

12. HUMAN RESOURCES

Our success as a technology group is based on our employees' particular expertise and high motivation. Hence voestalpine places great value in a respectful corporate culture, the diversity and individuality of our employees as well as their qualifications—all of which is reflected in the guiding principles of our corporate responsibility (CR) strategy.

Corporate Culture

We create a respectful corporate culture in which we expect and encourage trust, diversity, self-determination, and personal responsibility. voestalpine's culture, as a symbol of our Group-wide identity, is continually being refined in this sense.

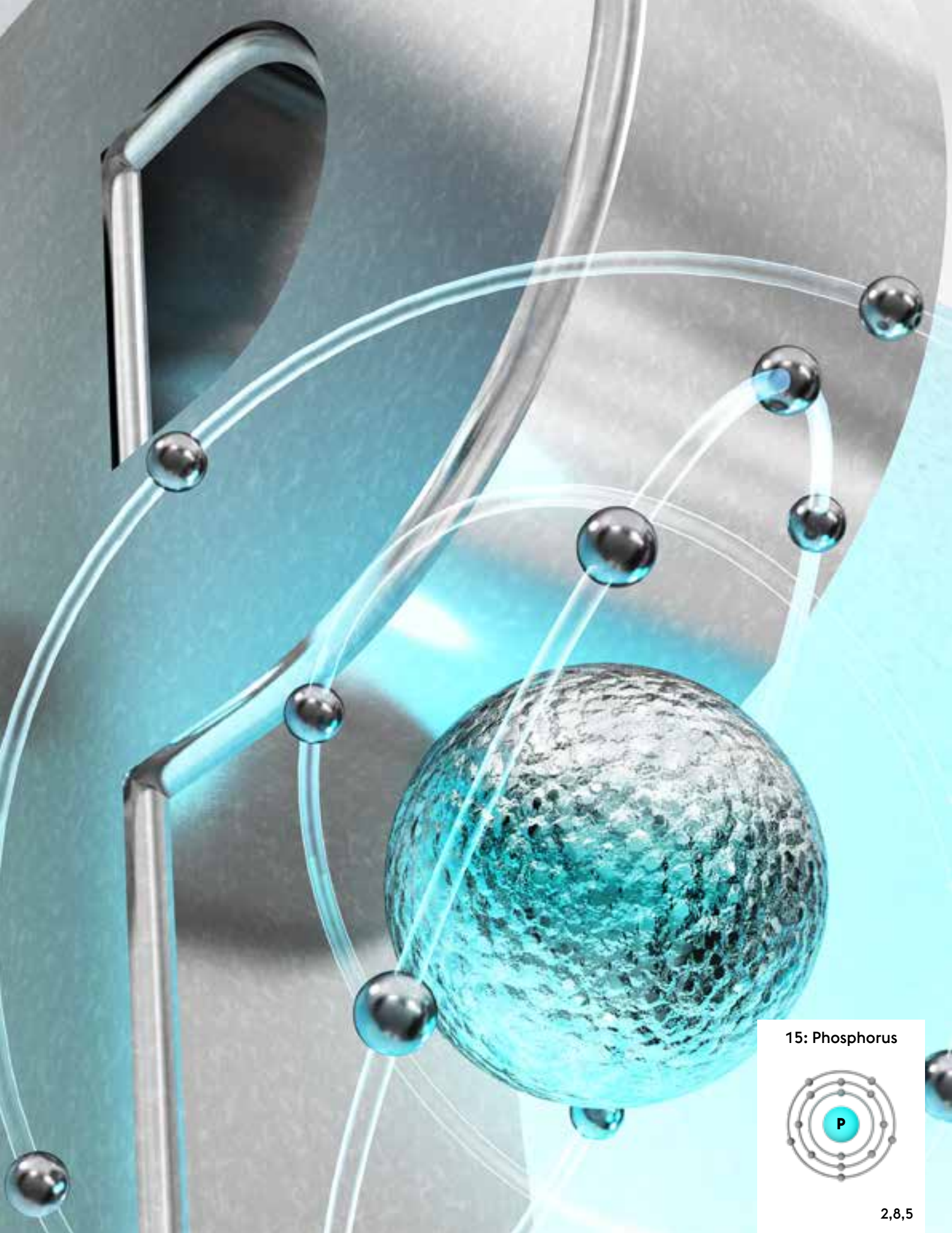
Diversity

We value the individuality of all our employees and their capabilities—irrespective of gender, age, origin, religion, sexual orientation, or any impairment—and create the conditions for equal opportunities as well as work that maintains people's health and is appropriate to life's different phases.

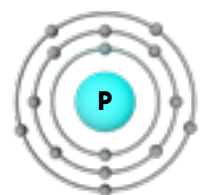
Training and Continuing Education

Targeted measures help voestalpine employees gain qualifications and thus broaden their career opportunities. We believe, furthermore, that both training young people and encouraging lifelong learning are long-term determinants of the company's success.





15: Phosphorus



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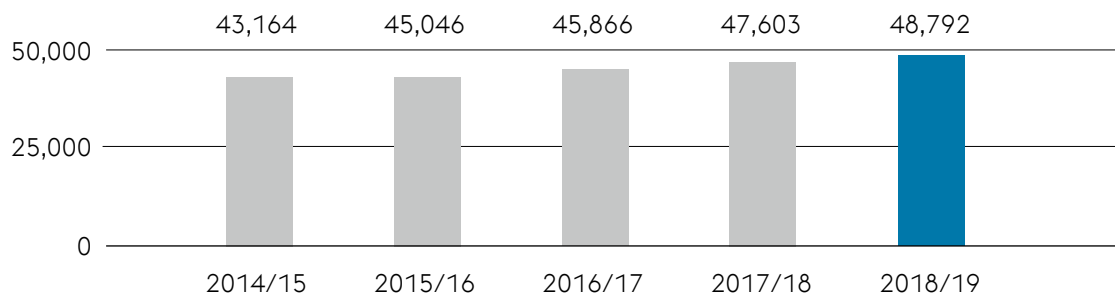
12.1 EMPLOYEE STRUCTURE

As of the annual reporting date (March 31, 2019), the voestalpine Group had a global workforce of 48,792 employees. Including 1,310

apprentices and 3,300 temporary employees, this number rises to 51,907 full time equivalents (FTEs).

