



Sustainability

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2021**

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A LETTER FROM

The Chief Executive Officer



The Nexans New Zealand business has been in operation since 1967. Meaning we are 54 years young and continue to be a significant contributor to the development of New Zealand's infrastructure and economy.

Nexans has always been part of the history of electricity, playing a crucial role in the electrification of the world. This electrification is key to a sustainable, balanced and equitable growth that benefits to all humanity. Now, it is time for the company to simplify to amplify its role: simplify our focus to amplifying the electrification sectors, by becoming a real pure player in electrification.

Being a New Zealand based manufacturer and supplier of electrical cables, products and solutions, we are an integral part of New Zealand's progress in recovery from the Covid-19 impact that altered the economy, both locally and globally, throughout

2020. Change is happening faster than ever. Our local capability, employee expertise and kiwi ingenuity means we can react to uncertainty quickly and decisively to support the electrical market's various needs.

The effects of the global pandemic have changed the course of direction for the global community. The way in which business has been conducted has been flipped continuously. The risk profile for all walks of life within each sector of the world have been magnified, the environmental sustainability focus has emerged stronger and with more credibility now that the NZ Government are stipulating targets for improvement and carbon neutrality. Businesses need to be able to navigate through an immersion more than ever to digital economies and transactions, supply chain risk and development, environmental impact mitigation and improved proactive planning.

Global warming is accelerating; assets are aging; and because the world will become electric much faster than planned, it is the time to change.

By 2024, Nexans will become a pure player in electrification, and it will lead the charge to a safer, sustainable, renewable, decarbonized and accessible new world of electrification.

Being local but also global, means that in addition to employing 150+ New Zealanders, we can offer specialist services and the latest expertise from around the world.

The requirement in the current climate is for us as local manufacturers to continue to reinvest into our businesses. We have this commitment focus and have continued throughout 2020 to invest capital into replacing machinery to improve productivity capacity, increased investment into research and development in innovation, added further digital solutions and most importantly a group dedication and focus on human capital development.

The innovation process goes through a number of partnerships such as a risk management process with Bureau Veritas. Nexans' digital partnerships include cloud, data and AI solutions

with Microsoft. Ffly4You, Sigfox and Orange have become the preferred connectivity partners of Nexans for the worldwide deployment of its IoT solutions. We have recycling initiatives and looking towards eco-friendly packaging solutions as well as working closely with industry leaders and stakeholders to reach faster carbon neutrality and enabling a truer circular economy.

We acknowledge that our existing workplace, our customers, and the communities in which we operate, are intrinsically diverse. We are made up of men and women, people of different nationalities, ethnic and racial backgrounds, generations, religions, abilities, sexual orientation and many other personal and group differences.

At Nexans, we value and respect all the differences that make each person unique. This is what diversity means to us. Furthermore, we aim to leverage people's different perspectives and contributions as a powerful source of performance and innovation.

To achieve this, we promote a sense of belonging for employees by creating an

inclusive work environment in which diverse talent can thrive, engage and contribute to business results. The diversity and inclusion policy is integrated into our CSR engagements.

Our internal well-being programme - Nexans Be Well, continued to grow with the dynamics from the global pandemic highlighting the need to support our employees and their families, communities and stakeholders, ensuring our holistic based approach enables wellbeing to form a strong base to work through the difficulties that emerged.

Thank you for your continued commitment and support to this wonderful New Zealand business.

Our vision is to be the "Most-valued business partner through a dedicated focus on sustainability, innovation and business capability"

Our purpose is to **Electrify the Future.**

Michael Pienaar
CEO & Country Manager

Our Business

As New Zealand's largest power cable supplier, Nexans New Zealand manufactures a wide range of quality electrical cable. We have been manufacturing and distributing power cables from our New Plymouth facility since 1967 and are committed to providing specialised expertise, superior products and services to New Zealand and the Pacific.

We are a vibrant, innovative and dynamic company, providing comprehensive cable, services, consultancy and solutions to our key electrification markets.

At Nexans, electrification is based on 4 major pillars: generation of energy; offshore and onshore wind turbines, solar power plants, hydropower; transmission to interconnect;

distribution that requires infrastructure modernisation to sustain future demand of electricity; usage that drives the demand of electricity wherever there is a human activity: construction, data-centers, infrastructure, industrial activities and commercial business requirements.

Our manufacturing facility and head office is based in New Plymouth with a sales office in Auckland and a sales and distribution warehouse in Christchurch. Our factory produces a wide range of electrical cables, ranging from low voltage through to medium voltage power cables with ratings up to 33kV, all of which are quality and environmentally certified to ISO9001 and ISO14001.

The Nexans group will be launching a disruptive company performance model called E3: Economic, Environment and Engagement. These core elements of the business' focus on optimisation and

achieving the right balance across all three which will drive our innovation culture. As stakeholders in our business we urge collaboration in order to enable efficiency and mutual benefit creation.

As part of the global Nexans group, we have access to an extensive range of world-leading cable products and solutions suitable for electrification projects of any size and scope. We have a robust supply chain network which allows us to source quality specialist products from any of our verified supply partners around the globe. Our team of experts can also provide technical consultancy, bespoke cable design, and comprehensive logistics services.

Local expertise, global capabilities and together with our partners we will simplify our business to amplify our impact!

Our Customers

If 2020 taught us anything, it is that relationships are built on mutual value creation and continuously looking at new ways of doing things. The responsibility on Nexans to support the majority of the New Zealand market through the volatility was very apparent.

