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Comité mundial de los trabajadores de **Tenaris y Ternium Tenaris/Ternium** Workers' World Council
Consiglio Sindacale Mondiale dei Lavoratori di **Tenaris e Ternium**Comité mundial dos trabalhadores da **Tenaris e Ternium**Consiliul Mondial al Salariatilor din **Tenaris și Ternium**テナリス/テルニウム労働者世界協議会

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Dr Edwin Basson Director General Worldsteel Association Brussels, Belgium

E-mail: <u>basson@worldsteel.org</u>, <u>steel@worldsteel.org</u>

Dear Mr. Basson,

We are writing to inform you about a failure to communicate by Ternium CEO Mr. Daniel Novegil, a candidate for the 8th Steelie Awards in the category of "Industry communicator of the year". We urge you to raise this matter with Mr. Novegil and with the voters who will select the winning candidate.

For the last four years Ternium International Guatemala Sociedad Anónima, a Ternium subsidiary, has refused to bargain in good faith with Sitraternium, the union representing Ternium workers in Guatemala. During this period Ternium has fired labour leaders and rehired them only following a court order; denied the payment of union leave even when the Guatemalan law calls for it; and rejected all efforts of the union to negotiate a collective agreement, even when the Vice-minister of Labour of Guatemala offered his services as a mediator. Ternium has utilized any mechanism at its disposal to ignore and dismantle Sitraternium. An OECD complaint against Ternium for its violations of the OECD Guidelines for Multinational Enterprises concerning workers' rights is in process.

The Tenaris Ternium Workers' World Council – a council that brings together unions at Tenaris and Ternium worksites in ten countries – has raised our concerns and sought dialog with the company multiple times, however it has received no response from Mr. Novegil or anybody else at Ternium. Although courts have ruled on multiple occasions that the company has acted illegally to prevent workers exercising their fundamental rights, the CEO has made no public statement on the matter and the company has continued their illegal rights violations.

We believe that under the current circumstances Mr. Novegil does not "present the best face of the steel industry to the world at large," which this award is said to recognize.

We believe that Mr. Novegil's candidacy for this award presents a positive opportunity for him to show awareness and concern about the wellbeing of his employees by communicating his commitment to upholding their fundamental rights. We urge you to raise this matter with Mr. Novegil so that he can take advantage of this opportunity by communicating with the Tenaris Ternium Workers' World Council.

If that does not happen, and since the "Industry communicator of the year" is selected by direct vote, we respectfully request you circulate this letter among the potential voters to inform them of our concerns.

Sincerely.

Carlos De Sanctis

International Coordinator

Tenaris Ternium Workers' World Council

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