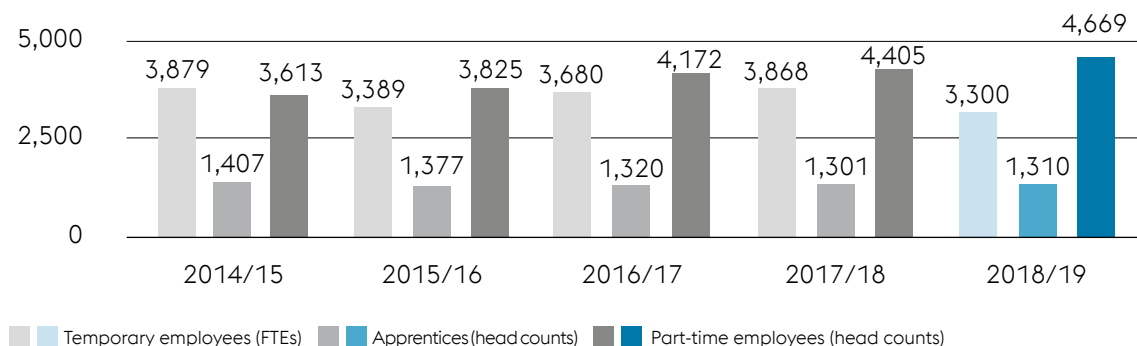
DEVELOPMENT OF THE NUMBER OF EMPLOYEES

Personnel (excl. apprentices and temporary employees, head counts), per business year



EMPLOYEE STRUCTURE BY EMPLOYMENT CONTRACT

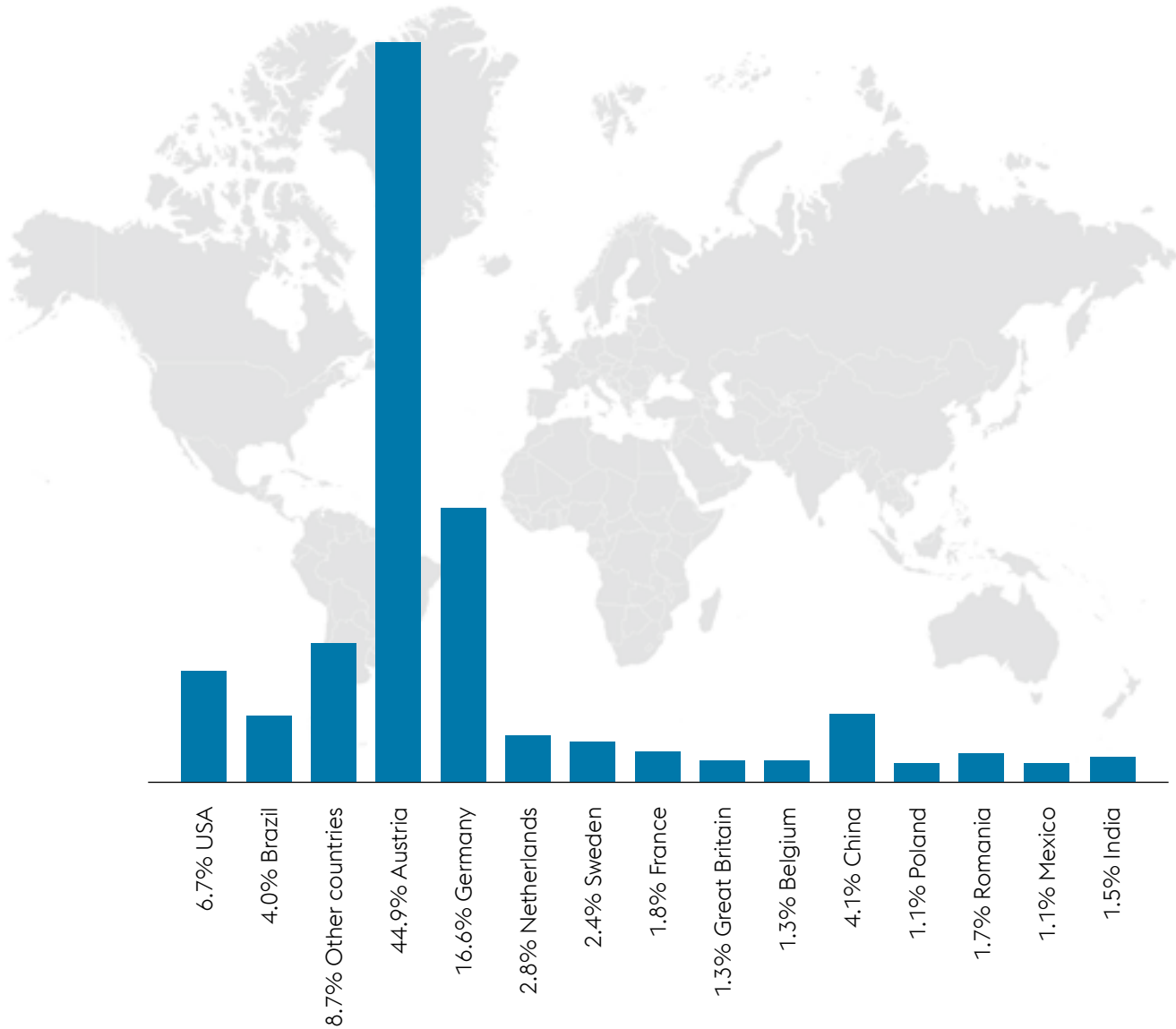
In each case as of the March 31 reporting date; excl. full time employees



12.1.1 EMPLOYMENT BY COUNTRY AND REGION

voestalpine has about 500 Group companies and sites in 50 countries on five continents. A total of 44.9% of the company's employees

are based in Austria, and 55.1% work at sites outside of the country.

