



Corporate
Responsibility Fact Sheet
2014/15

voestalpine

ONE STEP AHEAD.

voestalpine AG

Development of the key figures

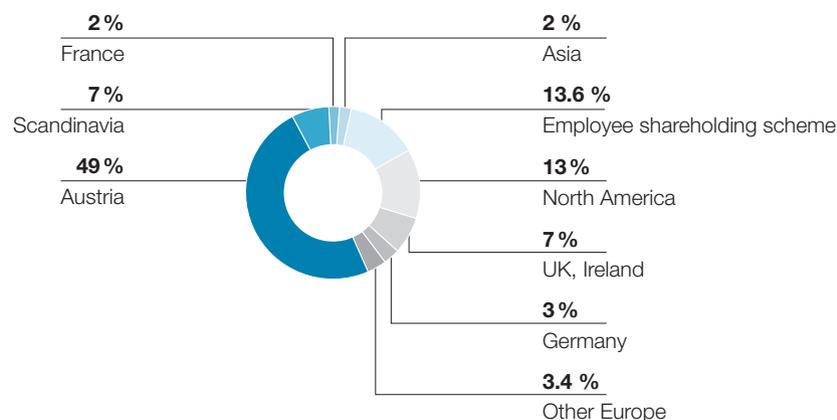
Key figures

In millions of euros	2010/11	2011/12	2012/13	2013/14	2014/15
Revenue	10,953.7	12,058.2	11,524.4	11,077.2	11,189.5
EBITDA	1,605.6	1,301.9	1,431.3	1,374.0	1,530.2
EBITDA margin	14.7 %	10.8 %	12.4 %	12.4 %	13.7 %
EBIT	984.8	704.2	843.1	788.4	886.3
EBIT margin	9.0 %	5.8 %	7.3 %	7.1 %	7.9 %
Employees (full-time equivalent)	45,260	46,473	46,351	47,485	47,418
Research expenses (in millions of euros)	109.0	116.7	125.6	130.0	127.0
Operating expenses for environmental protection systems (in millions of euros) in Austria	194.0	212.0	213.0	218.0	222.0
Crude steel production (in millions of tons)	7.717	7.572	7.529	8.118	7.929
CO ₂ emissions per ton of crude steel (in tons)*	1.70	1.67	1.64	1.61	1.60

* Figures collected per calendar year

Shareholder structure

As of March 31, 2015



Largest individual shareholders

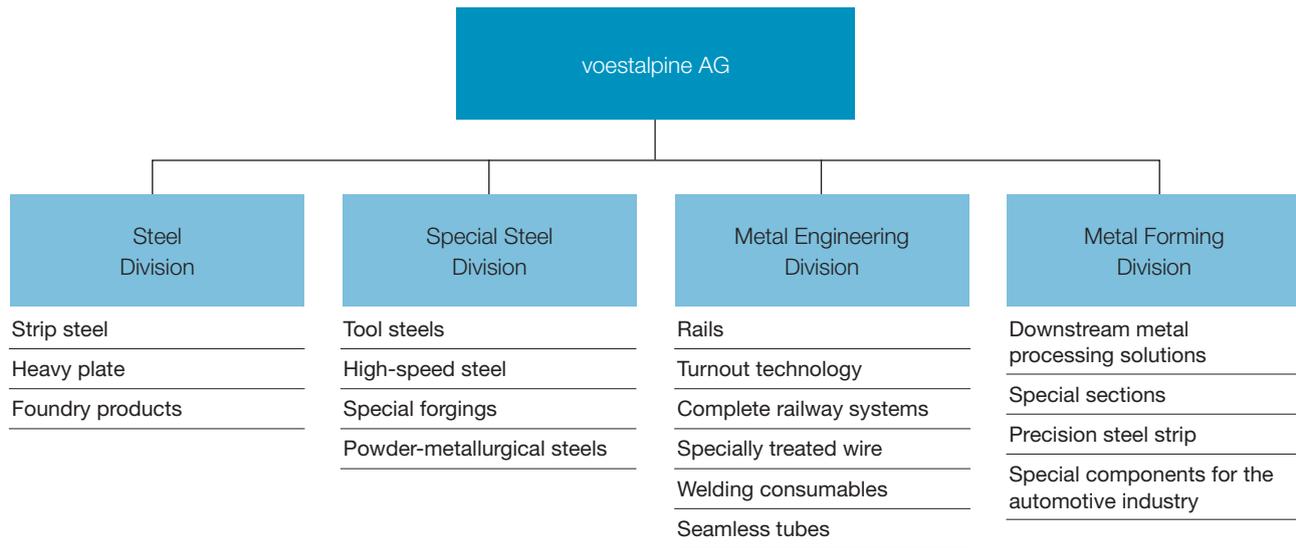
Raiffeisenlandesbank Oberösterreich Invest GmbH & Co OG	<15 %
voestalpine Mitarbeiterbeteiligung Privatstiftung	13.6 %
Oberbank AG	7.8 %
Norges Bank	<5 %

voestalpine AG – Structure

voestalpine is a group that operates worldwide; from the production of steel to the manufacturing of capital goods, it covers a wide range of the industrial value chain.

voestalpine produces and processes steel and manufactures steel parts and components for market segments that place extraordinarily high demands on the utilized materials. In addition to the automotive industry, these segments include the energy and aviation industries, as well as the European and U.S. space programs.

The strength of the voestalpine Group lies in the interconnection and collaboration of the Group companies, and the fact that the processing divisions have access to their own steel production that enables them to develop unique solutions. voestalpine views itself as the company of choice for solutions in high-tech steel and metallic high-performance materials.



