

Corporate governance

Board of Directors and Committees

The Board of Directors comprises nine members. They come from diverse backgrounds and were selected for their expertise and experience in industry, banking or consultancy, in order to provide informed advice in the interests of the Company.

No member is an employee, Company officer or member of the management team of the Company or any Group company, with the exception of Gérard Hauser. No category of shareholders is represented on the Board of Directors; and no director is elected by the employees. The Board of Directors has not yet issued any statement with regard to the assessment criteria for the Board's operation or the independence of the incumbent members that it intends to adopt.

The Board met eight times in 2002. At each of these meetings, more than two thirds of the members were in attendance.

The Company has not yet published any formal Company Rules. Nonetheless, a certain number of rules have governed the Board's operation since Nexans was listed on the Stock Exchange:

- members of the Board are periodically informed during Board meetings of the parent Company and Group's business, financial situation and cash position;
- all points on the Board meeting agenda are systematically examined and discussed at the meeting. All requests for information considered useful and necessary by members to clarify their understanding are systematically complied with;

- all transactions or projected transactions that are significant in terms of their amount or nature, such as mergers, acquisitions, disposals, finance or restructuring plans are systematically presented to the Board for their opinion or prior approval;
- information, in particular financial, forwarded to the Board before meetings is transparent and complete; a complete file on each point to be discussed at Board meetings is forwarded to the members before each meeting within a reasonable time frame;
- the members of the Board meet with the management and a presentation of each division is made to them by the relevant Director in order to inform them of Nexans' business, the state of the market, the problems encountered, the outlook and changes.
- the bylaws require that each member of the Board holds at least 10 shares in the Company.
- the Group has issued the half yearly statements regarding Company officers' stock operations.

Since the Bouton Report was published at the end of September 2002, and given the schedule and agenda of Board meetings, the members have not yet had the opportunity to discuss its recommendations.

The Company's management intends to submit proposals to the Board in 2003 in order to implement or formalize a certain number of rules relative to the Company's governance.

COMMITTEES SET UP BY THE BOARD OF DIRECTORS

Two specialized committees were set up by the Board of Directors on July 4, 2001, which also laid down their operation and mission: the Accounts Committee and the Compensation Committee.

The Accounts Committee >

This committee comprises two members, Georges Chodron de Courcel and Jean-Louis Vinciguerra, selected for their financial and accounting expertise.

They met three times in the financial year 2002.

In addition to examining the financial statements prior to their being examined by the Board of Directors, this committee's mission is to ensure the relevance and

consistency of the accounting methods used to draw up the parent Company financial statements and the consolidated financial statements of the Group, and to verify that the internal collection and control procedures guarantee information integrity. The committee also gives the Board of Directors its opinion on the missions entrusted to the Auditors by the Group companies and fees paid to the Auditors. In fulfilling its missions, this committee

has access to the Chief Financial Officer, Director of Financial Control, Director of Internal Audit and Auditors.

In the financial year 2002, the Accounts Committee was consulted about and examined the internal audit plan put forward by the Internal Audit Division and approved its content and field of application. It also reviewed the procedures and internal control concerning the management of non-ferrous metals. It was consulted in relation to the procedure concerning the participation of the auditors in secondary audit missions for the

Board. It also examined and reviewed the internal financial and budgetary procedures.

The Compensation Committee >

This committee comprises two members, Patrick Puy and Ervin Rosenberg. They have met twice in 2002.

It makes proposals to the Board of Directors regarding the remuneration of the Company officers, including that of the Chairman, and gives its opinion to the Board of Directors on proposed share subscription and share purchase plans.

COMPOSITION OF THE BOARD

	Date of election and term expiration	Number of Nexans shares held	Other directorships and equivalents
G�rard Hauser , 61 years old, Nexans Chairman and CEO 16, rue de Monceau 75008 Paris	Chairman of Nexans since October 17, 2000/ December 31, 2006	2 368	Member of the Board of Directors of Alstom, Electro-Banque, Aplix, and Liban Cables SAL (an affiliate of the Nexans Group). Member of the Supervisory Board of Nexans Deutschland GmbH.
Gianpaolo Caccini , 64 years old, General Director of Saint-Gobain Group and Director of Saint-Gobain Corporation (United States) Les Miroirs, 18, avenue d'Alsace 92096 la D�fense cedex	Member of the Board since April 18, 2001/ December 31, 2006	25	Member of the Board of Directors of JM Huber Corporation (United States).
Georges Chodron de Courcel , 52 years old, Member of the Executive Committee of BNP Paribas and Head of Banque de Financement et d'Investissement 3, rue d'Antin 75002 Paris	Member of the Board since April 18, 2001/ December 31, 2006	29	Member of the Board of Directors of Bouygues, Alstom and Scor. Member of the Supervisory Board of Lagard�re SA.
Bertrand Durrande , 52 years old, Chairman of the F�d�ration des M�taux non Ferreux 69, rue de Monceau 75008 Paris	Member of the Board since April 18, 2001/ December 31, 2006*	22	
Jacques Garaialde , 46 years old, Managing Director of Carlyle Group, responsible for European venture capital operations Landowne House, 57 Berkeley Square, London W1X5DH United Kingdom	Member of the Board since April 18, 2001/ December 31, 2006	10	Chairman of the Supervisory Board of Solsoft and Egencia.
Robert Mahler , 56 years old, President of Alstom France 60, rue du 19 Janvier 92500 Rueil-Malmaison	Member of the Board since April 18, 2001/ December 31, 2006	567	Member of the Board of Alstom UK Holdings Ltd, Alstom India Ltd, Chantiers de l'Atlantique. Member of the Supervisory Board of Alstom GmbH.
Patrick Puy , 47 years old, former Chairman and CEO of Moulinex 5, rue de Monceau, 75008 Paris	Member of the Board since April 18, 2001/ December 31, 2006	61	
Ervin Rosenberg , 67 years old, Advisor to the President of Compagnie Financiere Edmond de Rothschild Banque 47, rue du Faubourg-Saint-Honor� 75008 Paris	Member of the Board since April 18, 2001/ December 31, 2006	23	Member of the Board of Directors of Thomson SA. Member of the Supervisory Board of Compagnie Financiere Edmond de Rothschild Banque, CDC IXIS, LCF Rothschild, and Ifrah Finance. Chairman and CEO of Compagnie Financiere Savoissienne.
Jean-Louis Vinciguerra , 59 years old, Advisor to the President of France T�l�com 6, place d'Alleray 75505 Paris cedex 15	Member of the Board since April 18, 2001/ December 31, 2006	50	Member of the Board of Orange, Wanadoo and Equant.