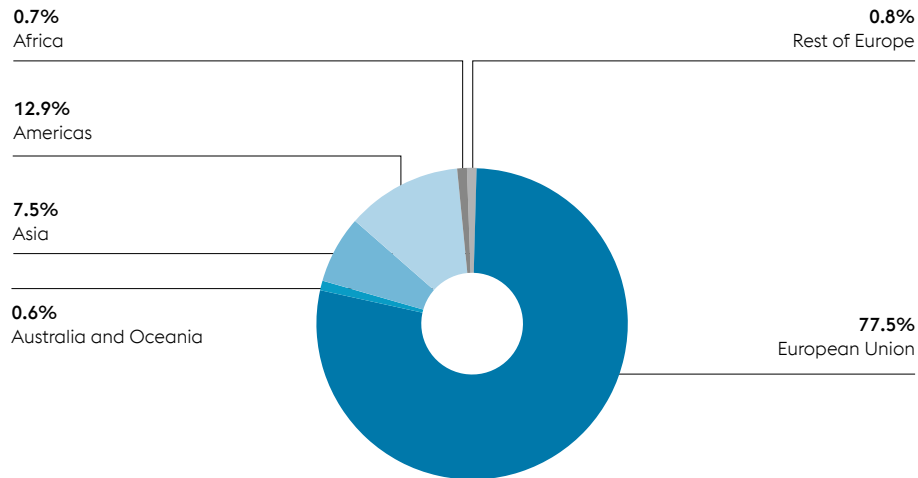


voestalpine is considered a particularly attractive employer in the countries in which it works. This facilitates local recruiting, with the result

that most employees at any given site are local residents.

WORKFORCE BY REGION

As of the March 31, 2019, reporting date, based on FTEs



German and English are the predominant languages in the voestalpine Group. The Group's most important publications are issued in these two languages, but in multiple other languages

as well. For example, the Code of Conduct, the Corporate Responsibility Factsheet, and the Employee Magazine are available in a total of 14 languages.

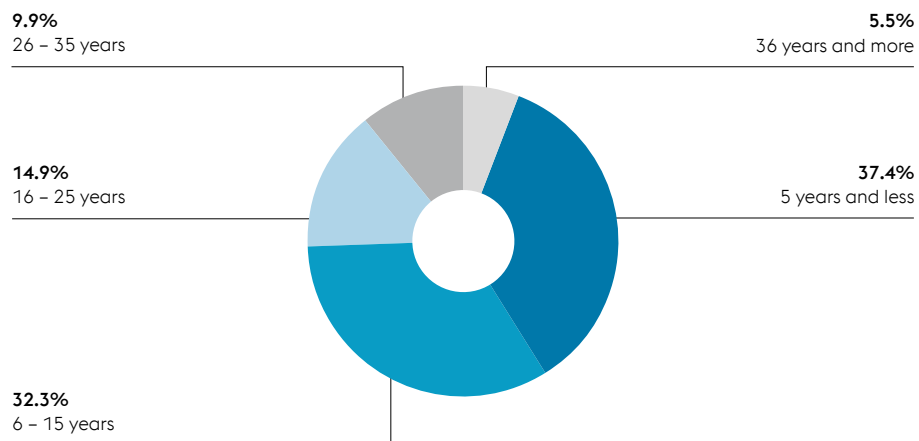
12.1.2 YEARS OF SERVICE AND EMPLOYEE TURNOVER

As in years past, in the business year 2018/19 employees who had up to five years of service with the Group were the largest employee group,

followed by employees who had been with voestalpine for a period of six to 15 years.

YEARS OF SERVICE

As of the March 31, 2019, reporting date



In the business year 2018/19, the turnover rate for employment contracts terminated by mutual agreement or by the employee was 7.5%. There were 33 applications for each

job opening, which reflects the rising trend in recent years and illustrates the attractiveness of voestalpine as an employer.

12.2 EQUALITY AND DIVERSITY

Globally, just under 52,000 people (FTEs) work for voestalpine. Each and every employee is valuable on account of their individual strengths and abilities and must be respected. The fact that voestalpine's CEO signed the company's Diversity Charter in February 2018 underscores the Group's approach to both diversity and equal treatment. voestalpine is committed to respecting all people with whom it has a relationship (employees, customers, business partners)—irrespective of gender, skin color, nationality, ethnicity, religion or worldview, impairment, age, sexual orientation, and identity.

This commitment and corresponding actions create a climate of acceptance and mutual trust. As laid out in the chapter "Respect and Integrity" of the voestalpine Code of Conduct, the Group does not tolerate any form of discrimination.

12.2.1 DIFFERENTLY-ABLED INDIVIDUALS

In Austria, companies with more than 25 employees are required to make jobs available for differently-abled individuals. For reasons related to data protection, outside of Austria no

information is collected on employees' potential impairment. voestalpine fulfills all statutory obligations at all of its locations in this respect.

12.2.2 WOMEN AT voestalpine

As of the annual reporting date (March 31, 2019), women made up 14.4% of all employees in the voestalpine Group. The percentage of female workers among wage employees is 5.7%; among salaried employees it is 28.9%. As of March 31, 2019, women accounted for 12.5% of female executives (salaried employees with permanent staff responsibility, including forepersons, but

excluding members of the Management Board). There was a slight increase in the percentage of women in most of these categories. At 52.7%, the percentage of women among apprentices completing non-technical training (shown in the "Female apprentices (other)" category) is particularly high.

