

REPORT OF THE SUPERVISORY BOARD ON THE BUSINESS YEAR 2019/20

The Supervisory Board's shareholder representatives were newly elected at the Annual General Meeting of voestalpine AG on July 3, 2019, and the Supervisory Board thus was established anew.

Supervisory Board until 07/03/2019	Supervisory Board since 07/03/2019
Shareholder Representatives	
» Dr. Joachim Lemppenau (Chairman)	» Dr. Joachim Lemppenau (Chairman)
» Dr. Heinrich Schaller (Deputy Chairman)	» Dr. Heinrich Schaller (Deputy Chairman)
» KR Dr. Franz Gasselsberger, MBA	» KR Dr. Franz Gasselsberger, MBA (Chairman of the Audit Committee)
» Dr. Hans-Peter Hagen	» Dr. Wolfgang Eder
» Dr. Michael Kutschera, MCJ (NYU)	» Mag. Ingrid Jörg
» Prof. (emer) Dr. Helga Nowotny, Ph.D.	» Dr. Florian Khol
» Mag. Dr. Josef Peischer	» Mag. Maria Kubitschek
	» Prof. Elisabeth Stadler
Employee Representatives	
» Josef Gritz	» Josef Gritz
» Friedrich Hofstätter (until 06/15/2019)	» Sandra Fritz (from 06/15/2019)
» Hans-Karl Schaller	» Hans-Karl Schaller
» Gerhard Scheidreiter	» Gerhard Scheidreiter

During the business year 2019/20, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Incorporation, holding six plenary sessions, three meetings of the Audit Committee, and five meetings of the General Committee. In both the General Committee and the Audit Committee meetings, the Management Board provided comprehensive oral and written information regarding the development of the company's business as well as its financial management and position. At its final meeting for the reporting period on March 19, 2020, the Supervisory Board dealt intensively with the economic distortions arising from the

COVID-19 pandemic, its potential ramifications for voestalpine, and the measures the Management Board has planned.

In addition to discussions of regular reports on the Group's current business and financial position, at its meetings the Supervisory Board dealt particularly with scenarios regarding CO₂-reduced steelmaking, voestalpine's digitalization strategy, issues related to innovation and information technology as well as the revision of the rules of procedure for the Management Board. Both the General Committee and the Supervisory Board discussed the proposal regarding the candidates for the elections to

the Supervisory Board at the Annual General Meeting on July 3, 2019, as well as the 2019 Austrian Corporate Law Amending Act (*Aktienrechts-Änderungsgesetz*), especially the new rules and regulations thereunder regarding both the compensation policy and the Compensation Report (“say on pay”). Moreover, the General Committee dealt with the revision of the rules of procedure for the Supervisory Board and the lawsuit that a shareholder filed against the election of Dr. Wolfgang Eder to the Supervisory Board of voestalpine AG after the Annual General Meeting 2019. This court case was suspended in perpetuity in the first quarter of calendar year 2020 and thus has ended.

The Audit Committee dealt, in particular, with the implementation of a procedure for selecting a new auditor at the Annual General Meeting 2019; the preparation and audit of the company’s Consolidated Financial Statements and Annual Financial Statements 2019/20; the auditor’s independence; as well as issues related to the internal control system (ICS), the risk management system, and Internal Audit.

For details regarding the composition and procedures of the Supervisory Board and its committees, see the Consolidated Corporate Governance Report 2019/20.

Both the Annual Financial Statements and the Consolidated Financial Statements as of March 31, 2020, were audited by the auditor elected at the Annual General Meeting on July 3, 2019, specifically, Deloitte Audit Wirtschaftsprüfungs-GmbH, Vienna, Austria. The auditor attended two meetings of the Audit Committee that were held after the election on July 3, 2019, and was available for questions and discussions.

The audit did not give rise to any objections, and it showed that the Annual Financial Statements as well as the Consolidated Financial Statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as mandated by Section 245a Austrian Commercial Code (*Unternehmensgesetzbuch – UGB*), conform to statutory requirements. The auditor issued an unqualified audit opinion both for the Annual Financial Statements and the Consolidated Financial Statements; they confirmed as well that the Management Report is consistent with the Annual Financial Statements and that the Consolidated Management Report is consistent with the Consolidated Financial Statements.

Following the Audit Committee’s prior review of the financials, on June 2, 2020, the Supervisory Board reviewed and approved the Annual Financial Statements as of March 31, 2020. The Annual Financial Statements are herewith deemed adopted pursuant to Section 96 (4) Austrian Stock Corporation Act (*Aktiengesetz – AktG*). Furthermore, following the Audit Committee’s prior review, the Supervisory Board reviewed and approved the Management Report as well as the Consolidated Financial Statements including the Consolidated Management Report and the Consolidated Corporate Governance Report for the business year 2019/20. At its meeting on September 25, 2019, the Supervisory Board reviewed and approved the consolidated non-financial report—i.e., the Corporate Responsibility Report—for the business year 2018/19.

The Consolidated Corporate Governance Report was audited by Deloitte Audit Wirtschaftsprüfungs-GmbH as part of the annual external review of voestalpine AG’s compliance with the Corporate Governance Code; it was determined that the Report is consistent with the facts on the ground and that the rules are being complied with. Compliance with the C rules of the Code pertaining to the auditor (Rules 77 to 83) was reviewed by the law firm, WOLF THEISS Rechtsanwälte GmbH & Co KG, Vienna. This review, too, confirmed compliance with the rules. The Corporate Responsibility Report 2018/19 was audited by Grant Thornton Unitreu GmbH Wirtschaftsprüfungs und Steuerberatungsgesellschaft, Vienna. The audit procedures did not bring to light any facts and circumstances that would cause us to assume that this Report of voestalpine AG does not comply with material aspects of the legal requirements and the Global Reporting Initiative (GRI) standards.

It is established hereby that the company closed the business year 2019/20 with a net profit of EUR 100.00 million. We propose paying a dividend of EUR 0.20 per share entitled to a dividend to the shareholders and to carry forward the remaining amount.

The Supervisory Board

Dr. Joachim Lemppenau
(Chairman)

Linz, June 2, 2020