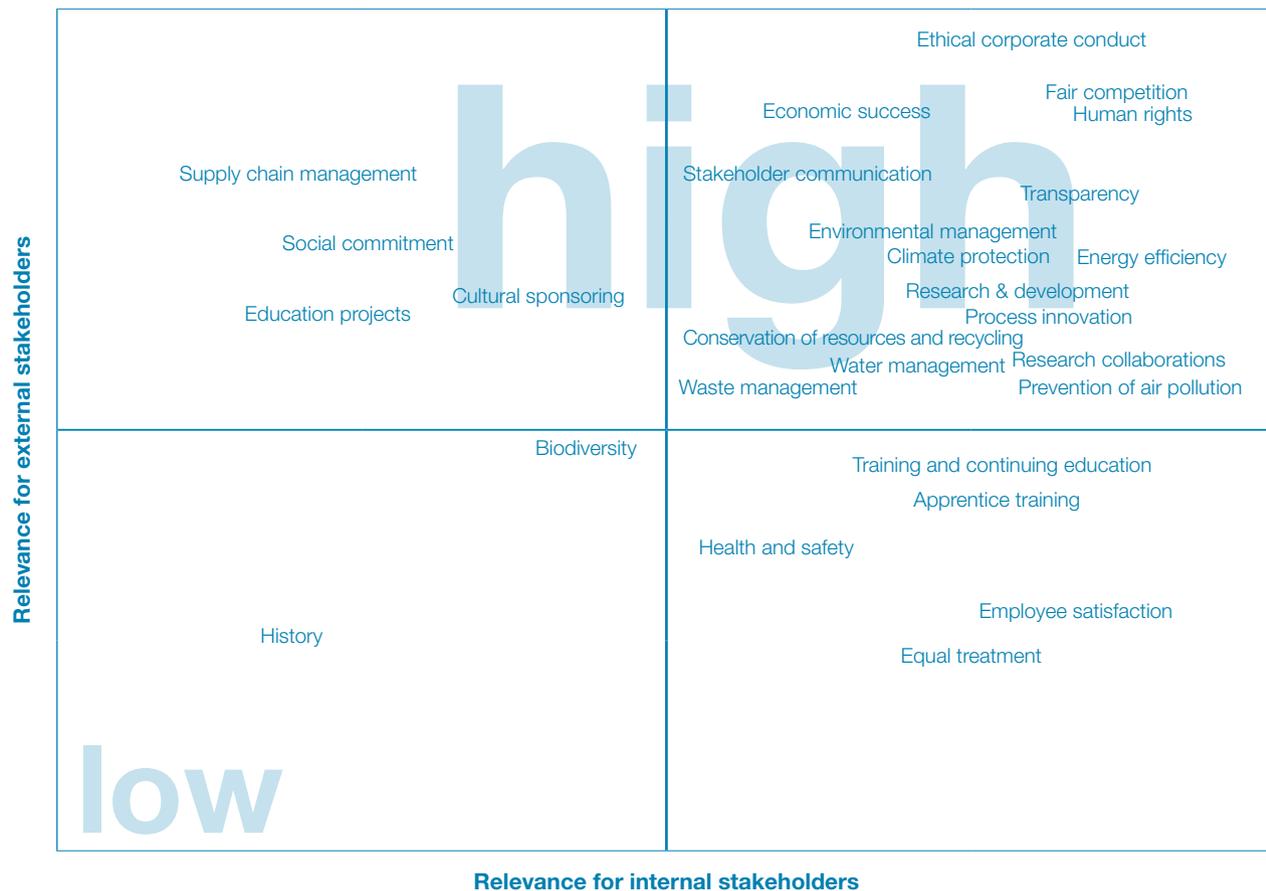
Communication with stakeholders and the materiality matrix

voestalpine is in regular contact with its stakeholders, those groups of persons who are impacted directly or indirectly by the company's activities and which, therefore, have a justified interest in these activities.

The most important stakeholders have been defined and are illustrated in the diagram.



A materiality matrix of the relevant CR topics has been drawn up from communication with the stakeholders:



Ethical corporate management

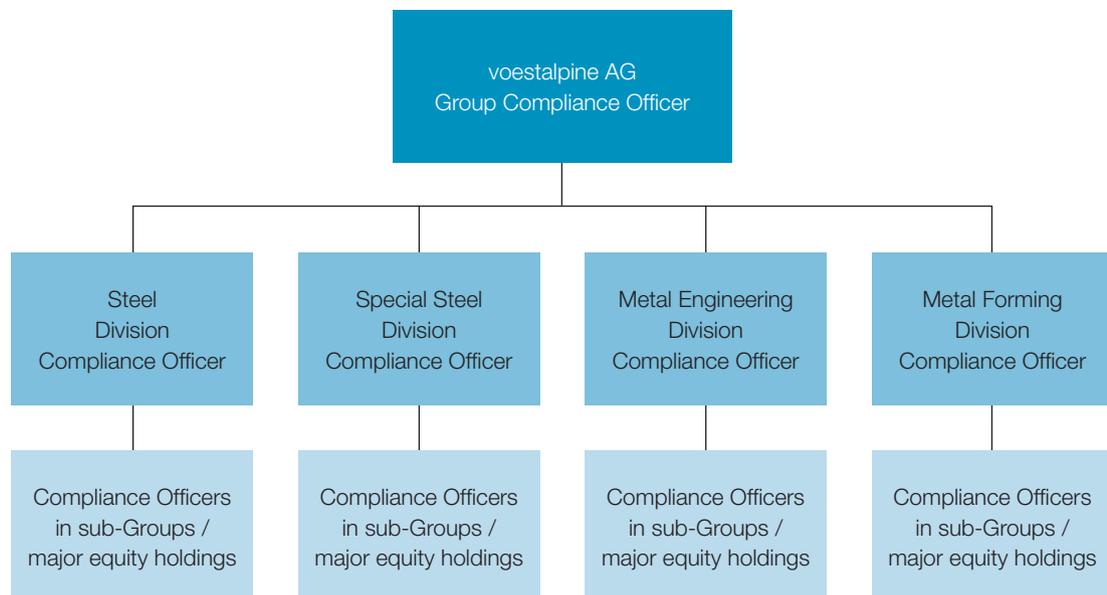
The main objective of ethical corporate management is corporate governance that is geared to creating sustainable, long-term value and to ensuring that the conduct of all Group employees complies with statutory provisions and internal guidelines as well as fundamental moral and ethical values.

voestalpine requires its employees to comply with all laws in all the countries in which it operates. This is explicitly stated in the voestalpine Code of Conduct. voestalpine has adopted Group guidelines to serve as a helpful tool to employees in applying the Code of Conduct: "Business Conduct" and "Dealings with Business Intermediaries/ Brokers and Consultants". voestalpine likewise requires that its suppliers fully comply with all applicable laws in their respective countries.

voestalpine is committed to respecting and upholding human rights throughout the Group, and suppliers and customers are also strongly requested to respect and uphold human rights.

