

1. PREFACE

**Ladies and Gentlemen:
Dear Readers:**

“The Wind of Change” was the title of an EU seminar on the use of energy in the steel industry. But this expression could also be taken as the motto for the present Corporate Responsibility Report (CR Report) because, just like other industrial conglomerates, voestalpine too is faced with the challenge of having to respond to increasingly rapid changes in its business environment. What is even more important, however, is the need to contribute proactively to sustainable technologies.

In recent years, voestalpine has had to radically redefine its understanding of the concept of responsibility, with the result that its focus has shifted. The evolution from a conventional steelmaker to a global technology group probably was the biggest change. At this level, it is no longer enough for the company to fulfil statutory requirements and act responsibly within the confines of its facilities. Today, our approach in terms of both time and geography is much broader. Our task now is not only to predict customers’ needs through our research, but also to break new ground—particularly in ecological terms.

voestalpine’s quest to minimize emissions in production has been integral to our activities for quite some time. The challenge is to help our suppliers and partners adopt the high standards that we set for ourselves.

As far as our employees are concerned, nowadays our responsibilities go far beyond the specific work process. Our human resources activities encompass training and continued education, the promotion of women, the integration of people of different nationalities, and the promotion of employee health.

Our expanded understanding of “corporate responsibility” (CR) poses major challenges for us. This makes cooperation projects ever more important, whether as part of the UN Global Compact (UNGC) or ResponsibleSteel, an industry initiative that we help shape in crucial ways.

I can say with a good conscience that we are well positioned when it comes to both sustainability and responsibility. Not only has voestalpine developed a detailed strategy with respect to corporate responsibility, which was introduced

in last year's CR Report, the issue has also been firmly established as part of its overall corporate strategy. This ensures that corporate responsibility is taken into account from the start in all decisions, all planning, and all reporting processes.

At this point, I want to highlight a few areas that saw intense activity this past year. H2FUTURE, our contribution to the development of technologies aimed at producing steel in ways that lower CO₂ emissions, is particularly important. Our related EU showcase project in Linz will launch demonstration operations shortly.

It goes without saying that electromobility is a major issue for us, given our position as an important supplier to the automotive industry. This is evident from the extensive resources that we have devoted to (and continue to spend on) the development of new products in this area as well as from our sponsorship of the Formula E.

As part of the Sustainable Supply Chain Management (SSCM) project, both our suppliers and our partners are regularly reviewed based

on carefully elaborated criteria. This is an important aspect of our quest to secure the high standards we have defined for ourselves.

Of particular importance are our committed employees who, in their great diversity, contribute their talent with great enthusiasm. Without them, voestalpine would not be as well positioned for future challenges as it is today. It is critical to voestalpine to be considered an attractive employer, so that it can attract young talent to the company and maintain the loyalty of employees who have rendered outstanding services to us. As a company that operates production plants, workplace safety naturally is an important issue that we take very seriously. We are very pleased to be able to report on positive developments in this respect also.

Even though the current situation on the world political stage does not offer much hope for optimism, I am convinced that our corporate responsibility strategy prepares us well for the future and that our employees, with their commitment and enthusiasm, will contribute toward achieving our goals.

Dipl.-Ing. Herbert Eibensteiner
Chairman of the Management Board
CEO of voestalpine AG

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

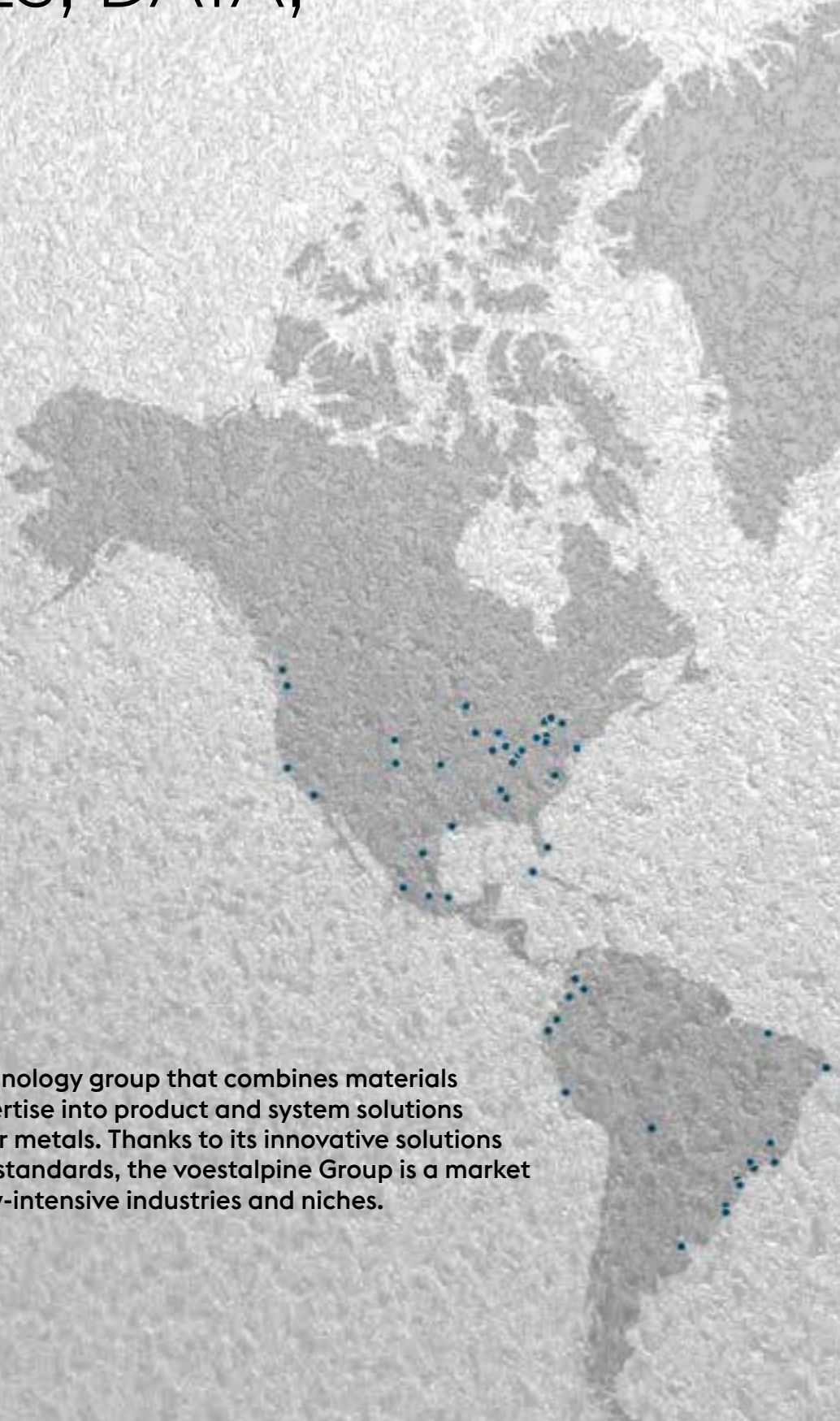
To improve legibility, gender-specific wording has been omitted. As a result, the masculine form is used where necessary to simplify matters even when both genders are meant.

