

CORPORATE
RESPONSIBILITY
FACTSHEET

2021

FIGURES, DATA, FACTS

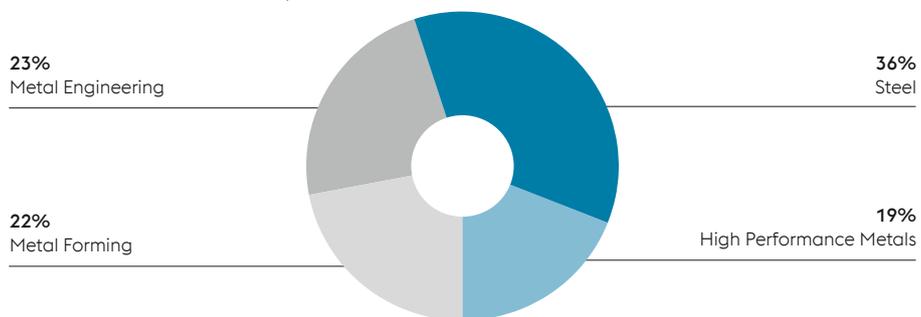
voestalpine is a globally leading steel and technology group with a unique combination of material and processing expertise. The company is headquartered in Linz, Austria, and is divided into four divisions, each with a product portfolio that makes them a leading provider in Europe or worldwide. As an international group, voestalpine takes its responsibilities for the environment and the climate very seriously and aims to be an environmental trailblazer. Hence the company is committed to the global climate goals and works intensively to develop technologies that will allow it to reduce its CO₂ emissions and decarbonize its production over the long term.

DEVELOPMENT OF THE KEY FINANCIAL INDICATORS

In millions of euros	2016/17	2017/18	2018/19	2019/20	2020/21
Revenue	11,294.5	12,897.8	13,560.7	12,717.2	11,266.6
EBITDA	1,540.7	1,954.1	1,564.6	1,181.5	1,134.5
EBITDA margin	13.6%	15.2%	11.5%	9.3%	10.1%
EBIT	823.3	1,180.0	779.4	-89.0	115.2
EBIT margin	7.3%	9.1%	5.7%	-0.7%	1.0%
Employees (full-time equivalent) At end of business year	49,703	51,621	51,907	49,682	48,654
Research expenditures	140.3	152.0	170.5	174.4	153.0
Operating expenses for environmental protection facilities in Austria	231.0	258.0	299.1	314.5	300.1
Environmental investments for production facilities in Austria	46.0	41.0	66.0	35.0	15.3
Crude steel production (in millions of tons)	7.596	8.140	6.895	7.173	6.882

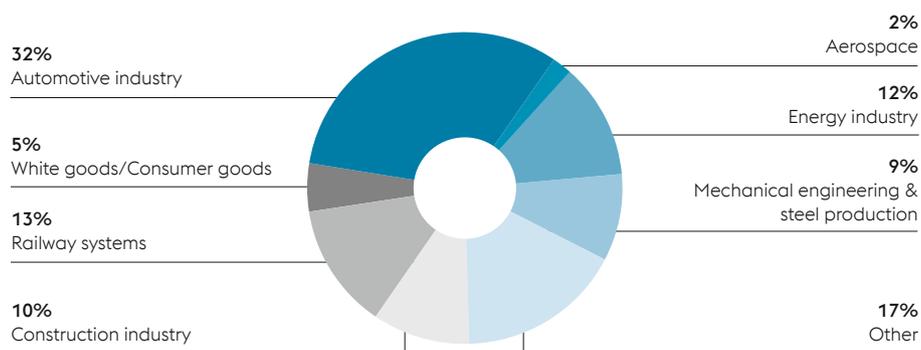
REVENUE BY DIVISION

In percent of total divisional revenue, business year 2020/21



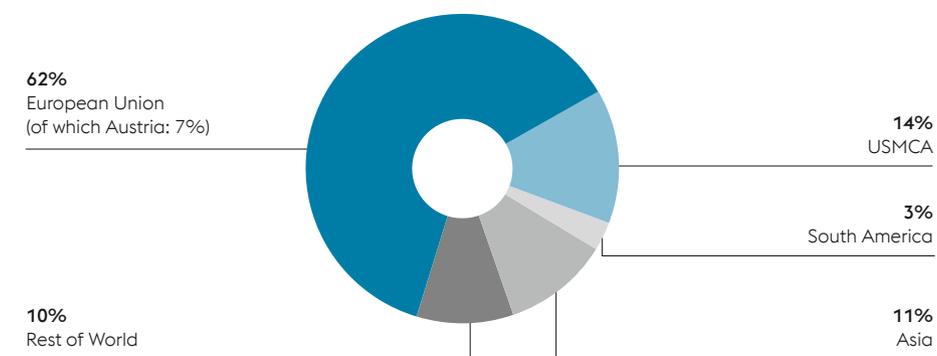
REVENUE BY INDUSTRY

In percent of Group revenue, business year 2020/21



REVENUE BY REGION

In percent of Group revenue, business year 2020/21



STAKEHOLDER AND CR MANAGEMENT

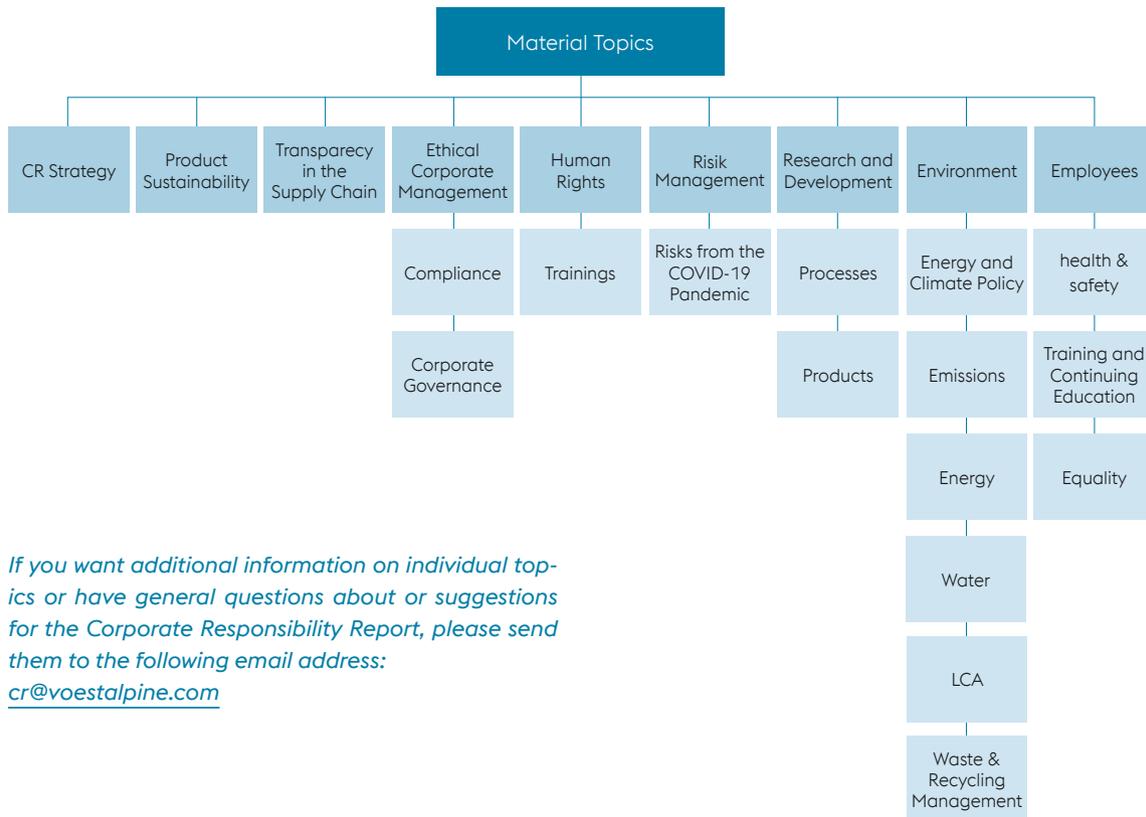
Through its Management Board as well as executive and non-executive personnel, voestalpine is in regular contact with the stakeholder groups enumerated below. Numerous opportunities such as expert discussions and roundtables, conferences, trade shows as well as analyst and investor meetings are used to this end. Both the employee survey, which is conducted on a regular basis, and annual employee performance

