



Nexans Hellas

Report on Corporate

Social Responsibility &

Sustainable Development 2010

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Global expert in cables and cabling systems

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### At the core of a sustainable future

"Access to energy and the mobility of people and equipment are key factors in development and quality of life. They also represent huge challenges. Nexans helps to satisfy these primary needs while maintaining the highest levels of performance, safety, and respect for people and the environment."

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### 1. About the Report

The Report of Corporate Social Responsibility & Sustainable Development 2010 is the second publication of Nexans Hellas SA, following the relevant publication of 2009, concerning how to deal with and manage the issues of Corporate Social Responsibility (CSR) and covers its activity for 2010.

Our aim is to record the effect of our business activity on Economy, Environment and Society and to provide information on the activities of our company to all stakeholders such as shareholders, customers, employees, suppliers, our business associates, institutional investors, economic analysts and local communities.

This report presents all the activities of our company. It contains references to financial issues (which are analyzed in detail in the Annual Financial Report 2010 of the company) while also examining closely the CSR issues with a detailed description of the environmental and social achievements and initiatives during last year.

The financial figures of the report concern the performance of Nexans Hellas s.a. The environmental data are certified, checked and verified by competent bodies. Social data concern the initiatives of both the company and Nexans Group.

The main purpose of our company is to develop an integrated management system based on the principles of Corporate Social Responsibility. We take steps to have our effect on Economy, Environment and Society recorded in a fully transparent and valid manner. We promptly inform all third stakeholders about our efforts and commitments regarding Corporate Social Responsibility.

We are at your disposal for your comments and remarks regarding our sectors of activity and this report.

Please send us your views:

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# 2. Message of the Chairman of Nexans Group

Sustainable development drives economic growth and is a powerful vehicle for progress.

It stimulates innovation, continuous improvement and competitiveness.

By making Corporate Social Responsibility a central element of its strategy, Nexans encourages its employees to adhere to these principles, knowing that this is the best way to guarantee success in the long term.

This approach also enables us to provide our customers withs safer products and solutions with improved performance which are more respectful of the environment.

**Frédéric Vincent**Chairman and CEO
Nexans Group



## 3. Corporate Social Responsibility for Nexans Hellas s.a.

### 3.1 Corporate Social Responsibility



Corporate Social Responsibility is at the heart of the strategy of Nexans Hellas s.a. Both Nexans Group and we personally believe that it is a strong means of progress and a factor of continuous improvement. We acknowledge that the operation of our company affects the Economy, Environment and Society in which we are operating. We strengthen and safeguard the principles of Corporate Governance by protecting the interests of shareholders and all stakeholders, ensuring transparency and promoting the company's competitiveness through the Industrial Excellence Program (Nexans Excellence Way).

We believe it is our obligation and responsibility to develop our business model, to adjust our sales forces, our resource base and organizational processes, so as to encourage closeness to customers, responsiveness and the

forging of long-term relationships based on trust. By this way we are able to provide safer products and solutions to our customers, apply environment-friendly production processes by choosing investments based mainly on the elimination of risks against the environment, energy saving and the use of environment-friendly materials, to improve quality control while also reducing scrap, to recycle cables at the end of their lifecycle (**Program+, REACH Program)** and to reduce inventories improving customer service (**IRIS Program)**.

We demonstrate that in the context of Corporate Social Responsibility of Nexans Hellas s.a., we set Health & Safety, Environment and Quality as our top priority.

From the onset of our business operation, we are steadily focused on the continuous improvement of our products quality and safety. We invest in production equipment, we improve the planning of cable delivery and we save natural resources while also participating and implementing corresponding programs of Nexans Group.

The invariable commitment of our company is to secure a safe and healthy workplace. We implement modern training and information methods aiming directly to change the attitude in safety issues, we invest in the employees safety equipment and we adopt the best

relevant practices offered by Nexans Group.