The management of each respective Group company is responsible for adherence to the compliance regulations, and a compliance system has been set up within the voestalpine Group. Preventative measures include training and communication, and during the business year 2014/15 around 19,000 employees completed an online course covering the Code of Conduct.

Reporting of compliance violations can either be made directly and openly, or by filing anonymous reports via a web-based whistleblower hotline.



In 2003 the Management Board and the Supervisory Board of voestalpine AG recognized the Austrian Corporate Governance Code which provides Austrian stock corporations with a framework for the management and monitoring of their company. The January 2015 version of the Code is currently applicable.

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

Business transactions with associated companies or parties are reported on in the quarterly reports and in the Annual Report of voestalpine AG.

Research and development

Research and development (R&D) is a core element of voestalpine's sustainable business strategy. The Group's R&D activities focus on solutions in the areas of energy efficiency, mobility, cost reduction, and raw materials efficiency.

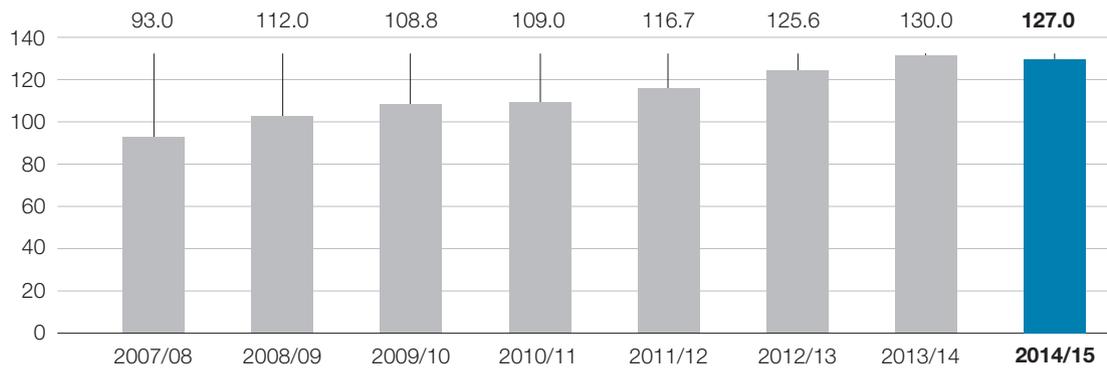
Innovations are necessary for a technology-driven company such as voestalpine, in order to develop new products and production processes that will enable it to differentiate itself from the competition and survive on the market long-term. Innovations ensure the survival of our company.

Research expenses in the voestalpine Group

Research expenditure has risen continuously in recent years, with the decline in BY 2014/15 being the consequence of company divestments. The large budget of EUR 141 million in BY 2015/16 reflects the standing of R&D within the Group.

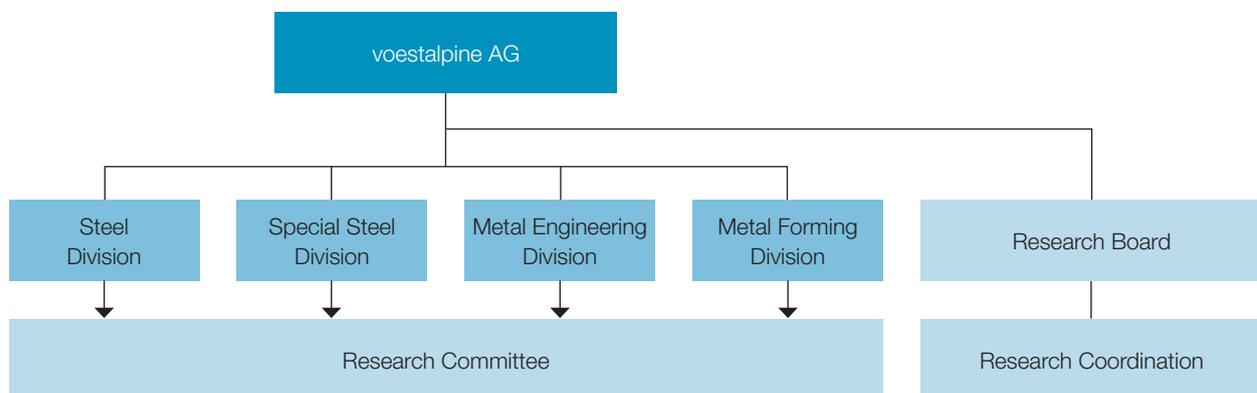
Gross R&D expenses (without R&D capital investments)

per business year, in millions of euros



Organization

voestalpine R&D activities are decentralized and located close to production sites.



Resource-conserving and environmentally-friendly processes and facilities

voestalpine has actively assumed its responsibility as a Group that operates worldwide, driving forward research for production processes that both conserve resources and are environmentally-friendly. The focus lies in energy and resource efficiency, reductions in CO₂ emissions, zero waste, and ongoing improvements in quality. All production processes are examined to identify the potential for recovering materials and energy.

- A new measuring system, currently the only one of its kind in the world, has been installed in a furnace in Linz. It allows the topography and temperature distribution of the surface of the charge to be displayed in realtime during the production process. This, in turn, enables the process to be optimized, generating savings in the use of reduction agents and CO₂ emissions.
- Inline steel strip quality controls undertaken directly on the line help optimize processes considerably, resulting in consistently high quality and less scrap.