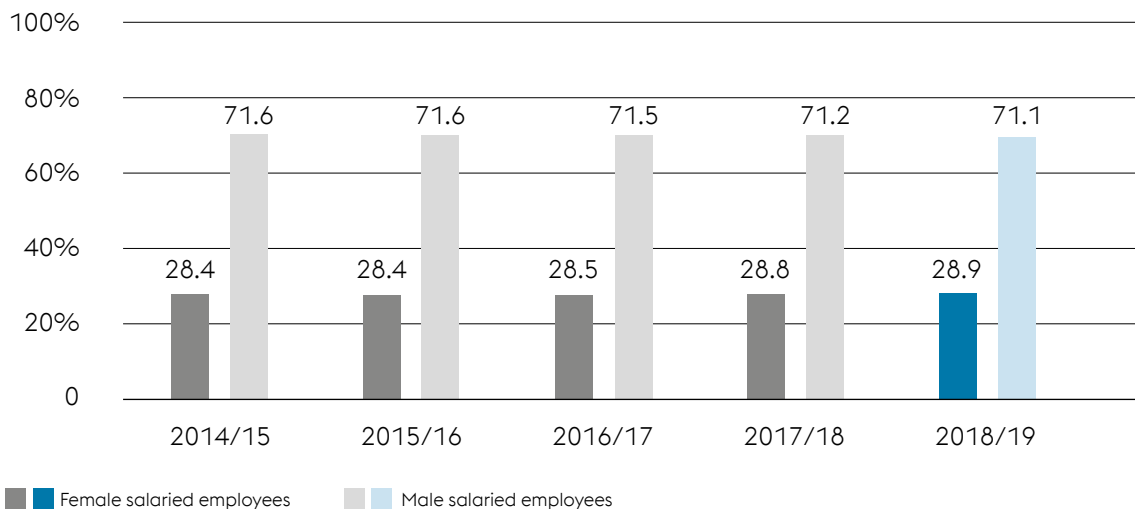
PERCENTAGE OF FEMALE EMPLOYEES

In each case as of the March 31 reporting date

	2014/15	2015/16	2016/17	2017/18	2018/19
Women overall	13.3%	13.1%	13.5%	13.8%	14.4%
Female executives	11.0%	12.0%	11.5%	12.3%	12.5%
Salaried female employees	28.4%	28.4%	28.5%	28.8%	28.9%
Wage female employees	4.1%	3.9%	4.5%	4.9%	5.7%
Female apprentices (technical)	12.1%	11.8%	12.4%	13.5%	13.4%
Female apprentices (other)	55.9%	55.2%	50.8%	47.4%	52.7%

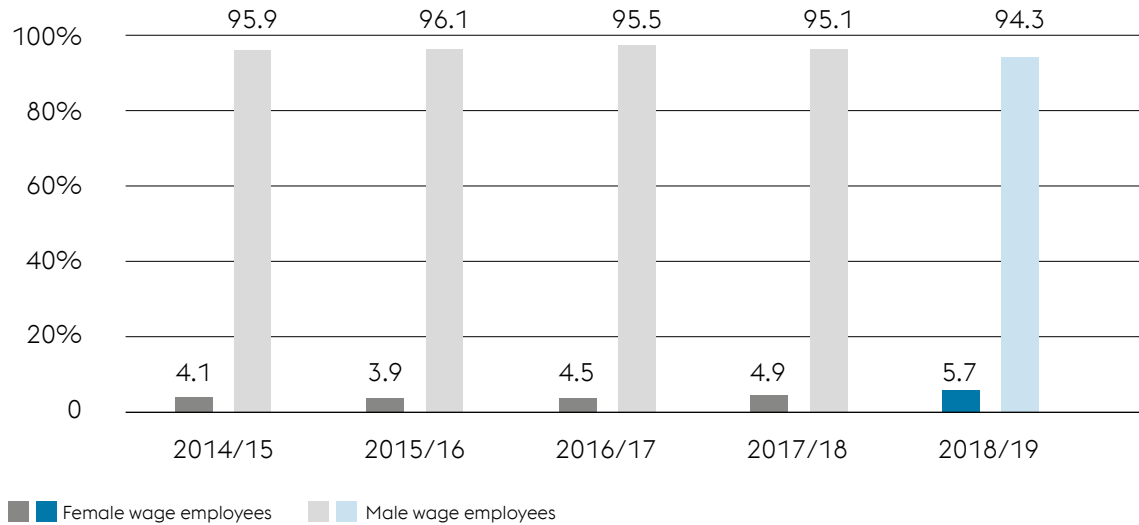
SALARIED EMPLOYEE STRUCTURE BY GENDER

In each case as of the March 31 reporting date



WAGE EMPLOYEE STRUCTURE BY GENDER

In each case as of the March 31 reporting date



12.2.3 AGE STRUCTURE OF EMPLOYEES

As of the annual reporting date (March 31, 2019), the average age of employees in the Group was 41.1 years.

The following table shows the average age by employment contract and gender.

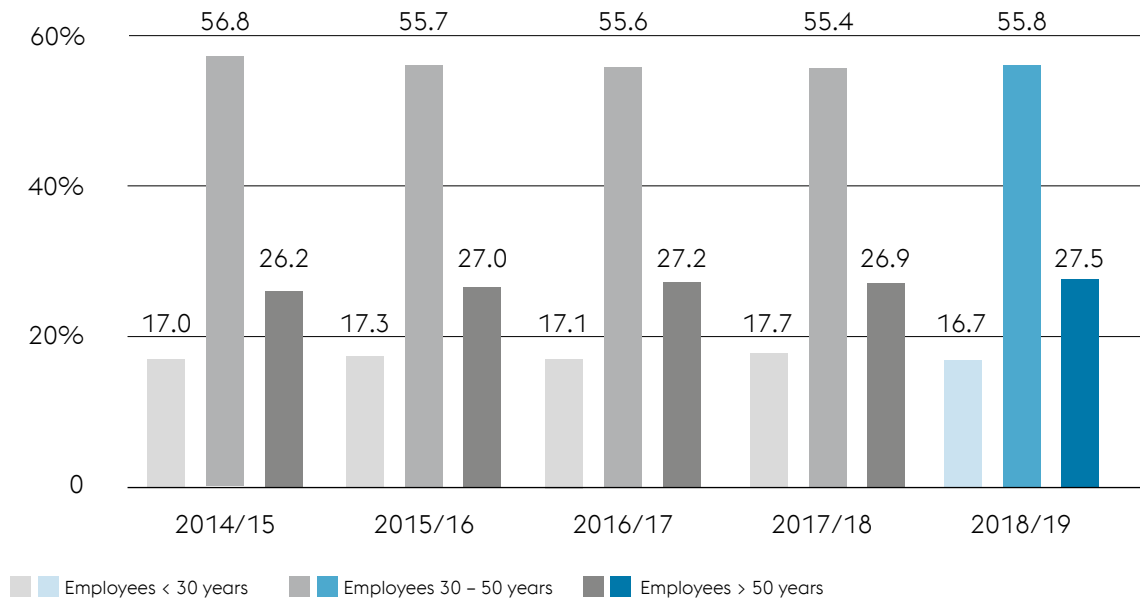
AVERAGE AGE OF EMPLOYEES

In each case as of the March 31 reporting date

	2014/15	2015/16	2016/17	2017/18	2018/19
Wage employees	40.4	40.5	40.5	40.4	40.4
Salaried employees	42.1	42.3	42.2	42.4	42.3
Women	39.7	39.8	39.5	39.7	39.9
Men	41.3	41.4	41.4	41.3	41.4