Clarity of communication between parties enabled a significant turnaround in the second half of the year and together we achieved substantial results in volume and value creation to end 2020 with an upward trend in demand heading into 2021.

The business strategy to work closer with our strategic partners enabled us to simplify our business model and amplify our performance with those critical to our future strategies.

With sustainability typically considering the impact of economic, environmental and social actions, at Nexans New Zealand we adopt customer centricity as a critical enabler of our business. Focusing on our customers and end-users we learn what is important, what drives value in each segment or application.

Through this understanding we aim to tailor our offering to create tangible value for our partners. We do this by fostering customer focused leadership through differentiation, commitment to value and service, and anticipating market needs.

Heading into the future where you have increased human activity, you have an increase in the usage of electricity. In all buildings, all means of transportation and emerging hyper-scale datacenters, for which electricity supply is as critical as data connectivity.

The building market is full of dynamism, with a significant growth of cable demand of expected in the next 10 years. Being a local player will be a key enabler to reduce carbon emissions. Environment impact and digitalization capabilities are becoming a criteria of choice by our customers.

Whilst in electricity distribution millions will be spent in improving access and reliability of networks and Nexans is very well positioned with its unique solutions. Becoming a solution provider, Nexans addresses the electrification challenges head on.

Increasingly, customers are demanding for systems and solutions rather than just cables. More and more investments are being put into sustainable energy generation, to grid modernisation and usage safety.

Our business continues its growth through 2020 into 2021 with a positive outlook albeit an inconsistent global environment. Residential demand together with surrounding infrastructure continues upward, EDB's continue to invest into their networks, transportation infrastructure with the CRL tunnel and other projects of significance will continue for years to come.

The focus on the Governments commitment to carbon neutrality will ensure growth in future wind farm and solar projects, together with sudden expansion of data centres in NZ – the opportunities coming up are very exciting.

Nexans is known as a trusted cable supplier of choice to our customers, many of which are New Zealand's leading companies within the power generation, transmission, distribution and wholesale distribution markets.

We supply a wide range of premium aluminium, copper, low voltage and medium voltage products through our local New Plymouth manufacturing, supported by our wider Nexans group. Our strategy is supported by our premium delivery offer amplified by accessories and services and completed with our global innovation portfolio.

Our customers choose us as a trusted supplier as we've been able to support them through the changing requirements of the market by implementing agile leadership and high levels of employee engagement, allowing for quicker decision making due to our local knowledge and presence. For us to sustain our New Zealand business, our most valuable asset is our customer base and our long-term partnerships with them. Being customer-centric is all about understanding our market, maximising customer value through innovation and high service levels that are of critical importance to our strategic customers.

Manufacturing Advancements



Over the last decade Nexans New Zealand has been working hard on advancing our manufacturing processes and systems for high optimisation and reduction of waste and energy consumption.

Waste Reduction

Our triple extrusion Medium voltage line was identified as our biggest contributor to our landfill waste-stream. Medium voltage products are made with a cross-linked

polyethylene, TR-XLPE, that is non-reversible thermoset material and therefore not deemed recyclable. Over the years there have been companies that have taken this waste to be used for recycled plastic products such as roading and fence posts, but these have since ceased.

It thus remains a challenge for Nexans to eliminate this source of waste from landfill, but we continue to work towards solutions on manufacturing efficiencies in order to reduce the amount of total manufacturing waste.

In 2010 the triple extrusion line had start-up lengths anywhere between 260 metres to 130 metres, which meant every time it began, at least 130 metres became waste ultimately for landfill. Our process engineering and extrusion team began series of trials to try and heavily reduce this. Each year managing recipe and process changes with some investment and creativity and line parameter changes, with the aim to further reduce this amount annually. These efforts have proved to be hugely successful and now in 2021 our Start-up length is a mere 30 Metres.

Low Voltage Extrusion

Low voltage extrusion also uses a similar non-reversible thermoset material, XLPE, which is also not deemed recyclable.

With a lack of options for recycling available we needed to improve in-process waste by reducing start-up lengths and introducing smart plant load planning. This means that jobs with the same materials are scheduled to run concurrently as much as possible, reducing downtime caused by processing jobs with dissimilar materials.

This not only provides savings on raw materials, it also greatly improves energy consumption.

A number of Investments have also been made into our machinery and equipment, such as the addition of the in-line oscillation unit, which allows us to remove a separate stage of process in the building wire loop, and by installing larger Take-ups; these types of upgrades have optimized productivity and reduced the amount of scrap.

Machine Logic and Optimisation

Our future aim is to become paperless (Job paperwork) by using Direct Machine Control (DMC).

Currently our Operators print out each Job's instructions for every job they run at every machine for our Production database system. This job paperwork is unique to both the product and the customer and contains all of the instructions such as the cable specifications, identification and trace codes, the raw materials to be used, lengths to run, set-up and equipment on the machine, any in-process inspections required and the speeds it needs to run at.

Our overall equipment effectiveness (OEE) and downtime codes have been manually inputted onto paper by the operators, collected and inputted into monitoring spreadsheets. This is a very time consuming and manual task which needed to be improved.

By having the Job paperwork directly transmitted to the machine and available on screen at the Machine for the Operators will not only save time and paper, it will also be able to (if required) directly communicate and set-up the machine with the parameters for temperature profiles, specific run recipes, lines speeds, and for OEE data.

