

UE/LT

Brussels 17th September 2015

To

Philippe CAMUS - CEO and Chairman of Alcatel-Lucent

Rajeev Suri - Nokia President and CEO

Risto Siilasmaa - Chairman of the Nokia Board

Re: Acquisition of Alcatel-Lucent by Nokia. Workers' involvement. Request for an urgent meeting to discuss the industrial plan

Dear Mr Camus,

Dear Mr Suri,

Dear Mr Siilasmaa,

Positive **workers' involvement**, and motivated workers, are **key success factors** for mergers and acquisitions. In the highly competitive global market for telecommunications equipment and services, where technological edge determines market share, investment capacity and ultimately profits, companies must not sacrifice their essential long-term assets: the competencies and motivation of their workers.

So far, with very few exceptions, European workers of Nokia and Alcatel-Lucent have been provided with **insufficient or no information** on the planned acquisition, the calendar, the process, or the outcomes, having to rely on the press to be informed of their most immediate professional future. More worrying still, the **information & consultation rights of workers** have been almost systematically **disregarded** or made void of any concrete content – be it at national or European level. Neither the European Works Council of Nokia nor that of Alcatel-Lucent have been provided with any other information than that already made publicly available to the press or to shareholders. With regard to the current agreements with both European Works Councils, we ask you to apply with immediate effect the standards for information and consultation as laid out in Directive 2009/38/EC. Furthermore, we ask that both companies allow regular contacts and meetings between the workers' representatives of the Select Committees of both European Works Councils to

discuss, among other issues, the creation of a new European Works Council that will cover all employees in the future Nokia group.

The Nokia – Alcatel-Lucent Trade Union Coordination Group met on 11 September 2015 under the auspices of industriAll European Trade Union. This meeting assembled 45 trade union and workers' representatives, from both companies, and from 10 EU Member States. Representatives from all countries and from both companies are very worried about the possible impact this acquisition might have, and we therefore demand an **urgent meeting** with you.

During this meeting we want to receive comprehensive and precise information regarding the items listed below, and, based on this information, to discuss the **strategic industrial plan** underpinning this acquisition. You have been setting up joint merger preparation committees over the last months. You cannot claim any more that nothing is known, that contacts between employees of both companies are inappropriate because they are market competitors, and that discussion is premature.

Information requested, and to be discussed with you, comprises among other related topics, the following items:

- How will the synergies be implemented? What will be their total amount?
 - What is the split planned between SG&A, R&D, supply chain...?
 - What is the split between economic zones (North America, Asia and Europe)?
 - What are the consequences for the European R&D activities in the wireless sector?
 - How will the commercial hub be organised (geographic organisation in the EMEA region, specifically regarding Russia, Africa...)?

- Where will the main operations of the new group be located?
 - Where will the current 40 000 employees in the R&D teams of the new Nokia be employed in the future?
 - What will be the activities of the new Nokia's European R&D centres?
 - What will be the role of European R&D centres in the development of future high-growth technologies (LTE, 5G, IP routers)?
 - What are the plans of the new Nokia regarding the provision of services?

Based on this information, European trade unions may propose alternative strategies to maintain investment (specifically in future technologies), employment, employment quality and workers' involvement in Europe.

Looking forward to such a meeting and to further positive cooperation for the success of this industrial acquisition,

Yours sincerely,



Ulrich Eckelmann
General Secretary



Luc Triangle
Deputy General Secretary

Copy: Mr Jean Claude JUNCKER, President of the European Commission

Mr Martin SCHULTZ, President of the European Parliament

Ms Marianne THYSSEN, Commissioner for Employment, Social Affairs, Skills and Labour Mobility

Mr Manuel VALLS, Prime Minister, France

Mr Juha SIPILÄ, Prime Minister, Finland

Mr Sigmar GABRIEL, Minister for Economy and Energy, Germany

Encl.: Declaration by the Nokia –Alcatel-Lucent Trade Union Coordination Group