Materials development and product innovations

The R&D departments of all divisions continue to advance the development of steel and its processing, creating components that guarantee durability, lightweight structure, a minimal use of materials, and greater safety.

Automotive applications

voestalpine has been engineering innovations in ultra-high-strength steel for years, particularly for lightweight automotive construction. The newly developed AHSS HD – Advanced High Strength Steels with High Ductility – have significantly improved forming properties. They are consequently much stronger in the cold-forming process, so that components can be lighter and simultaneously improve safety. These steels are used in all automotive body parts relevant to vehicle safety.

Rails and turnouts applications

voestalpine's development efforts in the rails and turnouts sectors aim at achieving top passenger comfort with the highest degree of railway safety. It starts with developing rail materials that advance wear resistance and fracture resistance. Other developments ensure shorter maintenance times, fewer malfunction-related shutdowns, and, as a result, greater availability and safety in rail transport.

Aviation applications

The aviation industry strives to reduce the fixed weight of aircrafts in order to lower fuel consumption and emissions. However, components such as engines, fuselages, and landing gear are all subject to intense pressures.

Therefore, voestalpine is developing selected materials based on titanium, high-alloyed steel, or nickel-based alloys in order to reduce the weight of components whilst simultaneously meeting stringent safety standards.

Energy production applications

In addition to its use in the field of renewable energies, steel is also being used to optimize conventional energy production processes. The industry is working toward increasing the efficiency of steam power stations, and the materials they require must be able to withstand extremely high temperatures. The high-temperature chrome steel CB2 together with welding process qualification have now been successfully launched onto the market.

Ecology

Active environmental protection and conservation of finite resources are core elements of voestalpine corporate philosophy. Within the organization, voestalpine endeavors to create the necessary prerequisites for continuous improvements in the area of environmental protection, and has defined the following principles in this regard:

- Comprehensive responsibility for all products
- Optimization of production processes
- Implementation of environmental management systems
- Employee involvement
- Open and objective dialogue

Environmental management and Group-wide knowledge transfer

Individual environmental policies based on Group-wide voestalpine environmental principles are the foundation for the existing environmental management systems of the voestalpine companies. Setting concrete targets, establishing packages of measures, and regular progress monitoring are part of the management responsibilities of each Group company.

Environmental standards

Standardized environmental management systems, such as ISO 14001 or EMAS, ensure improvement and standardization of a company's environmental

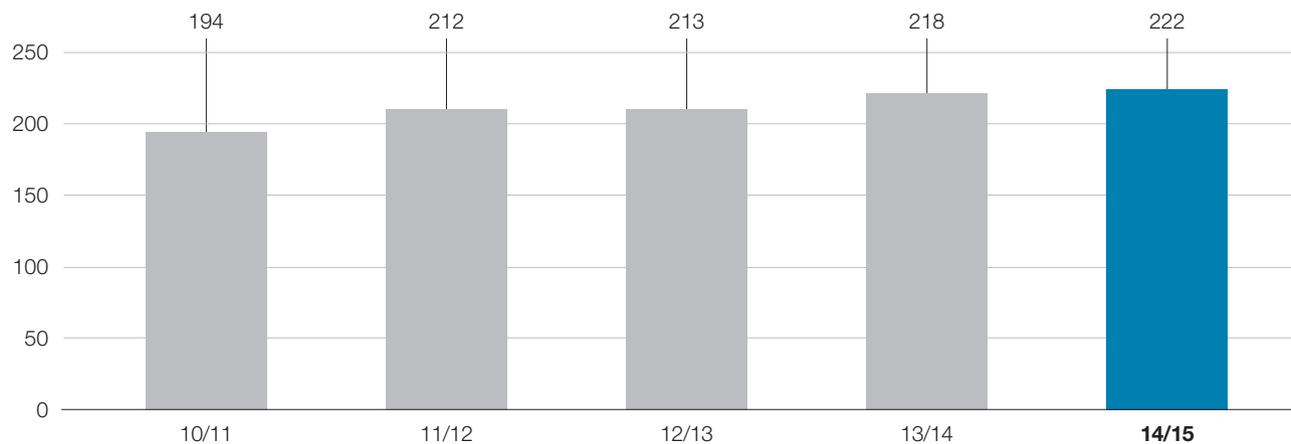
performance. The certified companies undergo a comprehensive environmental assessment within the scope of an annual audit by independent, external environmental experts.

Compliance with environmental standards

Environmental expenditures include all costs incurred through implementing measures to keep the environment clean, by avoiding, removing, preventing, or reducing emissions, pollution, and noise, such as internal recycling, removal of waste, emissions testing, depreciation, personnel costs, recycling of materials, and the costs incurred by switching to more environmentally-friendly production processes.

Operating expenses for environmental protection systems

in millions of EUR



This is based on the Austrian production sites.

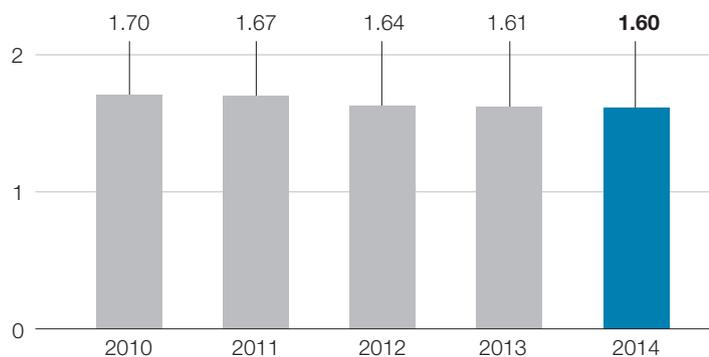
Specific CO₂ emissions caused by voestalpine

Steel production in general depends on the use of carbon as a reducing agent; the resulting CO₂ emissions are technically unavoidable.

By using the best available technologies for producing crude steel using the blast furnace route, and paired with our optimization measures, the current level of CO₂ emissions for 2014 amounted to around 1.60 t/t of crude steel.

