

NON-FINANCIAL REPORT

Commitment of the Management Board

Our strategic positioning as a provider of complex interconnect solutions is associated with a high level of social, ecological and economic responsibility. In line with this responsibility, we strive not only for sustainable economic success and expanding our innovative capability at AT&S, but also for strong, long-term relationships with our customers, employees and suppliers as well as the creation of shareholder value.

With this report, we aim to disclose our non-financial performance and the effects of our business activities on society and the environment for all our stakeholders in a transparent and comprehensible manner. The content of the report and its focus areas are derived from effective sustainability management in which sustainability is strategically anchored in the company vision and mission. The results of a materiality analysis, which involves all relevant stakeholder groups and takes into account business relevance, and the consideration of potential risks represent important cornerstones. We use the results of our stakeholder survey directly to review or adapt our sustainability strategy.

We as the AT&S Group are committed to high standards in matters of ethics, working conditions, the environment, health and occupational safety in accordance with the Responsible Business Alliance (RBA) and the Responsible Minerals Initiative (RMI), the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Moreover, we cooperate closely with the Federation of Austrian Industries, the Association for the Electrical and Electronics Industries as well as the Federal Economic Chamber and are a member of respACT. As an international technology leader, we aim to contribute to achieving the Sustainable Development Goals adopted by the United Nations. We are convinced that considering the requirements of all our stakeholders is the key to conducting business successfully on a sustained basis.

Our company values – open-mindedness, commitment, responsibility – are in accordance with our commitment to sustainable governance and serve to guide our conduct in everyday business and in the implementation of our vision.

This non-financial report for the Group as a whole and Austria Technologie und Systemtechnik AG (in the following referred to as “parent company”) meets the reporting obligation in accordance with the Sustainability and Diversity Improvement Act (Section 243b, Section 267a and Section 243c of the Austrian Commercial Code, UGB) and was prepared based on the standards of the Global Reporting Initiative (GRI), “Core” option.

Sustainability management

BUSINESS MODEL

AT&S is the European market leader with revenue of € 1,028 million and one of the globally leading manufacturers of printed circuit boards. With our strategic positioning as a provider of interconnect solutions, we have recently added IC substrates, mSAP and embedding to our technology portfolio. AT&S industrialises leading-edge technologies in the core segments “Mobile Devices & Substrates” and “Automotive, Industrial, Medical” and operates production sites in Austria (Leoben, Fehring), India (Nanjangud), China (Shanghai, Chongqing) and South Korea (Ansan). In the financial year 2018/19 AT&S employed an average of 9,811 people (in full time equivalents, FTE). This represents a slight year-on-year decline by -1.7%. For details on the company and its economic development please refer to the Group Management Report, sections “Market and industry environment” and “Economic report”.

SUSTAINABILITY STRATEGY

Our commitment to ecological, social and economic responsibility is a central part of our vision and mission. The vision of AT&S is to be the first choice for advanced applications. The AT&S mission addresses all dimensions of sustainability. The expansion of our technology leadership through innovative solutions, sustainable profitable growth and the creation of stakeholder value represent the economic core targets of our strategy. The successful implementation of our corporate strategy requires motivated employees, who bring our company values to life. As an employer we support this effort by providing high occupational safety standards, offering development opportunities, promoting transparent communication and fostering an open feedback culture.

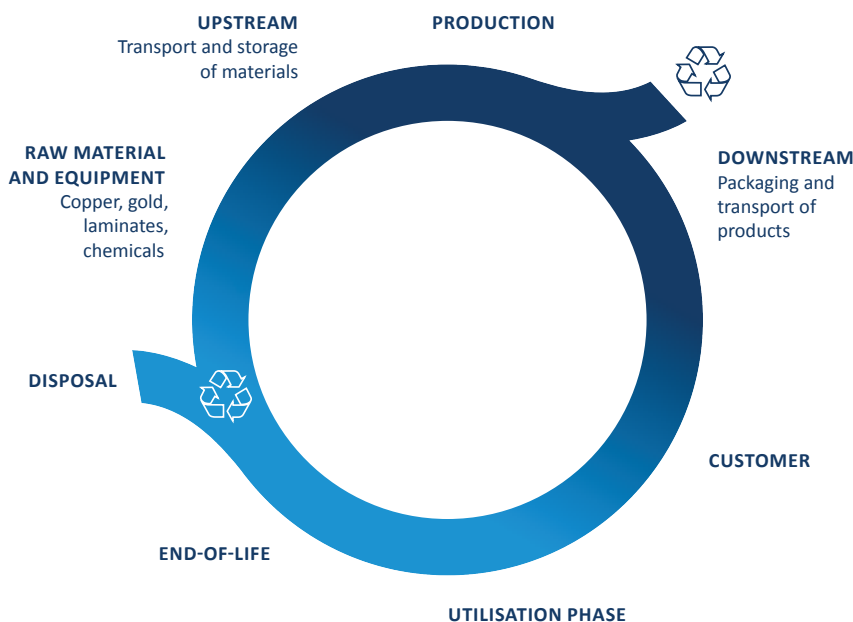
In order to support responsible and ethical behaviour and to ensure compliance with the law, we have established the AT&S Code of Conduct for all employees and suppliers of our company and defined clear guidelines intended to prevent any kind of misconduct. In addition, we give our employees guidance regarding compliance with capital market legislation in a separate "Guideline for Capital Market Compliance". Moreover, a whistleblowing platform enables employees and external third parties to report any kind of misconduct.

VALUE CREATION PROCESS

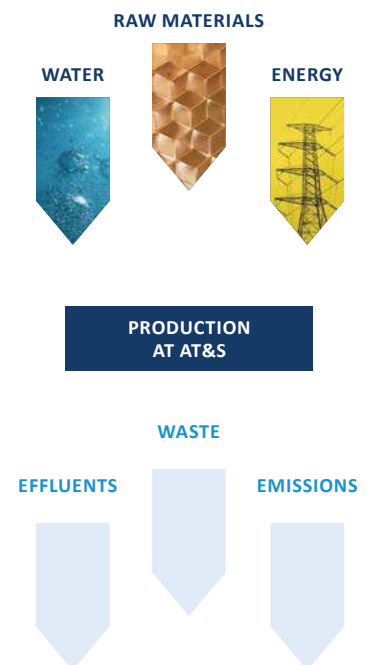
Our company's transformation from a high-end printed circuit board manufacturer to a high-end interconnect solution provider involves not only the opportunity of extensive value creation but also increased responsibility in all areas of our business operations. This sphere of activity and the resulting opportunities and risks are not limited to AT&S's direct processes, but also extend to upstream and downstream processes.