The growth of our enterprise is based on environmental protection and the safeguard of the living standards of the area where it is operating. Nexans Hellas s.a. takes initiatives in both production process and its other operations so as to adopt environment friendly practices. We implement procedures of continuous improvement and we invest heavily in innovation with a view to meeting customers' needs and reducing the environmental footprint of our operations and products. We are committed to providing solutions that enhance the safety of both people and equipment, reduce energy loss and facilitate the development of renewable energies. We implement accurately the environmental legislation through meticulous inspections based on ISO 14001 specifications. We train our employees in environmental management and prudent management issues.

## "With Nexans Excellence Way,

everyone strives to do better every day"

### Code of Principles on Sustainable Development

Nexans Hellas s.a. adopts the Code of Principles of the Hellenic Federation of Enterprises Council on Sustainable Development and:

- Respects the principles of Sustainable Development and incorporates them in its decision-making.
- Promotes the adoption of environmentally proper and scientifically well-founded business planning methods.
- Is oriented to the manufacture of products and the provision of services with positive environmental effects
- 4. Promotes the application of production processes laying emphasis on recycling, natural resources saving and proper management of the produced waste.
- 5. Trains adequately its human resources and invests in natural, technological and financial resources aiming at sustainable development.
- 6. Promotes the continuous improvement of its performance in the fields of health, safety and protection of the environment.
- 7. Provides correct information to the authorities and society about its activities and pursues an honest dialogue with those affected by such activities.
- 8. Contributes to the social, cultural and overall economic growth of the communities in which it is operating.
- **9.** Adopts the application of modern corporate governance systems.

**10.** Consistently meets its statutory obligations in a spirit of transparency and business ethics.



### United Nations Global Compact

Nexans Group signed the United Nations Global Compact in December 2008. By joining this initiative, our Group has made the commitment to support and implement ten fundamental principles in the areas of human rights, labour standards, and protection of the environment and anti-corruption measures. The Code of Ethics and Business Conduct, updated and widely implemented in 2009, helps every Nexans employee to ensure that their daily actions on behalf of the Group are beyond reproach. The Code is availa-

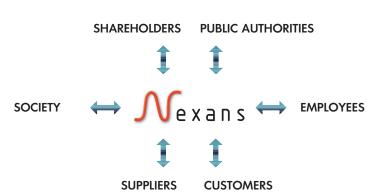
ble in 16 languages and is being implemented everywhere in the world.

Nexans Hellas translated the code in Greek, distributed it to all its employees who are being trained to these principles and established its compulsory implementation.

### 3.2 Our partnerships

In Nexans Hellas s.a. we believe that a strong relation of trust with all social partners, namely shareholders, customers, employees, suppliers, society and public authorities is a necessary condition for business growth. We invest in continuous cooperation; we inform about the application of sustainable management and commit to continuous improvement. We aim at communicating and exchanging views through dialogue and cooperating with all social partners.

### \_ SOCIAL PARTNERS \_





## 4. Financial Impact

We are invariably focused on the continuous improvement of both quality and safety of our products. We invest in modern, competitive productive industrial equipment, while at the same time we update our informations systems saving natural resources through the participation and the implementation of Nexans Group programs aiming directly at innovation, initiatives, safety at work, reduce of cost and inventories, quality of service and economic growth.

reserves is concerned. The sales of the company in the wider region of Dode-kanissos are regularly continued via consociate representative. Finally, the company has distribution centres which coincide with its three branches in Attica (21, Bichaki Str., Agios Ioannis Rentis), Thessaloniki (25, Kyprion Agoniston Str.) and Crete (Iraklio Industrial Zone).

The shares of the company are registered and are traded

on the Athens Stock Exchange as of March 1990.



## 4.1 Company profile

Nexans Hellas s.a. is involved in the production of all kinds of cables and in particular it produces energy cables of low, medium and high voltage, telecommunications cables as well as bare ducts made of copper, aluminium and aluminium alloys. In addition, the company produces land and submarine optical fibber cables.