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

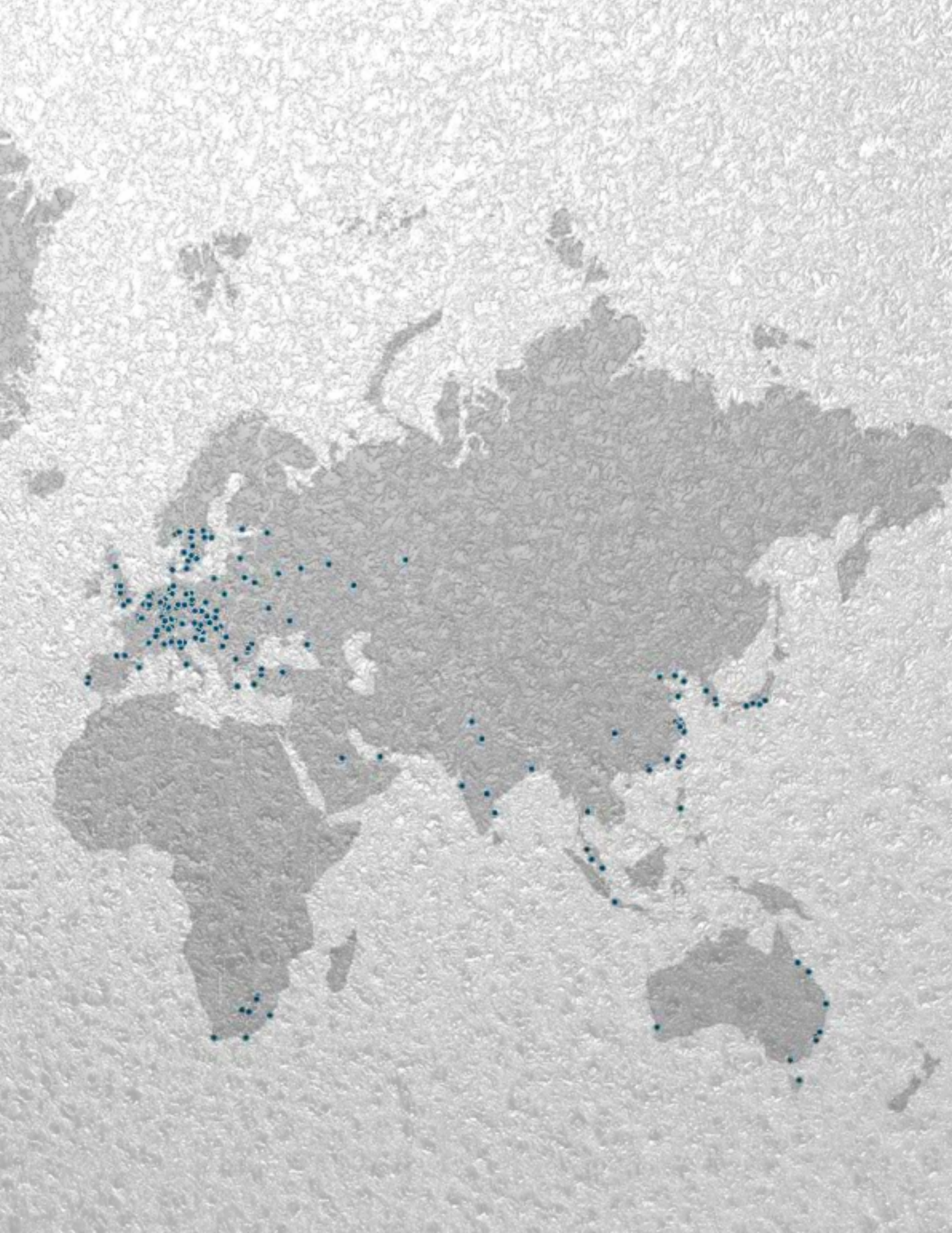
DESIGN

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.

3. FIGURES, DATA, FACTS

A stylized world map is centered on the right side of the page. The map is rendered in a light gray tone and features numerous small blue dots scattered across its surface, representing various global locations or data points. The background of the entire page is a light, textured gray.

voestalpine is a technology group that combines materials and processing expertise into product and system solutions using steel and other metals. Thanks to its innovative solutions and highest quality standards, the voestalpine Group is a market leader in technology-intensive industries and niches.

