk management procedures to identify, assess, prioritize and deal with the threats related to our activities and monitor our risk exposure. This allows us to deploy our strategy effectively to meet our objectives. Such procedures are an integral part of our governance structure and are continually monitored by our Accounts and Audit Committee in accordance with the law.

These procedures help staff grasp and take account of risk in day-to-day operations and management and help put mitigation, control and monitoring plans in place. These procedures also help us determine which major identified risks require insurance coverage and to what extent. Risks can span over the short, medium or long term, and can impact all businesses and all support functions within the Group. Therefore, our risk management procedures are deployed at all operational and functional levels. Indeed, the business divisions and legal entities of the Group are on the front line when managing risks in their respective geographic and business areas. They are responsible for applying all internal control and risk management policies and procedures, complying with applicable laws and regulations and with the Group's Code of Ethics and Business Conduct.

The Group functional departments (i.e. Finance, Legal, HR, Purchasing, etc.) track regulatory developments and emerging risk management practices in their specific areas of expertise and support the operations and legal entities of the Group in their risk management. The Internal Control Department, along with the functional departments, defines all mandatory internal controls, including those related to segregation of duties. The Internal Audit Department proposes and executes the internal audit plan which is based on rotation rules as well as on Group risk mapping.

Finally, the Risk Management Department supervises the entire risk management system of the Group, ensuring it is fueled by industry best practices and adequate to allow the Group to achieve its objectives.

Risk management initiatives in 2016 and 2017 include a crisis management exercise at top management level, mapping of business ethics compliance risks, optimization of the currency risk management process, reinforced monitoring of suppliers' adherence to Nexans CSR values and commitments as well as increased use of renewable energies at Nexans sites. ●

(1) Enterprise Resource Planning

KEEPING RISKS UNDER CONTROL

At Nexans, we have taken full stock of the different risks to which our businesses around the world are exposed. Ensuring such risks are under control is essential if our strategy is to be executed and we are to meet our objectives and keep our commitments to our customers, partners, employees and the communities in which we do business.

ETHICS

EXTERNAL AND INTERNAL FRAUD

In accordance with the Code of Ethics and Business Conduct, we designed our compliance program aimed in particular at preventing antitrust violations and corruption. This program is improved each year as was the case in 2017 following an external certification.

BUSINESS CONDUCT

The compliance certificate signed by all graded employees now specifically mentions conflicts of interest

Whistle-blowing process for employees extended to third parties

Segregation of duties reinforced through a formal access rights' authorization process based on an in-depth roles and risks analysis

Oversight of transactions realized in all ERPs[1] used in the Group under deployment

FINANCIAL

LIQUIDITY

Long-term structured financing in place, monitoring of the Group's financial ratios, operational working capital under strict control

CREDIT AND COUNTERPARTY RISK

Partnerships with first rank financial counterparties and monitoring of net exposure to commercial counterparties, beyond the coverage provided by our credit insurer

FOREIGN EXCHANGE RATES

Flows in foreign currencies are hedged, positions in currencies are monitored

METAL PRICES (MAINLY COPPER AND ALUMINUM)

Sales and purchases of non-ferrous metals hedged, no open position kept beyond the core exposure required by our industrial operations

FINANCIAL RISKS LINKED TO CLIMATE CHANGE AND LOW-CARBON STRATEGY

Reducing water and energy consumption, transitioning to renewable energies in-house, namely wind turbines or photovoltaic panels

OPERATIONAL

RAW MATERIALS AND SUPPLIES

Multiple sources of supply, partnerships with a few suppliers for key raw materials

CYBERSECURITY

Continuously strengthening and auditing the security of our IS/IT systems

HEALTH & ENVIRONMENT

Permanent watch on health and environmental laws and regulations, environmental management system in place, substance management system in place to cope, among others, with REACh and RoHS European regulations

NATURAL HAZARDS AND FIRE

Subscription to a property damage & business interruption insurance policy adequately covering the assets of the Group

Implementation of a proactive prevention policy to limit the probability of fire and the consequences of both fire and natural hazards on all our sites, with our insurer

HUMAN RESOURCES

Safety Program, procedures and programs to monitor and grow employees' skills and development, succession planning process

QUALITY

Integrated Quality Management system developed to meet expectations of all stakeholders, and, along with strict quality control procedures at all sites, to deliver products and services meeting our customers' expectations