Specific CO₂ emissions caused by voestalpine reported in accordance with the Austrian Emissions Allowances Act (EZG)

in tons/ton of crude steel



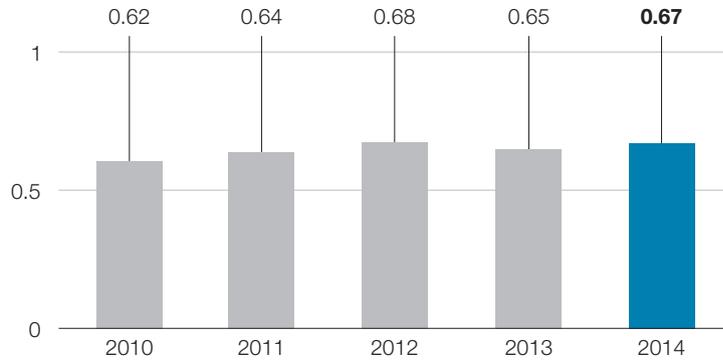
Values for CO₂ emissions as stipulated in the Austrian Act on Emissions Allowance Trading (Emissionszertifikatengesetz – EZG) at the Linz and Donawitz sites

Clean air management

voestalpine is striving to prevent and/or reduce air pollutants created during the production process in order to keep the impact on humans, animals, and the environment as minimal as possible.

Specific sulfur dioxide SO₂ emissions

In kg/ton of crude steel

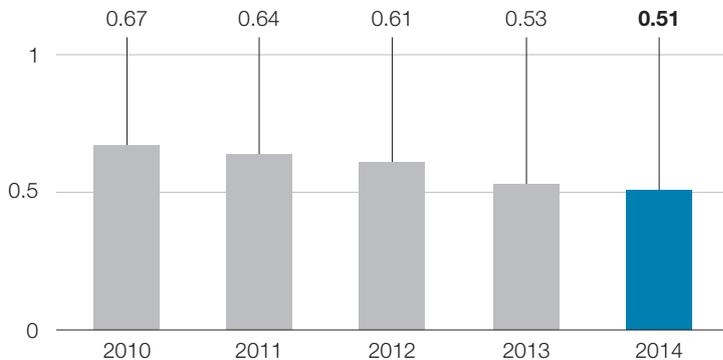


Specific sulfur dioxide SO₂ emissions

During certain processing steps and when utilizing by-products (coke oven gas and blast furnace gas) for energy generation, the sulfur that is introduced into the production process through the raw materials is released as sulfur dioxide (SO₂).

Specific nitrous oxide (NO_x) emissions

In kg/ton of crude steel



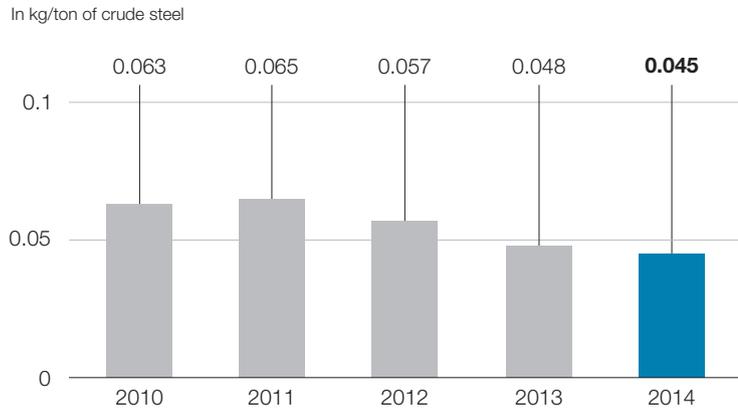
Specific nitrous oxide (NO_x) emissions

At voestalpine, nitrous oxides are created during the production process in various industrial facilities. During the reporting period, voestalpine has succeeded in reducing emissions of NO_x per ton of crude steel by implementing measures including commissioning of the facility for denitrifying sinter exhaust gases at the site in Linz, as well as individual steps to reduce NO_x emissions in the individual companies.

Specific captured dust emissions

By taking state-of-the-art precautions, voestalpine ensures that dust-laden exhaust gases and emissions that occur during production are captured and routed to a dedusting system.

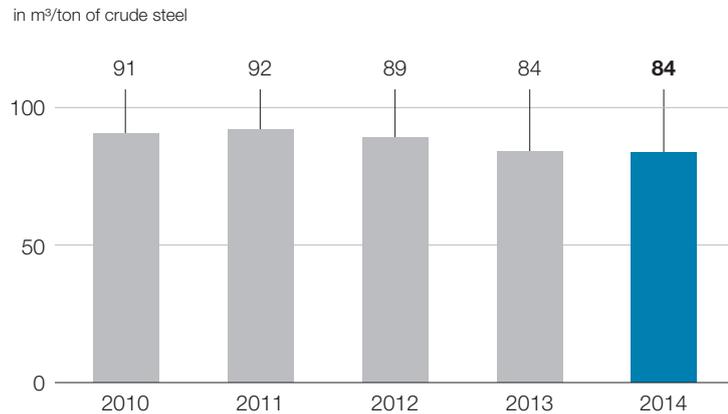
Specific captured dust emissions



Water management

Water is one of the most important consumables and auxiliary materials in the production of pig iron and steel, as it is needed for cooling and for the generation of steam. Conservation of water resources, which takes local circumstances into particular consideration, is a core principle for voestalpine.

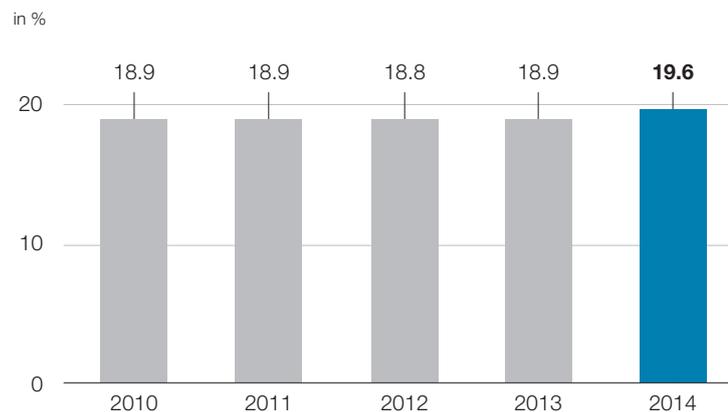
Specific total volume of water consumed



Conservation of resources and reusability/recyclability

voestalpine places great importance on the conservation of resources, both during the production process and within the scope of development of new products and solutions with a long useful life and a high degree of reusability/recyclability/recoverability.

