



Geneva 6th February 2018

To IndustriALL Global Union and industriAll European Trade Union affiliates with membership in GKN

IndustriALL Global Union and industriAll European Trade Union in solidarity with GKN workers and in opposition to hostile takeover by Melrose

Dear Brothers and Sisters at GKN,

We are writing this letter to you on behalf of [IndustriALL Global Union](#) and [industriAll European Trade Union](#), both representing millions of workers in mining, energy and manufacturing industries in Europe and worldwide, to express our full support and solidarity with our affiliated unions with membership in GKN worldwide, including the UK, France, Germany, Italy, Netherlands, Norway, Poland, Slovenia, Sweden, Turkey, Spain, Australia, India, Japan, Korea, Malaysia, Brazil, and Mexico, and express our strong opposition to the intended hostile takeover by Melrose.

GKN, a 'tier 1' supply chain manufacturer for automotive and aerospace with nearly 60,000 workers around the world is currently subject to a hostile takeover bid from Melrose Industries. WE share your deep concern as Melrose is a 'turnaround' company, which purchases firms to boost the share price and sell them at profit. Melrose has no experience in managing a business as large as GKN, or a serious plan for the long-term investment that is needed.

It is extremely worrisome that Melrose's bid is being funded by debt, which would be used to pay GKN shareholders an 'exceptional dividend.' GKN would then be saddled with the debt, meaning there is no risk to Melrose, whose bosses would make £284 million in bonuses from the deal. The bid is purely focusing on share price, not underlying performance, which is strong in both GKN's Automotive and Aerospace divisions. What both divisions actually need is long-term investment, not two sets of management competing for the affections of investment funds by boosting the share price with cuts and restructuring.

Taking all of this into account, IndustriALL Global Union and industriAll European Trade Union, in heeding the call of our brothers and sisters at Unite the Union, which is the major trade union at the company's headquarters in the UK, urges all of you to also oppose Melrose's hostile takeover of GKN.

In solidarity



Valter Sanches
General Secretary
IndustriALL Global Union



Luc Triangle
General Secretary
IndustriAll European Trade Union