A trial machine was selected, which was an assembly line, to have 'Intouch' 'AVEVA' installed which is human to machine interface (HMI) touchscreen. This connects to the machine controller and automatically records

transfer of the job information from our Production database system, so the operator is now able to view the current and upcoming jobs on their machine (no more job paper).

This first machine trial was successful and the AVEVA has now been installed into our Extrusion lines.

Energy

On average a simple construction of electrical cable will need to be processed via four machines, beginning in Wire drawing, Assembly, Extrusion and finishing with Rewind for Dispatch.

To calculate the energy consumption of any product you must know the amount of energy consumed to make that product. Therefore to fully understand the carbon footprint of the products we manufacture and to define and improve energy efficiencies, we needed to install logic on each machine and capture the usage data. To do this we divided the project into three stages.

Phase 1- purchase and install energy meters at all Category A machines (completed 2020).

Phase 2- purchase and install more meters at machines and connect the meters to talk to an Energy Server for monitoring the data (2021 and 2022).

Phase 3- Connect the meters into our 'intouch' system so we are able to obtain energy use per job at each machine (2022).



Sustainability Framework 2019 - 2021

	Focus Area	Why it matters to us	Where we're at	Current Objectives	Where we are going
Our People	Workplace Safety	<ul style="list-style-type: none"> It is our responsibility to have robust systems and processes in place across all work sites to ensure the safety of our employees, contractors and visitors. 	<ul style="list-style-type: none"> Each employee is responsible and acts as a HSR. Monthly company-wide refresher training in addition to quarterly safety focus forums. Annual Global Safety Day in September. 	<ul style="list-style-type: none"> TRIFR1 = 0.0, TRIFR2 = 8.2, TRIFR3 = 20. SUSA (Safe and Unsafe Acts and Conditions) = 700. Zero Lost Time Injuries. 	<ul style="list-style-type: none"> Retain key talent. 100% engagement in IDP process. Employee and business succession planning.
	Talent Management	<ul style="list-style-type: none"> Promotes employee loyalty, knowledge sustainability, encourages engagement, innovation and promotes personal and organisational growth. 	<ul style="list-style-type: none"> Talent and Succession Mapping through Individual Development Plan. Agile Leadership model driving employee engagement. Centralised use of MyClick® application 	<ul style="list-style-type: none"> Retain key talent. 100% engagement in IDP process. Employee and business succession planning. 	<ul style="list-style-type: none"> Zero regretted losses. Deployment of Agile leadership principles. Year on Year improvement.
	Employee Engagement	<ul style="list-style-type: none"> Increases productivity, employee wellbeing, communication, quality control, teamwork and collaboration. Ensures alignment between the individual and the companies values and ethics. 	<ul style="list-style-type: none"> Annual Nexans Employee Opinion Surveys. Employee Engagement Focus Groups and Wellbeing committee. SQDCE and internal newsletters. 	<ul style="list-style-type: none"> Retain key talent. 100% engagement in IDP process. Employee and business succession planning. 	<ul style="list-style-type: none"> A team driven culture.
Our Partners	Social Responsibility	<ul style="list-style-type: none"> Nexans is committed to ensuring fair and ethical trade and it is mandated to our partners. We are committed to our values and ethics. 	<ul style="list-style-type: none"> All Partners compliant to Nexans CSR Charter. Nexans Compliance week programme. Nexans GMP programme. 	<ul style="list-style-type: none"> 100% of Vendors have signed Nexans CSR policy; 100% of Suppliers have signed Nexans CSR policy. 	<ul style="list-style-type: none"> The Nexans CSR Charter inherent and applied to entire value chain.
	Relationships and Commitment	<ul style="list-style-type: none"> Alignment to business partners based on fundamental principles enables true partnering and value creation. 	<ul style="list-style-type: none"> Mutually constructed manner in which business is performed. Consistent dialogue and interaction supported by CRM. Request feedback to enable improvement in our offering. 	<ul style="list-style-type: none"> Supplier Audits and Performance monitoring. Transparency with all stakeholders, including Government and local councils, Worksafe etc. 	<ul style="list-style-type: none"> All stakeholders have clarity on the business' vision, mission and positioning strategies.
	Our Planet	<ul style="list-style-type: none"> Environmental sustainability, Nexans commitment to reduce emissions and reduce the use of hazardous substances in processing and in finished products. 	<ul style="list-style-type: none"> Consistent and objective audit of suppliers stipulating environmental compliance and process. Optimising purchasing specifications and best practices to enable growth in recycling 	<ul style="list-style-type: none"> KPI Targets for 2019: Reduction in % to landfill. Increase in % to recycling. 	<ul style="list-style-type: none"> Achievement of stretched year on year improvement ratios.
Our Products	Sustainable Pricing	<ul style="list-style-type: none"> Improved efficiency and productivity supports lower cost manufacturing to allow for sustainable, competitive offers to our partners. 	<ul style="list-style-type: none"> Development of preferred materials. Continually improving export and packaging expenses. 	<ul style="list-style-type: none"> Target set for Net Promoter Score. Target for value generated through new material trials. Nexans University, e-learning and Customer Interface. 	<ul style="list-style-type: none"> Year on Year reduction of waste within the business operation of 5% whilst maintaining current rate of R&D expenditure.
	Materials	<ul style="list-style-type: none"> To comply with regulations and meet the needs of our customers and their environments. 	<ul style="list-style-type: none"> Continuous development of products and design. Direction in place to move more LSZH product options. Affiliation and membership in ILFI, Declare and NZGBC. 	<ul style="list-style-type: none"> Maintain ISO accreditation. Maintain Nexans EHP label. 	<ul style="list-style-type: none"> Achieve and maintain 100% accreditation in each strategic and mandatory accreditation requirement.
	Circular Economy	<ul style="list-style-type: none"> To ensure cable manufacturing continues locally (in NZ) whilst keeping New Zealand clean and green. 	<ul style="list-style-type: none"> We offer an End of life management commitment. Use of recycled raw materials and in process waste materials. 	<ul style="list-style-type: none"> Recycling pilot program for customers. Zero notices or breaches from authorities. 	<ul style="list-style-type: none"> Year on Year improvement in implemented circular economy statistics + planned outlook for additional opportunities.
Our Planet	Environmental Management	<ul style="list-style-type: none"> Maintaining a high level of environmental management at our manufacturing, distribution centres and sales offices. 	<ul style="list-style-type: none"> Monthly Environmental audits. Maintaining requirements to ISO 14001:2015. Nexans EMP initiatives. 	<ul style="list-style-type: none"> Monthly Audits completed. Measuring improvement process. 	<ul style="list-style-type: none"> Year on Year improvement from base of Y-1 of
	Waste and Emissions	<ul style="list-style-type: none"> Protecting our environments from the risks of emissions and waste releases. 	<ul style="list-style-type: none"> Production waste streams are identified, monitored and controlled. Ongoing and measurable reduction projects. 	<ul style="list-style-type: none"> KPI Targets for 2019: Water usage, electricity, waste (per CET). Powerfactor. 	<ul style="list-style-type: none"> Year on Year improvement from base of Y-1 of 5%.
	Energy Efficiency	<ul style="list-style-type: none"> Optimise our energy consumption through logical applications and processes. 	<ul style="list-style-type: none"> Implementing energy measurement at machine level. Planned replacement projects for obsolete lighting to LED. 	<ul style="list-style-type: none"> Lighting replacement. Cooling towers and machine optimisation. Electricity usage and Powerfactor monitoring. 	<ul style="list-style-type: none"> Year on Year improvement from base of Y-1 of 5%.