CONTRACTUAL LIABILITIES

Contractual guidelines, risk assessment procedures, Tender Review process

STRATEGIC

TECHNOLOGY OBSOLESCENCE

Significant R&D focus on cutting-edge technologies to offer competitive, high-quality products and services

COMPETITIVE ENVIRONMENT

Continuous improvement process in place for all operations and functions, regular flow of investments to maintain state-of-the-art industrial tools

EXTERNAL GROWTH

Mergers and Acquisitions assessment and integration process

GEOPOLITICAL RISKS

Risk assessment prior to investment, monitoring of operations in countries with geopolitical instability, insurance policy in place at Group level

RAPID MARKET EVOLUTION

Continuous market intelligence

DEPENDENCE ON CUSTOMERS

Diversity of activities across a wide range of businesses and countries

INDICATORS

Financial

	2017	2016	2015	2014
INCOME STATEMENT in €m				
Sales at current metal prices	**6,370**	5,814	6,239	6,043
SALES AT CONSTANT METAL PRICES	**4,571**	4,431	4,604	4,587
Margin on variable costs	**1,458**	1,432	1,428	1,390
Margin rate[1]	**31.9%**	*32.3%*	*31.0%*	*30.3%*
Indirect costs	**(1,047)**	(1,057)	(1,095)	(1,102)
EBITDA[2]	**411**	375	333	288
EBITDA rate[1]	**9.0%**	*8.5%*	*7.2%*	*6.3%*
Depreciation	**(139)**	(133)	(138)	(140)
OPERATING MARGIN	**272**	242	195	148
Operating margin rate[1]	**6.0%**	*5.5%*	*4.2%*	*3.2%*
Restructuring	**(37)**	(33)	(100)	(51)
Others	**47**	(24)	(161)	(132)
OPERATING/(LOSS) INCOME	**281**	185	(66)	(35)
Net financial expense	**(62)**	(88)	(105)	(103)
INCOME/(LOSS) BEFORE TAX	**219**	97	(171)	(138)
Income tax	**(91)**	(37)	(25)	(32)
NET INCOME/(LOSS) FROM OPERATIONS	**127**	60	(196)	(170)
NET INCOME/(LOSS) GROUP SHARE	**125**	**61**	**(194)**	**(168)**

FROM OPERATING MARGIN TO OPERATING INCOME in €m				
Restructuring	**(37)**	(33)	(100)	(51)
Others	**47**	(24)	(161)	(132)
• o/w Core exposure impact	**64**	(6)	(52)	(4)
• o/w Net asset impairment	**(8)**	(8)	(129)	(197)
• o/w Antitrust investigation	**(6)**	(20)	36	47
• o/w Change in fair value of metal derivatives	**0**	12	(3)	(2)
• o/w Other impacts	**(4)**	(2)	(13)	24
ADJUSTMENTS TO OPERATING MARGIN	**9**	**(57)**	**(261)**	**(183)**

	2017	2016	2015	2014
BALANCE SHEET in €m				
Long-term fixed assets	**1,633**	1,661	1,643	1,737
• o/w goodwill	**236**	254	250	303
Deferred tax	**135**	180	192	153
NON-CURRENT ASSETS	**1,767**	1,840	1,835	1,890
Working capital	**703**	581	405	803
TOTAL TO BE FINANCED	**2,471**	**2,421**	**2,240**	**2,693**
Net debt	**332**	211	201	460
Reserves	**560**	641	690	709
• o/w restructuring	**48**	81	128	130
• o/w pension & jubilee	**387**	430	453	435
Deferred tax liabilities	**103**	90	84	91
Non-current derivative liabilities	**3**	10	38	-
Shareholders' equity and non-controlling interests	**1,472**	1,469	1,227	1,433
TOTAL FINANCING	**2,471**	**2,421**	**2,240**	**2,693**

(1) Margin on sales at constant metal prices
(2) Operating margin before depreciation

