



UPDATED PERFORMANCE
REPORT WITH INTEGRATED
ENVIRONMENTAL
STATEMENT 2016

see the big picture





UPDATED PERFORMANCE
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ENVIRONMENTAL
STATEMENT 2016

BUSINESS PERFORMANCE – BEING A PIONEER
ENVIRONMENT – RESPONSIBLE PRODUCTION
SOCIAL RESPONSIBILITY – GROWING TOGETHER
COMPLIANCE – ACTIVELY ASSUMING RESPONSIBILITY

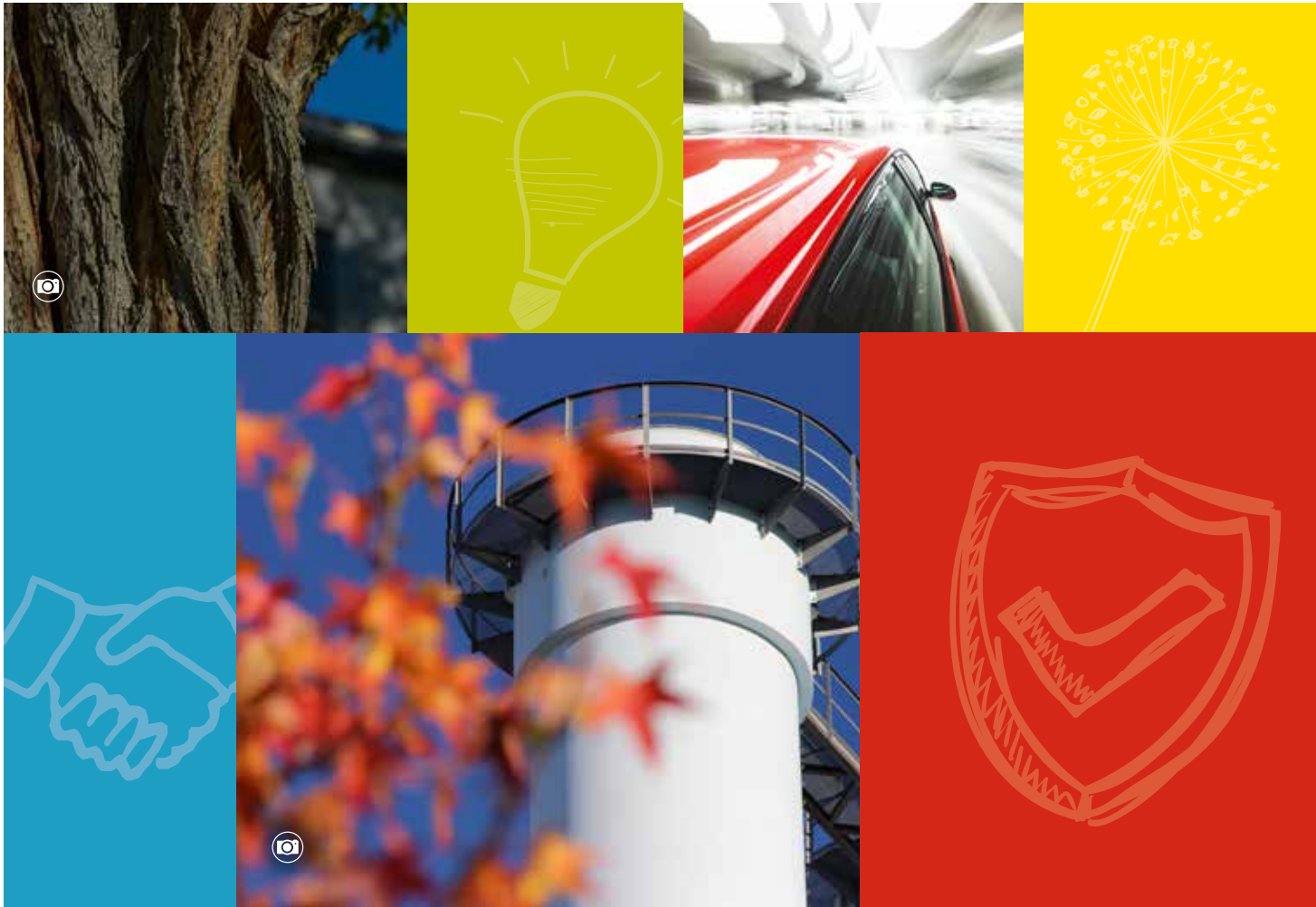


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In this updated issue of the Performance Report the four essential topics of Business Performance, Environment, Social Responsibility and Compliance will be presented together again and considered holistically.

Each individual focus contributes significantly to the success of our company.

Günther Apfalter
President

Board comments on the Environmental Statement



Günther Apfalter
 President



Anton Schantl
 Vice President
 Finance



Gerd Brusius
 Executive Vice President
 Sales & Marketing



Karl Stracke
 President
 Contract Manufacturing & Engineering

This current Environmental Statement is divided into the following sections: Business Performance, Environment, Social Responsibility and Compliance. How important are these areas for the company in your view?

Günther Apfalter

"I'm delighted that the four essential topics of Business Performance, Environment, Social Responsibility and Compliance are being presented in this updated issue of the Environmental Statement. Each individual focus contributes significantly to the success of our company. In this holistic presentation of our Environmental Statement in terms of a Performance Report, we already impressively demonstrated our pioneering role in 2014. Magna Steyr was presented with the EMAS Award from the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management for our model environmental management system. Sustainable action, for example through the conservation of resources and the avoidance or reduction of emissions, is more than ever a central management task. As a company we are aware of our great responsibility with respect to our employees, customers and society and we shall do everything to lead our company into a secure and safe future. Apart from this, responsible Business Performance means continually working on competitiveness to secure profitability and jobs in the long term."

Anton Schantl

"From the company's point of view, responsible action in all four areas is of paramount importance in order to safeguard sustainable and socially responsible Business

