

## **Alstom has supported over 9,000 jobs in South Africa, according to EY report**

- **R3.9 billion GDP contribution to South Africa's economy**
- **99% local hires, 35% women**
- **65% X'trapolis train content supplied locally**
- **91% less gCO2/passenger.km by train compared to cars**

**Johannesburg, 28 February 2023** — Alstom, a global leader in sustainable and green mobility solutions, has released a report in collaboration with Ernst & Young (EY) capturing the company's socio-economic contributions from April 2021 to March 2022. It highlights the support of over 9,000 jobs and R3.9 billion injected into South Africa as Alstom continues to grow its local presence.

"We have been in South Africa for at least 10 years now and our commitment to South Africa goes beyond the manufacturing of trains or railway components. We are a reliable local growth partner and are actively participating in the development of an inclusive and sustainable rail industry through localisation, job creation and skills development. This report creates a baseline understanding of the impact of our work to-date and acts as a tool to measure our progress moving forward," said Bernard Peille, Managing Director, Alstom Southern Africa.

Alstom's strategy in South Africa is illustrated by significant investments in the country, which include Alstom Ubunye, Gibela Rail Consortium and most recently with Bombela Maintenance and Alstom Rolling Stock South Africa.

### **Local economic development**

According to the report, Alstom South Africa purchased R3.6 billion of goods and services over the reporting period, 79% of which are from South African suppliers. The company's dedication to local economic development has resulted in increased partnerships and support for local business enterprises. Alstom collaborates with over 500 suppliers in South Africa, who provide components for Alstom trains and services to projects across the country.

Considering South Africa's high unemployment rate, empowering historically disadvantaged individuals, specifically Black women and the youth of today are a key driver. 99% of Alstom's new employees have been local hires in South Africa, of which 90% are Black Africans and 45% fall into the youth category. The company is committed to gender diversity and inclusion. Women compete equally for all roles, and as a result 35% of the workforce is now female and this number will grow in the coming years through deliberate efforts.

Alstom is committed to developing greener, smarter, and safer mobility for its customers but more importantly to build local capability. In terms of skills and rail expertise development, Alstom invested in multiple skills transfer programmes and sent South African employees to various Alstom sites around the world including France, United Kingdom, Sweden, Australia and India among others.

Alstom's South African employees regularly undergo technical and behavioural skills training to ensure they operate at the same level as any Alstom employee at any site globally.

In addition, Alstom also supports educational initiatives in South Africa focusing on Science, Technology, Engineering and Maths (STEM) subjects in high school and up to university level. Through its joint ventures, partnerships with universities are in place to advance railway-specific skills development, expand scientific and research capacity, and attract and retain excellent researchers, students and scientists.

"When we started our journey 10 years ago, the rail industry in South Africa was dormant and significant effort was put into building Gibela's supply chain which now consists of over 90 South African suppliers and 65% of the train's content is supplied locally. Gibela also has over 1,000 talented employees and has delivered over 100 locally made trains to the Passenger Rail Agency of South Africa (PRASA)," said Andrew DeLeone, President of Alstom in Africa, Middle East, and Central Asia.

### **Energy-efficient transport solutions**

Rail transportation is one of the most energy-efficient transport modes and will remain the backbone of mobility in a sustainable world. The average passenger cars in South Africa emit 148 gCO<sub>2</sub>e/km which is 18.9 times more than riding a train.

The X'trapolis Mega Train being produced at Gibela for PRASA, is made from 30% lighter steel than trains made of carbon steel. The stainless steel translates to less energy consumption, which results in lower greenhouse gas emissions. In addition, 99% of the train components are recoverable and 96% of them are recyclable, thus decreasing the likelihood of end-of-life impact.

"Alstom's commitment to eco-design is centred on minimising the environmental footprint of its solutions throughout the lifecycle. This approach is already applied to more than 50% of Alstom products globally with a target of having 100% of all new products by 2025," says Peille.

Alstom's actions also extend to freight; they are contracted to supply electric Traxx locomotives to Transnet. Locomotives contribute to reducing heavy vehicle traffic on South Africa's roads.

"In 2022, we expanded our manufacturing capabilities and can now produce locomotive car body shells in South Africa. Growing these unique locomotive skills locally is in line with our long-term growth strategy to introduce much needed state-of-the-art freight solutions to the rest of the Southern Africa market. Reduced heavy vehicle/truck traffic on our roads also leads to less carbon emissions and improved safety," added Peille.

### **Alstom's outlook for South Africa**

By 2025, Alstom will grow its employee base by 10%, increase female representation up to 40% in the management, engineers, and professional's category; optimise manufacturing to produce 62 X'trapolis Mega trains per annum, and intensify operational capacity to produce up to 50 locomotives per annum.

**Discover the Impact of Alstom in South Africa [here](#).**

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**About  
Alstom**

Leading societies to a low carbon future, Alstom develops and markets mobility solutions that provide sustainable foundations for the future of transportation. From high-speed trains, metros, monorails, trams, to turnkey systems, services, infrastructure, signalling and digital mobility, Alstom offers its diverse customers the broadest portfolio in the industry. 150,000 vehicles in commercial service worldwide attest to the company's proven expertise in project management, innovation, design, and technology. In 2021, the company was included in the Dow Jones Sustainability Indices, World and Europe, for the 11<sup>th</sup> consecutive time. Headquartered in France and present in 70 countries, Alstom employs more than 74,000 people. The Group posted revenues of €15.5 billion for the fiscal year ending on 31 March 2022. Log onto [www.alstom.com](http://www.alstom.com) for more information.

**Contacts**

**Press (Southern Africa):**

Thandeka MCHUNU | Tel.: +27 (0) 67 417 20 30  
[thandeka.mchunu@alstomgroup.com](mailto:thandeka.mchunu@alstomgroup.com)

Thenjiwe GUMBI | Tel.: +27 84 834 6677  
[thenjiwe.Gumbi@hkstrategies.co.za](mailto:thenjiwe.Gumbi@hkstrategies.co.za)

**Press (Head Office):**

Coralie COLLET | Tel.: +33 (0)7 63 63 09 62  
[coralie.collet@alstomgroup.com](mailto:coralie.collet@alstomgroup.com)