Environmental

	2017	2016	2015	2014
MANAGEMENT				
Number of sites monitored	88	85	90	92
Number of ISO 14001 certified sites	66	65	66	63
% of ISO 14001 certified sites	75%	76%	73%	68%
Number of EHP[1] certified sites	78	72	72	62
% of EHP certified sites	89%	85%	80%	67%
CONSUMPTIONS				
Energy purchased (MWh)	1,174,576	1,235,928	1,218,955	1,285,619
• o/w electricity (MWh)	689,309	699,377	732,011	772,200
• o/w fuel oil (MWh)	64,411	62,004	78,186	97,746
• o/w gas (MWh)	407,852	461,010	393,143	400,181
• o/w steam (MWh)	13,004	13,536	15,615	15,492
Water consumption (m^3)	2,299,150	2,080,471	2,272,977	2,729,212
Solvent purchased (tonnes)	476	433	460	514
Copper consumption (tonnes)[2]	460,000	470,000	445,000	476,000
Aluminum consumption (tonnes)[2]	103,000	110,000	113,000	133,000
WASTE AND EMISSIONS				
Waste tonnage (tonnes)	87,014	80,123	84,832	98,712
• o/w hazardous waste (tonnes)	10,152	5,048	5,368	6,840
GHG emissions (tonnes CO_2 eq.)[3]	396,976	407,973	411,396	559,553

(1) EHP: Highly Protected Environment - Group's Internal Environmental label
(2) The tonnes consumed correspond to the tonnes sold to Group external customers during the year
(3) Greenhouse Gas (GHG) emissions include direct and certain indirect emissions (from electricity and steam consumption, upstream power line losses, use of fossil fuels and waste treatment, as well as fugitive emissions)
(4) This figure does not take into account countries where this information is not disclosed due to local regulations
(5) Employee turnover rate = number of departures (resignations, contract expirations, individual terminations, death) excluding departures due to retirement, restructurings, business disposals and employee mobility transfers/average headcount x 100
(6) Overall workplace accident frequency rate = total number of workplace accidents with more than 24 hours of lost time/total number of hours worked x 1,000,000. This rate relates to internals and externals
(7) Overall workplace accident severity rate = total number of lost work days (due to accidents at work)/total number of hours worked x 1,000. This rate relates to internals and externals

Social

	2017	2016	2015	2014
NEXANS GROUP				
Total headcount	26,308	26,258	26,607	26,144
• Europe	15,272	14,849	15,194	15,214
• Asia-Pacific	2,737	2,882	2,707	2,434
• North America	3,341	3,227	3,415	3,153
• South America	1,389	1,540	1,585	1,882
• Middle East, Russia, Africa	3,569	3,760	3,706	3,461
CABLES BUSINESS				
Headcount, cables business	16,111	16,329	16,606	17,543
% female employees	16%	16%	16%	16%
% female managers (out of manager population)	22%	23%	22%	21%
Average age	43.6	43.5	43.5	43.1
Average length of service	13.1	13.1	13.1	12.7
% temporary employees	6.8%	5.2%	8.5%	5.8%
Disabled employees[4]	304	365	333	319
EMPLOYMENT DATA				
New hires	1,678	1,488	2,289	1,573
Employee turnover rate[5]	7.6%	6.7%	7.9%	7.9%
Part-time contracts	389	394	477	480
% fixed-term contracts	7.8%	8.9%	7.9%	8.0%
Absenteeism rate	4.4%	4.6%	5.2%	4.2%
HEALTH AND SAFETY				
Overall workplace accident frequency rate[6]	3.03	2.62	2.75	3.45
Number of sites with a zero accident rate	35	34	35	35
Overall workplace accident severity rate[7]	0.17	0.18	0.18	0.14
TRAINING				
Total number of training hours	258,078	233,029	237,087	322,177
HARNESS BUSINESS				
Headcount, harness business	10,197	9,929	10,001	8,601
% female employees	59%	59%	60%	61%
% female managers (out of manager population)	20%	19%	15%	13%
Average age	34.5	34.3	33.9	34
HEALTH AND SAFETY				
Overall workplace accident frequency rate[6]	0.3	0.4	0.9	2.5
Global workplace accident severity rate[7]	0.00	0.01	0.01	0.03
TRAINING				
Total number of training hours	72,275	127,061	49,444	25,586

STORIES

Projects illustrating the transitions

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A GRAND VISION FOR RENEWABLE ENERGY

Large-scale renewable energy projects

The harsh realities of climate change, coupled with the rising demand for electricity, have accelerated the need to revolutionize global energy systems. The consensus forming in the international community to commit to a renewable energy future can be seen all around us, from the wind turbines dotting the horizon to solar panels perched on the roof of the neighborhood school. But equally crucial as these outward signs of change are the less visible cabling systems which transport the new sources of energy – as vital as the veins carrying blood through a human body.