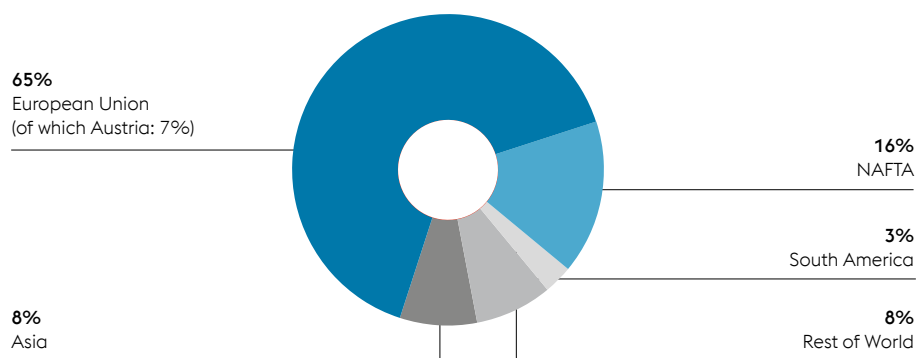


3.1 DEVELOPMENT OF THE KEY FIGURES

In millions of euros	2014/15	2015/16	2016/17	2017/18	2018/19
Revenue	11,189.5	11,068.7	11,294.5	12,897.8	13,560.7
EBITDA	1,530.1	1,583.4	1,540.7	1,954.1	1,564.6
EBITDA margin	13.7 %	14.3 %	13.6 %	15.2 %	11.5 %
EBIT	886.2	888.8	823.3	1,180.0	779.4
EBIT margin	7.9 %	8.0 %	7.3 %	9.1 %	5.7 %
Employees (FTE)	47,418	48,367	49,703	51,621	51,907
Research expenditures	126.7	131.8	140.3	152.0	170.5
Operating expenses for environmental protection facilities in Austria	222.0	237.0	231.0	258.0	299.1
Environmental investments for production facilities in Austria	43.0	55.0	46.0	40.0	66.0
Crude steel production (in millions of tons)	7.929	7.733	7.596	8.140	6.895