Our People

We recognise our people are the source of our success.

2020, a year like no other due to the global pandemic. We have truly experienced the best from our people. Everyone in our business stood together, led by the Nexans New Zealand Crisis Management Team, to maintain the operation of our business. We adapted to new ways of working, conducting business and embracing new technologies.

An unsettling and frightening time for our employees and their families. We provided greater assistance in the form of special leave, maintained regular updates through internal communications and prepared sanitary packs for our employees to take home containing face masks and hand sanitiser. Using our Be Well Program platform we provided regular communications on relevant holistic wellbeing topics designed to inform and support our employees and their families during a new and difficult life experience.

In November 2020, Nexans announced the group's strategy for the future, Simplify our business to amplify our Impact. Our Purpose will be to Electrify the Future, with Our Mission of becoming an Electrification Pure Player.

We invited all Nexans employees to contribute their suggestions in developing new Values for the business that will support the group strategy into the future.

The groups new strategy for our future drives the focus on improved engagement, strategic development and retention of our employees as key factors for success. We promote diversity, inclusion, agility and collaboration and recognise different perspectives and contributions as a powerful source of our performance and innovation.

Through our Performance Management platform we coach and encourage our employees to become agile leaders, forging their capability development. We have numerous internal resources available to employees such as online "My Learning" platforms, "Manage Me Up" Leadership programs, mentoring, succession planning, capability assessment tools and on the job specific technical training.

We have fostered a team driven culture that is rewarded for their commitment with the many benefits provided. We match our employee's superannuation contribution up to 5% through our company superannuation scheme, Mercer Super Trust or Kiwi Saver.

We also understand the value of relevant benefits, hence in 2020 we conducted a significant review of the benefits we offer our employees. This resulted in meaningful change and has allowed us to offer Life Insurance, Critical Illness Insurance, Income Protection Insurance and Best Doctors to all our employees, delivering a financial safeguard for our employee's family in the event of serious illness, accident or death.

The benefit to employees is further enhanced by our comprehensive Medical Insurance plan with UniMed for employees, their spouse/ partner and children up to the age of 19 years which gives our employees peace of mind knowing that they can access quality treatment when needed.

Our internal "Nexans Be Well" programme was more important than ever in 2020, given the global pandemic. With the health, safety and wellbeing of our team and their families at the forefront, we have continued to support them, our communities and stakeholders with our holistic based approach.

The Five Ways to Wellbeing continues to underpin our Nexans New Zealand "Be Well" program. Key focus on putting the 'Health' back into Health & Safety. We called for volunteers from our employees to take on the role of Be Well Representatives, ambassadors of wellbeing, the link across functions, actively leading and encouraging others to focus on their own wellbeing.

Post lockdown we felt it was timely to offer education and support to our employees in the areas of financial and mental health wellbeing.

We engaged specialists in these areas to speak to our employees, suggesting tools and other relevant information that may assist them. We also continued to provide a confidential counselling service to our employees and their families which is another critical avenue of support with so much change in our world.