Nexans Hellas is part of the international Nexans Group which has its registered offices in Paris. The French Nexans Participations SA with a share of 71.7% is the majority shareholder The registered offices of the company are located at 15, Messoghion Str., 11526, Athens while its principal establishment and production plant are situated in Aghia Marina, Fthiotida department. During 2010 the operation of the warehouse in Rhodes was interrupted, as far as the deposition of

### **Background**

- 1973: Incorporation of the company under the name of "MANULI HELLAS CABLES S.A." through the import of funds.
- 1974: Completion of the company's production facilities at the area of Aghia Marina, Pref. of Fthiotida and commencement of its production activity.
- 1990: Listing of the company's shares on the Main Market of Athens Stock Exchange.
- 1991: Change of the company's name from MANULI HELLAS CABLES SA into ALCATEL CABLES HELLAS SA.
- 1996: Merger by absorption of VOLOS CABLES SA (former HANDRIS CABLES SA).
- 2000: Spin-off of the greatest part of the Cables and Accessories Sector of Alcatel from Alcatel Group and creation of a new Group under the name of Nexans.
- 2000: Change of the company's name from ALCATEL CABLES HELLAS SA into NEXANS HELLAS SA. 1973









"Nexans puts its energies into limiting the impact of its operations and products on the environment, providing solutions that enhance the safety of people and equipment, save energy, and facilitate the use of renewable energies"

### EXPORTS OF OUR COMPANY:





2010

## FINANCIAL ACTIVITY OF OUR COMPANY IN NUMBERS:

\_[The amounts are in thousand Euros]

	2010
Turnover	91,747
Net loss before taxes	1,718
Employees	215
Investments	1,681
Taxes, contributions to social security funds	12,356
Fees and benefits to employees	4,435
Expenses to local suppliers (Fthiotis)	2,703



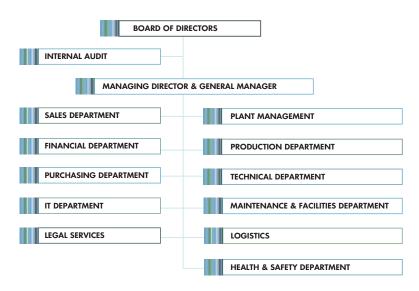
### 4.2 Company Organization Chart

The organizational structure of Nexans Hellas s.a. supports decision-making and their implementation in the context of our strategy. In addition, the relations and roles of employees are determined through the organizational structure so as to ensure coordination of projects and a central audit system. Nexans Hellas s.a. is run by a fivemember Board of Directors with a two-

year term of office. The Board of Directors consists of two executive members, one non-executive member and two independent, non-executive members.

The composition of the Board of Directors is determined by the Shareholders General Meeting.

The company has Internal Regulation, which defines duties and obligations of the bodies.



## Composition of the Board of Directors as established on 25.05.2010.

**Francis Krähenbühl** Chairman (executive member)

**Demetrios Kalogeras** Vice-chairman, Managing Director & General Manager (executive member)

**Guiseppe Borrelli** Non-executive member

**George Chryssomalis** Independent non-executive member

**Demetrios Politis** Independent nonexecutive member Executive members deal with everyday management affairs of the company whereas non-executive members promote all corporate issues.

The independent members of the Board of Directors may submit, either separately or jointly, statements and other reports than those of the Board of Directors to the ordinary or extraordinary general meeting of the company, if they so deem necessary.

The 3 non-executive members make up the company's Audit Committee.

### Key principles of our company's Environmental Policy:

### 1. Compliance with environmental laws.

We implement applicable environmental laws to our company's operation.

### 2. Responsible operation.

We are aware of the effects of our activity on the environment and we take steps to eliminate such effects.

### 3. Cooperation with certified companies.

We see to it that the companies with which we cooperate have the relevant licences for waste management and comply with applicable laws.

### 4. Continuous improvement.

We constantly improve our environmental performance and minimize any environmental problems.

### 5. Transparency.

We provide all data to interested groups and we are open to a dialogue with them.

#### 6. Training.

We constantly train our employees in the protection of the environment aiming at raising awareness and their active participation in environmental management issues.

### 7. Environmental management system.

We apply an environmental management system which aims directly at ensuring that the applied production processes do not entail any pollution risk against the environment.

## 5. Environmental Impact

We are committed that the growth of our company is environment-friendly, we apply the principles of Sustainable Development and we operate in a fully transparent manner when implementing the applicable environmental laws.

We intensify our efforts aiming to protect the environment, control the consumption of energy, water and raw materials and to facilitate product recycling.

