



Press release: Alcatel-Lucent European Works Council (ECID)

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Will Alcatel-Lucent become NOKIA Corporation?

On 15 April 2015, in an extended press release, Alcatel-Lucent and Nokia announced their intention to merge.

Today April 17th, Alcatel-Lucent European Works Council met for a regular session, whose agenda was affected by this news.

Employee representatives believe that the deal will entail the absorption of all Alcatel-Lucent's activities, excluding submarine systems.

The members of Alcatel-Lucent European Works Council wish to remind their social responsibilities in this deal to the management of both companies, to the governments and to all stakeholders.

Creating a **telecommunications champion** could be a real industrial opportunity for Europe **but only if effective regulations are implemented** by politicians, both at social level in terms of employment, and at industrial and trade level in order to foster the development of innovative companies. Current regulations and available financial resources fall short of what is needed to meet the coming challenges.

The deal will be submitted for approval to European anti-trust authorities, but governments of the various countries affected will also have their say. What is the timeframe of the procedures?

There are serious concerns as to what this might mean for employees, despite a high degree of complementarity in market shares and products. There are fears of redundancies in countries where both companies have an important presence in mobile operations, support activities, sales and central functions. Employment figures for each country will be assessed over time.

The **answer of financial markets** points out a **risk** of final hardening in the execution of the Shift plan. Thus, **management must keep its social commitments made to employee representatives in each country**. Moreover, Alcatel-Lucent performance, its deliveries, margins and cash position will influence the attitude of its clients as well as Nokia shareholders' final approval.

The employee representatives of Alcatel-Lucent European Works Council raise these questions to the management, and request a meeting with their future employer:

- Where and how will the new Group's management make the **announced savings of 900 million Euros**?
- Which role for the 40 000 European R&D employees. They need to retain a significant share of development in order to:
 - Ensure the independence and digital sovereignty of the European Union;
 - Provide broadband universal coverage to "connected Europe"
 - Supply the Internet of Things, the Cloud and a secure IP network core for all European Union citizens.
- Beyond R&D, what will be the merger impact on employment in Europe?
- Which **impact for suppliers and sub-contractors** of both Groups? These also provide jobs in the countries affected.
- What about existing contractual **partnerships** of each Group? Some areas, such as cyber-security, are critical.
- Which **employment guarantees** have been made to the various governments that spoke with the management of both Groups?

The employee representatives of Alcatel-Lucent European Works Council have contacted their counterparts at Nokia Council in order to better understand the issues, and to be able to quickly assess the benefits of the merger, should it go ahead.

Managers must facilitate exchanges between both Committees: none of them has currently the "right of consultation" under the European Directive on European Works Councils. European employees play a key role in the design, development and deployment of essential parts of the high-tech telecom equipment used daily by European citizens.

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