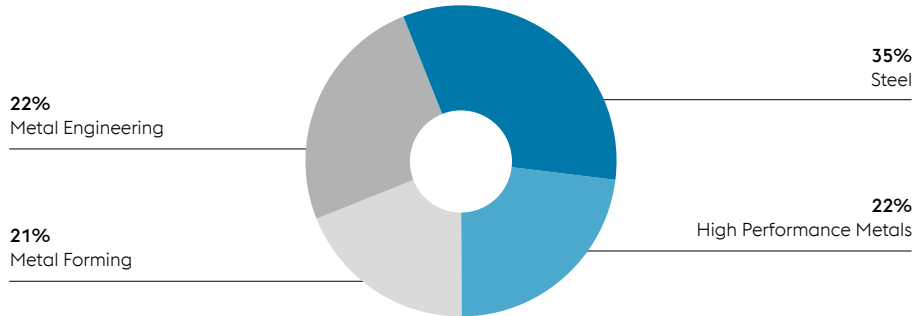
REVENUE BY REGION

As a percentage of Group revenue, business year 2018/19



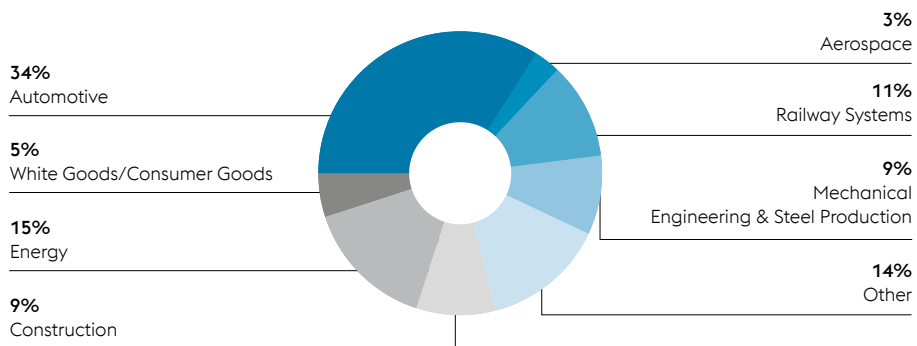
REVENUE BY DIVISION

As a percentage of total divisional revenue, business year 2018/19



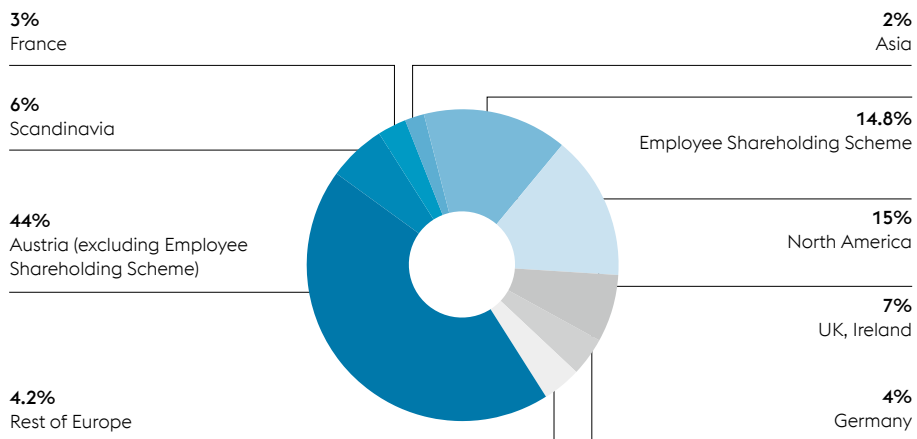
REVENUE BY INDUSTRY

As a percentage of Group revenue, business year 2018/19



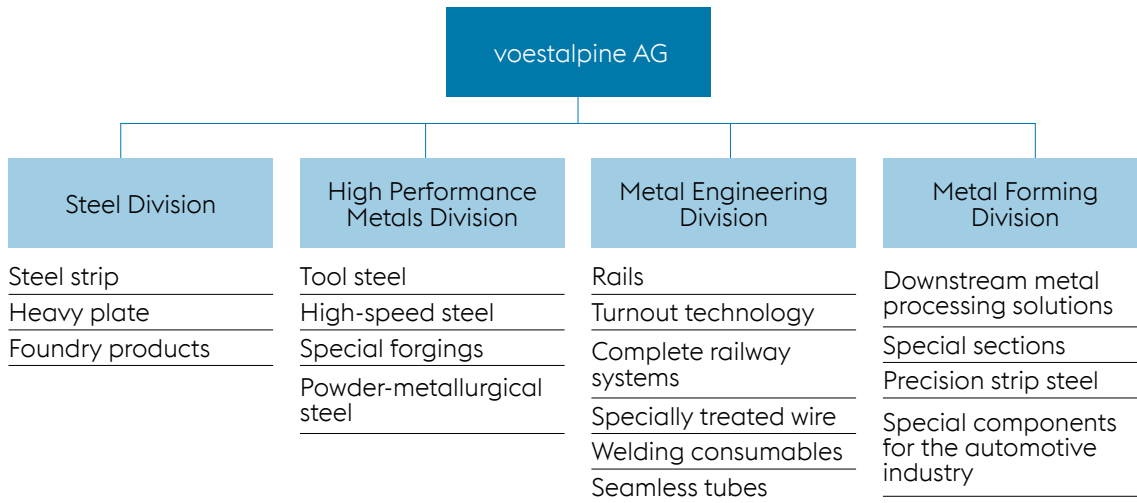
SHAREHOLDER STRUCTURE

In percent, as of the close of the business year 2018/19



3.2 THE FOUR DIVISIONS

The voestalpine Group does business in more than 50 countries on all five continents. Its four divisions encompass 500 Group companies. The Group is headquartered in Linz, Austria.



3.2.1 STEEL DIVISION

In its capacity as the division of the voestalpine Group that generates the highest revenue, the Steel Division is the quality leader with respect to highest quality strip steel and a global market leader in both heavy plate for the most sophisticated applications and complex casings for large turbines.

The Steel Division produces highest quality hot and cold-rolled steel as well as electrogalvanized, hot-dip galvanized, and organically coated steel strip. This is augmented by electrical steel strip, heavy plate, and foundry activities as well as the downstream Steel & Service Center and Logistics Service. The division operates the world's most advanced direct reduction plant in Corpus Christi, Texas, USA, which produces highest quality pre-materials (HBI) for steel production by both voestalpine and external customers.

The Steel Division is the first point of contact for major automotive manufacturers and suppliers with respect to strategic product development and supports its customers globally. Moreover, it also is a key partner of the European white goods and mechanical engineering industries. The division produces heavy plate that is used by the renewable energy industry as well as by the oil & natural gas industries for applications under extreme conditions, for example, in deep-sea pipelines or permafrost regions.

For more information on the Steel Division, visit <http://www.voestalpine.com/group/en/divisions/steel/>

3.2.2 HIGH PERFORMANCE METALS DIVISION

The High Performance Metals Division resulted from the acquisition of Böhler-Uddeholm AG. It is specialized in the production and processing of technologically most sophisticated high performance materials and in customer-specific services such as heat treatment, state-of-the-art surface treatments, and additive manufacturing processes. The division's production companies are located in Austria, Germany, Sweden, Brazil, and the USA. Thanks to its unique, global network of sales and service centers, the High Performance Metals Division offers its customers material availability and processing as well as local contacts.

The division manufactures long products, precision steel strip as well as open-die forge and drop-forge parts made of special steel. It is the global market leader for tool steel and a leading provider of high-speed steel, valve steel, and other products made from special steel, metal powders, nickel-based alloys, and titanium.

The toolmaking industry which, in turn, works primarily for the automotive and consumer goods industries, is the division's most important customer group. The High Performance Metals Division's second production pillar comprises

components for the most demanding applications in the oil and natural gas industries as well as in aerospace. As far as the latter is concerned, the division is its leading supplier worldwide of materials and components for jet engines, aircraft engine mounts, fuselages, wings, and tail units; components for landing gear, doors, and hatches as well as forgings. Not only steel-based materials are used for these items, but also nickel-based alloys and, increasingly, titanium.

For more information on the High Performance Metals Division, visit

<http://www.voestalpine.com/group/en/divisions/high-performance-metals/>

3.2.3 METAL ENGINEERING DIVISION

The Metal Engineering Division bundles the voestalpine Group's activities with respect to long products in the steel, rail, wire, and seamless tube segments. It is the global market leader in turnout technology and associated signaling technology as well as the European market leader in premium rails and quality wire. Moreover, the division is considered the leading provider of high-quality welding consumables.

It operates its own steel production facilities and manufactures the world's broadest range of high-quality rails and turnout products; high-quality wire rod and drawn wire; pre-finished seamless tubes; medium and high-alloyed welding consumables as well as semi-finished steel products. In addition, the Metal Engineering

Division offers a complete range of logistics and services for the rail and turnout technology product segments, including planning, shipping, logistics, installation, and recycling.

The railway systems industry, the oil and natural gas industries as well as the automotive, mechanical engineering, and construction industries are its most important customer segments.