In the context of Nexans Group, we adopt a series of actions so as to implement the objectives of Sustainable Development:

# 5.1 Eco-friendly design, better production, better purchasing and distribution

Nexans strives to develop products that both meet customers' needs and have a minimal impact on the environment throughout their life cycle.

The Group is working successfully to lighten the cables used by modes of transport. It offers solutions to make electricity transmission and distribution more reliable, mitigate power loss in lines and limit the amount of heat generated by equipment. Nexans has

continued to optimize cable resistance in tough environments, for example, deep water, high pressure, extreme temperatures, corrosion, fire retardance and intense mechanical stress.

The Group's product designers use life cycle assessment (LCA) methodology to select optimal solutions. EIME (Environmental Information and Management Explorer) software aids eco-friendly design by comparing the impacts of each option.

The recycling of end-of-life cables is helped by the use of non-polluting, highly recyclable materials for sheaths and connection accessories, and by the marking and easy separation of components.

The Group complies rigorously with RoHS and REACH regulations governing the registration and elimination of hazardous substances. Nexans also has a comprehensive database to help employees answer customers' questions and assist customers with their own compliance procedures.

2010 saw the publication by Nexans of Product Environmental Profiles, which contain summaries of all useful environmental information, such as cable energy efficiency throughout the life cycle, to help customers make the right choice.

The Group's new plants have been designed to minimize their environmental

footprint and production processes are constantly improved to reduce raw material and energy consumption. A design-to-cost approach combining marketing, development and scalable manufacturing techniques is used to fine-tune cable performance and thereby reduce raw material usage, without negatively impacting performance for customers. At the supply end, the delivery of ready-to-install cables helps reduce the amount of scrap.

Nexans has also set up an energy efficiency program. In the case of processes, an energy-efficiency baseline is defined in order to identify best practices for Group-wide implementation. Measurement campaigns and consumption audits are performed for energy producers. These actions enable users to ascertain that networks are functioning properly, to adjust contracts as necessary and to switch to more efficient equipment.

Employees are encouraged to save energy and to limit business travel. To this end, the Group has installed contemporary communication tools, such as videoconferencing and electronic work platforms, etc.

At the procurement end, suppliers are required to adhere to Nexans' sustainable development policy via the signature of a Supplier CSR Charter. A number of initiatives have been launched to promote the purchasing of products that are more respectful of the



environment, notably as concerns wooden drums, paper and office supplies.

On the logistics front, measures include optimized truck-loading and deliveries, the use of inland waterways (when possible) and cable drum management. An analysis of freight-related carbon emissions is under way.

In France and Belgium, pilot tests are being conducted with a view to reducing the frequency of deliveries to customers that share Nexans' determination to achieve fuel savings and  $\rm CO_2$  emission reductions.

### 5.2 Rigorous environmental management

Nexans' environmental protection policy is set out in the Group's Risk Management Charter and is overseen by the Industrial Management Department.

The CSR (Corporate Social Responsibility) Committee meets twice a year to examine and validate the proposals put forward by the Industrial Management Department.

A Group Environment Manual sets out the performance targets, procedures and tools in place at each plant. Information is centralized on a dedicated intranet, which is used to exchange best practices.

Nexans' environmental management is based on the assessment of industrial risks, training courses on best practices,

**Business travel and carbon offsetting:** During 2010, Nexans financed an 11,000-hectare reforestation project in Tanzania, which fully offsets the CO<sub>2</sub> emissions resulting from Group employees' business travel. In all, 10% of associated funds have been used to improve local villagers' living conditions.



**Certified cable drums:** Nexans' European facilities purchase PEFC<sup>TM</sup>-label drums certified to be made of wood from sustainably managed forests. The certification program covers 350,000 drums annually.

close monitoring of site performances and continuous improvement programs.

Improvements mainly concern soil protection, wastewater management and treatment, the containment of hazardous fluids, air and waste gas treatment, and the replacement of boilers, air conditioning systems and lighting systems by equipment that is less polluting and more energy-efficient.

Finally, Nexans has created a greenhouse gas (GHG) assessment model for its industrial facilities.