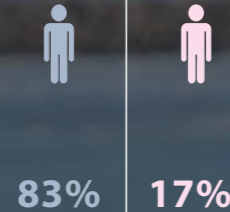
Our people make our business, our most valuable asset which we will continue to invest in to ensure a sustainable future for our business and our communities.



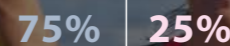
SERVICE YEARS AT NEXANS NEW ZEALAND | DEC 2020

MALES TO FEMALES EMPLOYED

17% of employees have served **0-3yrs**



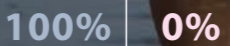
30% of employees have served **3-10yrs**



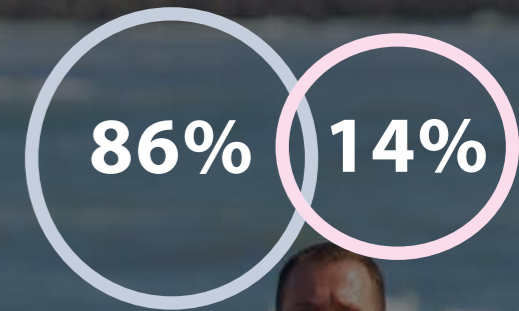
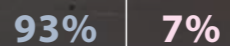
20% of employees have served **10-15yrs**



14% of employees have served **15-20yrs**



19% of employees have served **>20yrs**



EMPLOYEE AGE DEC 2020



Our Partners

Corporate Social Responsibility (CSR) is at the heart of Nexans strategy and our New Zealand business commits to and respects the fundamental principles of our CSR in the areas of:

- human rights and labour standards,
- the environment,
- the fight against corruption wherever we operate and whoever we work with.

Nexans New Zealand expects our suppliers to respect the same principles.

Nexans takes into account several criteria to award business to suppliers, the supplier CSR performance being one of the criteria.

Supplier's CSR performance is notably based on the supplier's CSR scorecard (certificate), issued by an independent CSR expert, internationally recognized (such as EcoVadis) as well as CSR audits on site, if any.

Nexans suppliers are encouraged to get their CSR performance assessed, certified by a CSR scorecard, and updated regularly.

Nexans reserves the status of preferred supplier to suppliers with a good CSR performance (among other strengths) and supports suppliers who improve their CSR performances in a continuous and sustainable way.


Nexans reserves the right to delist a supplier who would not respect the CSR principles.

Nexans suppliers shall commit to the CSR principles described below, for all their activities and sites, and ensure that their own suppliers adhere to similar principles.

Nexans suppliers shall implement a continuous improvement CSR action plan. Areas for improvement are also highlighted in the supplier CSR scorecard.

Nexans will be glad to support suppliers to identify actions and share the best practices.

Supplier CSR Charter

ENVIRONMENT & PRODUCT		
<p>ENVIRONMENT</p> <p>Nexans suppliers shall minimize impact on the environment of their activities and develop solutions that contribute to preserve, save water and energy. Nexans suppliers shall implement environmental management principles, in order to minimize or avoid all hazardous releases to air, soil and water and greenhouse gas emissions. Suppliers shall avoid the use of hazardous substances. In the event no alternative is available, suppliers shall ensure their safe handling and disposal.</p>	<p>PRODUCT RESPONSIBILITY</p> <p>Nexans suppliers shall incorporate environmental, health and safety criteria into their goods, in order to reduce their impact throughout their lifecycle while maintaining and/or improving their quality.</p> <p>Nexans suppliers shall provide Nexans with all regulatory information and data relating to the goods, e.g. content of hazardous substances, safety, composition, etc.</p> <p>Nexans values suppliers proposing goods with reduced environmental impact, focusing on:</p> <ul style="list-style-type: none"> • promoting circular economy (reduce resource consumption, use recycled and/or recyclable materials, optimize durability, reparability, recyclability...) 	<ul style="list-style-type: none"> • minimising the use of hazardous substances and scarce resources • reducing its carbon footprint during the whole life cycle 
<p>WASTE</p> <p>Nexans suppliers shall endeavour to reduce waste generated from their operations and ensure the disposal of such waste in a manner that is respectful to the environment. Waste must be identified, controlled, and treated.</p>		

HUMAN RIGHTS & LABOUR

FORCED & CHILD LABOUR

Nexans suppliers shall eliminate all forms of illegal, forced, or compulsory labour and modern slavery, defined as the recruitment, movement, harbouring or receiving of children, women, or men using force, coercion, abuse of vulnerability, deception, or other means for the purpose of exploitation.

The term "children" refers to any person under the age of 16, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. Workers under the age of 18 shall not perform work that is likely to jeopardize their health or safety, including night shifts.

All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment.

Employers and agents may not hold or otherwise destroy, conceal, confiscate or deny access by employees to their identity or immigration documents, such as government-issued identification, passports or work permits, unless such holdings are required by law.

Workers shall not be required to pay employers' or agents' recruitment fees or other related fees for their employment. Deductions from wages as a disciplinary measure shall not be permitted.

DIVERSITY & FAIRNESS

Nexans suppliers shall respect equal opportunities rights and seek to provide their employees with a work environment free of discrimination or harassment of any kind whatsoever. Nexans suppliers' employees are treated with fairness and dignity.

LABOUR RELATIONS

Nexans suppliers shall respect the right of associations, in compliance with local laws. Suppliers respect the right of employees to form or join the unions and workers' organizations of their choice and to participate in collective negotiations.

