

4. STAKEHOLDER AND CR MANAGEMENT

Stakeholders are individuals and institutions who, for private or professional reasons, are interested in an organization because they are affected by the organization's actions or because they can influence its development.

The Corporate Responsibility Steering Committee identified voestalpine's most important stakeholder groups on the basis of this definition.

A review of the list as to its completeness and topicality is conducted at regular intervals.



Management has the important task of maintaining the company's relationships with its stakeholders, taking up their concerns, and reconciling divergent interests as best as possible.

This orientation toward stakeholders has been and is the basis of voestalpine's successful and sustained development.

4.1 STAKEHOLDER COMMUNICATION

Through its Management Board as well as its executive and non-executive personnel, voestalpine is in regular contact with the stakeholder groups. Numerous formats such as expert discussions and roundtables, conferences and trade shows as well as analyst and investor meetings are used to this end.

In addition, voestalpine is not only represented on a wide variety of bodies serving advocacy groups, trade associations, and lobbying campaigns, it also presents the company's concerns to these bodies. voestalpine also supports plat-

forms and initiatives that promote sustainable development.

During the reporting period, communications with individual stakeholder groups took place in various settings and on various topics. Below is an overview of how the company maintains its relationships with stakeholders and how it communicates with them. The examples presented stand for key stakeholder groups and the most frequently used formats. voestalpine also engages with other groups at different locations in multifaceted ways.

4.1.1 HUMAN RESOURCES

The voestalpine Group currently has a global workforce of just under 50,000 people. Both the annual employee performance review and the Group-wide employee survey are key tools for engaging in structured communications with them (see page 91). Employees' feedback is analyzed by management and flows into any measures the company takes, for example, with respect to personnel development.

In many voestalpine companies, a works council represents employees' interests. Local works councils are superseded by a European Works Council and a Group Works Council, both of which maintain a good dialogue with management.

4.1.2 CUSTOMERS AND SUPPLIERS

voestalpine's relationships with all of its business partners are very open and close knit. These frequently long-term relationships with customers and suppliers provide the basis for trusting and transparent cooperation. Together with these partners, voestalpine develops processes and products that satisfy the requirements of all parties involved and ensure low-impact utilization of resources.

Issues of sustainability are increasingly moving to the center of our communications with customers and suppliers. Besides conventional supply chain management issues such as

quality, costs, availability, and delivery dates, increasingly the conversations are also focused on climate protection, energy and resource efficiency, or compliance with labor and human rights in production.

voestalpine's Code of Conduct is binding on all of the company's suppliers and business partners and forms part of its terms and conditions. Furthermore, technical visits and viewings of the production facilities are conducted on a regular basis. For more information on this issue, see the chapter, "Transparency in the Supply Chain," that starts on page 42.

4.1.3 ANALYSTS AND INVESTORS

Institutional investors and analysts are a key stakeholder group because voestalpine is a listed company. The members of the company's Management Board and the managers of its Investor Relations department use investor conferences and roadshows as well as personal visits to stay in close contact with its shareholder representatives and investors and discuss current issues and market conditions. As regards sustainability, climate-relevant emissions are among the key topics that are addressed with analysts and investors alike. How to represent

the Group's CO₂ emissions and the options for reducing them—also taking into account the resulting negative impact on costs—are particularly important.

At regular intervals, voestalpine holds so-called "Capital Markets Days," i.e., special investor events at which trends and developments related to a high-priority issue in the Group are presented.

4.1.4 RESEARCH INSTITUTES AND UNIVERSITIES

voestalpine's collaboration with both universities and unaffiliated research institutes is indispensable and boosts the Group's research and development work. The company supports outstanding dissertations, master's theses, and research projects. It also endows professorships that can generate knowledge relevant to its core business and contribute new insights.

Members of the company's Management Board personally introduce and represent the Group during special student events at institutions such as the University of Mining and Metallurgy in Leoben, Austria. They answer questions from the students who, in their capacity as potential future employees, are considered an important stakeholder group.

4.1.5 NGOS, SPECIAL INTEREST GROUPS, AND PLATFORMS

Representatives of voestalpine belong to various working groups and committees of special interest groups and platforms such as the European Steel Association (EUROFER), world-steel, the Austrian Society for Metallurgy and Materials (ASMET), or the European Steel Technology Platform (ESTEP). They also contribute voestalpine's knowledge of and opinions on a wide variety of issues during consultations at the EU level.

voestalpine has been a member of "Responsible-Steel," a not-for-profit organization that focu-

ses on the sustainable production of steel and the sustainable procurement of raw and other materials, since April 2019 and actively engages in the ongoing development of the standard on which these policy initiatives are based.