### 5.3 Ordinary audits and certification of environmental protection through the award of EHP label

The site-monitoring process uses an online questionnaire and audits. Upon completion of the audits, the internal EHP (Environnement Hautement Protégé, Highly Protected Environment) label is awarded to sites that satisfy the criteria specific to the Group's operations. Sites that do not meet the criteria are required to initiate corrective actions, which are included in the three-year plans for the plants.

At the end of 2010, the EHP label had been awarded to 67 of the 92 participating sites, i.e., 72% of those audited. This showing is in line with the established target of 70%. At the year-end, 55 plants in total had ISO 14001 certification.

Already from the beginning of 2009, the plant of Nexans Hellas at Aghia Marina, Fthiotida has been certified by the Group and has been awarded the EHP label on the protection of the environment.



In addition, during 2010 our company, in line with its objectives, was certified for the Environmental Management System according to International Standard ISO 14001.



### 5.4 Integrated solutions of material recycling

Nexans has developed an exclusive fire-refining process that produces 100% IACS (International A Copper Standard)-grade conductors from recycled copper, at a price well below that associated with electrolytic refining. This process has enabled Nexans to diversify its copper procurement base. Recycable, a joint venture with Sita,

supplies over 40% of the Lens plant's copper waste requirements in the form of filings. Recycable collects cable manufacturing waste from the Group's facilities in Europe and Africa, as well as thousands of metric tons of end-of-life cables, which are recycled as filings.

### Material recycling in Nexans Hellas

Given that one of the company's environmental goals is to recycle all manner of materials (raw materials, packaging materials, auxiliary materials, etc), the competent services and the employees of the plant and branches of Nexans Hellas undertake in a systematic and coordinated manner to collect and segregate at source the materials to be recycled.

Category of material for recycling	2010 Quantity
	(tons)
Cable cuts out	704
Wood	200
Paper - carton	28
Iron	54
Plastics	7
Lubricants	12



Scrap







710



Accordingly, an action plan has been developed for packaging materials such as wooden rotors and wooden palettes which leads to their reuse as much as possible, thus restricting the needs for raw materials and generating direct benefits since wood-cutting is limited and forests are saved.

### Cooperation of Nexans Hellas with the Hellenic Recovery Recycling Corporation (He.R.R.Co)

Our company has entered into an agreement with the Hellenic Recovery Recycling Corporation having as main goal to recycle the packages rejected by the product's end users, thus contributing to the minimization of the nuisance to the environment and to the attainment of the collective objective of recycling on a national scale.



## 5.5 Water and energy use

### Water

Water is used in production to cool cables at the plastics extrusion lines (where there is a water recirculation closed circuit, thus saving large quantities of water) and to generate steam. In addition, it is used in irrigation so as to preserve green areas (gardens, grass, etc) and for health and cleaning purposes. During 2010, water consumption came to **4,900 m³**, while during 2009 water consumption came to

### 4,400 m<sup>3</sup>.

It is worthwhile noting that within the Group, our plant is among the top ten plants in terms of water saving.

### **Energy**

Energy saving is of primordial importance for Nexans. For 2010, electricity consumption for motion, lighting, heating and cooling came to

**13,926 MWh**, while for 2009 the relevant consumption came to

**13,300 MWh** and the necessary thermal energy from fossil fuels for steam and motion generation to **2,188 MWh**, while for 2009 the relevant consumption came to **696 MWh**.

### 5.6 Lubricant and oil management

Aluminium and copper drawing and rolling lubricants as well as machinery lubricating oils, after being used, are temporarily collected in sealed containers in a special fenced and roofed area of the plant. They are further taken by specialized licensed bodies with whom our company cooperates to final processing and distribution in compliance with legal provisions.

## 5.7 Environmental compliance

The company fully complies with the requirements of both Greek and Community Laws and strictly abides by the approved environmental terms, this being confirmed by the relevant inspections conducted by the competent State Services.

"Being a **Nexans employee** means adhering to a mindset exemplified by **action**, **innovation** and **knowledge-sharing**, guided by ambitious objectives and strong ethics"

## 5.8 Investments in environmental protection

In the context of environmental protection and prevention measures, the company, assisted by the Group's central services and specialized external consultants, has drawn up an action plan to eliminate the risks from any pollution of the environment.

