

Nortel Networks

In telecommunications today everything seems possible and nothing is predictable. In other words, it's business as usual for this leading edge industry currently in the midst of its most revolutionary changes since Alexander Graham Bell shouted into the first telephone, "Mr. Watson, come here. I want you."



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Nortel Networks' history began in 1895, when it made not only the first primitive telephones, but also wind-up gramophones and street call boxes for police and fire departments. In 1976, it was the first telecommunications company to offer a full line of digital communications equipment that set new industry standards.

In 1998, after more than one hundred years of experience in providing global telecommunications solutions, the company

acquired Bay Networks, Inc., adding world-class, Internet protocol-based data communications capabilities that complement and expand Nortel's acknowledged strengths.

This precedent-setting union created Nortel Networks, effectively positioning the company to remove the historical boundaries between data communications and telephony, and between telecommunications leaders and the data networking innovators.

Nortel Networks understands the challenges and benefits that the convergence of voice, data, and video can bring to business. In fact, Nortel Networks built its own network—one of the world's largest global private intranets and a vast multimedia network—using its own pioneering technology. And today, 75 percent of the North American Internet travels on Nortel Networks equipment.

The world is out there waiting to be connected. Networks, as they erase distance and bind people—through copper wires, fiber optics, or wireless technology—have become the ultimate party line, bringing the world closer together. The world's citizens will be connected to a variety of electronic networks, allowing them to share information, wisdom, thoughts, and ideas.

These links to global networks are quickly becoming an essential part of living and working. Electronic "infrastructure" will be counted among the most profoundly significant of civilization's discoveries. Lack of connectivity to a network will become a personal, as well as an economic, disadvantage. Nortel Networks provides the technology to ensure such worldwide connectivity becomes a reality.

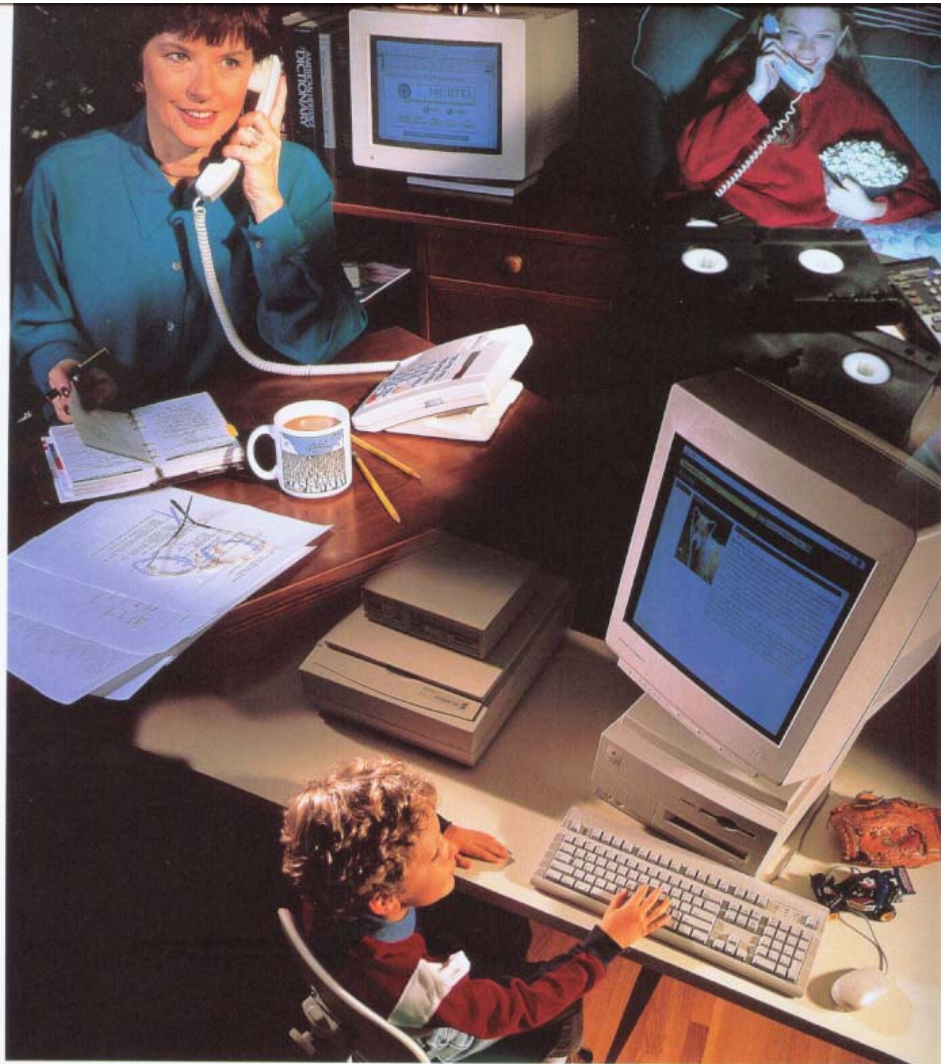
The employees at Nortel Networks measure the company's success by the satisfaction and success of their customers, as well as by reactions of industry analysts and technologists. *Industry Week* called Nortel Networks "one of the world's best managed companies." The company was ranked Number 31 in *Business Week's* 1998 ranking of 500 best performers. And in 1999, Nortel Networks was listed as one of the world's top data networking powerhouses by *Network World*.