reviews are important settings for structured communications with internal stakeholders. voestalpine is also represented on a wide variety of bodies serving advocacy groups, trade associations, lobbying campaigns, and platforms. During the reporting period, communications with individual stakeholder groups took place in various settings and with respect to various 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.

The following subject areas have been identified as material aspects of the sustainable performance of voestalpine:



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

ETHICAL CORPORATE MANAGEMENT

Ethical corporate management means accountable corporate governance of the Group that is geared to creating sustainable shareholder 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 (Compliance).

Ethical Corporate Management

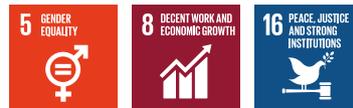
In order to ensure that accountable management and control of the Group serve to create sustainable value in the long term, the Group's Management Board and Supervisory Board undertook as early as in 2003 to comply with the Austrian Corporate Governance Code.

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 Fundamental Freedoms, and we support the UN Global Compact (UNGC).



COMPLIANCE

The company 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, suppli-

ers, other business partners, and employees are expressly spelled out in voestalpine's Code of Conduct.

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

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 (Code), and they have also implemented all of the amendments thereto that were introduced in the meantime.

In addition to the Code's mandatory "L rules" (legal requirements), voestalpine AG also voluntarily complies with all of its "C rules" (comply or explain) and the "R rules" (recommendations). 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.

The Code was most recently revised in January 2021. It achieves validity when companies voluntarily undertake to comply with it. The Code aims to establish an accountable corporate governance system for companies and Groups that is 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 are reported in the semi-annual and annual financial statements of voestalpine AG.

HUMAN RIGHTS

In its absolute commitment to safeguarding human rights, voestalpine bases its activities on the UN's Universal Declaration of Human Rights and the European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR). Since 2013, voestalpine has supported the UN Global Compact (UNGC) whose ten principles address labor standards, environmental protection, and the fight against corruption over and above the promotion of human rights. The present CR Report also serves as the annual Communication on Progress (CoP) under the UNGC.

COLLECTIVE BARGAINING AND THE RIGHT TO FREEDOM OF ASSOCIATION

About 80% of all of voestalpine's employees are in an employment relationship that is governed by a collective agreement. Every employee has the freedom and right to join a union. The workforce in all voestalpine companies may elect representatives to the works councils. The voestalpine Group has both a European Works Council and a Group Works Council, which maintain good communications with management.

CHILD LABOR AND FORCED LABOR

voestalpine strictly prohibits child, forced, and bonded labor. So far, no case of any such practices has been recorded anywhere in the Group. Nor does voestalpine tolerate any form of child, forced, and bonded labor at its suppliers and business partners. As part of the company's investigation of the supply chain (Sustainable Supply Chain Management (SSCM)), suppliers are evaluated in targeted fashion as to compliance with human rights and, specifically, the prohibition of child, forced, and bonded labor.

HUMAN TRAFFICKING AND MODERN SLAVERY

Companies of the voestalpine Group that are subject to the UK Modern Slavery Act fulfil the Act's prescribed requirements by publishing a statement to that effect. Both the Code of Conduct and the Code of Conduct for Business Partners explicitly mention and expressly prohibit human trafficking and modern slavery.

HUMAN RIGHTS TRAINING FOR SECURITY PERSONNEL

voestalpine's plant security staff largely comprises the company's own employees. Just as the employees of third-party entities, they too are subject to the Code of Conduct. The third-party entities themselves are subject to the Code of Conduct for Business Partners. Both documents mandate compliance with human rights. voestalpine provides human rights training for its own employees; external security personnel are trained by their own employers.

RIGHTS OF INDIGENOUS PEOPLES

As voestalpine operates solely in developed industrial areas, its business operations do not in any way impinge on the rights of aboriginal people.

TRAINING

To ensure that human rights are respected and upheld, an online training program is being developed in collaboration with renowned experts. It is designed to sensitize all of the company's employees to their heightened responsibility for compliance with human rights and gives them important information and instructions on how to act.

This is the content of the online learning modules:

- >> *Overview of voestalpine's CR Activities*
 - >> *General Introduction to and Explanation of the Concept of "Human Rights"*
 - >> *Human Rights in Day-to-Day Work*
 - >> *Working Conditions and Non-Discrimination*
 - >> *Human Rights in the Supply Chain*
-

RISK MANAGEMENT

Proactive risk management of the kind voestalpine has been practicing for many years secures the company's existence as a going concern in the long term and thus is key to the success of the Group on the whole. Material risks are identified, analyzed, and assessed systematically and early on via both the uniform risk management process (which all operating and strategic Group companies must undergo several times a year) and the internal control systems (which also are integral components of the organizational and operational structure). These processes are subject to continuous monitoring. Measures to minimize risk are taken immediately as necessary.

The following risks among others are monitored:

- >> Availability of raw materials and energy supplies
- >> Climate change risks
- >> Failure of production facilities
- >> Failure of IT systems
- >> Compliance risks
- >> Risks associated with data privacy and protection
- >> Risks from the financial sector

Physical Risks of Climate Change

The voestalpine Group has taken comprehensive proactive measures to deal with risks from natural disasters such as floods or low water levels, heavy snowfall, droughts as well as strong wind or fluctuations in temperatures. This includes regular run-throughs as well as inspections and risk surveys that are conducted jointly with insurance companies. At some facilities, especially those located along coasts (e.g., Texas, USA) or rivers (e.g., Linz, Austria), changing water levels also pose risks. voestalpine monitors these and other physical risks on a regular basis and verifies whether the existent emergency plans and structural measures such as fire alarms, sprinklers, and flood control measures continue to provide adequate protection.

In addition to the steps taken within the company, regular information sharing with internal and external insurance companies helps to minimize the fallout from such risks for the Group. As regards raw material supplies (e.g., deliveries by ship to the Linz plant), any climate-induced fluctuations in river water levels and any resulting difficulties in the navigability of rivers (e.g., the Donau River) are considered situationally based on the number of ships utilized and the freight volume.

Other Material Sustainability Risks

Risks from areas such as personnel issues, respect for human rights, and the fight against corruption are taken into account at all levels. For details, see the respective sections of the present CR Report.