A global leader in cabling and connectivity technology, Nexans plays a central role in some of the world's largest and most ambitious renewable energy projects. Two recent cutting-edge renewable projects in Europe – NordLink and the Beatrice Offshore Windfarm – are prime examples of how Nexans is helping to build new ways to power our lives and protect the planet's future.

NordLink links the renewable energy markets

Energy markets in Western Europe have long crossed national land borders. And by 2019, the continent's energy grid will also span the North Sea thanks to Nexans' leading role in NordLink, an unprecedented project that will bridge the Norwegian and German renewable energy markets.

First launched in 2015, the project is funded by Statnett, Norway's state-owned energy enterprise, TenneT, the Dutch electricity transmission system operator, and KfW, Germany's largest public development bank. Upon completion in 2019, this "Green Link" will enable the transmission of surplus wind, solar and hydro power across the North Sea between Norway and Germany.

Nexans is playing a key role in the deployment of NordLink, the first ever power interconnector between Norway and Germany. The design and manufacturing of the two 525 kV high-voltage cable subsystems is progressing on schedule. The first meters of Nexans' manufactured submarine HVDC (high voltage direct current) cable were successfully installed in August 2017 by the laying vessel C/S Nexans Skagerrak. For the installation, and in particular to trench these lines on the sea floor at depths of up to 450 meters, Nexans will use its innovative Capjet system, designed to mitigate environmental disturbances during installation. The interconnection route between Büsum, Germany, and Tonstad, Norway represents a distance of more than 700 kilometers. •

Beatrice Offshore Windfarm:
More clean energy for Scottish homes

The reach of Nexans' underwater cables stretches elsewhere in the North Sea. In Scotland, they are set to deliver 588 megawatts of wind-generated energy from the Beatrice Offshore Windfarm to the mainland power grid.

Located thirteen kilometers from County Caithness, the Beatrice Offshore Windfarm was the first of its kind in Scotland when it began operating in 2007. Initially comprised of two five-megawatt wind turbines, the project was intended to test the feasibility of developing a full-scale windfarm off the Scottish coast.

As the project has proven to be a success since its original launch, SSE Renewables Ltd., SDIC Power of China and Copenhagen Infrastructure Partners agreed in 2016 to expand the energy facility to 84 individual turbines. Collectively, the additional turbines will increase the windfarm's generating capacity almost six-fold.

The partners awarded a contract to a consortium of Nexans and Siemens Transmission and Distribution Ltd. to develop a transmission system between the Beatrice Offshore Windfarm and the Scottish mainland. In the fall of 2017, we began laying two high-voltage export circuits, totaling 260 kilometers in onshore and offshore cables.

By 2019, Nexans cables will relay enough energy to meet the needs of 450,000 Scottish households. The ongoing endeavor adds to the more than 3,500 megawatts of energy from offshore wind farms that Nexans has integrated into power grids around the globe.

With its state-of-the-art cable technology, Nexans provides complete turnkey solutions for projects that vary in both scale and specifications. In the coming years, we will continue to lead the way in the world's energy transition by connecting renewable sources and consumers, across land and sea. •

450,000
SCOTTISH HOUSEHOLDS TO BE POWERED BY 2019

84
NEW INDIVIDUAL TURBINES ADDED SINCE 2016 TO THE TWO TURBINES ORIGINALLY INSTALLED IN 2007

588 MW
OF WIND ENERGY TO BE GENERATED BY THE BEATRICE OFFSHORE WINDFARM

EXPANDING INTERNET ACCESS WORLDWIDE

Developing telecom and data infrastructure

In today's hyperconnected world, data and telecommunications markets are booming. Yet, over half of the global population still cannot access the Internet. Typically living in remote and underdeveloped regions of the world, almost four billion people are stuck on the wrong side of the "digital divide."[1] The United Nations has even singled it out as one of the Millennium Development Goals.

With everything from health to education to commerce reliant on digital technology, closing this gap as well as improving the performance of telecom services in general has become a paramount concern.

Expanding digital access requires best-in-class cable technology, across both land and sea. As a global expert in data and telecom cable and connectivity solutions, Nexans is helping to bring digital services worldwide, even to the most remote regions of the planet.

