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Liberty Steel representatives sign an agreement with the Ostrava steelworks trade unions

Ostrava September 12, 2019 – Today, the representatives of the Liberty Steel Group and the Liberty Ostrava management have signed an agreement with the local trade unions on the future of the Ostrava steelworks. In addition to the key items dealing with investments, production and employment, it extends the collective agreement until 2023.

“We do realize the significance of the mill for the Ostrava region as well as the whole country and we want to further develop the steel production here and invest in it,” said Jon Bolton, CEO Liberty Steel Continental Europe.

The agreement sets forth the minimum level of annual steel output, provisions related to ensuring the operation of the Ostrava businesses that were part of the acquisition, and contains commitments of the new owner to maintain employment as well as the labour and social standards for all workers. Besides, the agreement also features the commitments of the new owner towards the sustenance and strategic investment and the extension of collective agreement with employees until 2023. An important item is also the commitment to further due diligence to buy the power plant TAMEH Czech, which has remained in the possession of the joint venture of the former owner ArcelorMittal and the Polish energy group Tauron, and which provides the steelworks with all media needed for steel production.

„The Agreement is an important step for our work under the new name. Among other things, it extends the collective agreement which secures social welfare for all our employees till 2023, which will enable us to focus on what we can do best – production of a high-quality steel,” added Ashok Patil, CEO Liberty Ostrava.

„Discussions were not easy, but I am satisfied with the results. I believe the agreement will ensure a good future for the Ostrava steelworks,” said Petr Slanina, chairman of OS KOVO trade union.

“I consider the agreement a breakthrough in the history of the steelworks. It means a long-term sustainability of steelmaking in Ostrava,” added Petr Zegzulka, chairman of the OS KOVO tubular products trade union.

Liberty Ostrava a.s. is an integrated steel business with a production capacity of 3.6 million tonnes of steel. At present it annually produces c. 2.2 million tonnes of steel, which is mainly used in construction, machinery and oil & gas industries. The company is a domestic leader in the manufacture of road barriers and tubes. In addition to the Czech market, it supplies its products to more than 40 countries around the world. Together with its subsidiaries in Ostrava, the company has 6,300 employees. The 2018 average monthly income was CZK 39,180. As a result of the above-standard greening, the company manufactures its products with a minimum possible environmental footprint. It is part of Liberty Steel, a global steel and mining business. Liberty Steel is part of the GFG Alliance, a global group of energy, mining, metals, engineering, logistics and financial services businesses, headquartered in London, with a presence in around 30 countries worldwide. The Alliance has a global workforce of around 30,000 people and a turnover exceeding US\$20 billion.