RESEARCH AND DEVELOPMENT

voestalpine's corporate strategy focuses on leadership in innovation, technology, and quality. Hence research & development (R&D) are central to the company's business model. The continual development of new products and production processes is indispensable for voestalpine as it aims to differentiate itself from the competition and maintain its technology leadership. Innovation driven by R&D thus ensures the company's success in the long term. As a Group focused on sustainability, voestalpine also works to ensure that absolutely all of its R&D projects in product and process development make a positive contribution to sustainability.



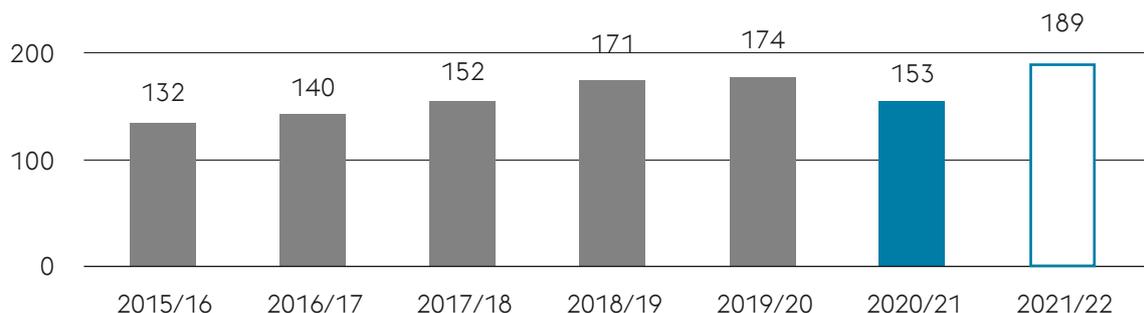
RESEARCH EXPENDITURES OF THE voestalpine GROUP

While research expenditures have grown continually in recent years, they fell to EUR 153 million in the reporting period due to short time work and other cost savings measures during the COVID-19 pandemic. At EUR 189 million, the

research budget for the business year 2021/22 already exceeds that of previous years, thus reflecting the high priority given to R&D in the Group.

GROSS R&D EXPENDITURES

(excl. R&D capital investments) per business year, in millions of euros



THE ENVIRONMENT

Environmentally-conscious action is firmly integrated into the voestalpine Group's corporate philosophy. Hence the company endeavors not only to use resources such as raw materials and energy economically along the entire production chain but also to minimize the environmental impact of processes and products.

To achieve these goals, voestalpine utilizes the best available technologies in its production plants and continually works to boost efficiency, lower emissions, and reduce the consumption of energy subject to the parameters of the existent steel production system. Our intensive work to research new, more environmentally friendly production processes and, not least, to refine materials and products alike makes material contributions to the company's environmental footprint as well. All of these activities are supported by transparent and efficient environmental management systems (EMSs) that have already been implemented more or less across the entire voestalpine Group.

voestalpine is committed to the following principles at all of its production facilities:

- >> To take comprehensive responsibility for its products;
- >> To optimize the production processes;
- >> To establish environmental management systems;
- >> To integrate employees into these processes and ensure environmentally-conscious conduct on the part of every single one of them; and
- >> To engage in open and professional dialogues.

Emissions in the Air, Soil, and Water: Minimize using the best available technologies

Process-related emissions cannot be entirely avoided due to the chemical and physical properties of existent production processes. We

operate our production facilities based on the principle that the best available technologies must be applied as appropriate and in economically viable fashion. We also develop new approaches that aim to minimize environmentally relevant effects on the air, soil, and water as best as possible.

Circular Economy and Life Cycle Assessments (LCAs)

We support holistic, comprehensive, and integrated analyses and assessments of materials (LCAs) as well as of all process and value chains within the parameters of the circular economy, also known as "circularity."

Energy and Climate Policy: Commitment to low carbon production

We are meeting the challenge of decarbonizing the economic system in the long term especially through comprehensive research and development of new technologies, frequently via cross-sector cooperation agreements and projects. We also engage in an open and constructive dialogue with stakeholders such as political decision makers, advocacy and interest groups, civil society as well as the scientific community and environmental organizations.



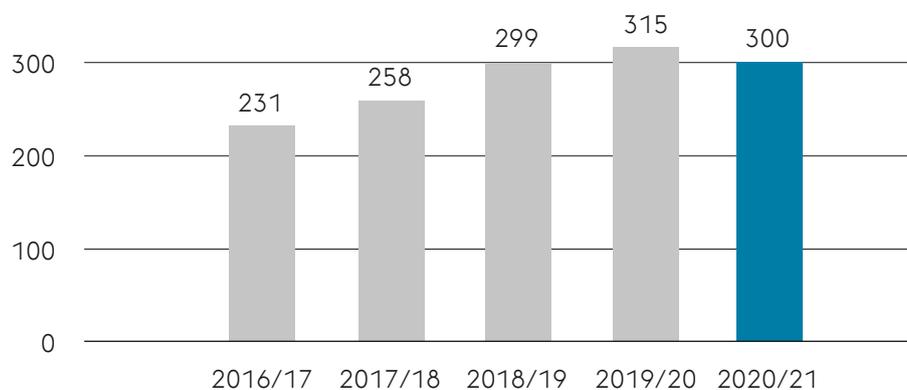
ENVIRONMENTAL MANAGEMENT SYSTEMS

voestalpine's internal environmental data management encompasses about 130 production companies or facilities worldwide that have a material impact on the Group's environmental performance. This includes all business segments that produce and process steel and thus absolutely all those that are energy and emissions intensive.

The voestalpine Group has implemented management systems across the board worldwide. Fully 70% of its production plants have implemented an environmental management system (EMS) pursuant to ISO 14001 or the EU's Eco-Management and Audit Scheme (EMAS); an additional 8% possess other certifications. Twenty-seven percent of the entities are subject to certified energy management pursuant to ISO 50001.

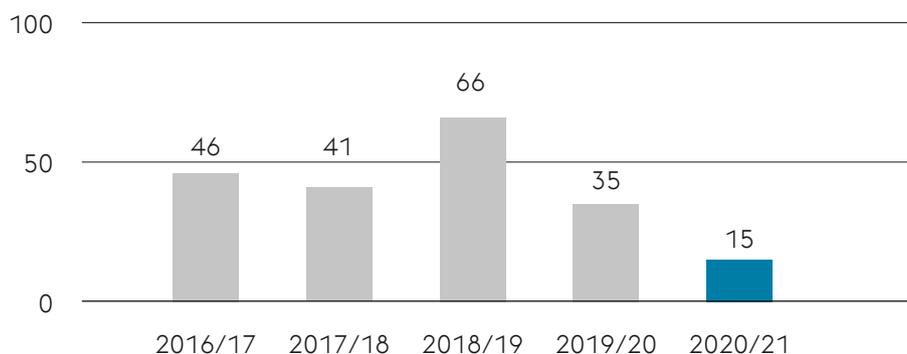
ENVIRONMENTAL EXPENDITURES

In millions of euros



ENVIRONMENTAL INVESTMENTS

In millions of euros



AIR EMISSIONS

Due to both processes and raw materials, conventional production of pig iron and steel generates various emissions such as CO₂ but also sulfur dioxide (SO₂) and nitrogen oxides (NO_x).