(1) World Economic Forum, *Internet for All: A Framework for Accelerating Internet Access and Adoption*, 2016

Connecting continents with a highspeed broadband network

As part of Cameroon's ambitious National Broadband Network (NBN) project, Nexans has partnered with Huawei Marine Networks to build a digital bridge between Cameroon and Brazil. Spanning 6,000 kilometers, Nexans' second generation submarine fiber optic cables will connect the two countries through the Atlantic Ocean.
The NBN will channel 32 terabits of data per second between South America and Africa, helping to meet growing data and connectivity needs on both continents. •

Bringing the Internet to the Amazon rainforest

The Connected Amazonia Program aims to bring quality Internet to rural populations in the Brazilian Amazon. Between the towns of Coari and Tefé, 275 km of Nexans submarine fiber optic cables will be installed in the framework of the Program. We have paid particular attention to minimizing the environmental impact of the project in order to preserve the fragile ecosystem of the Amazon rainforest. The Connected Amazonia Program will provide Internet to four million Brazilians. •

Bridging the digital divide in Indonesia

The Palapa Ring is a broadband network project led by the Indonesian government to improve broadband penetration in the country's most remote areas, even where it is not commercially viable for telecom operators to lay cables.
As part of Palapa Ring West, one of the three sections of the project, Nexans and Huawei Marine Networks joined forces to help Indonesia reduce digital inequalities across its 13,000 islands. We delivered 1,750 km of URC-1 fiber-optic submarine cable and 500 km of fiber-optic land cable that will improve the Internet broadband, provide people with better access to digital services and create new opportunities for local businesses. •

Equipping Brazilian businesses

Nexans has recently fitted the new head office of a major cosmetics company in Rio de Janeiro with energy and telecom cable systems. Meanwhile, Padtec, a leader in communication technology, has chosen Nexans underwater cables to link Rio de Janeiro and São Paulo in a massive infrastructure project. •

BUILDING THE WORLD OF TOMORROW TODAY

Contributing to the development of electric mobility and smart cities

Nexans has long been at the forefront of the global transition from fossil fuels to renewable energy sources. Today we are no longer just a cable company but are staking out a leading role in smart mobility and smart city revolutions. With estimates that one-third of all cars will be electric by 2040[1], new innovative infrastructure is required to connect the latest super-highways to the smallest of towns.

As the portion of renewable sources within the global energy mix continues to grow, smart grids will become crucial for greater energy efficiency.

Nexans believes building a future of sustainable mobility and smart-city living requires practical solutions on the ground level. By teaming up with technology companies and start-ups as well as through public-private partnerships, Nexans is developing state-of-the-art technology that will help transform the way we move and live in the future, when the energy transition is no longer an option.

(1) Bloomberg New Energy Finance, *Electric Vehicle Outlook 2017*, 2017

Fostering a new EV charging culture

Working with seven other partners, Nexans has a leading role in Eco2charge, a project to build in cities a new charging infrastructure for electric vehicles (EV). Focused on smart energy distribution and a cleaner charging infrastructure, the project relies on a central energy storing system so batteries can be reused, and a new charging station system that allows users to charge different types of vehicles close to where they live and work.

In addition to Eco2charge, Nexans has partnered with multiple companies in mobility, energy and other complementary industries to create BienVEnu, an innovative approach aimed at facilitating the use of EV. In France's Ile-de-France region, BienVEnu's charging station clusters are installed directly into housing collectives to both promote EV use and reduce the burden on the city's electrical grid by allowing electrical car owners to charge their vehicles during off-peak hours, for example at night. •

Developing the EV charging infrastructure

We have recently made a strategic investment in IES, global expert in EV fast-charging solutions. With over 25 years of know-how, IES specializes in the design and manufacture of onboard and external vehicle direct current (DC) charging systems.

The cooperation with IES builds on Nexans' existing investment in G2mobility, a manufacturer of alternating current (AC) charging stations, also specializing in IT technology for EV infrastructure. For instance, the start-up's software solutions allow the monitoring of charging stations and the management of energy efficiency.