# 5.9 Application of EU REACH regulation

In order to implement REACH, a European Union Regulation, which concerns protection from chemical toxic substances, the Group has put into effect a series of actions:

- It has set up a complete organization consisting of REACH Team at Group level which is supported by Senior Managers of the Group, Legal Advisors and Information Services.
- A REACH contact has been appointed in each country who is assisted by a group of technicians in each plant who are in charge of gathering all data on the raw materials used in our finished cables.
- In addition, our sales administrators are ensuring proper communication with customers.

Throughout the supply chain from the purchase of raw materials to production, sales and final promotion to customers, compliance with the regulation is controlled having as ultimate goal the distribution of safe products (100% RE-ACH compliant).

### 5.10 Application of EU RoHS Directive

Our company implements RoHS directive of the European Union which refers to the content of the company's products in heavy metals.

5.11 Participation
of Nexans
Hellas in the
Council of the
Hellenic
Federation of
Enterprises
(SEV) for
Sustainable
Development

Our company has been participating in the SEV Council for Sustainable Development since November 2008 as one of the 31 founding members of the relevant initiative of SEV Board of Directors. Its objective is to promote the Sustainable Development in the Greek business reality through communication, information, training, cooperation and promotion actions to the members and generally the society. SEV Council for Sustainable Development is the Greek department of the regional network of the World Business Council for Sustainable Development (WBCSD).

### To this effect, our company took the following actions:

- Construction of ground tanks for liquid storage.
- Extension of special areas for warehousing lubricants and machine oils.
- Construction of rainwater network cut-off systems.
- Total waste management via licensed bodies (lubricants, machine oils).











## 6. Social Impact

We commit to improve at all times the safe and healthy working conditions by applying modern working methods and minimizing any risks. We are interested in the prosperity of the local and wider society by strengthening actions that benefit citizens.

### 6.1 Our people

Nexans Hellas s.a. has 215 full-time employees to whom we provide safe and healthy working conditions. At the same time, through our participation in the Group's University called Nexans University we offer to our employees lifelong learning and training options while also reinforcing the dialogue with the company's trade union.

We disapprove any form of forced or child labour and we require the same behaviour from the suppliers and subcontractors with whom we cooperate. In order to encourage employee share ownership, Nexans launches a stock option plan for managers every year and regularly offers global employee share ownership plans. "Act 2010", the fourth such plan in 10 years, was launched successfully in 25 countries. Employees' share of the Group's capital has now doubled from 1.7% to 3.4%. Concerning Nexans Hellas 187 out of 195 employees participated that is 95,9%, whereas in 2008 participated the 81,1% of the employees and in 2006 the 46%. It is a remarkable participation percentage that places our company in the first place in Europe and in the third place globally amogst the Group's companies thus proving the employees' confidence to the Group.

# 6.2 Organization for Health and Safety

In order to secure a healthy and safe working environment for the employees, visitors and third collaborators (the contractors' personnel), the company has established a series of procedures in addition to those provided for by laws, which provide for responsibility posts and has designated powers for the compliance with the health and safety measures in working areas.

Thus, constant supervision is ensured in each working area for the employees' compliance with safety procedures, the use of personal protective equipment and the performance of work in line with the approved working instructions. As a result, any eventual risks are timely identified and all steps are taken either to eliminate them or diminish them at acceptable levels. In addition, efforts are made at all times to apply safer working methods.

The company has a Safety Technician and an Occupational Physician while the Occupational Health and Safety Committee consisting of employee representatives properly performs its duties. The company proceeded to successful investements in order to improve health and safety, while all employees have participated in seminars regarding health and safety.

### 6.3 Risk management at the workplace

Based on the principle of prevention, risk management at the workplace is a continuous procedure in which the employees and the head of the specific working area participate substantially in addition to the institutional bodies (Safety Technician, Occupational Physician, and Occupational Health and Safety Committee). The procedure is based on the methodology developed by the Group and is related to the processes carried out in cable plants and risk analysis per post. Thus, risks are evaluated for each post, the necessary measures are taken, proper working practices are adopted and the Personal Protective Equipment is accurately defined.