WORKING HOURS & TRAINING

Nexans suppliers shall comply with local legislation regarding working hours and minimum wages and strive to provide its employees with development programs and trainings. Notwithstanding the provisions of the local law, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers must be allowed at least one day off every seven days.

HEALTH & SAFETY

Nexans suppliers shall deploy necessary resources to ensure the health and safety of their employees in their workplace. Risks linked to their activities shall be identified, evaluated and either eliminated or mitigated through a health and safety management plan, established on the basis of international standards.

GOODS & CONFLICT MINERALS

Nexans suppliers who supply goods containing minerals extracted from mines, shall meet the standards of international responsible sourcing of minerals. That is of the utmost importance to prevent child labour, forced labour and the financing of armed groups in politically unstable areas.

Nexans suppliers shall make their due diligence on the origin of the minerals they use and ensure that all the suppliers in their supply chain (up to the mines), respect the CSR principles. They shall inform Nexans if any of the minerals integrated in the goods supplied fall into the category known as "conflict minerals". If so, suppliers are to provide the legally required information.

ETHICS AND BUSINESS

ANTI-CORRUPTION

Nexans suppliers shall ban corruption, bribes, kickbacks and other means of obtaining an undue or improper advantage. This includes the promising, offering, authorizing, giving or accepting of cash, fees, commissions, credits, gifts, favors, or anything of value that is either directly or indirectly provided in return for favourable treatment.

DATA PRIVACY

Nexans suppliers shall protect, including ensure IS security of, personal data of everyone they do business with, including suppliers, customers, consumers and employees (including IS security protection). Suppliers shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

GIFTS AND INVITATIONS

Pursuant to Nexans internal procedure:

- Nexans employees (including their families or relatives) must not accept gifts nor invitations. Sole exception are gifts offered purely as a courtesy, with a value lower than 50€, and no more than once a year from the same Nexans' business partner

- Nexans employees must not promise or offer gifts to our business partners (including their family or relatives) if the value exceeds 100€, and no more than once a year to the same business partner, unless duly authorized by a high-ranking manager. In which case, the authorized gifts and invitations must remain within the reasonable limits fixed by applicable laws and customary commercial practices.

- Nexans employees will never promise, accept or give gifts in cash.

CONFLICTS OF INTEREST

A "conflict of interest" exists when an employee's private interests supersede or interfere with his/her professional interests, or when an employee or a close relative might benefit personally from a transaction involving a supplier and Nexans. Nexans suppliers shall never take part in or seek to influence decision under circumstances that can create an actual or perceived conflict of interest. If Nexans suppliers become aware of a potential conflict of interest affecting Nexans, they will, without delay, notify Nexans.

COMPETITION LAW

Nexans pursues to build a business relationship based on honesty, trust, and mutual interest, and select suppliers through open and competitive bidding. Nexans suppliers shall act in accordance with the principles of fair competition and apply standards of fair business.

Our Products

Cable Solutions for Sustainable Building and Infrastructure - for a healthier Aotearoa New Zealand.

Building products and their supply chains in New Zealand are not inherently sustainable.

Many contain Red List (worst in class) toxic chemicals that are harmful to people and planet. At end of life, building materials contribute 40-50 percent of New Zealand's total waste to landfill. This is a huge opportunity to avoid waste and carbon emissions and preventing harm to living beings.

With a solutions focus, we have partnered with our community for positive and rapid change in New Zealand. Working with organisations such as Living Futures NZ Rākeiora, to promote transformational Living Buildings, which eliminate Red List toxic chemicals, and also the New Zealand Green Building Council (NZGBC) to accelerate the development and adoption of market-based green buildings in New Zealand.

Now with the NZ Governments goals of carbon neutrality by 2025 and introducing green standards for public sector builds, our PVC Free cables are increasingly being specified to create a healthier New Zealand within the building and infrastructure sectors.

Our Envirolex® and Alsecure® select range of cables are 50-89% recyclable at end of life, and made with non toxic PVC free materials that last over 50 years.

We are incredibly proud to have designed our PVC free product ranges, which are Red List Free (from harmful chemicals) and the ingredients are transparently shared with the International Living Future Institute™ Declare program. Having a 'Red List Free' Declare label status means they are suitable for the stringent Living Building Challenge program. They are also EnviroSpec verified.

Our Envirolex and Alsecure cables meet the Living Building Challenge Materials Petal Imperatives I-12 for Responsible Materials and imperatives I-13 Responsible Sourcing. Credit is available for I-14 Living Economy from local manufacture.

Our Declare label also contributes credit in the NZGBC's Homestar, residential green building tool too!

Nexans Declare Label Status

Nexans New Zealand participate in and support Declare, a critical product ingredients transparency platform. Declare is also an international product database transforming the materials marketplace.

The Declare Label provides nutrition information for building products.

Designers and developers who value transparency and long-term health, use the system to check which materials are free of red list chemicals.

Declare was developed by the International Living Future Institute™ (ILFI). The global Red List is a database of the worst in class toxic chemicals known to be carcinogenic, hormone and fertility disrupting and affect the human nervous and respiratory systems. These chemicals are common in the building industry and are a hazard to health by polluting the environment, bio-accumulating up the food chain to reach toxic concentrations which harm building occupants, construction and factory workers.

We received Red List Free Declare status in 2019 for all our Envirolex® and Alsecure® product ranges. Our products meet this pre-requisite to support green projects attempting ratings such as NZGBC Home Star, ILFI's transformational CORE and Living Building Challenge standards.

