



Compensation elements published in accordance with the AFEP-MEDEF Code of Corporate Governance

Decisions of the Board of Directors of February 14th, 2024

1. 2024 compensation of Jean Mouton, Chairman of the Board of Directors

The Board decided to maintain the same fixed compensation of EUR 320,000 for Jean Mouton as Chairman of the Board for 2024, without variable compensation or other benefits, as recommended by the Compensation Committee. This fixed remuneration was reviewed in 2022 for a period of 3 years.

2. 2023 compensation of Christopher Guérin, Chief Executive Officer

In accordance with the decision of the Board of Directors on February 14th, 2023, the amount of Christopher Guérin's 2023 variable compensation as Chief Executive Officer, may vary between 0% and 150% of the base compensation as Chief Executive Officer and is 60% based on collective objectives and 40% based on specific pre-determined individual objectives.

On February 14th, 2024, the Board of Directors decided on the amount of Christopher Guérin's variable compensation as Chief Executive Officer for 2023 as follows:

- as regards the collective portion of the variable compensation, under strict application of the level of achievement of the objectives set for 2023 (25% ROCE, 50%: EBITDA, 25% NCF),
 - The Group achieved a ROCE of 21.8% (at constant exchange rate) for a maximum objective of 19.5%. The achievement rate for ROCE is 100% of the maximum amount, reflecting a significant achievement compared to the budget,
 - The Group achieved an EBITDA of 689.2 million euros (at constant exchange rate) for a maximum objective of 640 million euros. The achievement rate for EBITDA is 100% of the maximum amount, this indicator having overachieved compared to the budget,
 - The Group achieved an NCF of 436.9 million euros (at constant exchange rate) for a maximum objective of 270 million euros. The achievement rate for NCF is 100% of the maximum amount, this indicator having also overachieved compared to the budget.

Based on these figures, the Board of Directors noted that the collective portion came to EUR 675,000 (relative to a potential maximum amount of EUR 675,000, i.e. 100% of the maximum amount).

- as regards the portion related to individual objectives, they are specific and predetermined, and their achievement was assessed on the year 2023. After assessing the extent to which they were achieved, the Board of Directors set them as follows:
 - **25% - Strategy deployment**

The achievement rate of the "Strategy deployment" objectives is 74.4% of the maximum amount.

This is based on an outstanding achievement of net income result (EUR 235 M including COREX effect, versus EUR 200 M target), the completion of the expansion plan of Halden on time with the first production starting in the new extension, and the launch as planned of CAPEX in France and in Morocco. However, the rotation of

assets has not been fully completed as per plan due to negative market conditions.

- **25% - Operational efficiency**

The achievement rate of the operational efficiency objectives is 79.0% of the maximum amount. This is based on a successful shift to industry 4.0 with 8 units ahead of plan, the strong synergies on EBITDA and Cash Flow generation resulting from the Centelsa and Reka successful integrations, and the approval of Nexagreen project by the Board. Generation & Transmission faced operational challenges in 2023.

- **25% - Culture and engagement**

The achievement rate of the culture and engagement objectives is 87.9% of the maximum amount. This is based on the exceptional work performed on the new culture setting foundations of the New Nexans model, the completion of the new organization design which is ready for implementation in 2024, the completion of the workforce planning for the Sales & Marketing population setting the key required skills for the future. The Company also strengthens its development programs and talent pools with the finalization of the industrial graduate program, the Emerging Leadership Program and the revamp of the Plant Manager Development Program.

- **25% - Deployment of ESG policy**

The achievement rate of the ESG Policy deployment objectives is 80% of the maximum amount. This is based on the definition of the three years climate strategy, the deployment of the E3 cluster, the successful implementation and adoption of E3 strengthening the Nexans performance model and its culture in all countries. The Company made a strong improvement on Safety which progressed in 2023 as well as on gender diversity. Nexans will continue to reinforce actions to improve the overall Group diversity including senior management positions, graded and industrial population.

Based on these figures, the Board of Directors decided that the individual portion came at EUR 361,500 (relative to a potential maximum amount of EUR 450,000, i.e. 80.3% of such amount).

The total amount of the variable compensation paid to Christopher Guérin as determined by the Board for 2023 was thus EUR 1,036,500, being 92.1% of the maximum amount, being specified that the payment of the annual variable compensation due to Christopher Guérin for 2023 is conditional on its approval by the Annual Ordinary General Shareholders' Meeting of May 16th, 2024.

3. 2024 compensation of Christopher Guérin, Chief Executive Officer

The structure of the compensation of Christopher Guérin as Chief Executive Officer was reviewed on February 16th, 2021 and approved at the Shareholders' Meeting on May 12th, 2021. In accordance with the compensation policy for executive officers, the compensation of Christopher Guérin remained unchanged for a period of three years.

The Compensation policy of Christopher Guérin for 2024 was examined by the Compensation Committee during four meetings between July 2023 and February 2024, before being proposed to the Board of Directors and approved.

Upon the recommendation of the Compensation Committee, at its meeting on February 14th, 2024, the Board of Directors has defined the new compensation policy for Christopher Guérin which will apply from 2024. The compensation has been reviewed in terms of both amount and structure. This review resulted in a more competitive, balanced compensation that is consistent with the Group's performance and strategy.