The AT&S value chain begins with the procurement and transport of the materials for the production of printed circuit boards and interconnect solutions: copper, gold, laminates and chemicals are the key materials. In this process, we pay special at-

VALUE CREATION PROCESS



RESOURCE CONSUMPTION



■ Direct sphere of influence of AT&S

tention to the sourcing processes as well as the availability and quality of the raw materials. Until the start of production we ensure appropriate storage of the materials. In addition to the raw materials, we need mainly water and energy in the production process. The wastewater and sludge generated during production are cleaned as far as possible in in-house treatment plants or recycled. The remaining waste goes to disposal companies and, depending on the starting material, is either reintroduced to the cycle through a variety of recycling methods or disposed of. The finished products are properly packaged and transported to our customers, where they are assembled into the final products. Subsequently, they are shipped to the end customer and are disposed of at the end of their useful life.

MATERIALITY ANALYSIS

The materiality analysis consists of the materiality matrix and risk assessment. Since the parent company comprises the Austrian production sites, and both the value creation process and the related opportunities and risks of all segments and locations of AT&S are comparable, the materiality analysis applies to the entire AT&S Group and to the parent company.

Materiality matrix

In the financial year 2018/19, AT&S developed a new materiality matrix. The methodology used meets the requirements of the Global Reporting Initiative (GRI) standards. First, all relevant sustainability topics along the value chain were identified from both the stakeholder and the company perspective and evaluated in an impact workshop. This impact workshop was supported by external consultants and representatives of the Management Board and relevant specialist departments participated, enabling us to ensure a link to the corporate strategy and a correct, GRI-compliant methodology. Both the impact of our operations on environmental, social and employee matters as well as respecting human rights and combating corruption and bribery (hereafter referred to as "non-financial issues") in accordance with the Sustainability and Diversity Improvement Act (NaDiVeG) and potential effects of the sustainability topics on the operations and the company success of AT&S were taken into account.

In the course of the impact workshop it was again confirmed that our central stakeholder groups are our employees, customers, suppliers and, of course, investors since AT&S is a stock corporation. Therefore, the online survey was subsequently published on the intranet for our employees and for all other stakeholders on our website. In addition, suppliers, customers and investors were specifically invited. In total, 551 persons participated in the survey. With a share of 86%, our employees represented by far the largest group of respondents; however, the results of the individual groups were included in the analysis with the same weighting.

The materiality matrix reflects the results. The degree of relevance of the topics from the participants' perspective is shown on the y-axis of the matrix. The x-axis shows the importance of the topics regarding their ecological, economic and social impact along the entire value chain as assessed by the AT&S management.

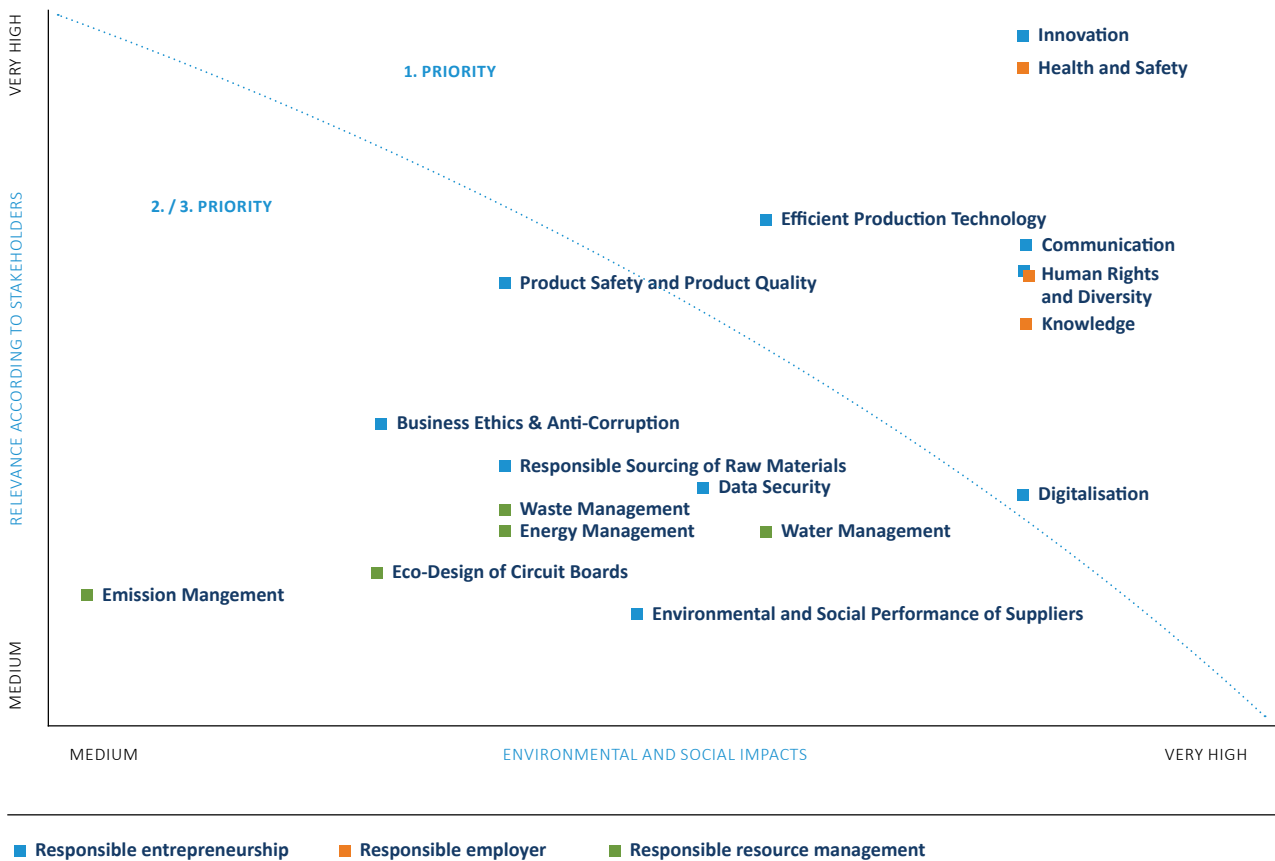
Risk assessment

A comprehensive risk assessment is only possible for us when the relevance for both AT&S's business activity and for the non-financial issues is considered.