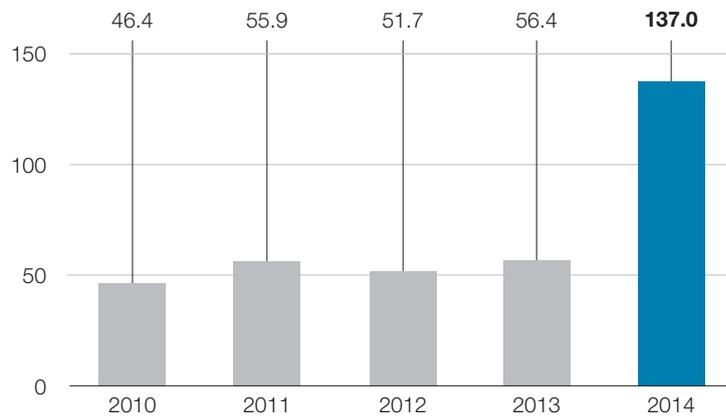
Percentage of recycled materials of total materials used



Values for steel production sites in Austria, Germany, Sweden, and Brazil.

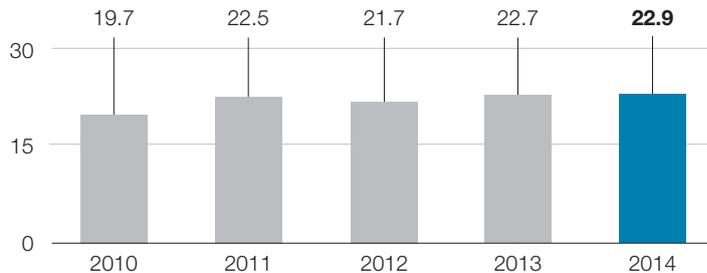
Specific volume of non-hazardous waste

in kg/ton of crude steel



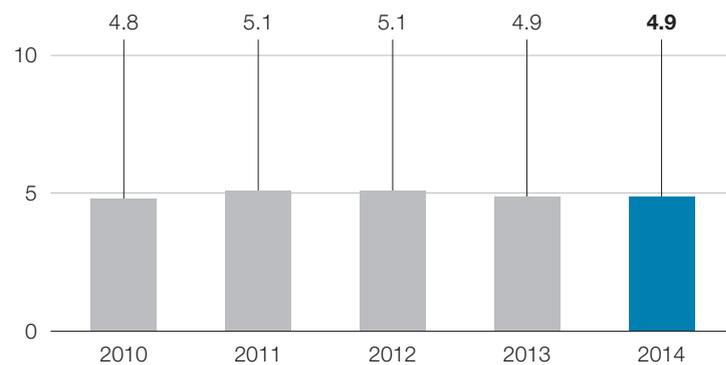
Specific volume of hazardous waste

in kg/ton of crude steel



Specific total energy consumption

in MWh/ton of crude steel



Waste management

voestalpine makes every effort to constantly improve material efficiency, as well as to drive forward developments and implement new recovery methods and technologies.

The diagrams show the waste that accrues during the production process, categorized as hazardous and non-hazardous waste. Hazardous waste requires special handling, recovery, and disposal, in order to comply with waste management regulations.

During 2014, the quantity of non-hazardous waste accrued amounted to 137.0 kg/t of crude steel; this figure reflects the change in legal regulations for handling the LD slag generated by crude steel production in the converter steel plant which is now defined as "non-hazardous waste".

Energy

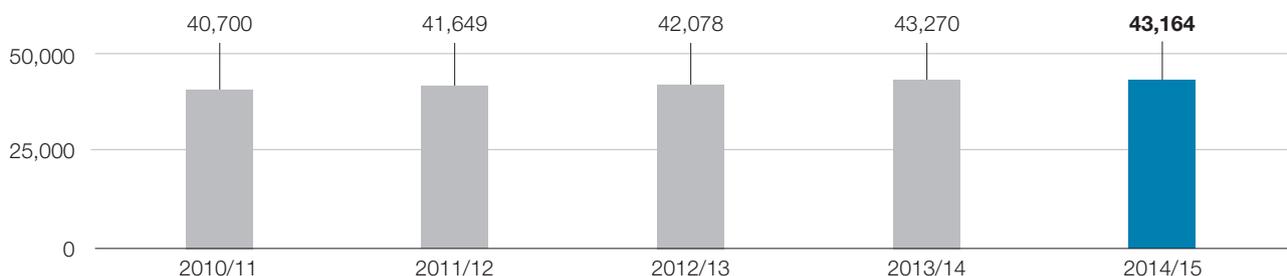
Energy efficiency in the steel industry is a constant challenge that voestalpine confronts with complex programs and new technologies for efficient energy management, as well as process innovations.

Employees

As of the reporting date of March 31, 2015, the voestalpine Group had 43,164 employees (excluding apprentices and temporary employees). Including the 1,407 apprentices and 3,879 temporary employees, this number rises to 47,418 FTEs (full time equivalents).

