

## Declaration

# No restructuring, spin-off or job cuts at Novartis without quality social dialogue and full transparency for all workers!

Joint declaration of the trade unions defending Novartis workers in Europe

Brussels, 2 September 2022

The global pharmaceutical market is expected to grow through 2026. Novartis informed its shareholders that it is confident about significantly increasing sales by then and delivering a core margin as high as 40%. Dividends to shareholders have been continuously rising since 1996. The pharmaceutical group, a global leader, is doing well!

And yet, Novartis's European workers have been undergoing multiple waves of divestment and restructuring for years, until the last one hit in spring 2022 with the prospect of an extra 8,000 job cuts worldwide; half of these in Europe. Last week's announced spin-off of Sandoz business is only adding to the massive disruption that Novartis workers are having to deal with.

Under the auspices of their European federation – [industriAll Europe](#) - the trade unions representing Novartis workers in Austria, Belgium, Germany, Ireland, France, Spain, Sweden and Switzerland warn that the deindustrialisation trend and loss of strategic know-how developed over the years by highly dedicated workers in Europe must stop! Transparency, quality dialogue and full involvement of Novartis workers and their trade unions must govern the socially responsible management of change at Novartis.

Novartis trade unions stress that divesting manufacturing assets in Europe by selling shares to external players unable to deliver the same level of product quality is not the way to properly manage the “transformation for growth” at Novartis. Putting sites and countries in competition with each other is not the way to properly manage the “transformation for growth” at Novartis. Making hundreds of workers redundant, closing plants and taking the risk of losing strategic skills and jobs without respecting workers' rights, consulting trade union representatives and discussing alternatives, is not the way to properly manage the “transformation for growth” at Novartis.

The level of concern is skyrocketing among Novartis European workers. Trade unions oppose a purely financially driven strategy which will irreversibly damage Novartis's industrial footprint in Europe, and heavily impact the lives of thousands of workers and their families.

European trade unions therefore urge the Novartis management to:

- 1. Provide full transparency about the planned job reduction programme and the intended Sandoz spin-off.** Detailed information must be provided with no further ado about the forecasted impact of Novartis's restructuring projects on jobs for each and every site. Explanations are required about how the recently announced reorganisation could serve Novartis's long-term industrial development in Europe.
- 2. Comply with its legal obligations to engage in high-quality social dialogue with workers' and trade union representatives** at each site, in each country and at the Novartis Euroforum. Social dialogue at Novartis must be based on early and in-depth information and consultation assisted by experts, convening extraordinary meetings when necessary, as well as opening discussions about alternatives before decisions are made in each European country where Novartis operates, and with the Euroforum. For reasons of effectiveness and consistency, the Novartis Euroforum must be able to deliver a reasoned opinion before national information-consultation processes conclude and local negotiations start. Any local procedure which would have already started must be suspended until the Novartis Euroforum is properly involved.

The European trade unions at Novartis defend a future-oriented industrial activity, leading to job creation and industrial development. They urge Novartis management to meet their demand with no further delay. They will pursue their coordination at national and European level in the coming weeks under the auspices of industriAll Europe, and consider further trade union actions if deemed necessary.