The Board noted that the compensation of Christopher Guérin in 2023 was lower than the first quartile

of a reference panel comprised of 15 companies comparable in terms of industry (Legrand, Prysmian, Rexel), project-oriented companies (SPIE, Vallourec, Bureau Veritas, Technip Energies, Alstom) and industrial companies of a similar size (BIC, Groupe SEB, Imerys, Arkema, Plastic Omnium, ISS, Valeo). In the interest of continuity in the compensation policy for the Chief Executive Officer, 11 Companies from the 2021 reference panel were also included in the 2023 reference panel.

Upon the recommendation of the Compensation Committee, the Board of Directors resolved to rebalance the weighting of the short-term and long-term variable compensation while ensuring alignment with the practices of the reference panel.

Fixed compensation

The Board noted that the compensation of Christopher Guérin was 17% lower than the first quartile of the reference panel defined above. At its meeting of February 16th, 2021, the Board of Directors set the compensation of Christopher Guérin at 93% of the median of the reference panel. Given the Group's strong performance over the last three years and the change in the reference panel (the median fixed compensation of the 2021 reference panel increased by +15%), the Board of Directors, at its meeting on February 14, 2024, decided, upon recommendation of the Compensation Committee, to align the compensation of Christopher Guérin with the median of the 2023 reference panel to EUR 950,000.

Over the last three years, under the leadership of Christopher Guérin, the Group has significantly accelerated its growth in value through the transformation of its operating model and the recentring of its business lines towards 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 recentring the Group on the 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, Nexans benefited from a strong backlog of orders, in line with its electrification strategy. This was reflected in the signing of an unprecedented and recorded-breaking number of contracts for Nexans. After the success of the DolWin 6 projects and the signing of the BorWin 6 project in 2022, the Nexans group continued its long-term partnership with the operator TenneT and signed the largest contract in its history in 2023, for an amount of EUR 1.7 billion, for the connection of future wind farms in the German North Sea. The Group signed a EUR 1.43 billion contract for interconnections of Greece, Israel and Cyprus for the EuroAsia Interconnector section, renamed "Great Sea Interconnector".

Under the leadership of Christopher Guérin, Nexans 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 while preserving environment and promoting employee engagement:

- Since December 31st, 2020, Nexans has continuously created value with an EBITDA growth of 92%. With an EBITDA of EUR 665 M 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 31st, 2020.
- The Group generated exceptional levels of cash with a conversion rate of EBITDA to cash of more than 40%. This exceeded 50% of EBITDA in 2023.

These economic and financial performance is the result of a holistic approach including environment and employee engagement. While profit remains a source of revenue for the Company, it must be used wisely to preserve the planet and offer its employees a fulfilling work and life environment.

Nexans Group has been able to deploy an innovative operating model led by Christopher Guérin: E3 (Economy, Environment, Engagement). With this operating model, the performance of each Group unit is based on three criteria: return on capital invested, return on carbon employed and return on competence engaged.

Thus, in parallel with its strong economic and financial performance, Nexans reported a reduction in

CO2 emissions of 28.4% compared to 2019, which is ahead of its engagement. In addition, metallurgical plants in Canada and France have received the Copper Mark™ label for responsible copper production.

The Group also benefits from a high level of engagement from its employees (2022 engagement rate of 77%) which contribute to promote the corporate vision and translate it into concrete operational actions.

Lastly, at December 31st, 2023, the Nexans share price was EUR 79.25, compared with EUR 59.25 on December 31st, 2020, representing a performance of +34% over the three years period.

The annual fixed compensation will only be increased in 2024 being subject to the Shareholders' Meeting resolution approval on the compensation policy for the Chief Executive Officer for 2024.

Short-Term variable compensation

At its meeting on February 14th, 2024, the Board of Directors set the structure and objectives of Christopher Guérin's short-term variable compensation for 2024. The target rate of the annual variable compensation represents 100% of the annual fixed compensation. This may vary according to the achievement of objectives set by the Board of Directors, from 0% to 150% of his fixed annual compensation.

Upon the recommendation of the Compensation Committee, on February 14th, 2024 the Board of Directors set the portion of collective objectives at 65% and the portion of individual objectives at 35%. Achievement of collective and individual objectives is assessed and based on demanding pre-established annual objectives in line with the Group strategy.

Target amounts for the selected objectives are those of the 2024 budget.

The minimum and maximum objectives are defined in absolute value within the minimum and maximum brackets set for each criteria and are in alignment with the annual budget set by the Board of Directors.

The bonus payment trigger threshold shall not be less than 90% of the ROCE, EBITDA and net income targets, and 80% of the NCFE. In the event of outperformance, the bonus payment threshold shall not exceed 110% of the ROCE, EBITDA and net revenue targets, and 120% of the NCFE.

Below the trigger threshold, no bonus is paid, then a linear interpolation from 0% to 150% of the basic salary between the respective minimum and maximum thresholds is followed.