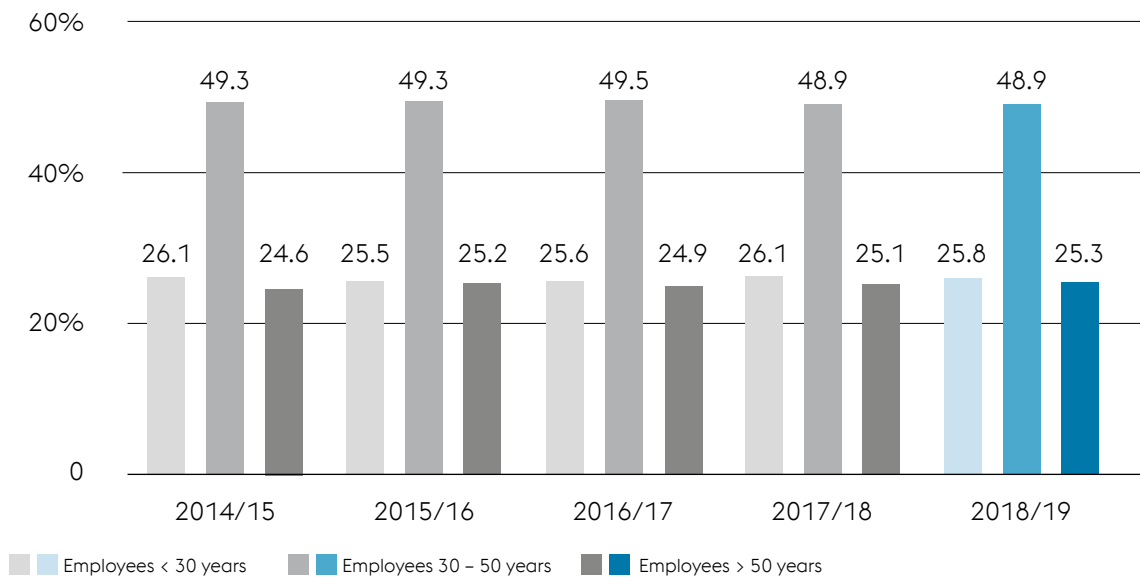
SALARIED EMPLOYEE STRUCTURE BY AGE GROUP

In each case as of the March 31 reporting date



WAGE EMPLOYEE STRUCTURE BY AGE GROUP

In each case as of the March 31 reporting date



12.3 ATTRACTIVENESS AS AN EMPLOYER

12.3.1 EMPLOYEE SURVEY

voestalpine regularly conducts a Group-wide employee survey. To date, it has done so every three years; in the future, it will take place every two years. Currently, the survey is being converted to an online-only format with a much shorter questionnaire. These adjustments will lead to simpler processing of the survey, quicker preparation of the results, and a less complex process of analyzing the survey's findings. In the future, interim surveys conducted at the level of

individual companies, i.e., separately from the Group-wide survey, will offer greater flexibility and autonomy. But the key indicator—"commitment"—will be measured in the future too. It describes the emotional and intellectual degree of loyalty to a group or organization and is compiled from a number of different questions. As in the past, actions resulting from the findings of the survey will be consistently implemented.

12.3.2 EMPLOYER BRANDING

Its positioning as an attractive employer is very important to voestalpine. We can drive innovation and compete successfully in the markets only if we have committed and professionally competent employees.

The regular voestalpine employee survey serves as a barometer of employee satisfaction and results in the development of internal measures aimed at improving it. Numerous external

personnel marketing activities such as collaborations with (primarily technical) universities, participation in job fairs and career expos, and sponsoring are carried out to enhance voestalpine's employer branding. A strong presence in all of the relevant online and social media channels as well as active reporting about the company increase voestalpine's visibility among the target groups.

APPLICANT MANAGEMENT SYSTEM (FABIS)

The FABIS applicant management system is a platform for both potential employees and voestalpine itself that makes it possible to electronically process and track job openings and applications as well as the entire application process including all related communications. Switching to a new software provider in October 2018 helped us to take additional steps to

improve the system. The new version of FABIS ensures better linking with other portals (including those of external providers), a visually more pleasing design as well as an application form that is easier to use. The fact that all processes, including data processing, conform to the General Data Protection Regulation (GDPR) is particularly important.

12.4 TRAINING AND CONTINUING EDUCATION

voestalpine believes that enhancing employee qualification levels is instrumental to both innovation and quality, and thus the company's success. Numerous measures promote employee training and continuing education and simultaneously serve to expand their career opportunities. The total expenditure for human resources

development in the business year 2018/19 exceeded EUR 54 million. A total of 84.8% of all Group employees took part in training and continuing education programs. In the business year 2018/19, the total volume of training hours was 913,078, i.e., an average of 22.1 hours per trained employee.

12.4.1 EXECUTIVE TRAINING PROGRAMS

voestalpine relies on the so-called "value:program" it developed for training current and future executives. A total of 176 employees from 24 countries participated in this multi-level leadership program during the business year 2018/19. Of these, 15.9% were women. What makes this program special, aside from the skills training offered by leading international experts and the broad range of the

program's methods, is the intensive collaboration by representatives of voestalpine's management—whether as presenters, project managers, or even sparring partners (so to speak) in exchanges of experience. This mixture of external and internal know-how along with the Group-wide interest in ensuring that employees possess advanced qualifications make the value:program extremely successful and unique.

HIGH MOBILITY POOL

The "High Mobility Pool" executive development program is carried out annually to develop international talent. Under this program, young, international graduates with a few years of professional experience carry out project work worldwide at a high level. Purposefulness, flexibility, self-directedness, knowledge

of management methods, and excellent communication skills are the prerequisite for being successful in this program. It gives young, talented individuals the opportunity to learn a lot and to promote international networks within the Group through a range of projects.

12.4.2 PROFESSIONAL ACADEMIES

In addition to its proven programs for executives and specialists, voestalpine AG also offers training programs for wage and salaried employees. These programs not only expand these employees' professional qualifications and expertise, they also boost soft skills such as teamwork,

self-reflection, and agility. Both guiding values and corporate responsibility are also explored. The voestalpine Group believes that, besides a high level of professional expertise, these capabilities and competencies are important factors in employees' successful future advancement.