RISK ASSESSMENT FOCUSING ON AT&S'S BUSINESS ACTIVITY

Opportunity and risk management is a central aspect of conducting business and already part of AT&S's reporting as required by the Austrian Code of Corporate Governance (ACCG). Details on this topic can be found in the Group Management Report, section "Opportunities and risks". The risks relevant for the identification of material topics include compliance and cases of fraud as well as location-specific risks such as natural disasters.

Materiality Matrix
in accordance with the Global Reporting Initiative (GRI) Standards



RISK ASSESSMENT FOCUSING ON NON-FINANCIAL MATTERS

To assess the risks relating to AT&S’s business activities with respect to non-financial matters, the assessment logic of the existing risk management system was adopted for reasons of consistency and comparability. Based on an extensive catalogue of risks, the risks were assessed before countermeasures to ensure that all potential effects on the non-financial issues are addressed. The *following table* lists all material risks along the value chain, and countermeasures.

MATERIAL TOPICS AND REPORT STRUCTURE

The material topics are derived from the materiality matrix and the risk assessment. They were assigned to the following three sections, resulting in the following report structure: Responsible entrepreneurship, Responsible employer, and Responsible resource management. The new materiality matrix leads to some changes in reporting compared with the previous year. Environmental topics were summarised under “Efficient production technology” in the section Responsible resource management.

A – Upstream
 B – Production
 C – Downstream & utilisation*
 D – End-of-Life*

Material risks – Overview

Materiality topic	Material risks	Mitigation	A	B	C	D	non-financial issues
Human Rights & Diversity	Violation of human rights, child labour, forced labour, conflict minerals	Code of Conduct for employees & suppliers, self-evaluation of suppliers, supplier audits, RBA and RMI commitment					
	Underpayment	Compliance with statutory minimum wages and/or collective agreement	X	X	X	X	Respect for human rights, employee issues, social issues
	Discrimination	Diversity concept, Code of Conduct for employees & suppliers, neutral advertisement of vacant positions, hiring people with disabilities					
Safety & Health	Accidents, severe incidents/ disruptions, poor working conditions	OHSAS 18001/ISO 45001, ISO 14001, ISO 9001, protective clothing, prevention, handling dangerous goods	X	X	X	X	Employee issues, environmental issues
Efficient Production	Waste of energy	Projects to enhance efficiency & effectiveness	X	X			Environmental issues, social issues
	Water scarcity, pollution through wastewater	Water recycling & reuse at all locations, especially in areas where water is scarce, internal water treatment systems					
Business Ethics & Anti-corruption	Corruption & non-compliance with the law	Anti-corruption guideline, Governance, Risk & Compliance Committee, capital market compliance, whistleblowing platform, internal & external communication training, Code of Conduct for employees & suppliers, supplier audits	X	X	X		Combating corruption and bribery, social issues, employee issues, environmental issues

* AT&S is aware of existing risks in the downstream, utilisation and end-of-life areas. However, since they are beyond AT&S's sphere of influence, control in these areas is only possible to a very limited extent.

In the section Responsible employer, indicators of minor relevance for our stakeholders such as the number, gender and age group of new hires were omitted. Instead, additional indicators in the areas of employees and diversity were added in line with GRI, and communication, digitalisation and innovation were included in reporting as additional material topics. For the first time this year, not only the material topics but also the most important Sustainable Development Goals (SDGs) of the United Nations are assigned to the three segments of this report. The prioritisation of the SDGs is based on an evaluation of the effect of AT&S's activities on all 169 sub-goals of the 17 UN Sustainable Development Goals. According to the evaluation, three goals were considered central and another six were considered relevant. The three most important Development Goals are SDG 9 (Industry, Innovation and Infrastructure), SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production).

The individual chapters include details on the respective management concepts and due diligence processes, the SDGs and performance indicators used for controlling. All data apply to the AT&S Group including the parent company since the parent company comprises the Austrian sites and therefore not only the materiality analysis but also the management approaches, due diligence processes and performance indicators are comparable to those of the other sites. The indicators for the individual financial statements of the parent company are shown separately.

Report structure
and assigned material topics

Responsible entrepreneurship

- Business ethics
 - Human rights
 - Anti-corruption
- Innovation and digitalisation
- Communication

Responsible employer

- Diversity
- Knowledge
- Safety and health

Responsible resource management

- Efficient production technology

Material topics

RESPONSIBLE ENTREPRENEURSHIP

Fundamental concept

Sustainable industrialisation, economic growth and increasing company value and innovative strength are only possible for us if we consider the needs of our stakeholder groups in particular and the wellbeing of people in general. Therefore, the Development Goal Industry, Innovation and Infrastructure (SDG 9) is of central importance. Other fundamentals of responsible entrepreneurship include continuously combating corruption on the one hand, and promoting peace, justice and strong institutions (SDG 16) on the other. Finally, we also need a dialogue with all stakeholders and strong partnerships (SDG 17) in order to accomplish our development goals.

Responsible Entrepreneurship
Sustainable Development Goals (SDGs)

Central topic:



Other relevant topics:



Business ethics

Our Code of Conduct provides a framework for action in matters of ethics, health and safety, working conditions and environmental issues and is based on the requirements of the Responsible Business Alliance (RBA). It applies to all activities of AT&S and is signed by all employees and key suppliers. Compliance with legal and ethical principles supports the credibility and trustworthiness of our company. The scope of application of our Code extends to the entire supply chain and includes the suppliers. In the course of qualification of new suppliers, these suppliers are audited with respect to quality, supply chain management, and ecological and social responsibility including human rights. In the financial year 2018/19 we conducted roughly 70 supplier audits in line with a defined, risk-based audit plan. In order to remedy the deficiencies found, proposals for improvement were made and the appropriate measures were defined with the suppliers.

