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**PKC Group respects the rights of its employees**

In response to recent shareholder and media attention in Finland, PKC Group states that it has not, and is in no way restricting the rights of its employees in Mexico nor anywhere else in the world, including their rights of association. Furthermore, PKC Group is complying fully with the Mexican laws and norms as well as with the freedom of association imposed by International Labor Organization ILO.

The company takes the recent accusations very seriously and is open for dialogue with its employees, investors and media related to the matter.

There have been a number of efforts by different groups (including the Miners Union) to unionize the plants and employees working in Acuna, Mexico, over the last several years. The employees have consistently demonstrated their desire not to join such unions. In several meetings held between the employer and the employees over the last nine months, the employees have continued to denounce the Miners' activity and specifically voiced their preference not to be unionized by them.

Mexican law allows unions to register as the employees' representative irrespective of the will of the employees; in fact, the employees may never be asked their preference. Registration and certification of the union as the bargaining representatives binds the employees to pay membership dues to the labor union whether they wish to join it or not.

PKC Group signed the acquisition agreement to buy the AEES companies in August 2011. It was also around this time that the Miners campaigning in Acuna intensified. In order to protect the rights of its employees, AEES accepted the execution of a collective agreement with the legally operating Confederation of Mexican Workers (CTM) labor union in September 2011. The effort to unionize the employees is being driven by external individuals and groups – not by the employees. Exercising the legal right to accept a contract with the CTM was seen as means to fulfill employees' will not to be represented by a union that they did not want.

PKC Group Plc formally acquired AEES companies on 1<sup>st</sup> of October 2011. PKC is convinced that there existed the opposition to the Miners Union and that the employees in the Acuna plants do not wish to be represented by them. This assessment is clear because once the contract with the CTM was made public and thereafter, there has been no negative reaction by the employees. In fact, in continued discussions with employees, they confirm their wishes not to be represented by the Miners and they understand why the contract with the CTM was accepted.

The agreement with the CTM continues to support the employees' ability to communicate directly with the company on matters of their employment without the need of a third-party intermediary. This is a point made clear to the company by the employees. The agreement with the CTM provides higher benefits than the minimum mandatory by the Mexican labor law.

PKC has not and will never restrict the rights of association by its employees. The fact that the employees do not wish to be represented by a union does not breach their right of association.

PKC will continue the well-established pattern of dialogue with its personnel to understand what is important to them. As a result, the turnover rate of employees has already declined significantly in Acuna. Additionally, PKC values full compliance with local, federal and international legislation as an integral part of its operations.

PKC Group Plc

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The PKC Group offers design and contract manufacturing services for wiring systems and electronics. The Group has production facilities in Brazil, China, Estonia, Finland, Germany, Ireland, Mexico, Poland, Russia, Ukraine and the USA. The Group's net sales in 2011 totalled EUR 550.2 million. PKC Group Plc is listed on NASDAQ OMX Helsinki Ltd.