YOUNG PROFESSIONALS TRAINING PROGRAM (YPTP) REFRESHER

In 2015, voestalpine launched its own training program in China. In the four years since then, it has provided comprehensive training to 146 Chinese employees on, among other things, Group know-how, competence in communications and presentations as well as negotiating and project management skills. The very first refresher program for YPTP graduates was carried out in 2018. Thirty select participants who had completed the YPTP in 2015 and 2016 were

invited to a three-day refresher training. Here too the focus was on the mutual exchange of experiences and networking within the Group. The participants also had the option of reinforcing their negotiating and project management skills. A successful "Finance for Non-Finance Managers" course rounded out the offerings. It focused on a professional understanding of financial indicators as well as their interpretation and application in practice.

12.5 APPRENTICES

As of the annual reporting date (March 31, 2019), 1,310 apprentices were being trained in the voestalpine Group in about 50 skilled trades, the majority (61.5%) at locations in Austria. A total of 21.1% of apprentices were being trained in Germany under the dual system. Because apprenticeships are based on defined needs, almost all of the apprentices who successfully

complete their training are offered full time positions. voestalpine clearly believes that it has the duty to invest in the training of young, skilled workers. In addition to excellent professional training, the focus also is on developing personal and social skills. The Group currently invests more than EUR 70,000 in the training of a single apprentice.

TRAINING AT voestalpine: TRADITION WITH A BRIGHT FUTURE

Training is a tradition at voestalpine. Under its “expect and encourage” maxim, the Group offers ideal conditions for people to give their best and have access to secure careers in a globally renowned company. So far, more than 25,000 young women and men have been trained as skilled employees at some 40 locations in Austria and Germany. Many of them achieved excellent results in regional and international competitions for apprentices and were honored as champions at the country, European, and world level.

But awards or titles are generally not foregrounded. What is important to voestalpine, instead, is that its current 1,310 apprentices believe that the company offers them good prospects for the future. Extraordinarily high final apprenticeship exam pass rates of 98.7% in Austria and Germany—of the Austrian graduates, 70% even did so with “good” or “excellent” grades—show that voestalpine’s approach to apprenticeships is the right way to go. This applies

also and in particular to young women, who are increasingly opting for technical jobs in the voestalpine Group. At the close of the business year 2018/19, women accounted for 13.4% of all apprenticeships in technical professions. Our apprentices have shown that the categorization of jobs as “typically” male or female no longer applies. At the 2018 apprenticeship competition in Upper Austria, for instance, female cutting machine operators of voestalpine won first and second place.

Digitalization is also becoming an ever more important issue in the training of apprentices. Digitalization projects and a new lab for electrical and automation technology in Kapfenberg, Austria, serve to enhance the company’s ability to impart digital skills. For example, future skilled workers are thus being trained for the world’s most advanced special steel plant that is being built in Kapfenberg and will be commissioned in 2021.

voestalpine TRAINERS MEETING & GROUP APPRENTICE DAY

Apprentices are successful also thanks to motivated trainers. They enrich the curriculum far beyond statutory requirements. Trainers shared their real-life experiences at the first voestalpine Trainers Meeting in March 2019. Here too the focus was on how to prepare and teach course content related to Industry 4.0. Every year, the Group Apprentice Day gives apprentices an opportunity to learn from each other. What

was already the sixth Apprentice Day was held in Linz, Austria, in 2018. A total of 350 apprentices from 40 locations in Switzerland, Germany, and Austria attended the event and were given the opportunity to participate in shaping it: by talking to the Management Board of voestalpine AG; in connection with the voestalpine quiz; during a tour of the plant; and in a competition for ideas.

12.6 THE STAHLSTIFTUNG

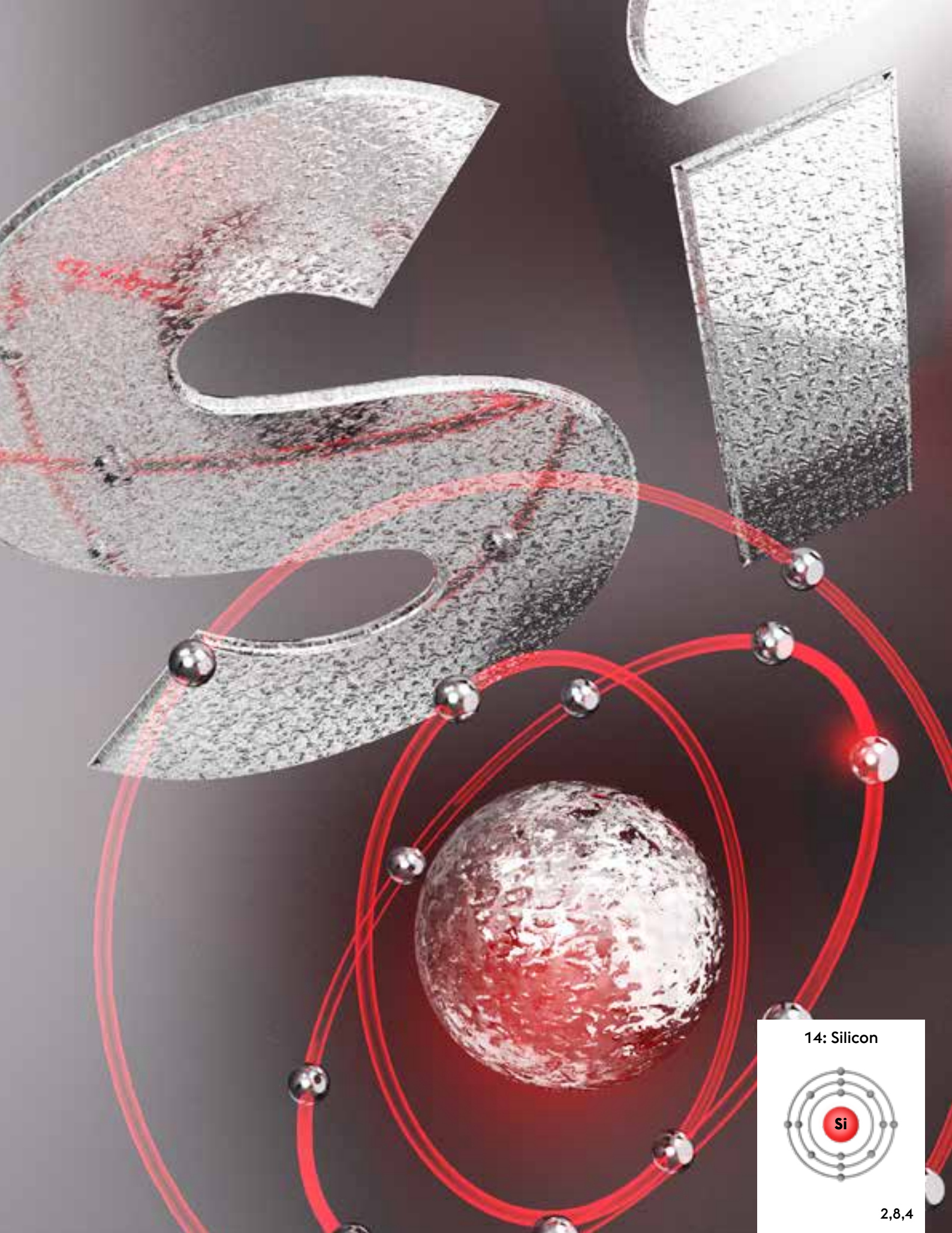
In 1987, the so-called “Stahlstiftung” (Steel Foundation) was founded in Linz as an employee fund with the aim of providing not only those employees of the VOEST-ALPINE Group (as it was called at the time) who had to leave the company due to a crisis, but also employees of companies outside of the Group the opportunity to reorient themselves professionally while undergoing up to four years of training and continuing education in order to offset or at least alleviate the impact of the job loss.