* Resignation with immediate effect on April 4, 2003.

DIRECTORS' INTERESTS AND COMPENSATION

Directors' fees >

The Combined General Shareholders' Meeting of October 17, 2000, set at 200,000 euros per financial year the annual amount of fees allocated to Directors of the Board. This amount will remain valid until amended by a future decision.

The way in which Directors' fees are set and allocated was laid down by the Board of Directors' meeting of July 4, 2001, and includes a fixed portion and a variable portion based on Board meeting attendance and participation in committees.

Each of the Directors, including the Chairman, is allocated 12,000 euros as a fixed allocation. Each of the Directors, including the Chairman, is allocated 2,000 euros for each Board meeting he attends to, with a limit of 8,000 euros per Director. Each member

of the Accounts Committee is allocated 3,000 euros for each meeting he attends to, with a limit of 6,000 euros per year. Each member of the Compensation Committee is allocated 3,000 euros per year for his attendance.

Total directors' fees allocated for the financial year 2002 was 198,000 euros. These Directors' fees were paid to the members of the Board of Directors on January 17, 2003.

Compensation of the Chairman >

In 2002, the total gross compensation paid to the Chairman before tax and including benefits in kind and fees amounted to 1,166,273 euros, of which 411,603 euros tributable to the variable part of his remuneration and 20,000 euros represented by his fees.

Executive Committee

[1]



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[1] Gérard Hauser Chairman and CEO

“Our healthy financial situation and our solid balance sheet sets us apart in the cable industry.”

After Philips, where he held various positions of responsibility, Gérard Hauser joined Pechiney as Director of sales, became President and CEO of Pechiney World Trade, and then of Pechiney Rhénalu. He was appointed Senior Executive Vice-President of American National Can and member of the Executive Committee of the Pechiney Group before becoming head of the Cables and Components sector of Alcatel in 1996.

[2] Michel Lemaire President, Electrical Wires division

“Being involved in the entire industrial chain from metals transformation through to marketing of cables enables us to work closely with our partners and remain at the core of their projects.”

After being Director of Human Resources at Saint-Gobain, Pinault-Printemps-Redoute, then Alcatel Telecom France, Michel Lemaire became Director of the Electrical Wires division of Alcatel’s Cables and Components sector in 1998.

[3] Pascal Portevin President, Telecom division

“We are committed to pursuing our restructuring actions while focusing on further growth in our sales through targeted action plans.”

Pascal Portevin began his career at Câbles de Lyon in 1985. After being appointed Technical Director of Alcatel North America in 1990, then CEO of Alcatel Fibres Optiques in 1993, he became in 1999 Managing Director of the General Market Product Line of the Cable and Components sector of Alcatel.

[4] Yvon Raak President, Energy division

“Success on the export market and increased sales for some of our products reflect Nexans’ capacity to resist, even in periods of low capital expenditure.”

After being Plant Manager at the Câbleries de Lens plant, Yvon Raak joined Alstom in 1992 as Director. He moved to Alcatel’s Cables and Components sector as President of Telecom Products in 1999.



[5] Véronique Guillot-Pelpel

Senior Corporate Vice-President, Communications

"We combine all areas of communications to inform and convince our various audiences: customers, employees, shareholders, journalists and opinion leaders."

After being head of public relations for BASF group in France, Véronique Guillot-Pelpel joined Compagnie Bancaire then Paribas as Senior Vice-President Communications, before being appointed Director of Human Resources and Communications in 1998. She joined Alcatel in 2000.

[6] François Saint-Dizier

Senior Corporate Vice-President, Human Resources

"Ensuring that all employees participate in the life of the Group means providing them with a complete set of tools to facilitate their fulfillment: training, internal mobility, profit-sharing and employee share-ownership are just a few examples."

François Saint-Dizier joined Alcatel in 1982 and was appointed Senior Vice-President, Human Resources for the Cables and Components sector in 1988. In 1998, he became Human Resources Coordinator (France) for the Alcatel Group.

[7] Bruno Thomas

Senior Corporate Vice-President, Strategic Operations

"The current difficult period must encourage us to develop our international operations: Europe, Asia, America... all our subsidiaries must participate in this effort to gain market share."

Bruno Thomas joined Alcatel in 1986 as General Director of Câbleries de Lens. In 1992, he was appointed Vice-President of Alcatel Câbles France. From 1995 to 1998, he was General Manager of Alcatel Kabel (Germany), then in 1999, he became Chairman of the Energy division of the Cables and Components sector.

[8] Frédéric Vincent

Chief Financial Officer

"Each of our actions is guided by the serious consideration of its profitability, the only way to generate share value for our shareholders. With the lowest level of debt in the sector, we have every means to serve our ambitions."

After being a member of a major international audit firm, Frédéric Vincent joined Alcatel in 1986. In 1998, he became Controller of Alcatel's Cables and Components sector.