Performance. As Vice President Finance I pay special attention to the medium and long-term profitability of the company. In so doing, compliance to regulations and standards is a basic prerequisite to comprehensively guarantee responsible corporate behavior. The Magna Group is committed to our Code of Conduct and Ethics, which includes all the important topics of corporate behavior. What especially counts in this standard is the way we deal with each other at work, our responsibility towards the environment, proper and lawful behavior in competition, proper cooperation with the authorities and protection of confidential information including careful communication. As a company we want to support our employees by providing specific training courses in Compliance so that they can familiarize themselves with our standards and gain a better understanding of them. As for uniform application, in my view it is always important to have a common-sense attitude and to take personal responsibility."

Gerd Brusius

"I compare our company with a house. Our core competence is the roof, which is supported by the four pillars of Business Performance, Environment, Social Responsibility and Compliance. Neglecting one of these pillars can render the whole company out of balance. The task of management is to safeguard the stability

of these four pillars. Relationship building will become increasingly important in the future. On the one hand, this includes building relationships with the employees to keep them and their broad range of skills with the company as long as possible and achieving the goals of the company together. On the other hand, the necessity of creating a trusting relationship with the customers, from which long-term partnerships will develop."

Karl Stracke

"From a business perspective I see a different emphasis. For one thing, it's a matter of responsible production, i.e. employing resources efficiently to satisfy customers, employees, owners and society in equal measure. And it's all about sustainable production in the spirit of a 360-degree view. For another thing, one of the tasks of the automotive industry is to reduce worldwide CO₂ emissions, and thus contribute to containing global warming. Our position as a contract manufacturer and engineering services supplier challenges us to prepare innovative solutions for our customers to meet these demands. New technologies, such as alternative drive systems, alternative storage systems, autonomous driving, lightweight construction and the Smart Factory play a central role here. All these aspects are the key to a successful future."