Criteria	Weighting	Minimum	Target	Maximum
		0% of target compensation	100% of target compensation	150% of target compensation
Collective objectives	65%			
<u>ROCE</u>	25%	90%	100.0%	110%
<u>EBITDA</u>	40%	90%	100.0%	110%
Net revenue	10%	90%	100.0%	110%
<u>NCFE*</u>	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 and engagement	20%	Quantitative and qualitative objectives set by the board of directors		
Deployment of the <u>ESG</u> Policy	20%	Quantitative and qualitative objectives set by the board of directors		

*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.

The individual objectives and their respective weighting for 2024 are as follows:

30% - Strategy deployment

- Capital Markets Day 2025-2028, strategic moves announcement, Board seminar, and internal and external communication
- From an inorganic point of view: pursue the asset rotation taking into consideration the economic context

30% - Operational Efficiency

- Deployment of the Group's industrial strategy by amplifying Industry 4.0
- G&T Excellence in Transformation plan roll-out, and backlog execution
- Integration of acquisitions

20% - Structure, Culture and Engagement

- Design and implementation of a new organization (focused on Distribution and Usages) to increase the agility of decision-making and empower Business Units
- Deployment and adoption of the new culture (leadership model and associated behaviors), and a successful culture integration of acquisitions
- E3 leadership incarnation of all levels of the organization

20% - Deployment of ESG Policy

- Safety: Workplace accident frequency rate (FR1) \leq 0.9
- E3 Leadership: 15% of E3 compatible sites, new training dedicated to E3 in place. Climate strategy aligned with target
- Diversity: Focus on increasing the overall proportion of women. Target of 20% for Senior Positions target of overall company at 18%

Long-Term variable compensation

At its meeting on February 14th, 2024, the Board of Directors set the structure of Christopher Guérin's Long-Term variable compensation for 2024. It will represent a maximum of 150% of the annual fixed compensation, in IFRS value, and will take the form of an allocation of performance shares. The maximum number of shares allocated to Christopher Guérin will not exceed 12% of the total envelope of performance shares authorized by the 27th resolution of the General Meeting of May 11th, 2023.

The vesting of performance shares will be subject to a presence condition of 4 years and 3 performance conditions evaluated on a 3 years period.

- An External performance (40% of granted shares) based on the Nexans Total Shareholder Return. This condition measures the relative performance of the Nexans stock compared to a reference group. It will be evaluated on a period of three years starting from the date of grant.
- An Internal economic performance (40% of granted shares) based on EBITDA with a minimum level of cash conversion. This condition measures the economic performance guaranteeing a minimum commitment of cash generation. The economic performance related to the 2024 Long Term Incentive will be evaluated on December 31st, 2026
- An ESG performance (20% of granted shares) based on the Nexans ESG scorecard which measures long-term quantitative objectives articulated around three pillars : Environment, Engagement and Governance. The ESG scorecard related to the 2024 Long Term incentive will be evaluated on December 31st, 2026.

4. Long term compensation of the Chief Executive Officer: vesting of performance shares under plan No. 20 of March 17h, 2020

The Compensation Committee has determined the achievement of the performance conditions to be satisfied for the vesting of the shares granted to Christopher Guérin as Chief Executive Officer, under the long-term compensation plan No. 20 of March 17th, 2020.

The vesting of the performance shares under plan No. 20 of March 17th, 2020 was subject to the following performance conditions.

Depending on the level of performance acknowledged at the end of the vesting period, the number of shares allocated to the CEO may vary between 0 and a maximum of 20,000 according to the following scales:

Ranking of Nexans TSR compared to the TSR of the panel	Percentage of vested shares under this condition
1st or 2nd in ranking	100%
3 rd in ranking	90%
4 th in ranking	80%
5 th in ranking	60%
6 th in ranking	40%
7 th in ranking and below	0%

Level of Group Free Cash Flow at year-end 2022	Percentage of vested shares under this condition
≥ 215 M€	100%
≥ 205 M€ and < 215 M€	90%
≥ 195 M€ and < 205 M€	80%
≥ 185 M€ and < 195 M€	70%
≥ 175 M€ and < 185 M€	60%
≥ 165 M€ and < 175 M€	50%
< 165 M€	0%

Level of CSR index achieved at year-end 2022	Percentage of vested shares under this condition
≥ 90%	100%
≥ 70% et < 90%	70%
< 70%	0%

The Nexans TSR performance is ranked second. The level reached is such that 100% of the shares granted under this condition are definitively vested.

Regarding the Free Cash Flow condition, the level reached in 2022 of EUR 393 M is such that 100% of the shares are definitively vested under this condition.

In 2022, Nexans has achieved 7 out of 10 CSR objectives. As a result, 70% of the shares granted under the CSR performance condition vested.

Given the level of achievement of the above performance conditions, 94% of the performance shares granted will vest definitively on March 17th, 2024.

As a result of the determination by the Compensation Committee on the achievement of performance conditions, the Board of Directors has determined that Christopher Guérin will definitively vest 94% of the shares granted under the performance share plan No. 20 of March 17th, 2020. As a result, the number of shares definitively vested by Christopher Guérin is 18,800 representing 94% of the maximum.