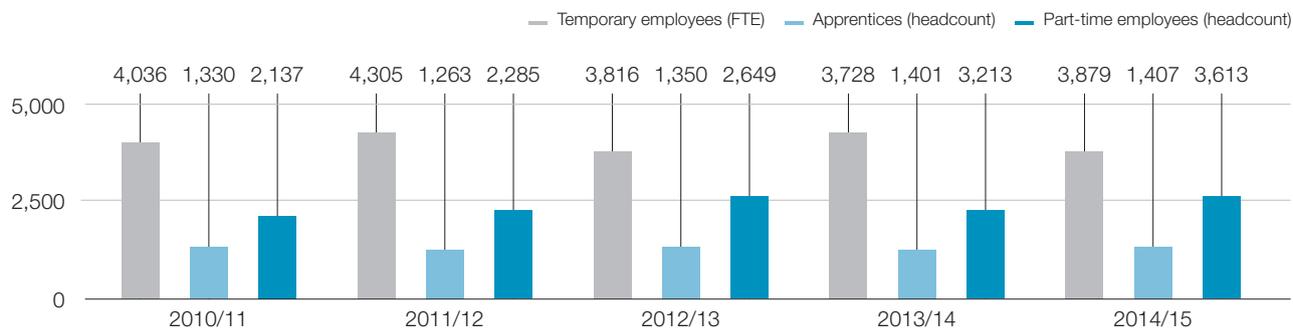
Development of employee numbers

Personnel headcount (excl. apprentices) per business year



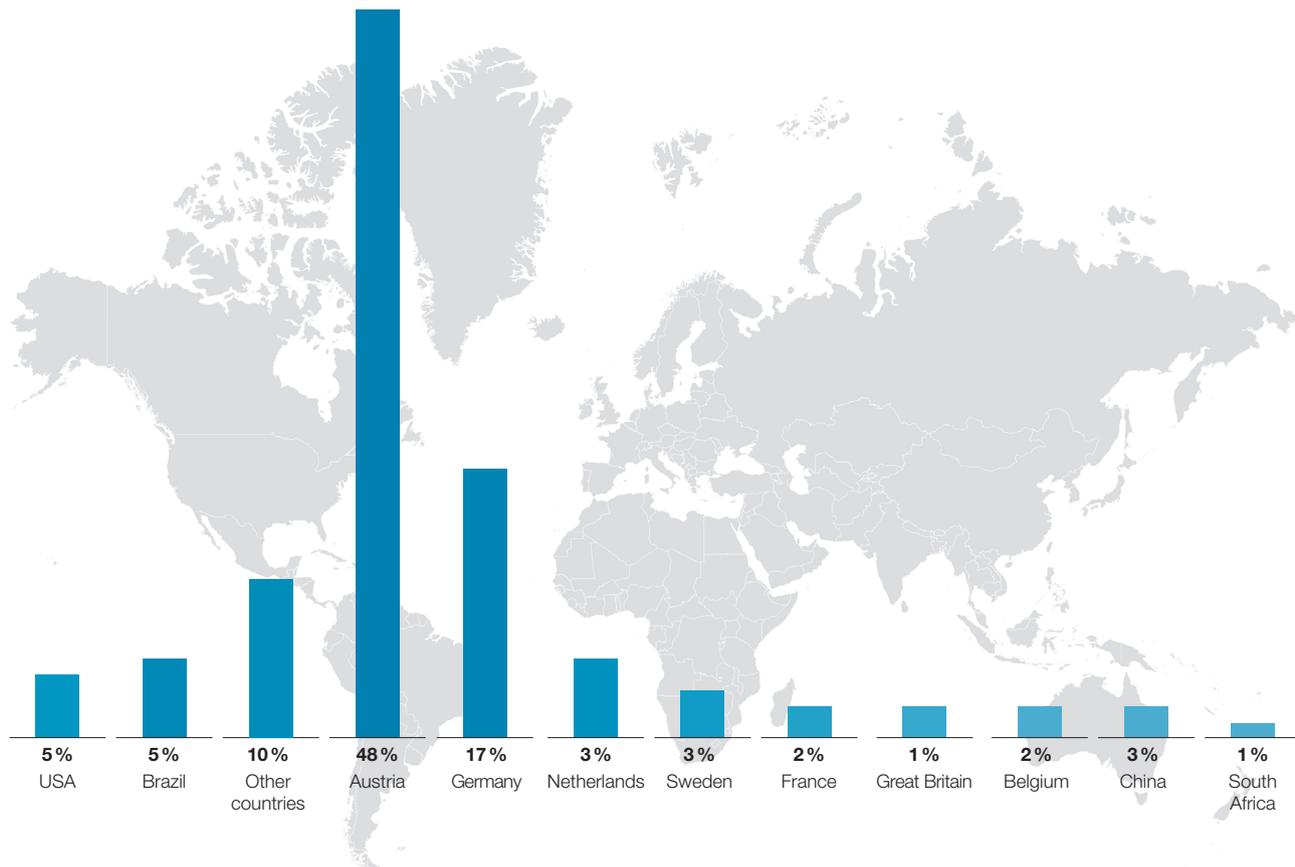
voestalpine employees according to employment relationship

per business year



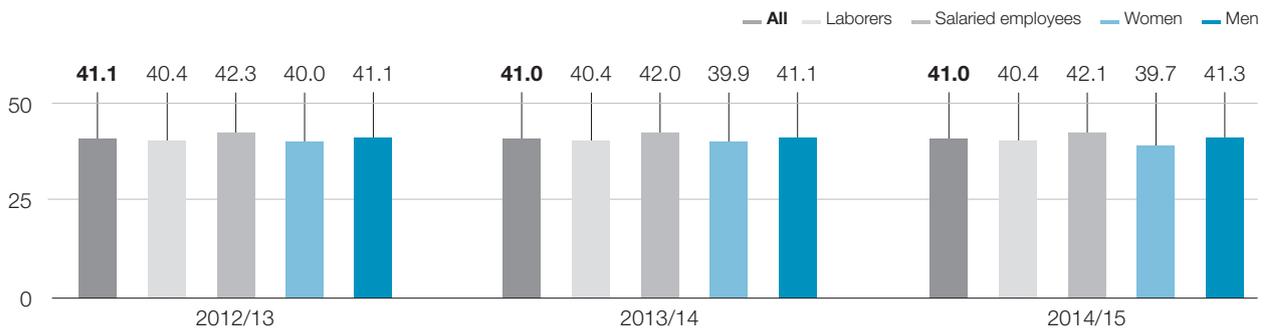
Employment by countries

voestalpine is a Group that operates internationally and has around 500 Group companies and locations on five continents. As the largest production sites are in Austria, the majority of the employees – more than 20,000 or 48% – also work in Austria.