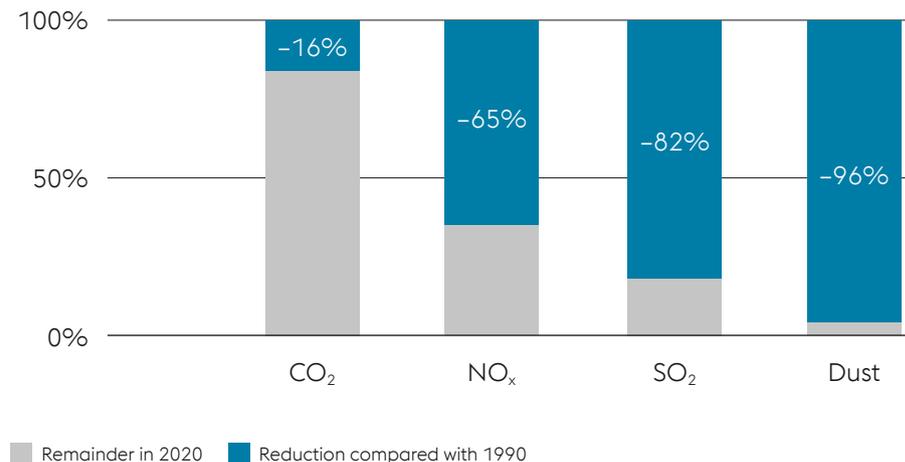
voestalpine fully complies with the statutory limits regarding all of the aforementioned emissions. These parameters are verified and their annual loads determined by means of continuous measurements, periodic analyses, and material flow analyses. For many years, the company has consistently taken measures to reduce process-related air pollutants to the technologically achievable minimum. Aside from continual process optimization (so-called “process integrated (PI) measures”), state-of-the-art scrubbing facilities (so-called “end-of-pipe measures”) serve to minimize remaining emissions.

Comprehensive environmental measures have enabled the voestalpine Group over the past three decades to substantially reduce its emission levels. As a result, specific emissions of CO₂ were lowered by about one-fifth, SO₂ emissions by three-quarters, and NO_x emissions by just under two-thirds; dust emissions have already been cut to almost zero.

However, the greenhouse gas emissions (GGE) must be eliminated first and foremost if the political climate targets are to be achieved. In steelmaking, this can be achieved solely by shifting to new technologies (some of which have yet to be developed) based on green electricity and/or green hydrogen (for more information, see the “Climate Action” chapter).

REDUCTION IN EMISSIONS

Per ton of crude steel since 1990



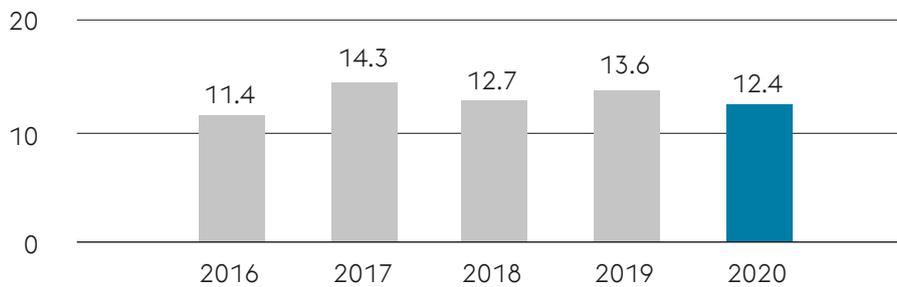
GREENHOUSE GAS EMISSIONS

Due to the downturn in production, the direct greenhouse gas emissions (Scope 1) of the voestalpine Group's roughly 130 production facilities declined in calendar year 2020 from 13.6 million tons to 12.4 million tons of CO₂ equivalents. The Group's crude steel production fa-

cilities in Linz and Donawitz, both of which use the blast furnace route, accounted for the lion's share of these emissions. The data takes the carbon dioxide, methane, and nitrous oxide emissions into account.

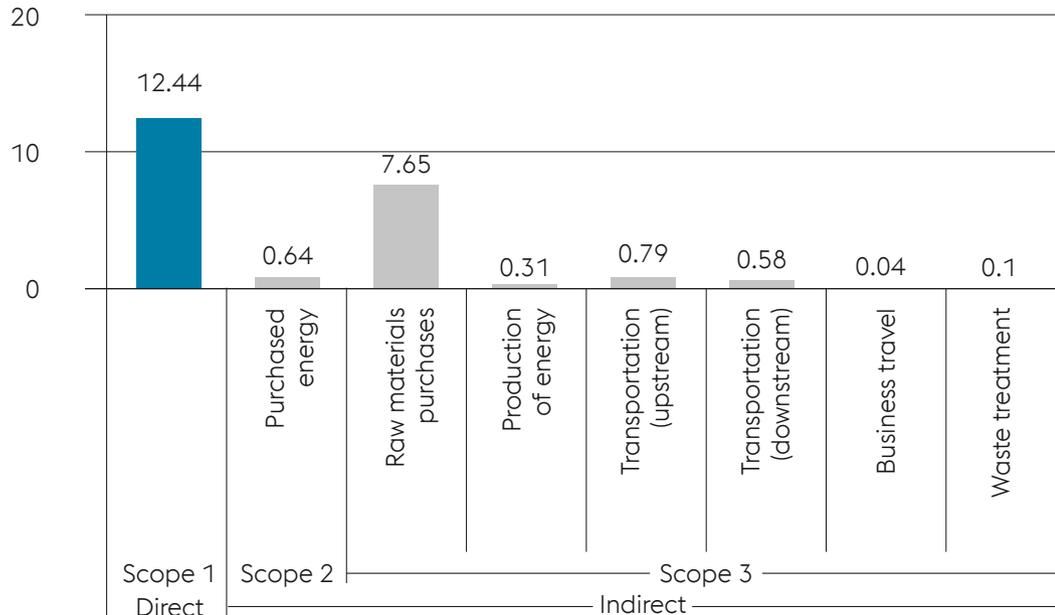
SCOPE 1 EMISSIONS

In millions of tons of CO₂e



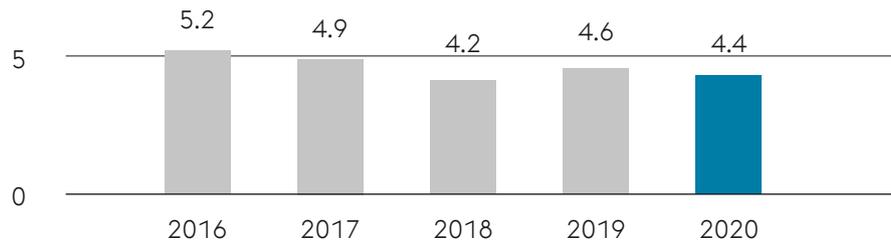
DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS 2020