Envirolex® and Alsecure® Applications

Envirolex® is a comprehensive range of circular cables that are typically used for mains/sub mains, final circuits connecting to electrical devices, lights, lifts etc for hospitals, office buildings, tunnels, public high traffic areas and emergency exits.

Being PVC free, Envirolex® cables are also suitable for lower temperatures (-25°) and non-migratory applications.

Made with low smoke zero halogen (LSZH) materials, making them PVC free and engineered to reduce environmental impact under fire conditions.

By reducing emissions of harmful gases that may hinder an evacuation process during fire, these cables have been designed with safety in mind whilst retaining excellent mechanical and electrical properties.

Envirolex® flat (with earth) is an enhanced performance cable designed for the building and construction industry for general power and lighting purposes with a higher fire performance capability.

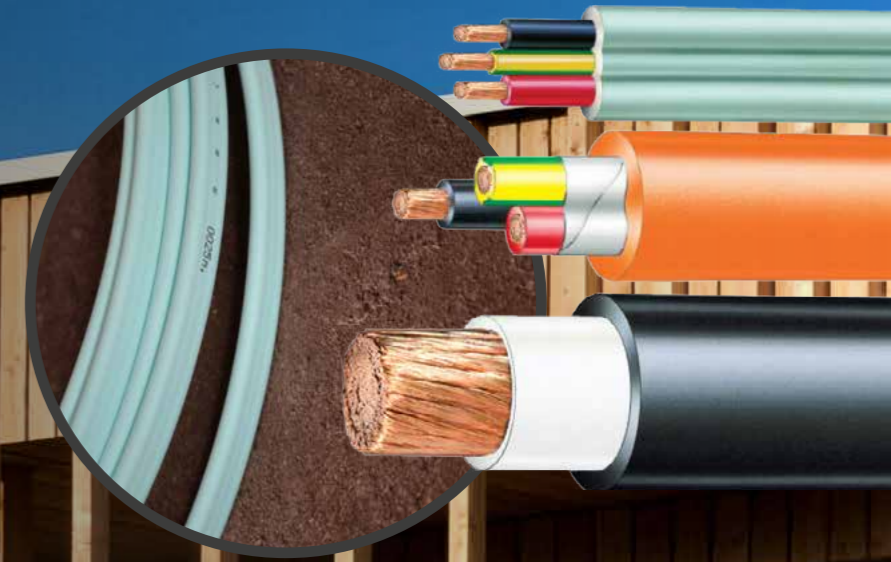
Also PVC Free and green for ease of identification, Envirolex® flat cable reduces harmful gas and smoke emissions that hinder a fire evacuation. They are flame retardant and non-propagating to help reduce the spread of fire.

Alsecure® Fire Rated cables are designed to preserve circuit integrity of essential services and electrical equipment and has a MICA tape layer that acts as a protective barrier during fire.

Alsecure® feature a flexible stranded copper conductor and are halogen free with their flame retardant materials making them low smoke, low toxic and free from corrosive emissions with a 110° C rated insulation and red sheath.

These cables meet the WS52W fire test in accordance with AS/NZS 3013 and are used for mains/sub mains power, lighting, alarms, pumps and other essential services for high traffic public places such as airports, shopping malls, hospitals and tunnels.

We are proud to support our country's building and infrastructure growth into the future - for a healthier Aotearoa.



