

MEDIA RELEASE

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Scaw Metals Group improves BBBEE rating

The Scaw Metals Group, a leading steel and steel product manufacturer has been awarded a Level 3 Broad-Based Black Economic Empowerment (BBBEE) rating; reiterating Scaw's commitment to being a responsible corporate in South Africa.

BBBEE is a programme launched by the South African government to redress the inequalities experienced by marginalised citizens prior to 1994. BBBEE includes measures such as employment preference, skills development, ownership, management, socio-economic development and preferential procurement.

“Being a level 3 is a notable achievement for us, considering the inherent challenges of the steel industry. Over the past year a concerted effort has been made to improve our initiatives within the various target elements,” said Markus Hannemann, CEO of the Scaw Metals Group.

Scaw improved its rating in five of the seven criteria with significant improvements in employment equity related elements and preferential procurement.

“We have made significant steps to ensure that we attract, empower and up-skill females in this male-dominated industry. We have female employees in various management positions around our operations and we have also welcomed two female board members, Neo Violet Mokhesi and Nokuzola Amanda Mpulo. We will continue to push for more female representation in our business,” said Hannemann.

In order to become the catalyst of empowering women in the industry, Scaw established a forum that supports career growth for these women and encourages more women to consider a career in the steel industry.

Scaw's business philosophy impacts on the communities where its operations take place. It is imperative that it becomes a responsible corporate citizen. During 2013 Scaw embarked

on various Corporate Social Investment (CSI) programmes which included education, environment and sport development.

“In the past year we supported our surrounding communities, working in partnership with non-governmental organisation (NGOs) such as Food & Trees for Africa, the Adopt-A-School Foundation and the Epworth Children’s Home. I believe that having a holistic CSI programme is key to the well-being of our employees and the communities in which we operate,” said Markus Hannemann.

“I’m proud of what we have done here at Scaw. We have come a long way to improve our BEE rating. We have implemented various initiatives which we will continue to benefit from in the future, said Ufikile Khumalo, Scaw’s Executive Chairman.

“Scaw is a proudly South African company and is committed and supportive of the objectives of the Department of Trade and Industry. We look forward to the challenge that lies ahead with the implementation of the revised 2013 BBBEE Codes of Good Practice,” said Hannemann.

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About the Scaw Metals Group

Scaw is a leading South Africa based integrated steel maker producing highly specialised and critical consumable components for the mining, rail, power, offshore oil and gas, construction, commercial and other industrial sectors. The business operates through four product focused business units with facilities in South Africa. Grinding Media produces high chrome and forged grinding media. Wire Rod Products produces steel wire rope, chain, wire and strand and other related products for mining, industrial, construction and offshore oil drilling applications. Cast Products designs and produces a variety of cast steel products for the mining, metal processing, power generation and railway industries. Rolled Products is a manufacturer of low and high carbon long steel products.

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