HUMAN RIGHTS In accordance with our AT&S Code of Conduct, we make a commitment to respecting human rights and protecting the freedom of association and require our suppliers to do the same. We are committed to the right of collective bargaining and adequate remuneration, which does not undercut the applicable minimum wages. With respect to the sourcing of conflict minerals, we have made a voluntary commitment to the Responsible Minerals Initiative (RMI) and publish a list of all our gold and tin suppliers on our website. They fully meet the RMI requirements. This means that all our gold and tin suppliers have been audited in accordance with the risk-based due diligence process of RMI and deemed to be compliant.

ANTI-CORRUPTION Our **Anti-corruption Guideline** aims to protect our integrity. It is applicable worldwide and without exception and underscores our determination to counteract any form of illegal acceptance or provision of gifts, bribery, embezzlement and to handle potential conflicts of interest transparently. We will rigorously sanction any violations. The content of the guideline is communicated to all employees through a broad campaign. Moreover, we used a risk-based approach to identify all AT&S positions which are exposed to increased risks due to the nature of their function. Roughly 500 AT&S employees were selected on the basis of this method, and 88% of them have been trained and instructed accordingly, 99 persons in the financial year 2018/19. In the previous year, roughly 400 persons were scheduled to be trained and 86% of them actually received training. The goal is to complete any outstanding training during the current financial year and to give new employees who exercise a relevant function the appropriate training.

As part of our **capital market compliance** we commit to preventing the abuse of compliance-relevant information or inside information based on appropriate measures and in accordance with the applicable rules and regulations. We strive to ensure equal and comprehensive information of all shareholders and also comply with laws and insider regulations relating to third parties such as customers or suppliers. Hence, we act in accordance with the ACCG, whose objectives include boosting the trust of national and international investors in the Austrian capital market through transparency and uniform principles. Our Capital Market Compliance Guideline is applicable to all companies of the AT&S Group and all employees and governing bodies including the Supervisory Board, but above all to persons working in areas subject to confidentiality. It contains detailed instructions and aids to ensure compliance with all relevant regulations. 100% of the 221 persons working in areas subject to confidentiality participated in capital market compliance training in the financial year 2018/19. In the financial year 2017/18 we reported a training rate of 99%.

Our **whistleblowing platform** “We Care” enables our employees and third parties to report violations of human rights and our Code of Conduct, the Anti-corruption Guideline or compliance regulations. It supports the wellbeing of our employees and the company. AT&S encourages reporting any misconduct anonymously while at the same time calling for responsible use of the system. Specially trained employees analyse the reports confidentially. In the financial year 2018/19, one report was registered on the AT&S whistleblowing platform, which was processed and analysed but did not require any further action. In the previous financial year, the year the whistleblowing platform was established, five cases had been reported and investigated.

Reports via the whistleblowing platform

1 report

Previous year: 5 reports

A **Governance, Risk & Compliance Committee** takes care of identifying and mitigating potentially relevant compliance and governance risks throughout the Group. It consists of international representatives of the senior management including the areas Compliance, Internal Audit, Risk Management and Corporate Sustainability. The committee supports the Management Board in monitoring compliance with legal and regulatory provisions in the AT&S Group, and with the associated risk management. In addition, it promotes an organisational culture which strengthens ethical conduct in line with the AT&S Code of Conduct and the obligation to comply with laws.

Innovation and digitalisation

Our innovative strength is a key success factor for our company. The materiality matrix shows that this topic is of central importance not only from the company's perspective but also for our stakeholders. In order to ensure long-term economic success, € 75.7 million were invested in R&D projects in the financial year 2018/19. To minimise risks an innovation process has been set up to ensure that our research, development and engineering teams focus on leading-edge technologies and only those technologies are taken to the industrialisation phase. At the same time, the innovation process ensures that in the evaluation of projects non-financial aspects are assessed in addition to, for instance, market and strategy and are given an equal weighting in the assessment. Our strength in this area is demonstrated by the fact that 35.3% of our total revenue is generated by AT&S products that have been on the market for less than three years (innovation revenue rate). Another indicator is the number of patents granted, which is rising continuously. At the end of the financial year, AT&S held 279 patents. In the course of the financial year 2018/19, another 72 patent applications were filed, compared with 36 new applications in the previous year. Further details on the due diligence processes in the area of innovation, on the definition of the innovation revenue rate (IRR) and on patents including comparative figures of the previous year, please refer to the Group Management Report, section "Research and Development".

In 2015, AT&S introduced an Innovation Award to strengthen the innovative spirit in the company. Every year, all AT&S employees worldwide can submit their projects, which are subsequently evaluated by a jury based on defined criteria. These criteria are derived from the innovation process and also comprise economic, ecological and social aspects. In 2018/19, 26 projects were submitted from all locations. The award-winning projects were submitted by project teams from China and Austria.

We are driving the digital transformation of AT&S based on a programme specifically created for this purpose. Following an analysis of the Industry 4.0 status quo of our company, we defined five areas in cooperation with the Fraunhofer Institute Austria, which are of strategic relevance for the digital transformation programme. In addition to automation and the auton-

omy of processes, the focus areas are employee development, communication and data utilisation.

The growing importance of digital transformation is increasingly reflected throughout the Company. In the financial year 2018/19, 26% of the projects submitted for the global Innovation Award followed the trend of digitalisation and automation, compared with only 14% in the previous year.

Communication

We consider strong internal and external communication a central element in conveying our values and the content of our Code of Conduct, which comprises our position regarding business ethics and human rights, safety and health, the environment and working conditions. Our internal guideline ruling out the use of AT&S products in active arms systems or armoured systems is another example.

As part of the stakeholder survey we asked about the perception of AT&S's sustainability engagement. The evaluation showed that communication regarding sustainability is considered to be mediocre. We intend to improve this with effective measures in the financial year 2019/20. As the stakeholder survey was conducted due to our review of our materiality matrix, there are no comparative values for the previous year. Communication was seen as relevant by both our stakeholders and the AT&S management. Consequently, it is a relevant topic for us on which we report for the first time as part of the non-financial report. Of course we strive to further develop control processes and indicators accordingly in the future.