For more information on the Metal Engineering Division, visit

<http://www.voestalpine.com/group/en/divisions/metal-engineering/>

3.2.4 METAL FORMING DIVISION

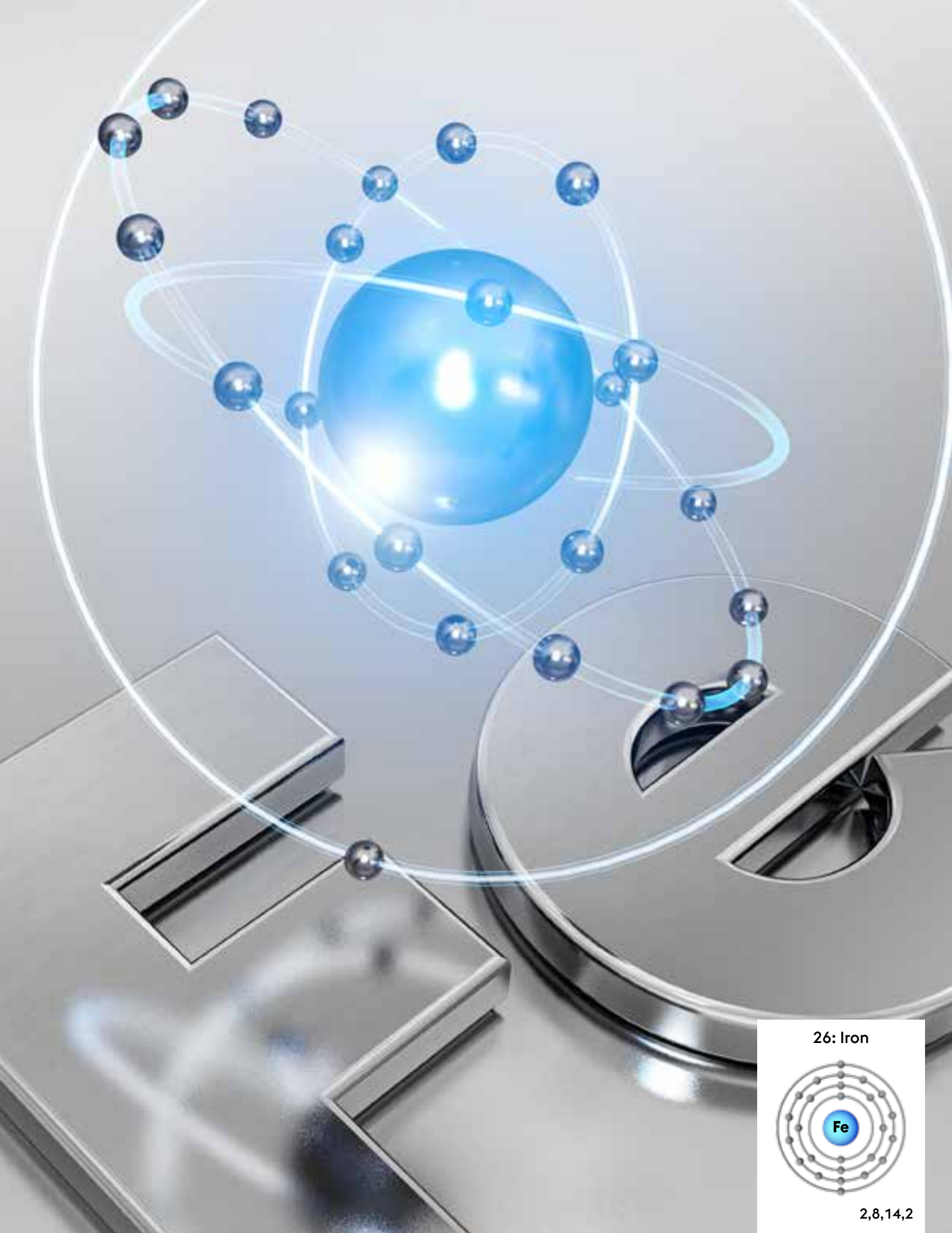
The Metal Forming Division is voestalpine's competence center for highly developed special sections, tube, and precision strip steel products as well as for pre-finished system components made of pressed, stamped, and roll-formed parts of the highest quality. This combination of expertise in materials and processing, which is unique in the industry, and the division's global presence make it the partner of choice for customers focused on innovation and quality.

Aside from customer-specific tailored tubes and sections as well as precision steel tubes, the Metal Forming Division also supplies pioneering automotive body parts for lightweight construction solutions to the automotive industry and its suppliers. It also produces cold-rolled special strip steel for the most advanced applications. Furthermore, the division is known as a provider of intelligent rack system solutions for complex logistics challenges.

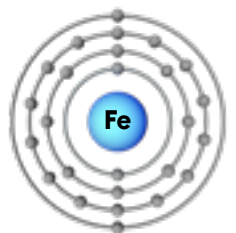
Its flexible, mid-sized units offer its customers rapid problem-solving expertise in all stages of the development and production process. The division's customers include practically all of the leading manufacturers in the automotive and automotive supplier industries (with a definite focus on the premium segment) as well as numerous companies in the commercial vehicle, construction, storage, energy, and (agricultural) machinery industries. Just as the voestalpine Group on the whole, the Metal Forming Division also maintains long-term customer relationships with most of its key customers and stands out both due to its international presence and its unique combination of materials and processing expertise.

For more information on the Metal Forming Division, visit

<https://www.voestalpine.com/group/en/divisions/metal-forming/>



26: Iron



2,8,14,2

8. ETHICAL CORPORATE MANAGEMENT

Ethical corporate management means responsible corporate governance of the Group that is geared to creating sustainable value in the long term and to ensuring that the conduct of all Group employees complies with statutory requirements and internal guidelines as well as fundamental moral and ethical values.

Ethical Corporate Management

In order to ensure that the responsible management and control of the Group serves to create sustainable value in the long term, the Group's Management Board and Supervisory Board undertook as early as in 2003 to comply with the Austrian Corporate Governance Code.

Compliance

We commit to complying with all laws in all of the countries in which voestalpine operates. We believe, furthermore, that compliance is the expression of a culture rooted in ethical and moral principles.

Human Rights

We commit to upholding human rights in accordance with the UN Charter and the European Convention on Human Rights, and we support the UN Global Compact (UNGC).