Age structure of the employees

As of March 31, 2015



Equal treatment

More than 47,000 employees from over 50 countries work for voestalpine. voestalpine's corporate culture recognizes that each person is unique, valuable, and must be respected for his/her individual capabilities.

Therefore, the voestalpine Group does not tolerate any form of discrimination whatsoever. At voestalpine, all employees are treated equally regardless of their gender, age, ethnic origin, religion, sexual orientation, or any disabilities. The chapter titled "Respect and Integrity" of the voestalpine Code of Conduct defines human rights

as fundamental values, based on the principles of the UN Charter and the European Convention on Human Rights, that are to be complied with by all employees.

Women at voestalpine

The percentage of women in the voestalpine Group overall in the business year 2014/15 was 13.3%. The percentage of female executives, i.e., salaried employees who hold positions with staff responsibility, including forepersons but excluding members of the Management Board, was 11.0% in the business year 2014/15.

Women working at voestalpine

	2010/11	2011/12	2012/13	2013/14	2014/15
Women total	5,093	5,183	5,285	5,801	5,724
Salaried employees	4,201	4,294	4,366	4,646	4,618
Laborers	892	889	919	1,155	1,106
Female apprentices	186	185	210	205	260

Training and continuing education

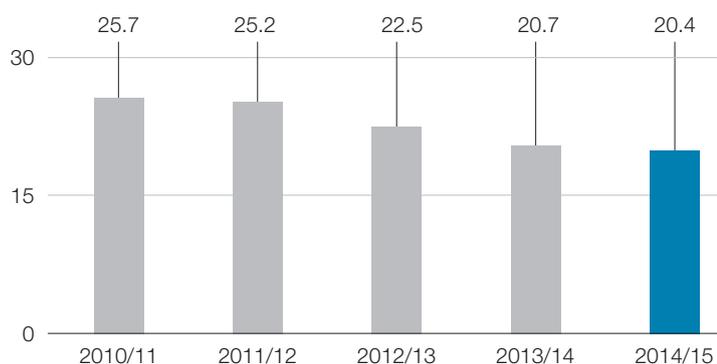
Ongoing training and continuing employee education is an important instrument at voestalpine to keep the qualifications of the staff at the top level. The total cost for personnel development in the business year 2014/15 was EUR 50.7 million, with more than half of employees taking part in training and continuing education measures. Group-wide, employees participated in a total of 698,917 hours of training; an average of 30.5 hours per trained employee.

Occupational safety

Occupational safety is a core issue for voestalpine, with the prevention of work-related accidents taking top priority. The majority of voestalpine companies have certified occupational safety and health management systems.

Work-related accidents per million work hours

in the respective business year



Society

voestalpine supports social, cultural, and educational activities in a variety of ways. When supporting projects, it is a particular priority for voestalpine that they are in line with corporate values and generate a sustainable benefit for local communities.

Culture

Since 2014 and in cooperation with the OÖ Kulturquartier, voestalpine has been a patron of the "Höhenrausch", an event and exhibition platform which hosts a regularly changing program of activities, held in the voestalpine open space high above the rooftops of Linz's old city. The voestalpine open space is a modern high bay warehouse, erected by voestalpine Krems as a stage for art installations and an arena for a summer cinema. The voestalpine open space attracts 100,000 visitors every year. Thanks to its extraordinary structure, the building itself is a work of art and demonstrates the outstanding versatility of steel as a material.

Sport

To mark the return of the Austrian Grand Prix to the Formula 1 calendar, voestalpine AG and the Projekt Spielberg are cooperating on the new Welcome Center at the race track, the voestalpine wing. Historically based in Styria, voestalpine employs around 8,000 staff at eight sites in the province and is an important contributor to the regional economy.

Education and science

In the sectors of education and science, voestalpine supports a broad range of projects. voestalpine is involved in research partnerships with around 80 universities and research institutions worldwide.

Historical exhibit 1938–1945

voestalpine is the first Austrian company to establish a permanent exhibition examining the subject of forced labor during the NS regime, and to open this exhibition to the public. With its "Historical Exhibit 1938–1945", voestalpine wishes to highlight the plight of the forced laborers at the Reichswerke Hermann Göring in Linz under the NS regime.

An iron and steel mill was established here in 1938. A key component in the National Socialist arms industry since 1939, the year that marked the beginning of the war, it successively went into operation from 1941. Countless thousands

of forced laborers (including men and women, youths, and children), prisoners of war, and concentration camp prisoners from more than 30 countries built and operated the Reichswerke Hermann Göring AG Berlin in Linz.

The exhibition is designed as a permanent installation at voestalpine Group headquarters in Linz. Four separate areas reveal the inhuman system of NS forced labor at Linz.

The former visitor center on the groundfloor of the headquarters was adapted to house the exhibition and a separate entrance installed.

Further information:

<http://www.voestalpine.com/zeitgeschichte/en>

Report parameters and reporting period

This is the updated version of the summary of the voestalpine Corporate Responsibility Report 2013. The report has been drawn up in line with GRI G3 guidelines. This factsheet includes the key figures and facts.

All the information provided refers to the entire Group. When compiling the environmental performance indicators, all voestalpine Group production companies in which voestalpine has a stake greater than 50%, i.e., companies that

process, convert, or treat a product, were included. This simplification enables a Group-wide presentation without compromising data quality. Sustainability impacts along the value chain that occur outside of voestalpine's premises, and beyond the direct sphere of influence, are only partially addressed in this report. The voestalpine business year runs from April 1 to March 31; the reporting period records the economic key figures and employee data for the the last five business years. Environmental data must be reported to public agencies for the calendar year, and are quoted as such in this report.

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Design and implementation:
7 PUNKT COMMUNICATION GROUP GmbH, www.7punkt.at

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

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