In millions of tons of CO₂e



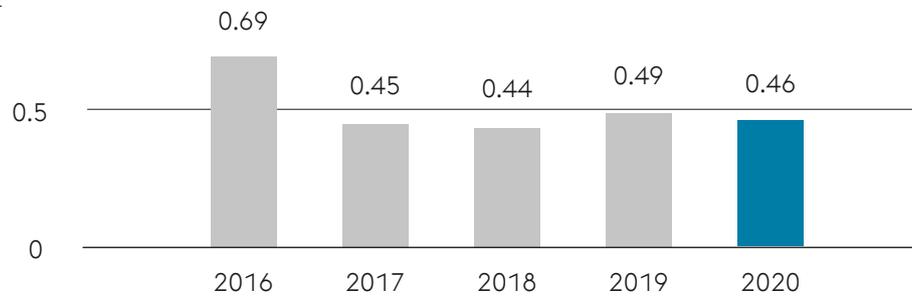
SO₂ EMISSIONS

kt



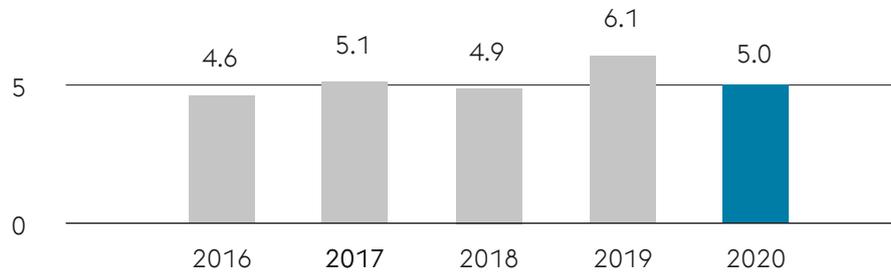
SPECIFIC SO₂ EMISSIONS

kg/t product



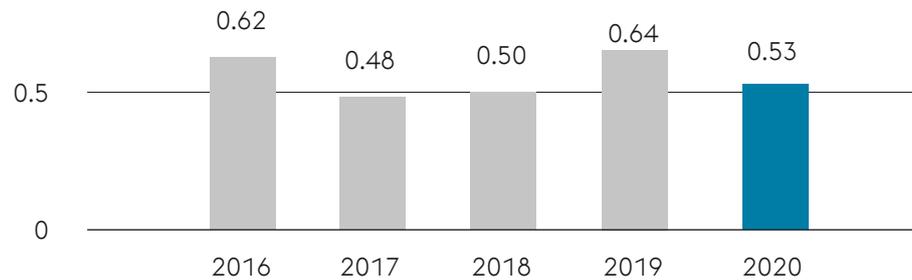
NO_x EMISSIONS

kt



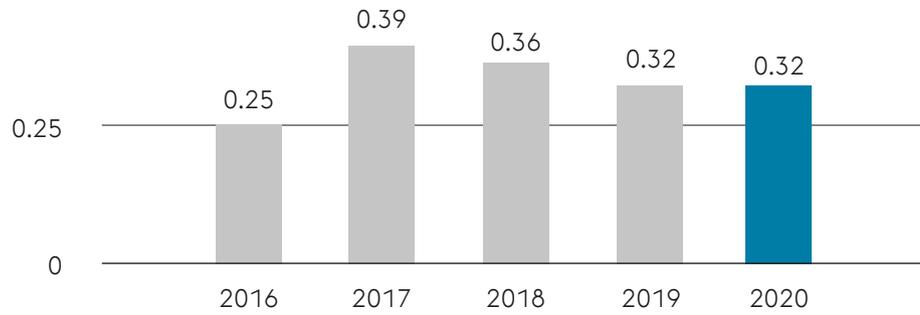
SPECIFIC NO_x EMISSIONS

kg/t product



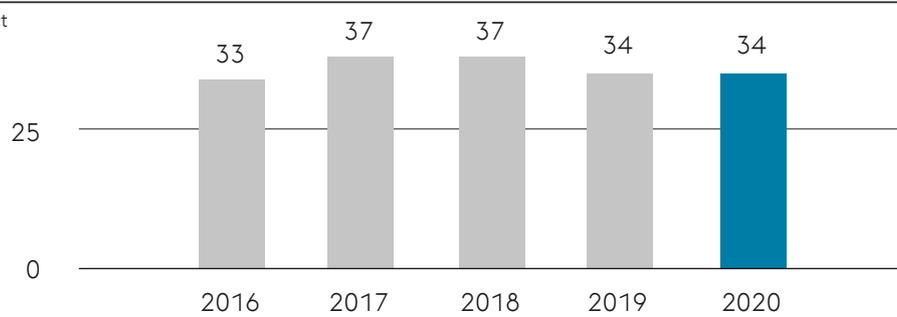
CAPTURED DUST EMISSIONS

kt



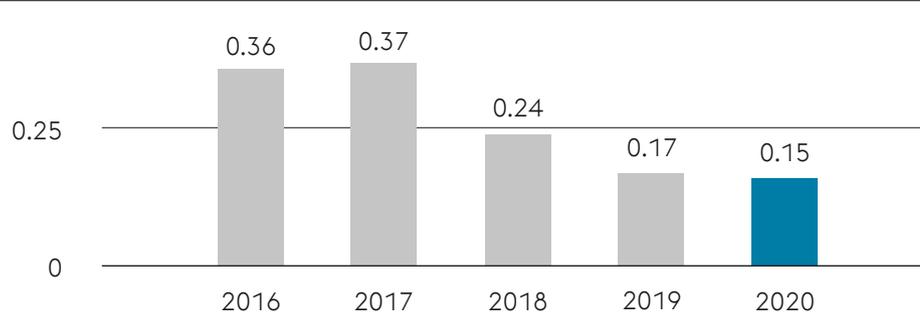
SPECIFIC CAPTURED DUST EMISSIONS

g/t of product



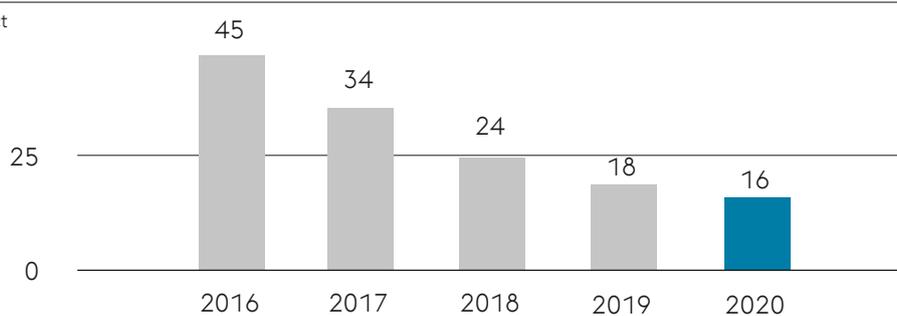
VOC EMISSIONS

kt

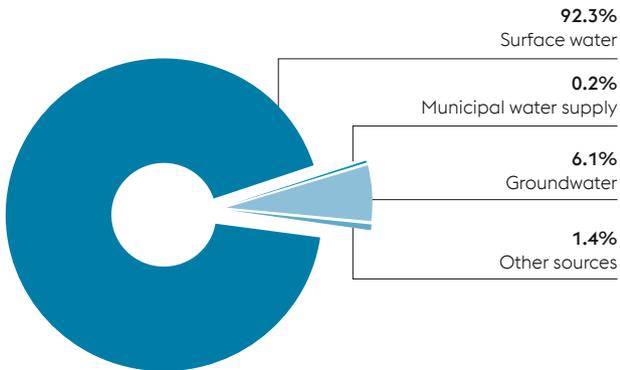


SPECIFIC VOC EMISSIONS

g/t of product

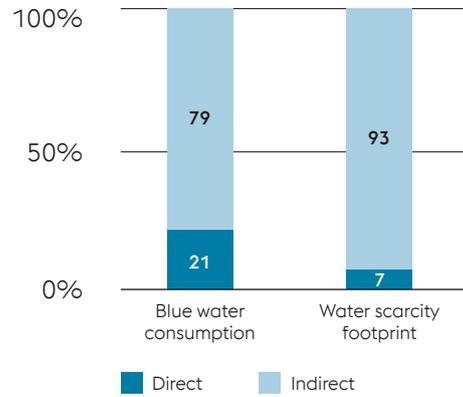


WATER EXTRACTION 2020



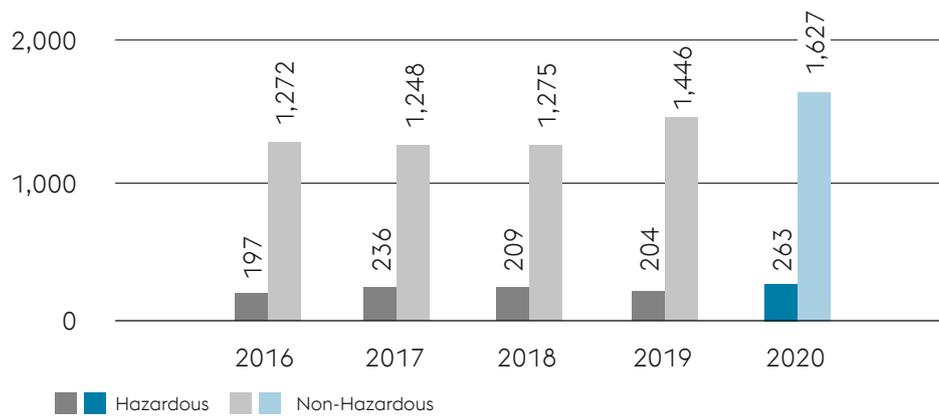
WATER FOOTPRINT

in %



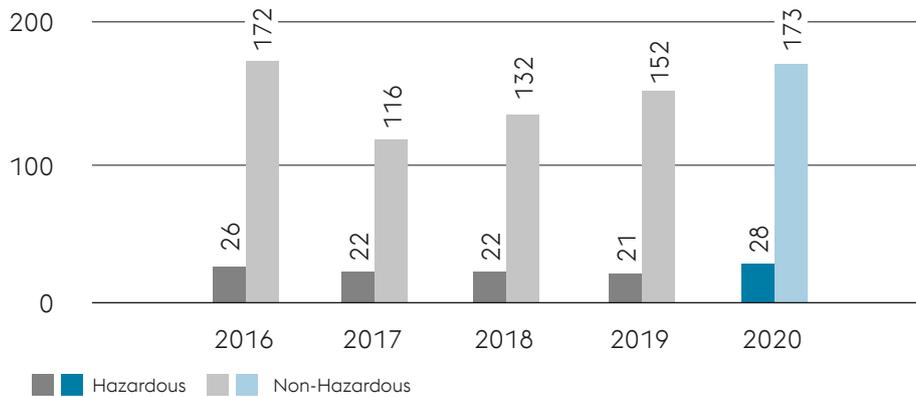
WASTE VOLUME

kt