In the business year 2018/19, about 88% of the participants looking for work were able to develop a new professional perspective with the help of the Stahlstiftung. As of the annual reporting date (March 31, 2019), a total of 296 individuals were receiving assistance from the Stahlstiftung, 60.8% of whom were former employees of the voestalpine Group. The total number of active Stahlstiftung participants in the business year 2018/19 was 560, i.e., 17.2% less than in the previous year (676 individuals).

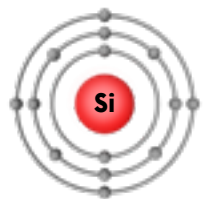
12.7 EMPLOYEE SHAREHOLDING SCHEME

voestalpine has had an employee shareholding scheme since 2001, which has been continually expanded since then. Today, the voestalpine Mitarbeiterbeteiligung Privatstiftung (employee foundation for the Group's employee shareholding scheme) is the second-largest voestalpine shareholder. In addition to all Group employees in Austria, personnel in Great Britain, Germany, the Netherlands, Poland, Belgium, the Czech Republic, Italy, Switzerland, Romania, Sweden, and Spain have a stake in voestalpine too. As of March 31, 2019, a total of 25,500 employees held about 24 million shares in voestalpine AG

through the voestalpine Mitarbeiterbeteiligung Privatstiftung, which constitutes 13.4% of the company's share capital due to the general bundling of voting rights. Furthermore, the voting rights of about 2.5 million “private shares” owned by former and current Group employees, who may freely dispose of their shares at any time, have been transferred to the foundation; this equates to an additional 1.4% of the voting shares. In toto, as of March 31, 2019, 14.8% of voestalpine AG's share capital was owned by employees.



14: Silicon



2,8,4

13. health & safety



At voestalpine, human safety and health are fundamental values and have the highest priority.

We work to further reduce the frequency of accidents and to improve the health of all employees of the voestalpine Group—wherever they work, whatever their position.

In our view, safety standards that apply Group-wide are the basis of a successful corporate health & safety (h&s) culture.

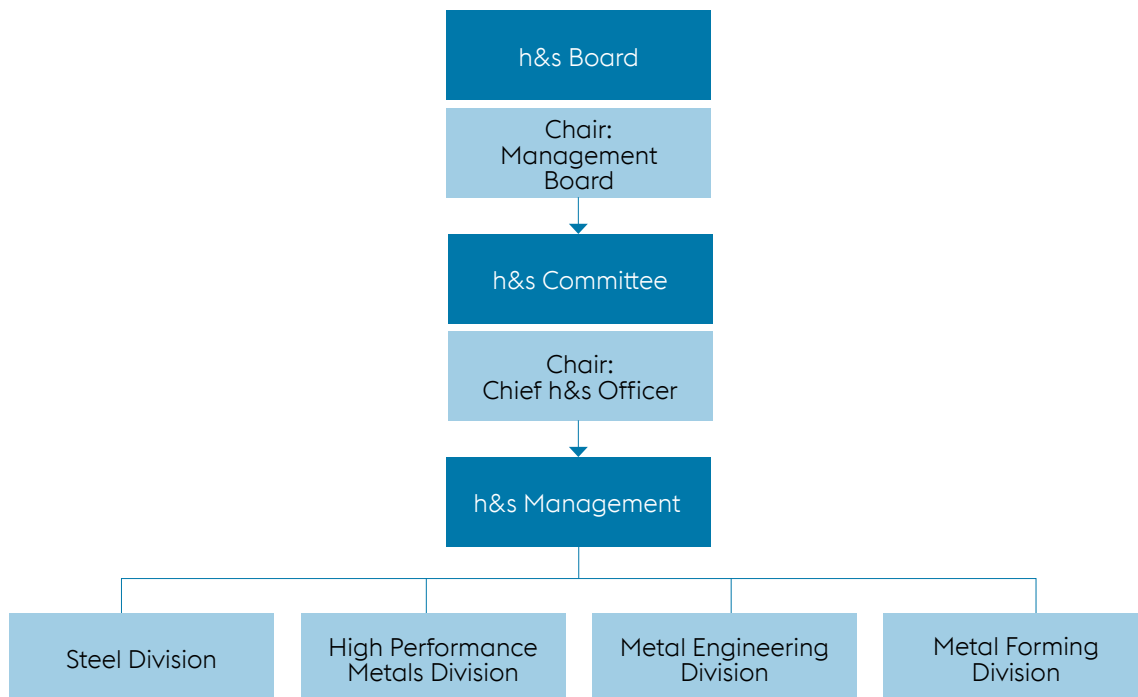


13.1 THE health & safety (h&s) SYSTEM

The Group's employees are its backbone. Hence their physical and psychological wellbeing (health) and their security (safety) at the workplace are considered key values at voestalpine.