These investments are a perfect illustration of the "Paced for Growth" strategy to extend Nexans' offer in the Building & Territories segment beyond cables to provide complete solutions for EV charging stations. •

Designing smart grid systems for sustainable energy

Nexans is part of SOGRID, a consortium of French industrial leaders, universities, and innovators that aims to develop a smart grid system for improved energy efficiency and integration of renewable energy sources. The goal of this project is to design, implement and test a Power Line Communication network that would allow the efficient monitoring and management of low- and medium-voltage power networks. •

Driving e-mobility in rural France

In addition to offering a sustainable alternative to gas and diesel cars, electric vehicles can also help solve societal issues, such as social exclusion in rural areas. This is a conviction we share with a number of French communities that have chosen to experiment with shared eco-mobility in their regions.

One recent example is the Ardennes-Métropole community in North-Eastern France where Nexans has recently installed 149 EV charging stations in the framework of the region's sustainable mobility program. The aim of the program is to develop a car-sharing service in its relatively sparsely populated area. In addition to development and deployment of the local EV infrastructure, Nexans will also supervise the charging stations in partnership with Clem', a startup specialized in shared eco-mobility. •

NEXANS IN AFRICA

Powering the change

In today's increasingly electrified world, it is hard to imagine that 1.1 billion people still live without access to electricity – and nearly half of this population resides in Africa.

Electricity is key to economic development. Countries with electrification rates of less than 80% of the population also have reduced GDP per capita. On the African continent, the stakes are particularly high. To reach its full potential, the region will need to develop its electricity capacity considerably. And according to McKinsey, change is coming. By 2040, electricity-access levels are expected to reach over 70% while GDP is expected to grow fivefold.[1]

Committed to bridging the energy divide, Nexans contributes to the continent's electrification through its strong presence in Africa, in particular in Morocco, Senegal, and Ivory Coast as well as through the activity of the Nexans Foundation.

(1) McKinsey&Company, *Brighter Africa: The Growth Potential of the Sub-Saharan Electricity Sector*, 2015

Committed to building Africa's energy future

With over 60% of its population under the age of 25, plentiful natural resources and a spike in foreign investment, the African continent has never been more ready for economic growth and technological advancement. Yet studies show a country's economic prosperity depends heavily on a stable supply of electricity. To fulfill its potential, Africa therefore needs to significantly develop its energy capacity as some 600 million people – mainly in rural regions – continue to live without access to electricity.

Powering the change, Nexans is playing a leading role in the monumental effort to plug the entire continent into the power grid. Working closely with governments, NGOs, and local businesses, we are committed to actively building Africa's energy future.

For instance, in the framework of Morocco's Global Rural Electrification Programme (PERG), Nexans contributed to improving the electrification rate of the country's rural areas from 18% in 1995 to 98% in 2012. Nexans' Neogrid solution played a key role in the project as it includes all the equipment needed to install a power line (cables, transformers, junction boxes, circuit-breakers, etc.) as well as engineering and training support to customers.

Nexans also supports the development of the energy market in West Africa through our subsidiary Sirmel Sénégal and participation in Les Câbleries du Sénégal, a Dakar-based specialist in cabling for construction, infrastructure and industry. In 2018, a new Nexans plant covering 30,000 m² will become operational in Ivory Coast, specializing in construction cabling as well as low- and medium-voltage cables, electric stations and transformers. Through this pnership, we've established a foothold in the West African energy market. Also, working with a local industrial company, Envol Group, we are looking to power rural communities in Ivory Coast and neighboring countries. •

LEVERAGING DIGITAL TECHNOLOGY

Digital innovation for smarter customer services and increased performance

As we grow up the value chain, we leverage digital technology and innovation to develop new added-value services for our clients and improve the operational performance of our own production plants.

Nexans Digital Lab is our digital innovation hub dedicated to building proofs of concepts (PoC) and launching new initiatives at Group level.

Some recent examples of the Digital Lab's innovations include the cable geolocalization and identification solution for underground cables as well as integrated connected sensors in cable bundles for photovoltaic (PV) cable monitoring.

Creating customer value with the Internet of Things

The Internet of Things offers a vast new array of cost-saving potential. In the cabling industry, Nexans has recently made an important breakthrough allowing better tracking and maintenance of cable drums.

Distribution service operators (DSO) can sometimes spend millions of euros a year renting the cable drums required for their projects. Furthermore, the storage and replacement of drums lost, stolen or damaged result in additional costs. Together with ffly4u, a French expert in IoT, Nexans has developed a sensor that can be placed within each drum to allow its location to be tracked and the type and quantity of cable remaining to be monitored.