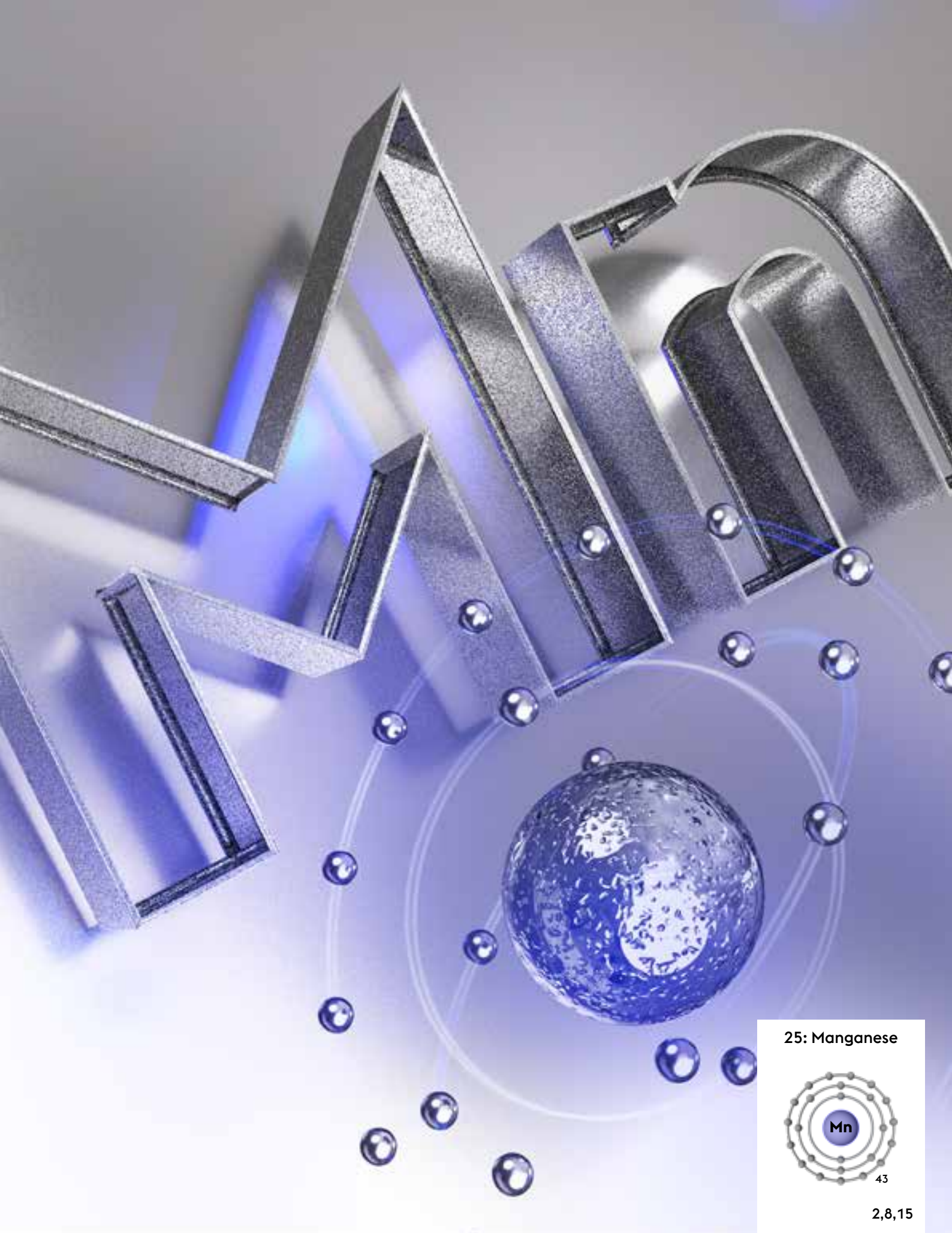


8.1 COMPLIANCE

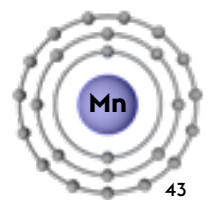
voestalpine requires its companies and all of its employees to comply with all laws in all of the countries in which it operates. For voestalpine, however, compliance means more than just acting legally and in accordance with other external requirements. It is the expression of a culture that is also rooted in ethical and moral principles. The principles of this corporate culture as it relates to the treatment of customers, suppliers, other business partners, and

employees are spelled out in the voestalpine Code of Conduct.

Likewise, voestalpine requires its suppliers to comply, without limitation, with all applicable laws in the respective country and, in particular, to respect and uphold human rights as fundamental values.



25: Manganese



2,8,15

8.1.1 CODE OF CONDUCT

The voestalpine Code of Conduct was enshrined in writing in 2009. It is the result of numerous conversations and discussions at the level of the Management Board, the managing directors, and the department heads of the voestalpine Group. It is based on the Group's corporate values and provides the basis for ethically and legally sound conduct on the part of all of the Group's employees.

The Code of Conduct is published in German and thirteen additional languages and can be downloaded from the Internet:

<http://www.voestalpine.com/group/en/group/compliance/code-of-conduct-of-voestalpine/>

The Code of Conduct covers the following areas:

- >> Compliance with laws and other external and internal requirements
- >> Fair competition
- >> Corruption, bribery, acceptance of gifts
- >> Money laundering
- >> Respect and integrity
- >> Conflicts of interest
- >> Handling of corporate information, confidentiality
- >> Corporate communications
- >> Use of the Internet and IT
- >> Insider information
- >> Reporting of misconduct

The Code of Conduct applies to all members of the management boards, the managing directors, and the non-executive employees of all entities in which voestalpine AG has a direct or indirect interest of at least 50% or which it

controls in some other way. As regards all other companies in which voestalpine AG has a direct or indirect stake of at least 25% but does not control them, the Code of Conduct is brought to their attention with the request that they enforce it by having their corporate decision-making bodies recognize it of their own volition.

Every employee must reckon with disciplinary consequences if they violate statutory provisions, internal guidelines, regulations, and instructions, or the provisions of voestalpine's Code of Conduct. Moreover, violations may also have consequences under criminal and/or civil law, e.g., claims to compensation and claims for damages.

voestalpine aims to have the Code of Conduct apply throughout its sphere of influence. Suppliers and consultants are required to comply with the Code of Conduct for Business Partners. Additionally, Group companies are required to bring the Code of Conduct to the attention of their customers and, if possible, to require them to comply with it too. All of voestalpine's business partners are also requested to reasonably promote compliance with the Code of Conduct among their own business partners along the supply chain.

voestalpine AG has adopted several Group guidelines that serve as a helpful tool for employees in applying the Code of Conduct. The compliance rules and regulations associated with the voestalpine Code of Conduct currently comprise the following:

Business Conduct

These guidelines supplement and flesh out the Code of Conduct with respect to issues of corruption, bribery, acceptance of gifts, and conflicts of interest. For example, they regulate the permissibility of gifts, invitations and other benefits; donations and sponsoring; secondary employment as well as the private purchase of goods and services by voestalpine employees from customers and suppliers. The section entitled “Business Conduct” also addresses the prohibition of political contributions. The voestalpine Group does not allow donations to politicians, political parties, organizations affiliated with political parties, or political front organizations. This does not apply to political front organizations that are devoted solely to social issues and have been individually approved by the Management Board of voestalpine AG.

