Lucent Technologies
Director Independence Standards

The Board of Directors of Lucent Technologies has adopted Director Independence Standards to assist in its determination of director independence. To be considered "independent" for purposes of these standards, the Board must determine that the Director has no material relationship with Lucent other than as a director. In each case, the Board will broadly consider all relevant facts and circumstances and will apply the following standards. In addition, the Board will apply the independence standards set by the New York Stock Exchange, which are included in the standards set forth below.

1. A director will not be considered "independent" if, within the preceding three years:

   - The Director was an employee, or an immediate family member of the Director was an executive officer, of Lucent; or
   - The Director, or an immediate family member of the Director, received more than $100,000 per year in direct compensation from Lucent, other than director fees and pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on continued service with Lucent); except that compensation received by an immediate family member of the Director for services as a non-executive employee of Lucent need not be considered in determining independence under this test; or
   - The Director was affiliated with or employed by, or an immediate family member of the Director was affiliated with or employed in a professional capacity by, a present or former internal or external auditor of Lucent; or
   - The Director, or an immediate family member of the Director, was employed as an executive officer of another company where any of Lucent's present executives serve on that company's compensation committee; or
   - The Director was employed by another company (other than a charitable organization), or an immediate family member of the Director was employed as an executive officer of such company, that makes payments to, or receives payments from, Lucent for property or services in an amount which, in any single fiscal year, exceeds the greater of $1 million or 2% of such other company's consolidated gross revenues. In applying this test, both the payments and the consolidated gross revenues to be measured will be those reported in the last completed fiscal year. This test applies solely to the financial relationship between Lucent and the Director's (or immediate family member's) current employer; the former employment of the Director or immediate family member need not be considered.

2. The following relationships will not, by themselves, be considered to be material relationships that would impair a Director's independence:

   - Commercial Relationship: If a Director of Lucent is an executive officer or an employee, or an immediate family member of the Director is an executive officer, of another company that makes payments to, or receives payments from, Lucent for property or services in an amount which, in any single fiscal year, does not exceed the greater of (a) $1,000,000 or (b) 2% of such other company's consolidated gross revenues;

   - Indebtedness Relationship: If a Director of Lucent is an executive officer of another company which is indebted to Lucent, or to which Lucent is indebted, and the total amount of either company's indebtedness is less than 2% of the consolidated assets of the company where the director serves as an executive officer;

   - Equity Relationship: If a Director is an executive officer of another company in which Lucent owns a common stock interest, and the amount of the common stock interest is less than 5% of the total shareholders' equity of the company where the director serves as an executive officer; or

   - Charitable Relationship: If a Director, or an immediate family member of the Director, serves as a director, officer or trustee of a charitable organization, and Lucent's contributions to the organization in any single fiscal year are less than the greater of (a) $1,000,000 or (b) 2% of that organizations' gross revenues.

3. For relationships not covered by Sections 1 or 2 above as to which the Board believes a Director may nevertheless be independent, the determination of whether the relationship is material or not, and therefore whether the Director would be independent, will be made by the Directors who satisfy the independence guidelines set forth in Sections 1 and 2 above.

4. For purposes of these standards, an "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. However, when applying the independence tests described above, the Board need not consider individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or have become incapacitated.