RESPONSIBLE EMPLOYER

Fundamental concept

Acting responsibly as an employer is a prerequisite for conducting business successfully on a sustained basis. For us, this responsibility includes zero tolerance of human rights violations, child and forced labour and discrimination. This position is consistent with SDG 8, Decent Work and Economic Growth. We are committed to our responsibility regarding quality education (SDG 4) and aim to proactively contribute to reducing inequalities (SDG 10). Our claim to be a responsible employer is also

expressed in measures for preventive healthcare and occupational safety.

At the end of the financial year, AT&S employed 9,825 people, 4.0% of whom are contract workers. By taking over contract workers as permanent AT&S staff, the share of contract workers was reduced by 22% compared with the previous year.

Responsible employer

Sustainable Development Goals (SDGs)

Central topic:



Other relevant topics:



The attrition rate was reduced by 7.3% compared with the previous year and amounted to 20.4% in the financial year 2018/19. As in the previous years, a large part of the attrition rate is related to the relatively high turnover among waged workers at the Chinese sites, which is typical of the Chinese labour market. We **remunerate** our employees at standard market conditions; at the Austrian sites employees are remunerated at least in accordance with the collective bargaining agreement. The ratio of staff costs to revenue was 23.1% in the financial year 2018/19 compared with 24.3% in the previous year. Further details can be found in the notes to the consolidated statement of profit or loss. A Group-wide bonus system governs performance-based additional remuneration. It is contingent on the economic success (EBIT, ROCE) and the innovative strength (IRR) of the company and on the personal performance of the employees.

Headcount (at year-end)

in heads

		2018/19			2017/18		
		Male	Female	Total	Male	Female	Total
Category	White collar	1,941	684	2,625	1,788	645	2,433
	Blue collar	4,493	2,707	7,200	4,687	2,830	7,517
Region	Europe & US	912	667	1,579	910	688	1,598
	Asia	5,522	2,724	8,246	5,565	2,787	8,352
Segment	Mobile Devices & Substrates	4,069	2,543	6,612	4,251	2,586	6,837
	Automotive, Industrial, Medical	2,230	751	2,981	2,111	811	2,922
	Others	135	97	232	113	78	191
Type of employment *	Full-time	6,387	3,187	9,574	6,426	3,273	9,699
	Part-time	39	184	223	45	173	218
Total Group		6,434	3,391	9,825	6,475	3,475	9,950
thereof attributable to parent company		884	647	1,531	883	666	1,549

* Excl. inactive employees, e.g. maternity or educational leave

Diversity

We state in our Code of Conduct that we do not tolerate any form of discrimination based on gender, age, ethnic origin, sexual orientation, disability, religious or political beliefs when it comes to hiring, remuneration or promotion of people. We consider **diversity** an enrichment for any team and any organisation. It enhances collaboration through a variety of perspectives and benefits our knowledge and learning processes. We therefore strive to maintain and foster all aspects of diversity in the future.

AT&S is also committed to diversity when making **appointments to governing bodies**. In accordance with the provision of Section 86 (7) of the Stock Corporation Act (AktG) we have pursued the following objectives when filling Supervisory Board mandates since 2018:

- A minimum of 30% women and 30% men when there are six shareholder representatives or more, and three employee representatives or more
- Age spread > 25 years
- Experience in international companies

- Ensuring expertise in the following areas: business/finance, technology/research in the electronics/semiconductor industries, law, company and employee management/human resource management, sustainable management

In the Supervisory Board of AT&S, the proportion of women is 16.7%, as it was in the previous year. We strive to increase the proportion of women when new appointments are made.

In the Management Board of AT&S, one of three positions is currently held by a woman, as in the previous year. When new appointments to the Management Board are made, the best possible appointment is always decisive. All qualifications being equal, the underrepresented gender should be favoured. Ideally, at least one woman and one man should be represented in the Management Board. The accomplishment of the above-mentioned goals will be evaluated annually by the Supervisory Board; corrective action will be initiated as required. For further information regarding age and gender of the members of the governing bodies, please refer to the Corporate Governance Report.

Diversity of employees (at year-end)

in %, total Group

		2018/19		2017/18	
		White collar	Blue collar	White collar	Blue collar
Gender	Female	26.1	37.6	26.5	37.6
	Male	73.9	62.4	73.5	62.4
Age group	< 30 years	25.0	48.1	26.6	53.0
	30-50 years	67.0	47.8	65.9	43.3
	> 50 years	8.0	4.1	7.4	3.7

Diversity of employees (at year-end)

in %, parent company

		2018/19		2017/18	
		White collar	Blue collar	White collar	Blue collar
Gender	Female	34.9	47.5	34.3	48.3
	Male	65.1	52.5	65.7	51.7
Age group	< 30 years	20.0	29.3	17.1	33.0
	30-50 years	59.3	44.0	62.8	43.4
	> 50 years	20.8	26.7	20.0	23.5

In the financial year 2018/19 we employed people from 52 different nations compared with 46 nationalities in the previous year. The average age increased slightly year-on-year and amounted to 32.7 years, with an age spread of 55 years between the youngest and the oldest employee. The average length of service in the Group amounts to 6.4 years at the end of the financial year and increased compared with the previous year, when the average length of service had been 5.9 years. While the average length of service amounts to roughly 12 years in Europe and the USA, it is significantly lower in Asia, at 5.3 years. The strong regional differences are primarily due to the fact that

the plants in Chongqing have only employed people since 2013 and are consistent with the higher attrition rate at the Chinese sites, which is typical of the Chinese labour market.

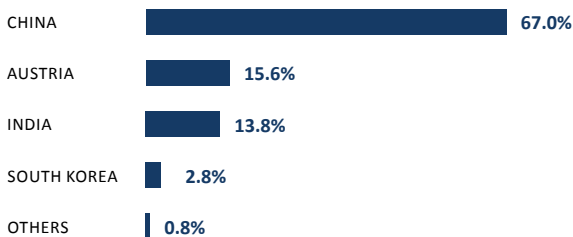
With respect to the advancement of women in general and in management positions in particular, candidates are selected with a view to the best possible appointment to vacant positions, irrespective of gender, age, religion, ethnic origin and other factors. Vacancies are therefore advertised internationally in a gender-neutral way.