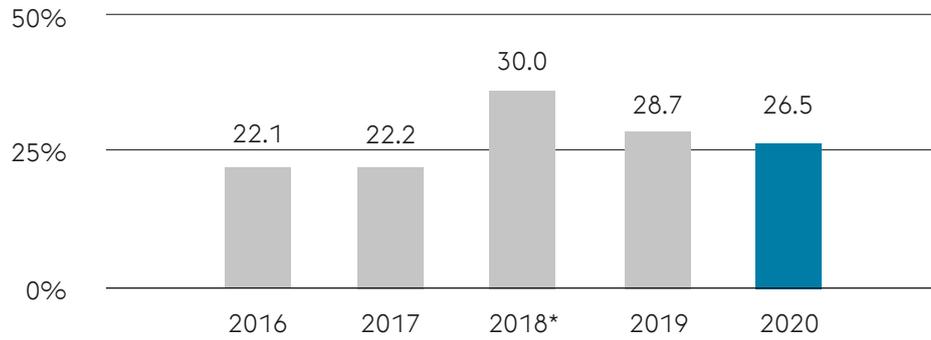
SPECIFIC WASTE VOLUME

kg/t product



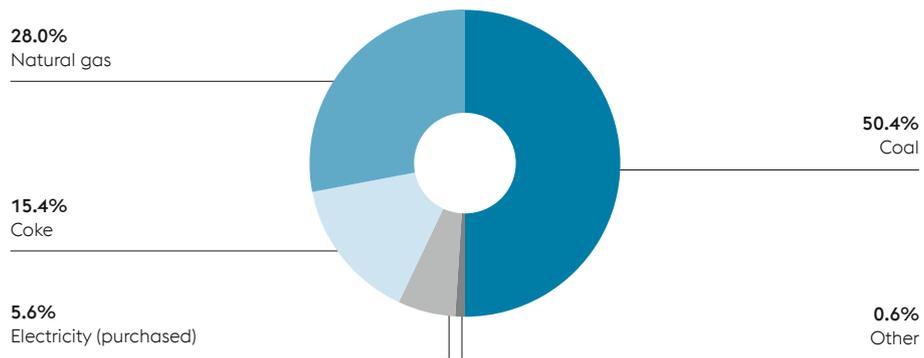
RECYCLING RATE

in %



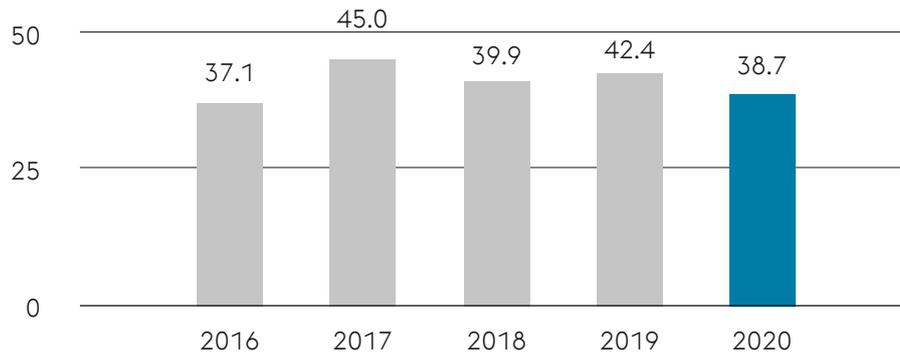
* From 2018: Recycling rate of iron relative to product output

PERCENTAGE OF ENERGY SOURCES 2020



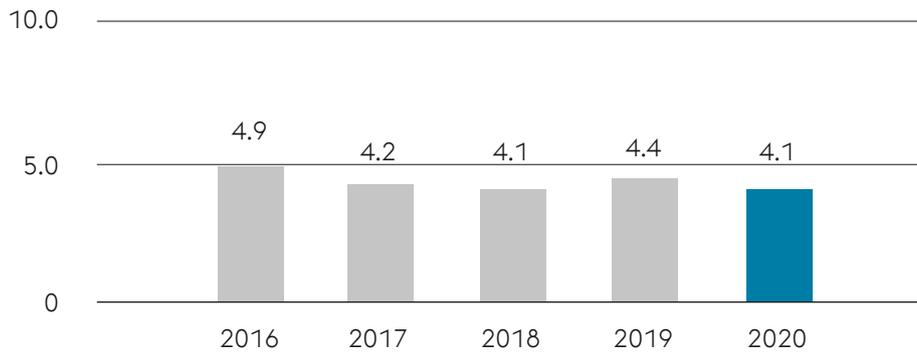
TOTAL ENERGY CONSUMPTION

TWh



SPECIFIC TOTAL ENERGY CONSUMPTION

MWh/t of product



HUMAN RESOURCES

Our success as a steel and 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 its employees as well as their qualifications—all of which is reflected in the guiding principles of our Sustainability 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 potential impairment—and create the conditions for both equal opportunity and work that maintains people's health and is appropriate to life's different phases.

