



February 11th, 2010

To: MM Rahier, Hernandez, Lorenzi
Cc: Ms Pedini, Manili Pessina, MM Verwaayen, Guardiola Lafuente.
ECID Coordination Committee + Italian representatives

Re: Battipaglia factory

Dear Sirs,

I would like to convey ECID's extreme worries on the current very serious situation in Battipaglia factory.

Clearly 2 facts have contributed to this degradation.

- 1 the lack of credibility of the industrial project prepared by the Company for the site future activity.
- 2 the inobservance of basic security and legal requirements by the would-be taker of the factory (as extensively reported in the Italian press)

We feel Company management is in breach of some key principles of Alcatel-Lucent Code of Conduct like:

Our People

We comply with all applicable civil rights, human rights. and employment laws wherever we work. Alcatel-Lucent is committed to fostering an open dialogue with its employees and, when available, with their representatives, on important decisions directly affecting them

It is urgent that a constructive dialogue is reopened with the unions and staff representative

Our Business Partners

We select our business partners, including our suppliers and contractors, based on merit, reputation and ability to help Alcatel-Lucent meet its business objectives, considering, among other things: price; quality; delivery capability; reputation for service; integrity; and social responsibility. We require our suppliers to abide by ethical standards and business practices

It is mandatory that Alcatel-Lucent partners are totally clean as regards the compliance with Italian health, safety and labour regulations.

Additionally, an industrial project for Battipaglia must be supported by a credible company with recognized know how and enough workforce and activities in hands. Local staff can only reject a plan relying on a small company, with almost non existing business out of Alcatel-Lucent. Taking into account the disastrous job market in Campania, Alcatel-Lucent would help to secure the plan by owning a more significant share in the future company.

Could you indicate to Italian staff and ECID which steps are planed in the following domains?

- constructive dialogue
- partners abiding by ethical standards
- credible industrial project with Alcatel-Lucent participation.
- freezing any decision as long as the above is not solved.

Yours sincerely,

Philippe Saint-Aubin
Alcatel-Lucent
Secretary of the European Committee for Information and Dialogue