

MEDIA STATEMENT

ARCELORMITTAL SOUTH AFRICA CONTRIBUTES TO LONG-TERM DEVELOPMENT IN NEWCASTLE

Newcastle, 6 December 2021: ArcelorMittal South Africa refutes in the strongest terms claims being made on social media that the company does not hire local labour.

ArcelorMittal South Africa is mindful of its social responsibility and the role the company needs to play in transformation, economic development and job creation, especially at a time when our communities, our country and indeed the world are struggling to recover from a global pandemic.

ArcelorMittal South Africa has policies in place to hire and use local labour as far as possible in each of its operations and, while the company cannot dictate the hiring practices of its contractors, they are encouraged to use local labour where practical to fulfil their contractual obligations to the company. ArcelorMittal South Africa maintains a database of local people which contractors can use to source locally based skills.

ArcelorMittal South Africa can confirm that contracting companies who are from outside of Newcastle and are providing specialised services to the company are currently employing around 60% local labour while up to 90% of the labour used by Newcastle-based contracting companies has been sourced locally.

However, ArcelorMittal South Africa has always encouraged equitable processes when opportunities arise so that the entire community has a fair chance to participate and therefore positions cannot be reserved for members of certain forums or organisations.

The company also has a long and proud history of community upliftment through socio-economic development. Just a few examples of this include:

- Training of apprentices at local colleges for free to create much needed skills and bolster employment opportunities

- A company sponsored and supported supplier development programme to grow local SMMEs and create jobs
- Steel sponsorships to Amajuba College and Qualitas Academy, Hunters Wildlife Preservation and Tugela Pre Vocational School
- Farming assistance to Natal Agri Business for the development of a smallholding into a larger scale farming operation which has already made a communal impact with seedlings being shared with neighbours who are cultivating their own gardens. Local businesses are willing to allocate sales space at no cost or purchase produce from this community farming project. Twenty people were initially directly impacted but there are discussions underway to upscale the project.
- Almost R3 million was spent on the distribution of 4 722 food hampers to around 23 000 community members in all 34 districts in Newcastle who were left destitute and vulnerable post the civil unrest in the province earlier this year
- Sponsorship of a soup kitchen container to local NGO, Silver Spoon, is expected to provide daily sustenance to about 500 people per month initially.

“We are disappointed that there are certain members of our community who seek to disrupt the business rather than work together to ensure our growth so that employment, procurement opportunities, training and skills development and community investment are sustained,” says Jacques Kotze, ArcelorMittal South Africa’s Executive Manager; Long products - Downstream. “Our approach has always been one of constructive engagement and collaboration and we have had many engagements with local forums to address their queries and concerns.”

“Our aim has always been to provide hope and uplift our local communities through creating opportunities for long-term development,” adds Kotze. “That’s what *transforming tomorrow* is all about.”

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