The first pilot project has been successfully carried out on the fleet of 40,000 drums that belong to Enedis, one of the major DSOs in France. •

LEADING BY EXAMPLE FOR A SUSTAINABLE FUTURE

Renewable energy for our own sites

A mere 100 companies account for more than 70% of the greenhouse gas (GHG) emissions worldwide, according to the 2017 Carbon Majors Report[1].

As climate change increasingly requires urgent measures, at Nexans we are convinced that all stakeholders, including businesses, should contribute to the common fight against global warming. And just as we remain committed to providing clients with cutting-edge sustainable technology to reduce corporate carbon footprints, we also apply the same standards to our own operations. We have started to deploy renewable energy technologies in our own manufacturing sites.

(1) CDP, *Carbon Majors Report 2017*, 2017
(2) United Nations Development Program (UNDP)

Addressing electricity shortages in Lebanon with solar power

In the framework of our global initiative aimed at reducing our facilities' impact on the environment, in July 2017 we inaugurated a 600-kilowatt peak solar power system at the Liban Cables Naher Ibrahim industrial plant. The 1,900 photovoltaic panels installed on-site will produce approximately 938,000 kilowatt-hours per year – enough energy to cover over 8% of the electricity required by the plant.
The new system replaces one of the six electric generators that had previously powered the plant. This will allow us to reduce our greenhouse gas emissions by 751 tonnes per year, the equivalent of what 375[2] cars emit annually.

Co-funded by Liban Cables and the Global Environment Facility, the solar power system is the first to be completed within the framework of UNDP's[2] Small Decentralized Renewable Energy Power Generation Project. It is one of the largest industrial green energy undertakings in Lebanon to date, highlighting the significant role Nexans continues to play in the country's sustainable economic development. •

Buizingen wind turbines cutting our carbon footprint

The sun is not the only renewable resource powering Nexans' operations. At the Buizingen plant in Belgium, two 2 MW wind turbines have been directly powering the factory since September 2016. Moreover, they even inject energy into the public power network on especially blustery days.

The wind turbines have not only cut the plant's carbon footprint, but are also saving Nexans around 200,000 euros a year in electricity bills. •

Nexans FOUNDATION

For fair access to electrical power

In 2013, Nexans became the first player in the cable industry to create a corporate foundation to serve the public interest. The Nexans Foundation aims to help bring electrical power to disadvantaged communities throughout the world by giving priority to grassroots-level organizations and sustainable solutions.

Our commitment for fair access to electrical services follows the United Nation's (UN) call 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 sustainability targets – to ensure access to affordable, reliable, sustainable and modern energy for all (Sustainable Development Goal no. 7) – a priority long recommended by the International Energy Agency, which advocates universal energy access by 2030.

Energy does not only provide access to light, it facilitates education, healthcare, economic development, women's empowerment and more. These are essential needs that must be met.

Sustainable Energy for All currently estimates that 1.1 billion people do not have access to electricity and at least 2.9 billion people do not have access to clean energy for cooking. More than 95% of these people live in sub-Saharan Africa or in developing Asia. The goal of the Nexans Foundation is to fight against energy poverty by cooperating with NGOs and NPOs worldwide. •

Electricians Without Borders and the Nexans Foundation join forces to support the French Crisis Center

In a context of increasingly frequent and devastating climate disasters, the role of the French Crisis Center of the Ministry for Europe and Foreign Affairs is to help disaster victims as quickly as possible. The Nexans Foundation, accompanied by other actors of the electrical sector, chose to partner with the French Crisis Center and Electricians Without Borders in order to support their activities in the regions struck by natural disasters.

These partnerships were signed in December 2017 at the Ministry for Europe and Foreign Affairs, in the presence of Secretary Jean-Yves Le Drian, signatory for the French Crisis Center, and Presidents of the signatory companies which represent the major players of the energy industry.

€300,000

ANNUAL FOUNDATION BUDGET

700,000

PEOPLE IN 30 COUNTRIES BENEFITED FROM THE SUPPORT OF THE NEXANS FOUNDATION

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PROJECTS IN PARTNERSHIP WITH 39 ORGANIZATIONS SINCE 2013

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Nexans

BRINGS ENERGY TO LIFE