This is underscored by the fact that the Corporate health & safety department reports directly to one of the members of voestalpine AG's Management Board. It is run by the Chief health & safety Officer and fosters cooperation across the Group. The department cooperates intensively with a health & safety Committee, which is made up of employees of all four divisions and Works Council representatives, to lower the frequency of accidents. The accident frequency rate has already been reduced by 30% since the department was established in 2015.

Within the voestalpine's health & safety system, a health & safety culture is developed that all employees throughout the Group are expected to embrace. Aside from the Chief health & safety Officer, the h&s Board, and the h&s Committee, managers in each division also have a role to play in this connection. Safety projects that serve to prevent accidents and strengthen people's awareness of safety issues are carried out in all divisions.



The following safety standards have been defined for the voestalpine Group:

- >> Every production company must put in place a safety system appropriate to its size and the nature of its activities.
- >> Safety audits are measures aimed at checking the lived reality of the safety culture and must be conducted by production company executives.
- >> Near misses must be avoided and documented by way of event analyses; appropriate actions must be devised in light of any such events and implemented.

The effectiveness of the Group-wide safety standards is reviewed annually using a Web-based tool. Targeted questions lead to an assessment based on a stoplight system (green/yellow/red). When matters are in the yellow or red zone, actions showing how the transition to green will be achieved must be put in place.

Starting in the business year 2018/19, the voestalpine Management Board member responsible for workplace safety has had to carry out an annual safety audit. The managing directors responsible for workplace safety at the production companies must carry out quarterly safety audits.

The Lost Time Injury Frequency Rate (LTIFR) and the health status are the two key safety indicators that the companies compile uniformly throughout the Group.

13.2 LOST TIME INJURY FREQUENCY RATE

The LTIFR shows the number of reportable workplace accidents entailing more than three lost days per one million hours worked.

There are large differences in the definitions of reportable workplace accidents, lost days, and working hours in the individual countries in which voestalpine works. Hence a uniform definition was put in place at the Group level. It has governed the figures that have been collected since the business year 2015/16. As a result,

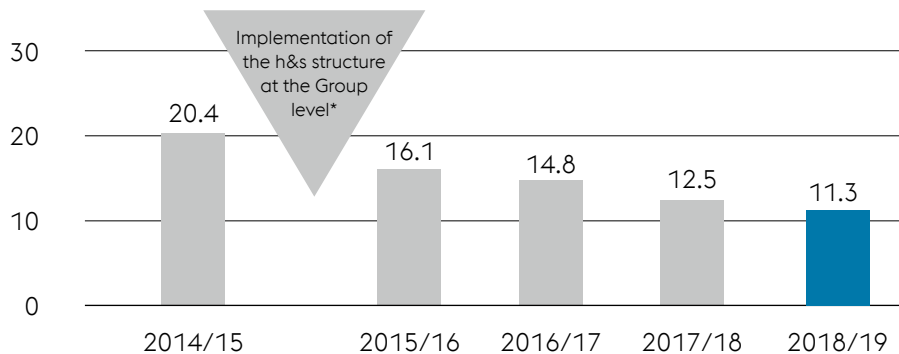
the figures compiled before this date cannot be compared to the ones compiled after it.

Thanks to consistent health & safety measures in the divisions, the number of workplace accidents has fallen continuously in recent years.

In the business year 2018/19, not a single fatal work-related accident involving voestalpine employees occurred in the entire Group.

DEVELOPMENT OF THE LOST TIME INJURY FREQUENCY RATE (LTIFR)

As of the March 31 reporting date



* Change in the definition of the key performance indicator

LEARNING FROM EACH OTHER: EXAMPLES OF HOW TO LOWER THE LTIFR

Just as in 2018, this year too the safety experts of all four divisions were invited to share their experiences during the so-called health & safety Days. The first-ever separate event for European safety experts who do not speak German was held in Düsseldorf in May 2019. The German-speaking safety experts met in Leoben in June 2019.

“Learning From Each Other” and “Developing a Strong Safety Culture” were the events’ mottos. At both events, Group companies were audited, and

positive examples from the divisions were introduced and given the Committee’s health & safety Award.

Six best practice examples among others were honored at the health & safety Days in Leoben. The “One Step Ahead—Get Home Safely” campaign of voestalpine Rotec GmbH is but one example. Small groups were formed to engage in discussions with employees and educate them about workplace safety.

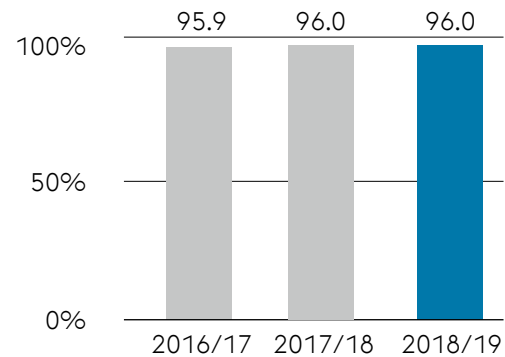
13.3 HEALTH STATUS

The health status shows the percentage of prescribed working hours during which the employees are actually present in a pre-defined period.

A high health status is not only good for the employees, it is also good for the company. It demonstrates the outcome of an effective health policy as well as the company's responsible and respectful attitude toward its employees. No matter how important it is to achieve a high health status, it is equally important to ensure that employees do not come to work when they are sick.

DEVELOPMENT OF THE HEALTH STATUS

As of the March 31 reporting date



13.4 ISO 45001

Many voestalpine Group companies have already been certified under an occupational safety and health management system.

The certification pursuant to the new international ISO 45001 standard is carried out in connection with recertifications pursuant to OHSAS 18001.

13.5 WORKPLACE SAFETY AT CONTRACTORS / THIRD-PARTY COMPANIES

voestalpine also endeavors to protect the life and health of third-party employees.

Binding guidelines that the employees of contractors and third-party companies must comply with have been issued to this end.