EMPLOYEES TOTAL

Absolute

9,825

Proportionally represented in the following countries:



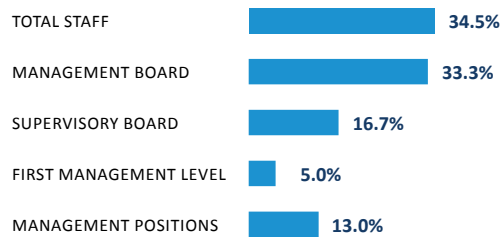
Number of female employees

Absolute

3,391



Proportionally represented in:



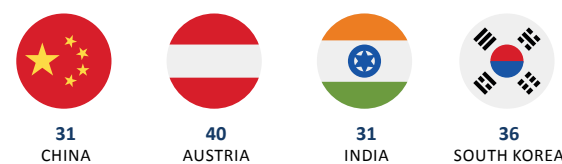
Number of nationalities

Absolute

52

Average age

By country in years



Average age

Of all employees in years

33

As of 31 March 2019

Expenditure on external training sessions

€ in thousands

	2018/19	2017/18	Change in %
Mobile Devices & Substrates segment	639	798	(20.0%)
Automotive, Industrial, Medical segment	408	299	36.3%
Others	364	306	18.8%
Total Group	1,410	1,404	0.5%
thereof attributable to parent company	724	571	26.8%

Knowledge and employee development

Continuous learning and knowledge building are the foundation of conducting business successfully. We consider the development of our employees an investment in the future. Therefore, we offer our employees extensive career and professional opportunities, an open communication and feedback culture and a wide variety of training. In the past financial year we conducted appraisal interviews with 97% of our salaried employees and at some locations also with waged workers. The fulfilment rate is consistently high compared with the previous year, when 98% of the appraisal interviews were completed. The completion rate for the development interviews, which are additionally conducted in autumn, was 93%.

The **training offer** is versatile and adapted to the needs of the respective location. In the past financial year we spent roughly € 1.41 million on external training and development courses. These costs fall under the expense type "Other" in the notes to the consolidated statement of profit or loss. This corresponds to an increase of 0.5% compared with the previous year.

Our iPOK campaign was a central focus of training again in the financial year 2018/19. iPOK stands for implementation of practice-oriented knowledge. This internationally oriented training programme not only aims to increase efficiency and effectiveness but is also intended to establish the corresponding mindset in the organisation and contributes to employee motivation and intercultural networking. In addition, we offer basic and refresher training courses worldwide as well as training on specific topics, which is held by specialists within the company.

With our apprentice training we offer young people opportunities to start a career in our company in mechatronics, production technology, process technology, information technology, laboratory technology for chemistry and physics, and in administration. At the end of the financial year AT&S employed 35 apprentices, 34 of them in Austria and one in Germany. In the past financial year, ten apprentices successfully completed their apprenticeship, and eleven new apprentices started their training.

Safety and health

As a responsible employer, AT&S is aware of the responsibility it has towards its employees with respect to occupational health and safety. Therefore, compliance with the ISO 45001 (formerly OHSAS 18001) safety standards is indispensable at all AT&S sites. Accordingly, global guidelines are in place in the areas of environment, occupational health and safety for accident and incident prevention as well as precise instructions and training for handling dangerous goods and regarding behaviour in case of accidents or crisis situations. Compliance with the due diligence process is ensured through annual ISO 45001 and OHSAS 18001 recertification audits respectively. In addition, AT&S voluntarily complies with the rules of the Responsible Business Alliance (RBA) regarding occupational health and safety.

AT&S aims to reduce the number of occupational accidents continuously. The consistently low number of occupational accidents shows that the measures taken are effective. Even though the figure increased lightly year-on-year, the number of occupational accidents remained low compared with the financial year 2016/17. Occupational accidents include all accidents directly at the sites and therefore also accidents of contract workers; however, they do not include commuting accidents on the way from and to the workplace. The absence rate related to short-

Occupational safety

	Ratio of accidents (with ≥ 1 lost working day per 1 million working hours)			Ratio of average monthly lost working days (per 1,000 FTE)		
	2018/19	2017/18	Change	2018/19	2017/18	Change
Mobile Devices & Substrates segment	2.8	2.3	0.4	13.0	8.6	4.4
Automotive, Industrial, Medical segment & Others	4.0	4.2	(0.2)	7.0	7.7	(0.7)
Total Group	3.1	2.9	0.3	11.2	8.4	2.8
thereof attributable to parent company	6.2	5.7	0.5	11.1	10.1	1.0

term sick leave, which is defined according to legal regulations, at 0.96%, was unchanged compared with the previous year.

RESPONSIBLE RESOURCE MANAGEMENT

Fundamental concept

We take sustainable governance and the efficient use of natural resources very seriously. In this area we base our actions on the UN Sustainable Development Goal Responsible Consumption and Production (SDG 12). Furthermore, we aim to contribute to climate protection by taking the appropriate measures (SDG 13) and to ensuring the provision of clean water and sanitation (SDG 6).

Responsible resource management
Sustainable Development Goals (SDGs)

Central topic:



Other relevant topics:



Efficient production technologies

This materiality topic comprises all aspects of handling the available resources responsibly and consists of the sections energy and CO₂, water and waste, and purchase of significant materials in this report. Efficient production goes hand in hand with high quality standards. Therefore, all our production sites meet not only the general quality standard ISO 9001, but additionally also other quality standards for the automotive sector (ISO/TS 16949), aviation (AS/EN 9100) and the medical sector (DS/EN 13485) at the sites where the respective standard is relevant. In addition, we also meet the environmental standard ISO 14001 at all production sites. Based on annual recertification audits we also ensure compliance with all quality, environmental, waste and energy management systems and with the due diligence processes.

ENERGY AND CO₂ FOOTPRINT As part of efficient production, we take all aspects of responsible resource management into account. In the past years, we implemented the energy standard ISO 50001 at the plants in Austria and India. In the financial year 2018/19 an energy audit was conducted in South Korea in order to identify energy saving potential. A detailed evaluation of this potential is planned for the financial year 2019/20, and appropriate measures will then be derived. A Group-wide introduction of the ISO 50001 standard, including at the Chinese locations, is still in progress.

Since the change in the calculation of the intensity key figures in the financial year 2017/18, all relative indicators are now based on gross value added (GVA), which is calculated on the basis of EBIT plus depreciation/amortisation and wage and salary ex-

Energy savings

12.0 GWh

penses. The change to the new calculation method takes account of the increasing complexity of the products. The key figures include both direct and indirect energy sources.

