

# Mobilize and develop skills

Nexans demonstrates its social responsibility through a proactive human resources policy, putting the emphasis on appraisal, training, recognizing performance and initiative, and mobility.

## A new organizational structure increasing responsibility

Our Human Resources policy in 2003 was largely devoted to putting in place the Group's new geographical organization. Some cross-organizational departments, such as Purchasing and



Marketing, increased their staff. Managers have been selected and training courses set up to support the job changes that have taken place. Since 2002, thanks to the Organization & People Review, it has been possible to draw up an annual country-by-country report of the skills Nexans has at its disposal, and identify any shortfalls as well as potential successors for all key positions in the company. In parallel, the first Nexans Executive Training course took place in 2003, bringing together some fifteen senior executives of different nationalities and with different jobs for a series of sessions covering strategy, finance, trade, etc. The aim of this program is to bring to light the company's future management.

More generally, far from being

restricted to the company's senior executives, our staff training program aims to develop broader skill and improve the performance of all employees. Human Resources initiates and manages the industrial, technical sales and sales support training programs set up at country level.

## Recognizing personal initiative and performance

Career management and our salary policy are based on an objective assessment of each individual employee's potential and achievements. The principles behind the Group's wage practices are the same in every country. The key for Nexans is to be able to attract and retain the skills it needs.

17,000 employees in 2003, 76.4% in Europe and 23.6% outside Europe

- Adapting the company's capabilities to the requirements of the international competitive environment is about developing the skills of each individual.

This goes hand in hand with respect for employees' rights and adherence to current labor laws. The Group's pay policy also includes a bonus scheme based on individual performance and the results of companies within the Group or the Group as a whole. Generally speaking, the Group is careful to ensure that salary levels remain attractive to both its existing employees and young graduates likely to join the company at some point in the future.

#### **Consulting employees Europe-wide**

The desire to involve all personnel in the Group's strategy led Nexans to set up a European works council. Called NewCo - which stands for Nexans European Work Council -, the council held its first meeting in November



2003. NewCo comprises 16 members representing 13 countries and its role is to regularly distribute all available information on the Group's progress, strategy, results, organization, etc. The areas covered include production, sales, employment, investment, production transfers and acquisitions. The council is required to meet at least twice a year and the next meeting is scheduled for June 2004.

#### **Restructuring program successfully completed**

Nexans' 130 million euro restructuring program started in 2002, which involved some 1,500 people, mainly in the United States, Spain, Italy, Germany and France, was completed in 2003. The program was implemented in cooperation with unions and management on the field, with concern for the fair treatment of employees. The measures taken to adapt our production capacity to market requirements, bring down costs and rationalize some of our activities, particularly in the telecommunications and metallurgy sectors, give Nexans the competitive edge and level of efficiency it needs to fully benefit from the economic recovery.

Of 17,000 employees, 16% are women and 84% men