

## 2. ABOUT THIS REPORT

**This is the fourth Group-wide Corporate Responsibility Report (CR Report) of voestalpine AG. It contains information and data on the company's activities, performance, and goals in the context of sustainable development. The CR Report gives voestalpine's stakeholders insight into the Group's business activities and shows how the company puts its corporate responsibility into practice.**

### STANDARDS AND SPECIFICATIONS

The present CR Report was prepared in accordance with the Sustainability Reporting Standards (the "Core" option) of the Global Reporting Initiative (GRI). These Standards are the most widely used and accepted framework for sustainability reporting worldwide. The GRI Index in the Appendix gives a detailed overview of the GRI Standards that are covered by this CR Report and shows where the respective information can be found.

voestalpine has participated in the Global Compact of the United Nations ("UN Global Compact," UNGC) since 2013. This initiative calls on companies around the world to apply ten principles pertaining to human rights, labor standards, environmental protection, and anti-corruption. The present CR Report documents the implementation of the UN Global Compact Principles within voestalpine and thus serves as the required "Communication on Progress" (CoP).

The Austrian Sustainability and Diversity Improvement Act (NaDiVeG), which transposed EU Directive 2014/95/EU (NFI Directive) on the mandatory disclosure of non-financial indicators into national law, has been in effect in Austria since December 2016. In publishing this CR Report, voestalpine is fulfilling the requirements of the NaDiVeG.

## PARAMETERS OF THIS REPORT

Unless otherwise stated, the information, figures, and facts published in this CR Report refer to the entire voestalpine Group. The financial performance indicators and employee data encompass all of the Group's consolidated entities. When compiling the environmental performance indicators, the roughly 130 voestalpine production companies—i.e., those that process, convert, or treat a product—in which voestalpine has a stake greater than 50% were considered. This limitation of the parameters with respect to the environmental data accords with both the criteria of materiality and the Pareto Principle: The carbon footprint of the non-producing companies is relatively small, whereas the expenditures required to collect these data would have been unreasonably large.

Impacts along the value chain that occur outside of voestalpine's factory gates but are subject to its sphere of influence are regularly evaluated as part of supply chain management and are managed taking into account sustainability requirements. For reasons of confidentiality, however, this CR Report does not disclose detailed information and financial indicators related to the business activities of the company's suppliers.

## BENCHMARK FOR SPECIFIC ENVIRONMENTAL DATA

Aside from its crude steel production facilities in both Linz and Donawitz, voestalpine has been operating a direct reduction (HBI) plant in Corpus Christi, Texas, USA, since the fall of 2016. The company also produces components at several sites from steel, a portion of which is externally sourced. As a result, crude steel production has not been the benchmark for determining the specific environmental performance

indicators since 2017; the production volume is used instead. Besides the weight of both the crude steel and the sponge iron produced, this variable also includes the weight of the externally sourced steel products. Accordingly, since 2017 the specific indicators have been provided per ton of product.

## CONTENT OF THIS REPORT

voestalpine addresses the issues that are relevant to its sustainable development continuously and systematically. Both external and internal stakeholders were included in the process of

determining the content of and the material topics covered in this CR Report (see chapter “Stakeholders and CR Management”).

## REPORTING PERIOD

voestalpine’s business year runs from April 1 of a given year to March 31 of the following year. The business year 2018/19 is the reporting period for the key financial indicators and employee data, but the environmental data are compiled by calendar year. Hence the

calendar year 2018 is the reporting period for the environmental performance indicators. In each case, the past five business and/or calendar years are shown to enhance comparability and provide insight into the development of the key figures over a longer period.

## REPORTING CYCLE

voestalpine publishes its CR Report once a year. The CR Fact Sheet, which summarizes the Report’s key figures and facts, is also

published annually and simultaneously with the CR Report.

## AUDIT AND CONFIRMATION

Grant Thornton Unitreu GmbH, an Austrian auditing and tax consulting firm, audited the Report as to compliance with both the GRI Standards and the requirements of the Austrian

Sustainability and Diversity Improvement Act. See the Independent Assurance Report in the Appendix for further information on the audit and confirmation of the present CR Report.

## STYLE AND LANGUAGES

To improve legibility, gender-specific wording has been omitted. As a result, the masculine form is used where necessary to simplify matters even when both genders are meant.

The CR Report is published in German and English, and the CR Fact Sheet in 14 languages.

## DESIGN

The design of the present Corporate Responsibility Report is based on 3D artwork of the atoms of the alloy elements that are used in voestalpine's production process.