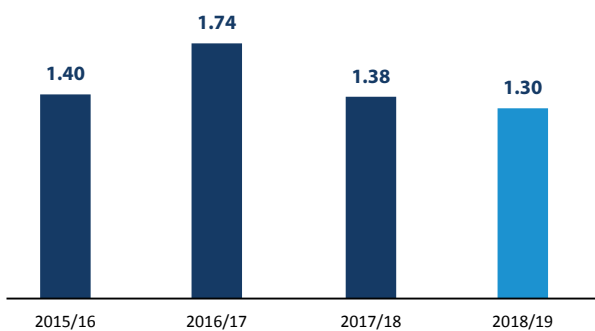
Energy efficiency and the energy source used are directly correlated with CO₂ emissions. Our goal is to reduce both relative energy consumption and the relative CO₂ footprint by 5% com-

pared with the target of the previous year. The measures implemented led to energy savings of 12 GWh or 9.3 kt CO₂ in the financial year 2018/19, after 21 GWh or 22 kt CO₂ had already been reported in the previous year. We therefore accomplished our targets of 1.31 kWh per € GVA and 1.16 kg CO₂ per € GVA for the financial year 2018/19. Accordingly, energy expenses were again reduced by roughly € 1 million as explained in the notes to the consolidated statement of profit or loss.

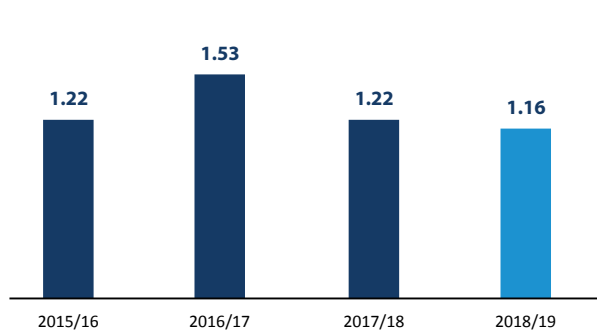
The calculation of the CO₂ key figures is based on the conversion factors of the Ecoinvent database version 3. Scope 1 refers to CO₂ emissions caused by the use of diesel, heavy oil, liquid gas and natural gas, while Scope 2 covers purchased electricity. All CO₂ figures refer to CO₂ equivalents.

WATER AND WASTE The production of printed circuit boards and IC substrates depends to a significant extent on water-intensive, wet chemical processes. Our goal is therefore to im-

Relative energy consumption in kWh per € GVA



Relative carbon footprint in kg CO₂ per € GVA



Relative energy consumption in kWh per € GVA

	2018/19	2017/18	Change in %
Mobile Devices & Substrates segment	1.53	1.65	(7.3%)
Automotive, Industrial, Medical segment & Others	0.87	0.88	(1.1%)
Total Group	1.30	1.38	(5.5%)
thereof attributable to parent company	0.62	0.68	(9.3%)

Relative carbon footprint (Scope 1 + 2)

in kg per € GVA

	2018/19	2017/18	Change in %
Mobile Devices & Substrates segment	1.41	1.53	(7.5%)
Automotive, Industrial, Medical segment & Others	0.66	0.64	3.1%
Total Group	1.16	1.22	(5.0%)
thereof attributable to parent company	0.18	0.20	(8.9%)

prove the measuring systems and to reduce the quantity of water required, in particular in regions where water is scarce. We are pursuing the ambitious target of reducing the amount of water consumed by 3% annually compared with the target of the previous year. In the past financial year we decreased water consumption per € GVA by 6.5% compared with the previous year, exceeding our target of 10.3 litres per € GVA. Water consumption only increased slightly in the Automotive, Industrial, Medical & Others segment as additional machines were installed. Using water processing plants, wastewater treatment plants, bio-filter systems and cooling towers, we mitigate the impact of wastewater on the environment to the full extent possible. In regions which are exposed to increasing water risk according to the Aqueduct Water Risk Tool, the water recycling

rate amounts to up to 80%. The water used for cooling purposes is in part returned to nature unchanged.

Furthermore, we strive to reduce the total amount of waste, especially the share of hazardous waste. In the financial year 2018/19 we continued to lower the total amount of waste, while the relative amount of hazardous waste per € GVA was nearly constant year-on-year. In order to reduce the share of hazardous waste we launched a large-scale project to be implemented throughout the Group in the coming years after a proof-of-concept phase at the sites in India and Austria.

Relative water consumption

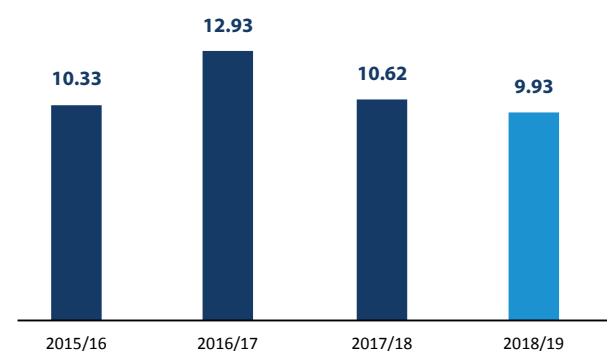
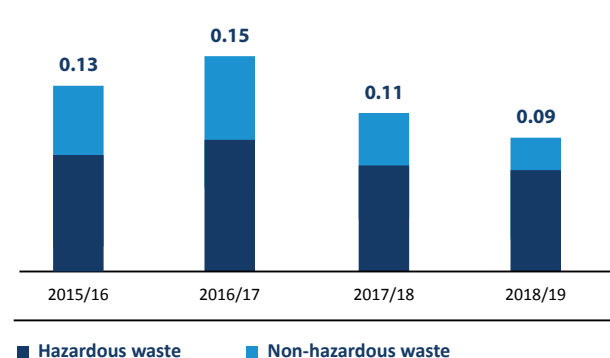
in litres per € GVA

	2018/19	2017/18	Change in %
Mobile Devices & Substrates segment	13.06	14.38	(9.2%)
Automotive, Industrial, Medical segment & Others	3.84	3.61	6.4%
Total Group	9.93	10.62	(6.5%)
thereof attributable to parent company	2.65	3.12	(15.2%)