The company makes its best efforts to create the adequate working conditions so that employees feel they are safe when working and that they run no risk provided they work in full compliance with the instructions in which they have been trained and of which they are aware.

### Nexans University: the seat of a shared culture

Created by Nexans for the Group and its employees, the University promotes a common culture in all spheres critical to the Group's success. Backed by Nexans' vast resources, it plays an instrumental role in the sharing of knowledge and best practices, and develops employees' skills and ability to work together. Nexans University offers more than 50 training courses in 10 languages and in 15 countries. Close to 100 employees participate in course design and 170 serve as instructors. The 27 training sessions organized in 2010 included the first ever to take place in South America. It was held in Chile and was attended by local employees and employees from Brazil, Argentina and Peru.

### 6.4 Nexans Excellence Way

The company participates in the program for operational excellence of the Group called Nexans Excellence Way which is being implemented in 57 plants of the Group worldwide. We aim at modifying our operation, so as to make the company more competitive, more flexible and more efficient for our customers. This program has ambitious objectives in terms of workplace safety, cost and inventory reduction, and customer service quality.

Nexans Excellence Way was launched in mid-2009 and is being rolled out in about 20 plants at six-month intervals. The number of plants signed up to the program rose from 39 at the end of the first half of 2010 to a total of 57 at the end of the year.

Nexans Excellence Way is organized around autonomous teams, which take action to achieve the objectives set for them. The 5S approach is applied systematically to ensure that plants are as clean, tidy and safe as possible.

Anything not essential to the production process and conducive to the loss of time, raw materials or energy is identified and subsequently eliminated. Potential commodity savings compatible with specifications under the Theoretical Minimum Cost method are regularly assessed at all sites. Action plans to reduce waste and excessive consumption have been initiated.

Standards governing work procedures are defined and applied, notably with the aim of speeding up tool and production changeovers and thereby assuring the flexibility required to meet customer demand without increasing inventories.

Major objectives have been set at Group level. They include a radical improvement in safety via a two-thirds reduction in the workplace accident frequency rate over three years (2008-2010), a 20% decrease in the inventory coverage rate over three years and the optimization of raw material consumption.

Training programs have been set up, with deployment coordinated by a network of eight regional industrial excellence champions. Each plant uses a standardized set of key indicators. Each of the 10 indicators is analyzed at one-month intervals to achieve close performance tracking.

As a recognition of the good performance of Lamia plant, the chairman of Nexans Group Frédéric Vincent awarded Lamia plant as "The Nexans plant of the year 2010" for the whole Group, during a special event.



### 6.5 Safety rates

In order to determine the safety level, the cases that entailed accidents are recorded and further analysed.

The relevant rates are as follows: Accident frequency rate (\*):

**2009:** 3,95 **2010:** 3,1

(\*) number of accidents reduced to 1,000,000 hours of work





# 7. Donations and Social Activity

"Nexans is keen to make a positive contribution to the countries in which it operates by supporting its host communities and putting its skills and products to work for the benefit of the local language"

gency aid to those in need.
In this context our company actively contributes to the local communities where it operates by making donations to charities (like "Sin ston Anthropo" and to the Association of Friends of Children with Chronic Rheuma). In addition, our company participates in research of universities, contributes willingly to cultural events while also receives and guides in its premises school classes of all education levels and special classes of schools that train young people to become electrical profession

ral disasters the Group provides emer-

nals. Our aim is to prepare them for the future and help them learn about the business world.

The company for years contributes to the organisation of the Maritime Week of the Municipality of Stylida, whereas in the past it has contributed to the Band of the Municipality of Lamia.

Nexans Group places its competencies and products at the service of culture and of the national heritage. The offer is focused mostly on innovative projects of high environmental quality that aim at helping local communities, as well as in charities, such as SOS Children's Villages and UNICEF. Nexans Group sponsors the new Louvre museum in Lens and the renovation of Versailles offering know-how and cables in order to better protect cultural heritage and the safety of visitors. In addition, Nexans Group supports the communities in which it operates and invests in the education and training of young people. Finally, the Group encompass sports, while in cases of natu-