Dealings with Brokers and Consultants

This guideline contains additional supplementary information on issues of corruption, bribery, and the acceptance of gifts. It defines the procedure to be complied with prior to engaging sales representatives, agents, and other marketing consultants. An objective analysis of business partners’ environment and scope of activities before establishing business relationships with them serves to ensure that the business partners also comply with applicable laws and the voestalpine Code of Conduct.

Antitrust Law

This guideline (most recently revised in April 2019) describes the prohibition of agreements restricting competition; provides rules for dealings with trade associations, professional organizations as well as other sector organizations; and establishes specific rules of conduct for all employees of the voestalpine Group. Additionally, manuals have been developed with respect to issues of information sharing and benchmarking, procurement alliances, and supplier relationships with competitors; they provide employees with information on these topics from an antitrust perspective.

Compliance Manual & Prevention Program

These rules and regulations provide information on the Group’s compliance strategy; the compliance structure; measures aimed at preventing, identifying, and responding to violations; sanctions; and the Web-based whistleblower system.

Code of Conduct for voestalpine’s Business Partners

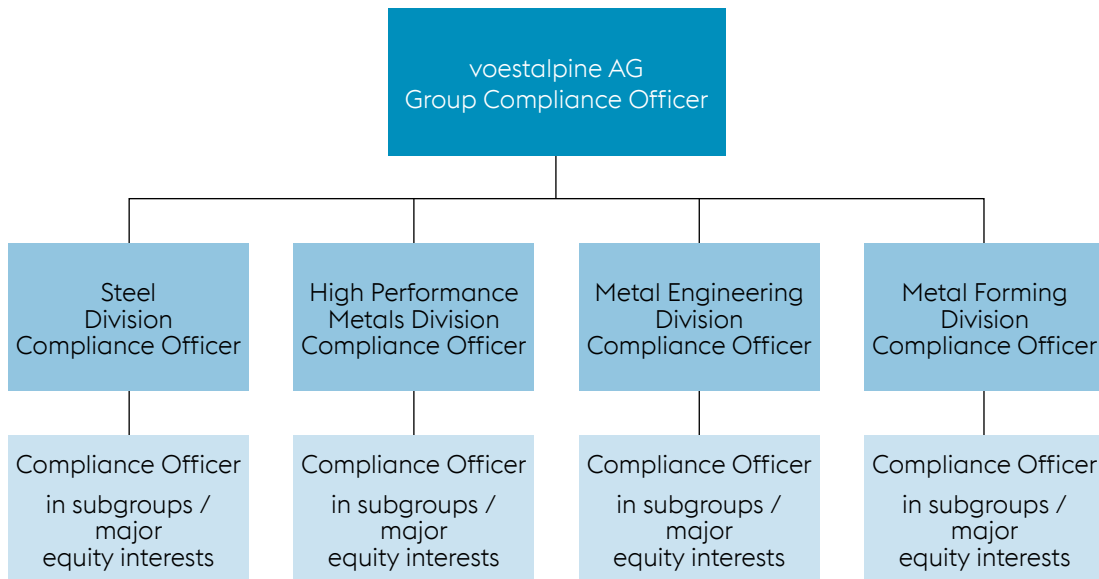
The rules and regulations that are directed toward suppliers of goods and services as well as toward brokers, consultants, and other business partners define the principles and requirements for doing business with voestalpine. Among other things, voestalpine requires its business partners to respect and comply with human rights as fundamental values in accordance with the European Convention on Human Rights and the UN Charter.

In particular, this applies to the prohibition of child and forced labor; the prohibition of human trafficking in any way, shape, or form; the equal treatment of employees; and the right to employee representation and collective bargaining.

8.1.2 COMPLIANCE SYSTEM

The responsibility for adherence to Compliance regulations rests with the respective management. A compliance system was established in the voestalpine Group in the business year 2011/12 to support management in fulfilling its responsibility and set up the processes required to this end.

Aside from a Group Compliance Officer, a compliance officer was appointed in each division; additional compliance officers were appointed in certain divisional units. The Group Compliance Officer reports directly to the Chairman of the Management Board and is not bound by instructions. The divisional compliance officers report to both the Group Compliance Officer and the respective division heads.



The compliance officers are responsible for the following areas:

- >> Antitrust law
- >> Corruption
- >> Compliance with capital market regulations
- >> Fraud (internal cases of theft, fraud, misappropriation, or embezzlement)
- >> Conflicts of interest
- >> Special topics assigned to the compliance system by the Management Board of voestalpine AG (e.g., in connection with issues related to UN or EU sanctions)

All other issues of compliance—e.g., environmental law, taxes, accounting, labor law, protection of employees or data—are not part of the compliance officers' sphere of responsibility. These compliance issues are handled by the respective departments.

8.1.3 PREVENTIVE MEASURES

As part of its compliance activities, voestalpine places particular importance on preventive measures including, in particular, education and training, discussions with management, and communications. As a result, managing directors, sales personnel, and other employees have attended face-to-face training that is aimed at sensitizing them to issues of antitrust law since 2002.

Employees of the voestalpine Group have completed more than 56,000 e-learning courses on the Code of Conduct and antitrust law (including refresher and advanced courses) since e-learning courses were introduced in the voestalpine Group (antitrust law from 2009, Code of Conduct from 2012).

The existent e-learning courses on antitrust law (including an advanced course and a course on the Code of Conduct) were revised and updated in the business year 2018/19.

In addition to the e-learning courses, face-to-face training tailored to target groups has been carried out especially for sales and marketing personnel. This face-to-face training was generally focused on compliance with the law and internal guidelines as well as on corruption and antitrust law as it applies to the participants' respective sphere of activity.

Compliance training is mandatory for young executives: six to seven training sessions are conducted per year for up to 40 employees each. Face-to-face training on issues of compliance with capital market regulations is also provided to employees of voestalpine AG.

Furthermore, compliance is a regular topic in Group communications and is addressed repeatedly—including by top management—during major employee events at the level of the Group and the divisions.