Our Planet 2020 statistics

305+ tonnes
of wood recycled

24 tonnes
of co-mingled recycling

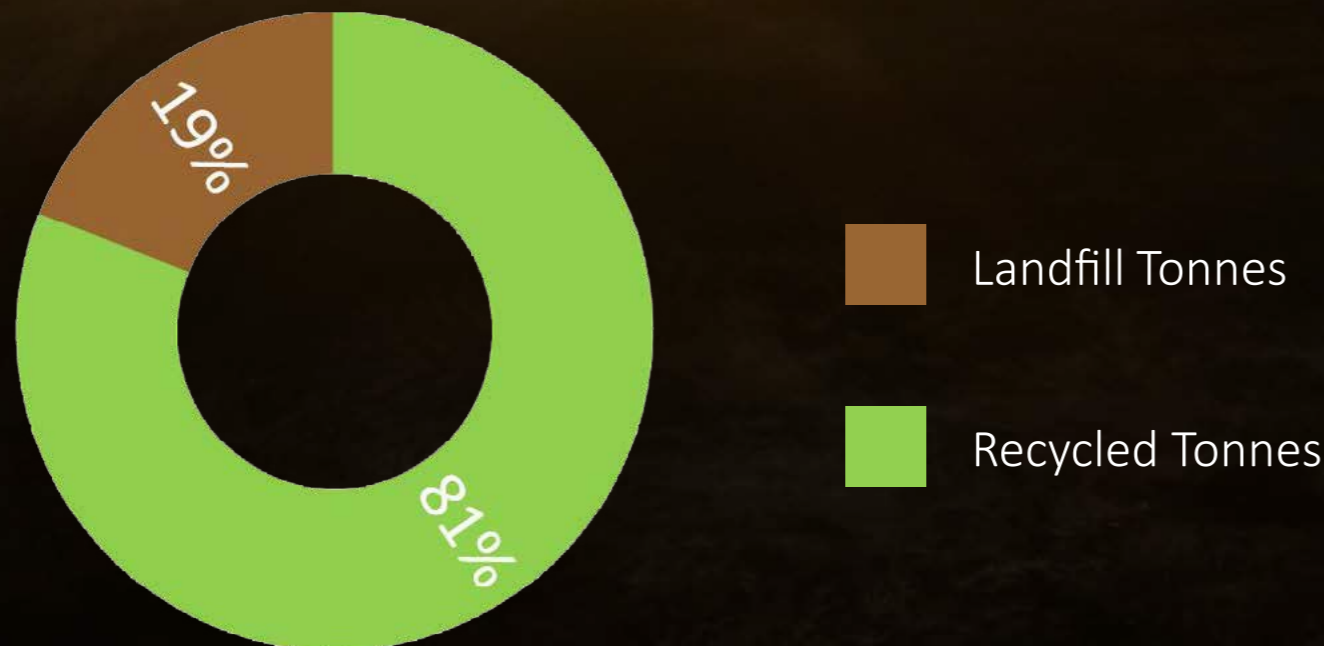
58+ tonnes
of cardboard recycled

7+ tonnes
of HDPE & MDPE scrap recycled

58.8 tonnes
of PVC scrap recycled

26+ tonnes
of steel recycled

Improvement in Recycled Waste



Recent Projects



All waste bins were removed from the administration areas and offices in 2020 and replaced with a communal recycling, landfill and food scrap bin in one central location.

This promotes physical activity, waste reduction and also social capital as employees are encouraged to take their meal breaks in the Café areas as opposed to their workspace or desks.

Our production processes require a fair amount of water, predominantly for cooling purposes.

We harvest our rainwater by utilising around four acres of our factory roofing and Taranaki's rainfall!

We have invested in installing catchments to harvest the rain water runoff from some areas of our roof and use the water in production processes, therefore reducing our need for reliance on town-supply. In the coming years, we will continue to install catchments for the remaining roof areas.

Our re-circulated water system's cooling towers are also programmed to operate at night when the temperature drops so that it reduces the work, making its energy consumption much lower and using night power rates which are significantly cheaper.



Green Drums

With our commitment to sustainable development, we are in the final stages of launching our new green drum programme that encompasses our existing drum recycling service, by adding drums produced with PEFC (Programme for the Endorsement of Forest Certification) or FSC (Forest Stewardship Council) certified wood from sustainable forestry.

In this initiative, we are working with our wooden-cable-drum suppliers to become part of the commitment to sustainable development. Our suppliers of wooden drums provide only drums that have the PEFC or FSC certification, meaning they are a product of sustainable forestry.

This works in conjunction with our drum recycling programme where we collect all our wooden drums and pallets no longer in use for re-circulation, helping to limit the amount of landfill waste and the need for new drums and pallets. This Green Drums programme will create value for our customers knowing the drums are part of a circular economy. All damaged drums and pallets are sent to a local New Plymouth business where its wood chipped for animal enclosures and ground cover.

Easyreel App

About to be launched is Nexans Easyreel, an app that uses a smartphone or mobile device to request a pickup of empty cable drums, pallets and stillages by scanning a QR code.

In alignment with Green Drums, the purpose of Easyreel is to make the process for drum returns much easier for our customers and to increase the number of drums returned to us to be re-used.

The app provides the customer multiple ways in which to request and facilitate a drum/s return (web, app, form) with benefits of saving space in the yard and supporting zero-waste initiatives.

Benefits to Nexans include cost reduction on new drums vs re-use or repair and recycle costs.



June 2020 - June 2021

Approx drums issued:
11,187

Approx drums returned:
28%

Sustainability Dashboard

Our People

Objective	Target	2020 Result	Status
TRIFR 1	0	5	
TRIFR 2	6.8	10	
TRIFR 3	16.9	30	
Total SUSA (Safe & Unsafe observations)	680	558	
IDP Engagement	100%	100%	
Employee & Business Succession Planned	Achieved	Achieved	

Our Products

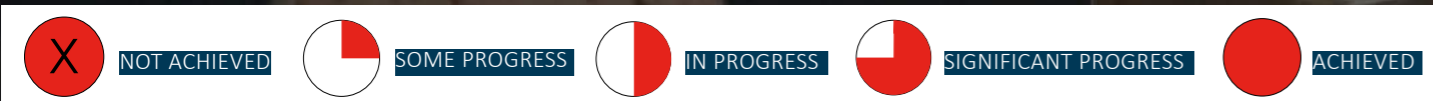
Objective	Target	2020 Result	Status
Recycling pilot for customers	1	1	
Zero notices or breach from authorities	0	0	
Maintain ISO accreditations	100%	100%	
Maintain Nexans EHP Label	100%	100%	

Our Partners

Objective	Target	2020 Result	Status
Vendors signed CSR	100	100	
Suppliers signed CSR	100	100	
Supplier Performance monitoring	Achieved	Achieved	
Recycling % of total waste C20 target met	80%	81%	
Additional recycling waste streams monitored	3	3	

Our Planet

Objective	Target	2020 Result	Status
Lighting Replacement programme	100%	100%	
Machine optimisation project (OEE) & (DC)	Phase 2 completed	75%	
Electricity usage C20 target met	0.744 kWh/CET	0.753 kWh/CET	
Powerfactor monitoring & improvement	0.97 pf	0.97 pf	
Water usage C20 Target met	0.4 kl/CET	0.4 kl/CET	
Landfill C20 target met	0.12 m3/CET	0.12 m3/CET	



 Nexans