Relative waste amount

in kg per € GVA

	2018/19	2017/18	Change in %
Mobile Devices & Substrates segment	0.09	0.12	(25.4%)
Automotive, Industrial, Medical segment & Others	0.09	0.09	9.3%
Total Group	0.09	0.11	(15.8%)
thereof attributable to parent company	0.05	0.06	(13.7%)

Relative water consumption
in litres per € GVA**Relative waste amount**
in kg per € GVA

PURCHASE OF SIGNIFICANT MATERIALS In addition to electricity and water, we also need raw materials like gold, copper, laminates and chemicals for production. This is addressed by the previously mentioned efficiency and effectiveness projects. The costs are recognised under cost of materials in the notes to the consolidated statement of profit or loss. In the procurement of gold we attach special importance to a conflict-free supply chain in accordance with the Responsible Minerals Initiative (RMI).

The reduction of the purchasing volume of gold and laminates depends very much on the product mix (gold area and number of outer layers) and volume declined by roughly 12.5% compared with the previous year. The purchasing volume of copper rose slightly by 3.3% year-on-year, while that of chemicals remained constant. This was mainly driven by the expansion in Chongqing.

Purchase of significant materials

Total Group

	Unit	2018/19	2017/18	Change in %
Gold	kg	547	626	(12.6%)
Copper	t	3,764	3,645	3.3%
Laminate	million sqm	12.8	14.6	(12.5%)
Chemicals	thsd. t	138.0	137.9	0.0%

Purchase of significant materials

Attributable to parent company

	Unit	2018/19	2017/18	Change in %
Gold	kg	117	142	(17.6%)
Copper	t	367	430	(14.6%)
Laminate	millions sqm	1.3	1.5	(8.7%)
Chemicals	thsd. t	9.4	8.4	11.3%

GRI content index

GRI standard (2016)	Disclosure	Page in the report, URL or reason for omission
Organisational profile		
102-1	Name of the organisation	p. 180
102-2	Activities, brands, products, and services	inside cover
102-3	Location of headquarters	inside cover
102-4	Location of operations	p. 87 f.
102-5	Ownership and legal form	p. 67 and 180
102-6	Markets served	inside cover
102-7	Scale of the organisation	inside cover
102-8	Information on employees and other workers	p. 55; disclosure on fixed-term employment contracts internationally not consistently possible
102-9	Supply chain	p. 48 f.
102-10	Significant changes to the organisation and its supply chain	none
102-11	Precautionary principle or approach	p. 49 ff. and 94 ff.
102-12	External initiatives	p. 47
102-13	Membership of associations	p. 47
Strategy		
102-14	Statement from senior decision maker	p. 47 and 28 ff.
102-15	Key impact, risks and opportunities	p. 49 ff. and 94 ff.
Ethics and integrity		
102-16	Values, principles, standards and norms of behaviour	p. 47 and 52 f.
102-17	Mechanisms for advice and concerns about ethics	p. 52 f.
Governance		
102-18	Governance structure	p. 53
Stakeholder engagement		
102-40	List of stakeholder groups	p. 49
102-41	Collective bargaining agreements	p. 55
102-42	Identifying and selecting stakeholders	p. 49
102-43	Approach to stakeholder engagement	p. 49
102-44	Key topics and concerns raised	p. 49 f.
Reporting practice		
102-45	Entities included in the consolidated financial statements	p. 108 f.
102-46	Defining report content and topic boundaries	p. 49 ff.
102-47	List of material topics	p. 50 f.
102-48	Restatement of information	none
102-49	Changes in reporting	p. 50 f.
102-50	Reporting period	01/04/2018 – 31/03/2019
102-51	Date of most recent report	06/06/2018
102-52	Reporting cycle	annual
102-53	Contact points for questions regarding the report	Annual Report: Gerda Königstorfer, Non-financial Report: Nadja Noormofidi
102-54	Claims of reporting in accordance with GRI Standards	p. 47
102-55	GRI content index	p. 63 f.
102-56	External assurance	p. 33

GRI standard (2016)	Disclosure	Page in the report, URL or reason for omission
205	Anti-corruption	
103-1;-2;-3	Management Approach	p. 53
205-2	Communication and training about anti-corruption policies and procedures	p. 53
205-3	Confirmed incidents of corruption and actions taken	p. 53
301	Materials	
103-1;-2;-3	Management Approach	p. 62
301-1	Materials used by weight or volume	p. 62; distinction renewable/non-renewable not available
302	Energy	
103-1;-2;-3	Management Approach	p. 59 f.
302-3	Energy intensity	p. 60
302-4	Reduction of energy consumption	p. 60; for further information see CDP Climate Change Report (www.cdp.net)
303	Water	
103-1;-2;-3	Management Approach	p. 60 f.
303-1	Water withdrawal by source	see CDP Water Security Report (www.cdp.net)
305	Emissions	
103-1;-2;-3	Management Approach	p. 59 f.
305-4	GHG emissions intensity	p. 60 f.
305-5	Reduction of GHG emissions	p. 60 f.; for further information see CDP Climate Change Report (www.cdp.net)
306	Effluents and waste	
103-1;-2;-3	Management Approach	p. 60 f.
306-1	Water discharge by quality and destination	see CDP Water Security Report (www.cdp.net)
306-2	Waste by type and disposal method	p. 61 f.; disclosure of relative figures, distinction by disposal method not available
403	Occupational Health and Safety	
103-1;-2;-3	Management Approach	p. 58 f.
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	p. 58 f.; split by region, gender, permanent/temporary staff, occupational diseases and types of injury not available
404	Training and Education	
103-1;-2;-3	Management Approach	p. 58
404-2	Programmes for upgrading employee skills and transition assistance programmes	p. 58
404-3	Percentage of employees receiving regular performance and career development reviews	p. 58
405	Diversity and Equal Opportunity	
103-1;-2;-3	Management Approach	p. 56 f. and 36 ff.
405-1	Diversity of governance bodies and employees	p. 56 f. and 36 ff.
412	Human rights assessment	
103-1;-2;-3	Management Approach	p. 52 f.
412-1	Operations that have been subject to human rights reviews or impact assessments	p. 52