8.1.4 REPORTING COMPLIANCE VIOLATIONS

Reports of compliance violations should be made openly for the most part, i.e., providing the whistleblower's name. Pursuant to the Code of Conduct, such reports may be directed to the individual's direct supervisor; the appropriate legal or human resources department; the management of the respective Group company; Internal Audit of voestalpine AG; or one of the Group's compliance officers. Upon request, whistleblowers are ensured of absolute confidentiality.

Furthermore, an option to anonymously report violations via a web-based whistleblower system has been available since 2012. Reports using this system may be filed solely with respect to antitrust law, corruption, fraud, and conflicts of interest; put differently, only reports on these issues are processed through this system. The system makes it possible for the appropriate compliance officers to communicate with whistleblowers while maintaining absolute anonymity.

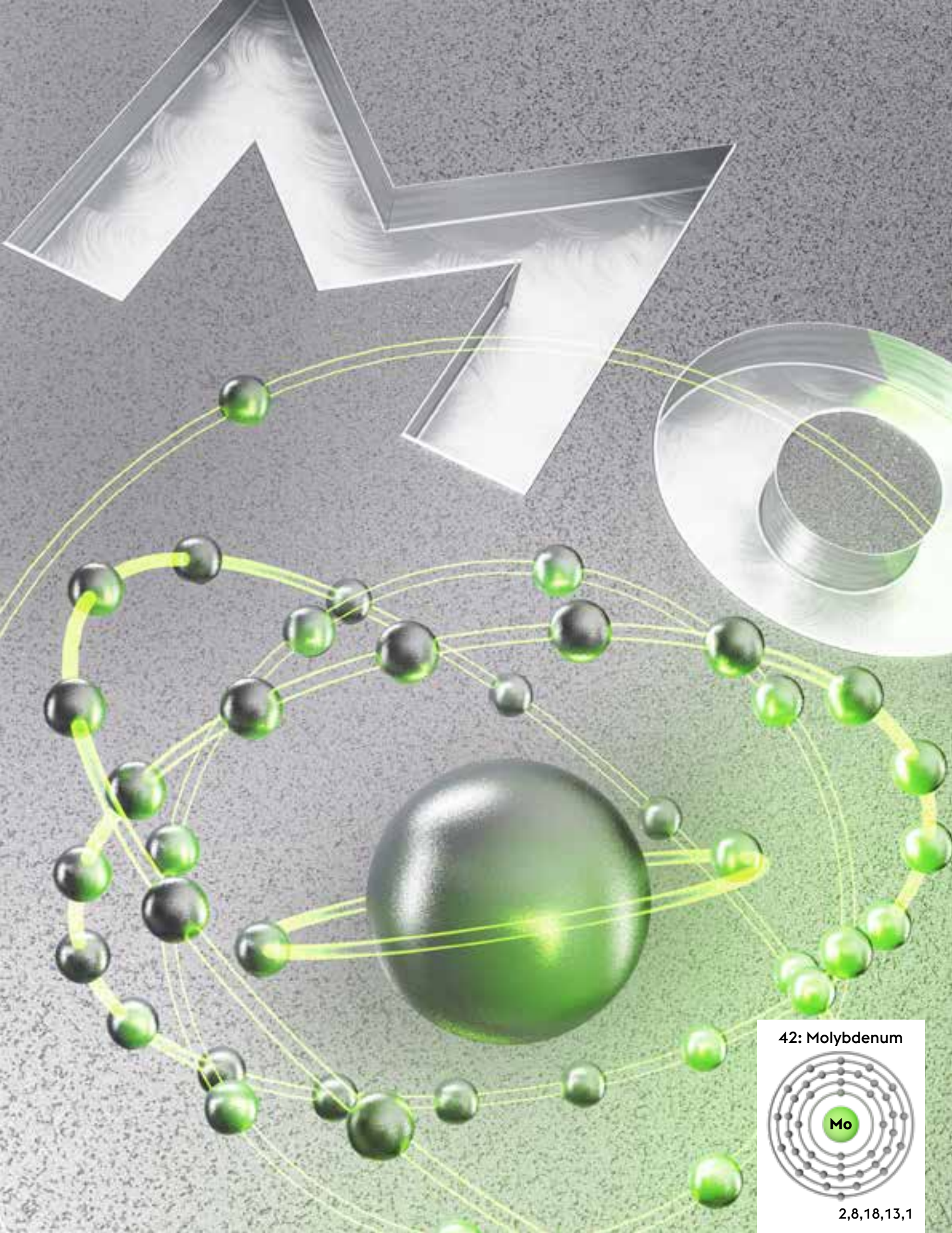
8.2 CORPORATE GOVERNANCE

The Management Board and the Supervisory Board of voestalpine AG resolved as early as in 2003 to recognize the Austrian Corporate Governance Code (the "Code"); they have also implemented all of the amendments introduced in the meantime without exception.

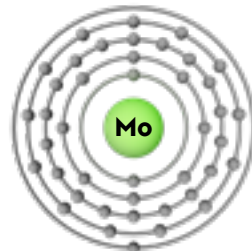
In addition to the Code's binding legal requirements ("L rules"), voestalpine AG voluntarily complies with all of its "comply or explain" rules ("C rules") and recommendations ("R rules"). The Code provides Austrian stock corporations with a framework for managing and monitoring their companies. It is based on the provisions of Austrian stock corporation, stock exchange, and capital market law as well as, generally, on the OECD Principles of Corporate Governance.

It was most recently revised in January 2018. The Code achieves validity when companies voluntarily undertake to comply with it. It aims to establish a system for managing and controlling companies and groups that is accountable and geared to the creation of sustainable value in the long term. By voluntarily undertaking to abide by the Code, voestalpine supports these objectives and commits to providing a high degree of transparency to all of the company's stakeholders.

Business transactions with associated companies and parties as well as pending legal proceedings (e.g., antitrust proceedings) are reported in the quarterly and annual reports of voestalpine AG.



42: Molybdenum



2,8,18,13,1