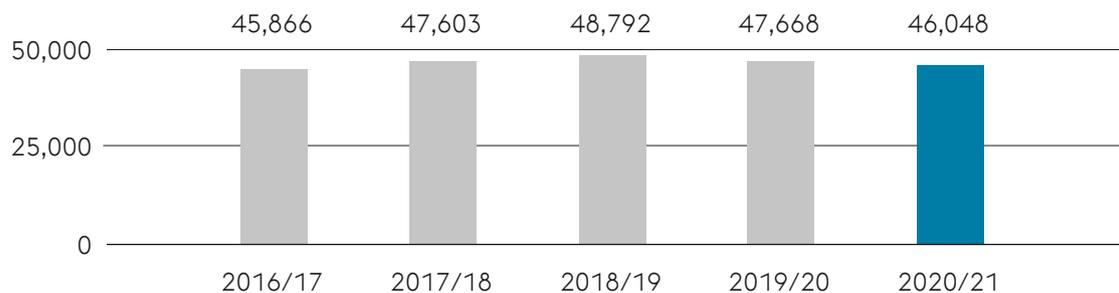
Training and Continuing Professional Development (CPD)

Targeted measures help voestalpine's 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.



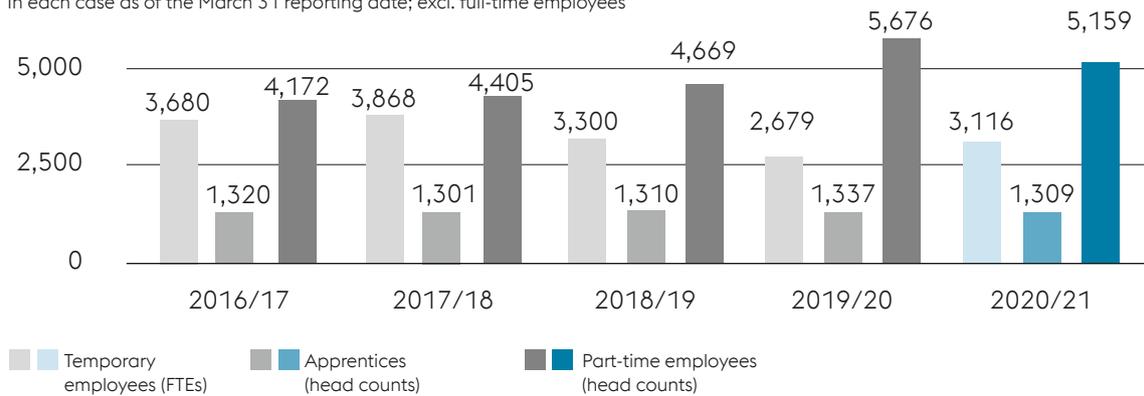
DEVELOPMENT OF THE NUMBER OF EMPLOYEES

Personnel (excl. apprentices and temporary employees, head counts) as of the March 31 reporting date



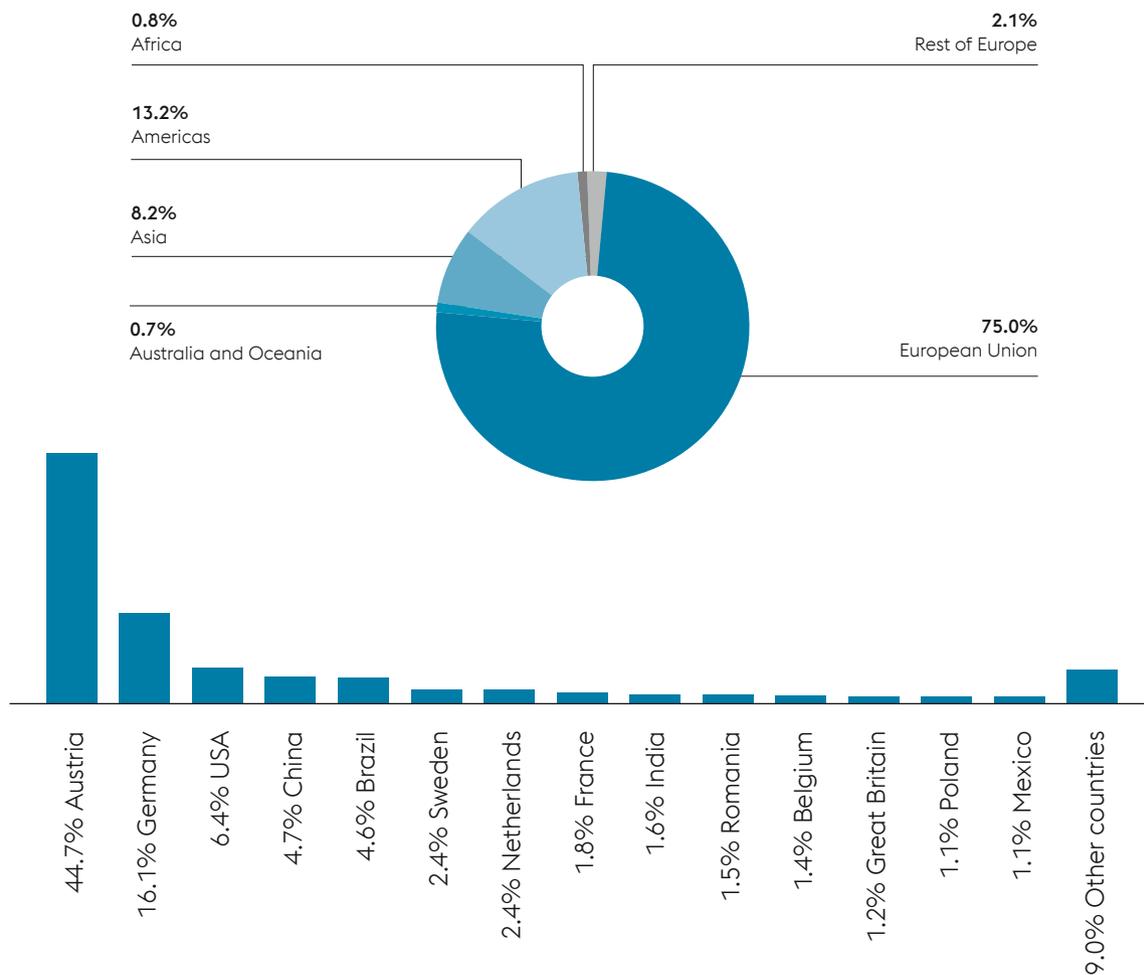
EMPLOYEE STRUCTURE BY EMPLOYMENT CONTRACT

