

# Compliance

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Since its IPO in 1995, the voestalpine Group has continued to expand its compliance activities in order to protect the Company against financial damages and prevent damage to its reputation. Initially, within the scope of the IPO, the focus was on capital market compliance, with additional compliance issues being added subsequently.

In the business year 2011/12, a new, comprehensive compliance management system was established, and compliance efforts were undertaken on a very broad Group-wide basis. In addition to a Group compliance officer, a compliance officer was appointed for each division and for some business units of the Group. The Group compliance officer reports directly to the Chairman of the Management Board and is independent and not bound by directives.

## Code of Conduct of voestalpine AG

The Code of Conduct of voestalpine AG provides the basis for morally, ethically, and legally sound conduct by the management and by all employees of the Group. The Code of Conduct is directed not only to the management and the employees, but also to customers, suppliers, and other business partners.

In the event of a violation of statutory provisions, internal guidelines, or provisions of the voestalpine Code of Conduct, employees will be subject to disciplinary measures. Furthermore, violations can have consequences under criminal and/or civil law, e.g., recourse claims and claims for compensatory damages.

## Compliance guidelines

Additions to the provisions of the Code of Conduct were made in Group guidelines where they were defined more closely:

### ■ Antitrust law

This guideline describes the prohibition of agreements restricting competition, provides rules for dealings and interaction with and in associations, professional associations, or other industry organizations, and defines concrete rules of conduct for employees of the voestalpine Group.

### ■ Business conduct

This guideline regulates, for example, conduct relative to gifts, invitations, and other benefits, donations, sponsoring, ancillary activities, and the private purchase of goods and services by employees of customers and suppliers.

### ■ Guideline regarding dealings with business intermediaries/brokers and consultants

This guideline defines the procedure to be complied with prior to contracting or engaging sales representatives, other sales consultants, consultants, or lobbyists. An objective analysis of the prospective business partner's business environment and scope of activities prior to establishing business relations is required, in order to ensure that the business partner can comply with all applicable laws and the voestalpine Code of Conduct.

The Code of Conduct and the compliance guidelines apply across the entire Group and are available in 15 languages.

## Whistleblowing system

In January 2012, a web-based whistleblower system was launched. Reports of compliance violations should primarily be made openly, that is, providing the whistleblower's name. This web-based system, however, provides the additional possibility of reporting misconduct anonymously and communicating with whistleblowers while enabling them to maintain their absolute anonymity. This system will enable systematic use of internal information to effectively uncover compliance risks within the company early on.

voestalpine employees on a regular basis by way of regular communications, particularly through employee magazines, poster campaigns, or at Group and divisional events.

- Information about the subject of compliance in the voestalpine Group is also available on the voestalpine AG website, and employees also have access to information on the Group intranet.

## Prevention

Preventive measures are the first line of defense of a compliance management system. In this context, comprehensive training programs were carried out in recent years in all of the Group's divisions. In order to achieve a training effect that is as broad-based as possible, e-learning systems are being increasingly used in addition to face-to-face training. For example, within the scope of a single web-based e-learning course, more than 7,500 of the Group's employees received training on antitrust law and about 20,000 employees received training on the Code of Conduct; both courses included a final test. Face-to-face training is target-group oriented and is generally carried out during executive training programs and specific training programs for employees in sales and procurement. Additionally, compliance issues are brought to the attention of