

Corporate Governance Report of the Board of Management and Supervisory Board

The year 2002 brought about a wide range of corporate governance legislation and initiatives in Germany as well as in the United States of America, which impact those companies listed on the respective stock exchanges. The newly implemented legal requirements also underscore Celanese's understanding of corporate governance.

Celanese's commitment to best-in-class corporate governance is as old as the company itself. When Celanese incorporated in 1999, the Board of Management and the Supervisory Board devised a framework for governing the company that was intended to enhance the company's value for its shareholders.

This corporate governance framework included establishing and living a corporate culture and set of values committed to good corporate governance. A summary of our corporate culture and values was included in the company's Global Business Conduct Policy in 2002. The implementation and maintenance of effective and transparent internal as well as external control processes is key to sound corporate governance. Effective risk management systems and timely, comprehensive communication with our shareholders are complementary elements in our efforts to achieve best-in-class corporate governance.

Global Business Conduct Policy

During the course of 2002, the Board of Management established a Global Business Conduct Policy (BCP) which sets forth clear rules for company management as well as for all Celanese employees. The roll-out of this global BCP commenced at the end of 2002. The Board of Management appointed a Global Governance and Risk Officer, who is responsible for establishing the effective structure and processes necessary to breathe life into the BCP. Various help lines have been set up so that every Celanese employee, regardless of where the employee works, can contact a regional coordinator or the Global Governance and Risk Officer directly in

the event that this employee would like to report infringements or risks impacting the company. The Global Governance and Risk Officer will examine and regularly report such information to the Board of Management and the Supervisory Board's Finance and Audit Committee. During the course of the next business year, various training courses will be held to ensure that each employee understands and follows the BCP principles.

Effective oversight and control by the Supervisory Board

Since its very beginning, the Supervisory Board of Celanese AG has implemented various committees to oversee, control and advise the Board of Management effectively and efficiently. The Supervisory Board set up its own rules of procedure from the onset, and its committees, namely the Finance and Audit Committee, the Strategy Committee, and the Personnel and Compensation Committee, were given their own individual rules of procedure in 2002. These rules provide for clear and transparent processes and structures as part of the oversight and control processes.

Both the revised rules of procedure for the Supervisory Board as well as the new rules of procedure for the committees reflect the recommendations on Supervisory Board processes given in the German Corporate Governance Code (Code) and serve as the basis for full compliance with the Code.

The rules of procedure for the Board of Management have also been revised and now clearly state the Board of Management's reporting obligations to the Supervisory Board.

In connection with the new U.S. corporate governance requirements, the company has introduced several new procedures such as the Finance and Audit Committee's self-assessment processes, whistleblower procedures, and the designation of a member of the Finance and Audit Committee as a financial expert.

Regardless of any written documentation, corporate governance should be measured by the cooperation between the Board of Management and the Supervisory Board. Communication and cooperation between these two boards accomplished in an atmosphere of trust is the basis for an effective Supervisory Board control mechanism. Such an atmosphere of cooperation has existed and been sustained since the company was founded.

Risk management systems

The risk management systems at Celanese AG are in place to effectively identify and manage risks. The systems fully comply with existing German legal requirements. However, one of Celanese's objectives is to harmonize and standardize risk management systems, not only at the Celanese AG level, but across all the group's companies. Thus the Global Governance and Risk Officer has been given the task of implementing a harmonized and standardized set of risk management systems across the businesses during the forthcoming year.

Communication with our shareholders

Celanese communicates its governance standards internally and externally, and will continue to do so in the future. The company has introduced its own corporate governance site on its intranet, where information about the global BCP and the company's corporate governance guidelines can be accessed by every employee. Furthermore, the company added a link on corporate governance issues to its Internet website. Information about Celanese's corporate governance practices, such as the global BCP, its corporate governance guidelines, the statement of compliance with the Code, as well as any current certifications made by the company or its bodies are now available to all shareholders and stakeholders.

In 2002, Celanese continued to offer its shareholders easy access to the AGM via live Internet webcasting and the opportunity to

electronically instruct the proxy committee on how to vote until the moment when voting at the AGM commences.

German Corporate Governance Code

The Board of Management and the Supervisory Board published a statement of full compliance with the Code at the end of December 2002. This unrestricted statement is a further example of Celanese's commitment to corporate governance.

Other Corporate Governance issues

Celanese is committed to constantly reviewing and improving its existing corporate governance processes. Therefore, it will take a proactive approach in following and applying evolving best practices in governance. Celanese will continue to anticipate and prepare for the newly implemented U.S. governance requirements, such as the Sarbanes-Oxley Act, as well as the NYSE recommendations due to be finalized this year.

Kronberg im Taunus, February 2003
Celanese AG

The Board of Management
The Supervisory Board