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



WORKFORCE BY REGION

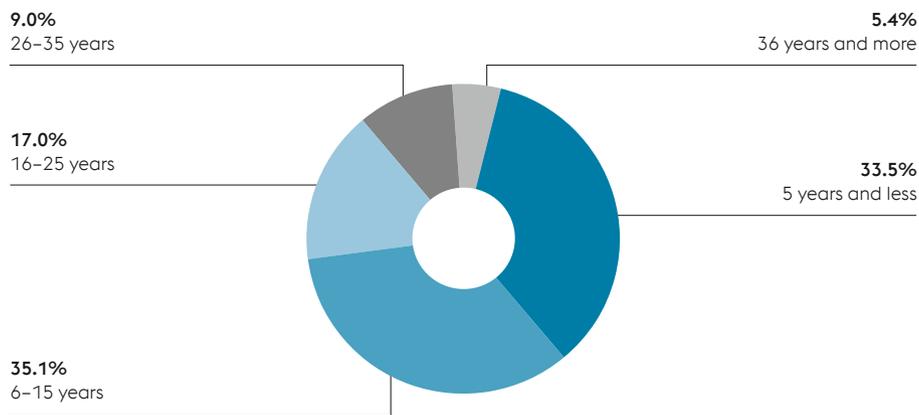
As of the annual reporting date (March 31, 2021), based on FTEs



YEARS OF SERVICE

As of the March 31, 2021, reporting date

All employees excluding apprentices, interns, freelancers, and master's/doctoral degree candidates



EQUALITY AND DIVERSITY

Globally, just over 49,000 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 then 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 part-

ners—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 on "Respect and Integrity" of the voestalpine Code of Conduct, the Group does not tolerate any discrimination, whatever form it may take.

DIFFERENTLY-ABLED INDIVIDUALS

In Austria, companies with more than 25 employees are required to make jobs available for differently-abled individuals. As of March 31, 2021, a total of 611 voestalpine employees in Austria reported that they were subject to the beneficiary classification under the Austrian Act on the Employment of Differently-Abled Individuals (*Behinderteneinstellungsgesetz*). For reasons related to data privacy, outside of Austria no information is collected on employees' po-

tential impairment. It goes without saying that voestalpine fulfills all statutory requirements regarding the employment and integration of differently-abled individuals that may apply at any given location. A range of measures also ensures that everybody within the Group engages in mutually respectful treatment. voestalpine also supports integration measures outside of the Group's purview.

PERCENTAGE OF FEMALE EMPLOYEES

In each case as of the March 31 reporting date

	2016/17	2017/18	2018/19	2019/20	2020/21
Women overall	13.5%	13.8%	14.4%	14.7%	14.8%
Female executives	11.5%	12.3%	12.5%	12.5%	13.6%
Salaried employees	28.5%	28.8%	28.9%	29.1%	29.3%
Female wage employees	4.5%	4.9%	5.7%	5.8%	5.8%
Female apprentices (technical)	12.4%	13.5%	13.4%	15.6%	14.0%
Female apprentices (other)	50.8%	47.4%	52.7%	47.8%	50.3%

TRAINING AND CONTINUING PROFESSIONAL DEVELOPMENT

Innovation and high quality are not conceivable absent continual employee training and continuing professional development (CPD). Hence training courses are an important prerequisite for voestalpine's success. In addition, they promote employees' career opportunities at the personal level as well as their ability to network across departments and locations.

The total expenditure for human resources development in the business year 2020/21 exceeded EUR 43 million. A total of 66.5% of all Group employees took part in training and CPD programs. The total training volume in the business year 2020/21 amounted to 507,855 hours, which equates to an average of 16.6 hours per trained employee.

APPRENTICES/TRAINEES

As of the annual reporting date (March 31, 2021), the voestalpine Group was training 1,309 apprentices in about 50 skilled trades, the majority (64.6%) at locations in Austria. A total of 22.6% of apprentices were being trained in Germany under the dual system applicable in that country. 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 90,000 on training a single apprentice.

Safety at the workplace and the health of its employees are core values of voestalpine and thus have 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. Safety standards that apply Group-wide are at the root of an effective health & safety culture.

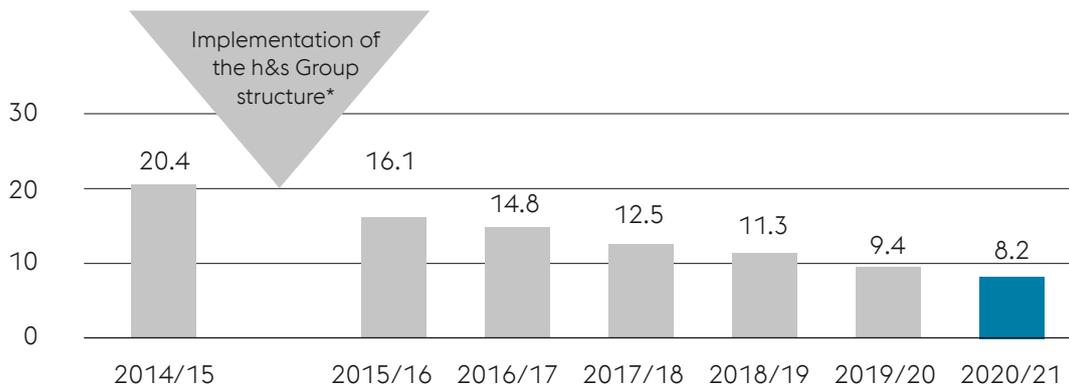


Absolutely all of voestalpine’s production companies have a health & safety management system, and 50% are certified pursuant to ISO 45001 (previously OHSAS 18001). This means

that some 30,500 employees (72%) working in production are employed at a facility that has a certified occupational safety system.

DEVELOPMENT OF THE LOST TIME INJURY FREQUENCY RATE (LTIFR)

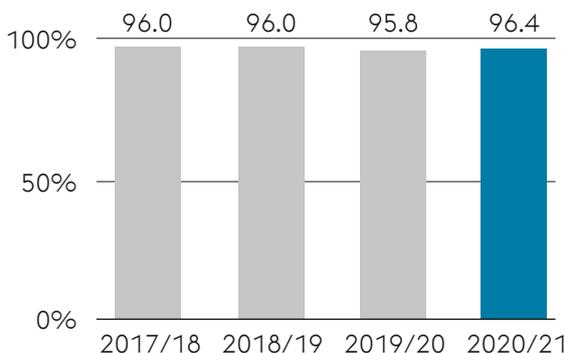
As of the March 31 reporting date



* Change in the definition of the key performance indicator (KPI)

DEVELOPMENT OF THE HEALTH STATUS

As of the March 31 reporting date



The health status shows the percentage of prescribed working hours during which all employees were actually present during 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.

CONTACT & IMPRINT

Contact

voestalpine AG, Corporate Responsibility
+43/50304/15-6599
cr@voestalpine.com

voestalpine AG, Investor Relations
+43/50304/15-8735
ir@voestalpine.com

voestalpine AG, Corporate Communications
+43/50304/15-2090
mediarelations@voestalpine.com

www.voestalpine.com

<https://www.voestalpine.com/group/en/group/corporate-responsibility/>

Imprint

Owner and media proprietor: voestalpine AG, voestalpine-Strasse 1, 4020 Linz, Austria

Publisher and editorial staff: voestalpine AG, Corporate Responsibility, T. +43/50304/15-6599
cr@voestalpine.com, www.voestalpine.com

Design and implementation: 7 Punkt Communication Group GmbH, www.7punkt.at

Printed by: Kontext Druckerei GmbH, www.kontextdruck.at



voestalpine AG
voestalpine-Strasse 1
4020 Linz, Austria
T. +43/50304/15-0
www.voestalpine.com

voestalpine
ONE STEP AHEAD.