Though Nortel Networks commands a sizable workforce in Alpharetta, Georgia (14 miles north of Atlanta), there are 75,000 employees worldwide. The company has operations in more than 150 countries and territories with offices and facilities in North America, Europe, Asia/Pacific, Caribbean and Latin America, the Middle East, and Africa. This global representation encompasses more than 50 native languages and 55 national origins.

Employee satisfaction is directly related to customer loyalty, value, and satisfaction. At Nortel Networks, 89 percent of the employees say they like their work, which is a best-in-the-industry benchmark, and 84 percent say they would recommend it to others.

The company's research capabilities around the world include 42 facilities in 17 countries, numerous affiliated joint ventures, and

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Nations award for being the first multinational corporation in the telecommunications industry to eliminate the use of ozone-depleting CFCs from its worldwide manufacturing and research operations.

Nortel Networks established a presence in Atlanta in 1979. In 1998, the company completed construction of the postmodern Windward Campus, a facility that combines the marvels of science with the magic of human ingenuity. The campus is located in Alpharetta on Windward Parkway, called the Corridor of Influence by metro-Atlantans. Even among the prestigious group of high-tech corporations on the corridor, Nortel Networks has retained its human touch.

Customers, visitors, and workers alike enjoy the open-walled offices, bright, primary-colored appointments, and a wetland preservation area with nature trails and outdoor work pavilions

that are network accessible. Other unique amenities include micro-cellular technology between buildings and a best-in-class corporate fitness center. The campus is home to development laboratories and numerous sales and marketing teams that service such customers as BellSouth, GTE, Cox Communications, Sprint, MCI-Worldcom, and AT&T.

Many of Nortel Networks' top executives hold leadership roles in Atlanta organizations, including, but not limited to, Zoo Atlanta, Junior Achievement, SciTrek, North Fulton Chamber of Commerce, and the Metro Atlanta Chamber of Commerce Advisory Board. Beyond donating time, money, and other resources to these organizations, Nortel Networks has a long-standing commitment to strengthening the technology presence in Georgia. The company provides technology leadership for many projects and organizations, including SciTrek, Georgia Tech,



◀ Nortel Networks delivers value to customers around the world through Unified Networks solutions, spanning mission-critical telephony and Internet Protocol (IP) optimized networks.

Technology Association of Georgia, the Business and Technology Alliance, and Women in Technology.

In addition, the company identifies 10 to 12 nonprofit or charitable local organizations each year as part of its Community Partners program. In 1998, Nortel Networks served again as a pacesetter company for the North Fulton United Way annual giving campaign and achieved record levels of giving by its employees and the company. Nortel Networks offers every employee in the Windward Campus a 32-hour/per year benefit to volunteer in the metro-Atlanta communities, one of the most generous volunteer benefits available from any company in the industry.

The Information Revolution is creating a new era of human history, and Nortel Networks is at the forefront in providing the foundation of the global information industry. John Roth, CEO of Nortel Networks, alluded to this era at the press conference announcing the acquisition and merger with Bay Networks: "Nortel Networks has prepared for the future by positioning itself as the global resource for unifying the network. Nortel Networks' competency and industry leadership in designing, building, and

integrating voice, data, and video networks provides a distinctive market position and powerful competitive advantage." ◀

