

Excerpt from Internal Rules of Procedure for the Supervisory Board of voestalpine AG (version valid as at March 30, 2006) – Publication in accordance with Rule 34 of the Austrian Code of Corporate Governance

§ 10

Committees, General

- (1) The Supervisory Board is authorized to form committees of its members and to determine their duties and rights; authorities of the Supervisory Board to make decisions may be assigned to them.
- (2) The Chairman of the Supervisory Board or his/a deputy shall chair the committee meetings.
- (3) The employee representatives on the Supervisory Board shall have the right to nominate members to committees of the Supervisory Board pursuant to the ratio prescribed by § 110 (1) Works Constitution Act; the foregoing shall not apply with respect to meetings and votes that pertain to the relations between the Company and the members of the Management Board, except for resolutions on the appointment or the revocation of appointment of a Management Board member as well as resolutions granting options as to shares of the Company.
- (4) Other members of the Supervisory Board may take part and vote in meetings of the committees in place of members of the committee who are unable to attend, if the members prevented from attending have granted such other members written authorization to do so; committee members so represented shall not be counted when determining whether a meeting has a quorum.

The right to chair the meeting may not be delegated.

- (5) Members of the Supervisory Board who are not members of the committees may, upon invitation of the chairman of the committee, participate in committee meetings.
- (6) The committees shall have a quorum if all of the members were properly invited and the chairman or his/a deputy and at least two further members of the committee are present.

In matters pertaining to relations between the Company and the members of the Management Board, the General Committee (§ 11) shall have a quorum if the Chairman of the Supervisory Board and his/a deputy are present.

- (7) The Internal Rules of Procedure for the Supervisory Board shall apply *mutatis mutandis* to acts of the committees, to the extent nothing is provided otherwise in a separate set of Internal Rules of Procedure resolved by the Supervisory Board.

The General Committee (§ 11) does not have its own Internal Rules of Procedure; a record shall be made of its meetings and resolutions.

- (8) Each committee chairman shall report regularly to the Supervisory Board on the work of the committee.

§ 11

General Committee / Nominating Committee / Compensation Committee

- (1) The Supervisory Board shall appoint a General Committee, to which the Chairman of the Supervisory Board and his/a deputy shall belong. The General Committee shall simultaneously constitute the Nominating and the Compensation Committee within the meaning of the Austrian Corporate Governance Code. In addition, one to two members to be appointed by the Works Council shall belong to the committee, except as to the matters set forth in subs. (3) and (6) hereof.
- (2) The General Committee shall submit proposals to the Supervisory Board for filling expiring directorship positions and shall address issues of succession planning.
- (3) The Supervisory Board delegate to the General Committee the right to conclude, amend and dissolve service contracts with the members of the Management Board and to grant remuneration to them, as well as rights with respect to all matters in connection with handling share option plans for members of the Management Board.
- (4) The Supervisory Board may also delegate other tasks – including decisional authority – to the General Committee as the case arises.
- (5) The Supervisory Board delegates to the General Committee the right to make decisions in urgent cases. The question of whether a case is an urgent case is decided by the Chairman of the Supervisory Board.

- (6) In addition, the General Committee shall decide on whether members of the Management Board may take up secondary employment, in particular where such involves the assumption of an executive role by the member of the Management Board as a member of the Supervisory Board or Management Board or as Executive Manager of companies outside the corporate group. Secondary employment shall only encompass such employment that corresponds as to its type and scope to the executive roles mentioned in the above example, such as member of Supervisory Board, Management Board or Executive Director. Honorary roles in the private sphere (sports associations, charitable organizations, etc.) are not, under any circumstances, covered by this definition of secondary employment.

§ 12

Audit Committee

- (1) The Audit Committee is responsible for the review and preparation of the approval of the annual financial statements, the proposal for distribution of profits and of the management report. The Audit Committee shall also examine the Group Financial Statements and make a proposal for the selection of the external auditors and shall report to the Supervisory Board thereon. The Audit Committee must include one person with special expertise and practical experience in financial and accounting matters and in financial reporting (finance expert).
- (2) At least once per year, a report on the audit plan and the main findings of the audit shall be made to the Audit Committee.
- (3) Prior to the submission of a proposal for the election of the external auditor, the external auditor shall confirm, in writing, his authority to audit a stock corporation and the non-existence of grounds of disqualification, and shall submit a listing, by category of services rendered, of his total income derived from the Company during the previous financial year, and shall report on his inclusion in a statutory quality control system and shall disclose all circumstances that could give rise to a concern of bias on his part. The Supervisory Board shall only propose external auditors for election who hold a current certification pursuant to the statutory quality assurance system (for the transitional period pursuant to the Quality Assurance Act: Certification under a voluntary quality assurance system).