The company also maintains good communications with non-governmental organizations (NGOs), engaging in intensive and constructive exchanges of opinion with several NGOs particularly on energy and climate policies as well as other environmental topics.

4.2 CORPORATE RESPONSIBILITY MANAGEMENT

The Corporate Responsibility Steering Committee and the CR Manager are largely tasked with Corporate Responsibility Management (CRM), the identification of topics relevant to CR as well as assessments regarding their significance to voestalpine.

In its function as a management unit, Corporate Responsibility is a part of Investor Relations. The CR Manager is responsible for coordinating within voestalpine and represents the company at numerous events and initiatives related to corporate responsibility and sustainability.

The Corporate Responsibility Steering Committee is chaired by the company's CEO. It comprises the heads of the Group departments Compliance, Legal, Environment, Research, Communications, Human Resources, health & safety, Investor Relations, Procurement and Raw Materials Procurement as well as International Business Relations.

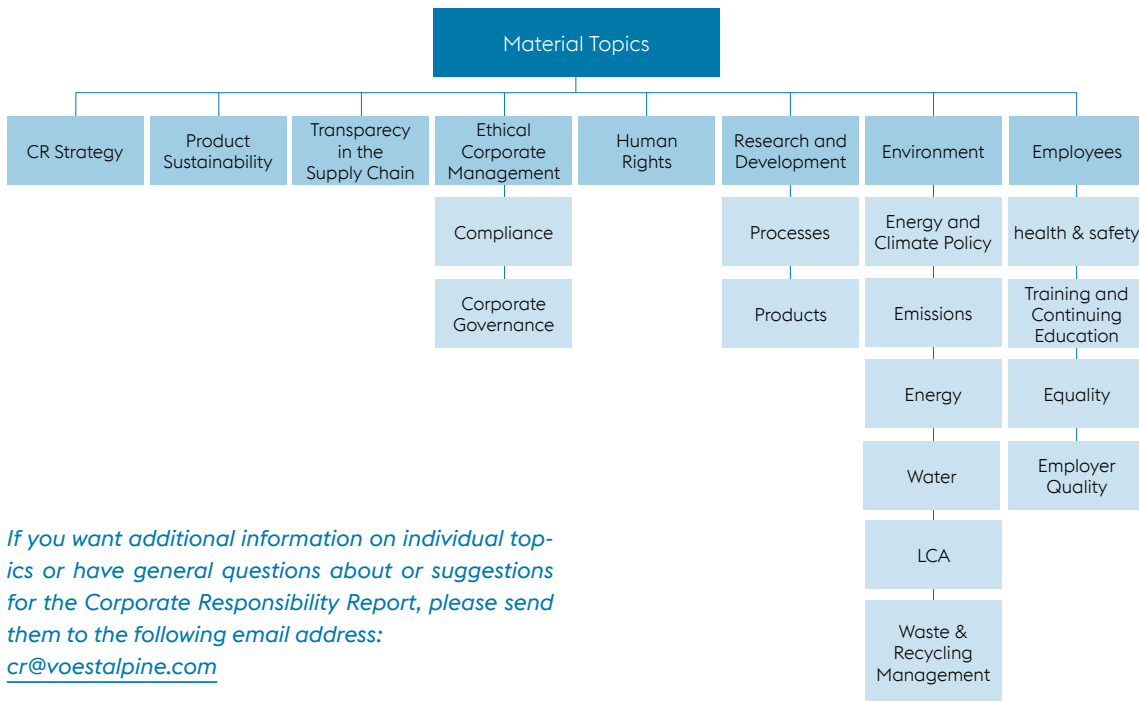
This corporate body discusses issues that stakeholders bring to the attention of voestalpine or that are becoming increasingly important in the ongoing sustainability debate. These discussions involve exploring the ramifications of voestalpine's activities in connection with such topics and adopting measures as necessary to mitigate any adverse effects.

4.3 MATERIAL TOPICS

voestalpine uses its ongoing communications with internal and external stakeholder groups to identify those topics that are key to Corporate Responsibility Management and the relevant reporting.

A list of the topics considered most important by the stakeholders is drawn up prior to the preparation of the annual CR Report and supplemented by those topics that have been identified as part of the company's work in relevant bodies, through analyses of trade publications, and based on a benchmark analysis of select competitors, suppliers, and customers.

In a next analytic step undertaken by the Corporate Responsibility Steering Committee and the CR Manager, all topics in regard to which voestalpine's business activities actually or potentially trigger positive or negative effects are classified as material. Information on voestalpine's approach and performance with respect to all material topics is published in the CR Report. The following topics were identified as central to the present Report:



If you want additional information on individual topics or have general questions about or suggestions for the Corporate Responsibility Report, please send them to the following email address: cr@voestalpine.com

responsibility