The Company



Magna International

**152,000
employees at
309 production
locations.**

Seven subsidiaries go to form Magna International, a leading global automotive supplier with approx. 152,000 employees working at 309 production sites and 99 product development, engineering and sales centers in 29 countries in North and South America, Europe and Asia. Nearly all vehicle components are designed, developed, tested and manufactured by Magna.

The product capabilities include producing body, chassis, exterior, seating, powertrain, electronic, active driver assistance, vision, closure and roof systems and modules, as well as complete vehicle engineering and contract manufacturing.

The Graz location plays a special role within Magna. Apart from its 100-year-old history, Magna Steyr in Graz

is characterized by its large size and complete vehicle competence. The Graz location is not only the biggest location worldwide of Magna International, it is also the only one where complete vehicles are produced.

Magna International is divided into seven groups:



SEATING



EXTERIORS



CLOSURES
VISION SYSTEMS
ROOF SYSTEMS



BODY & CHASSIS



POWERTRAIN



ELECTRONICS



VEHICLE ENG
CONTRACT MFG
FUEL SYSTEMS

Magna Steyr Graz:
A location with tradition

Over 100 years of experience in vehicle production and a broad range of services make Magna Steyr the worldwide leading brand-independent engineering and manufacturing partner for automobile makers.



A SPECIAL ROLE WITHIN MAGNA

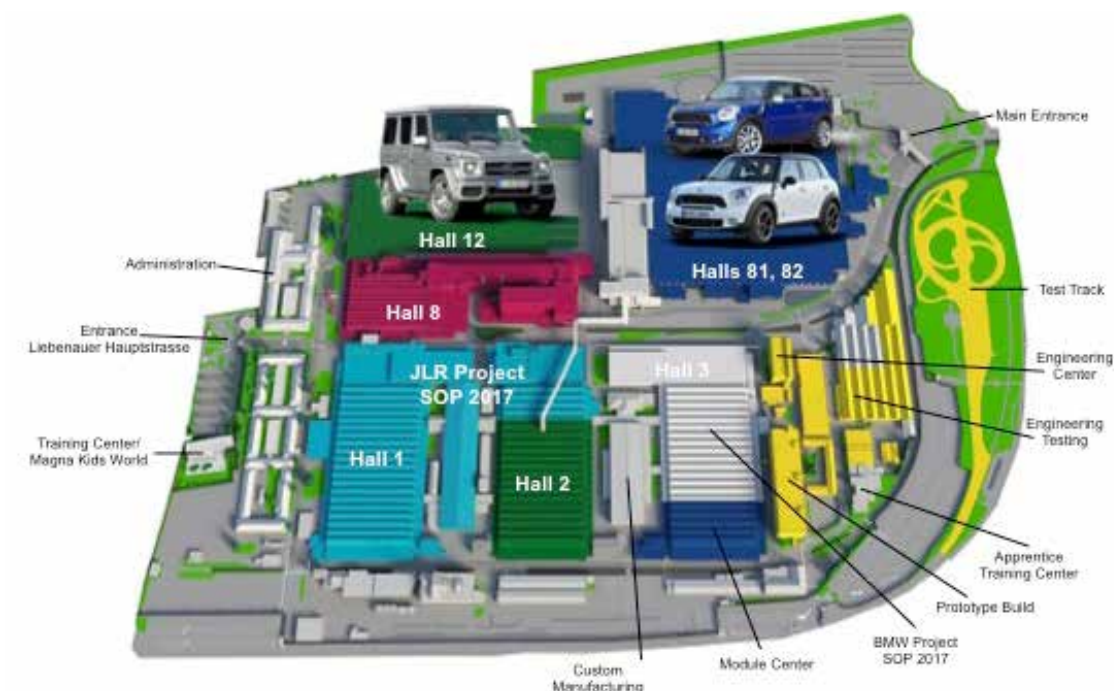
The broad service portfolio covers engineering services up to complete vehicle manufacturing, flexible solutions in vehicle contract manufacturing from niche to volume production and innovative fuel-tank systems.

As a contract manufacturer which has participated in EMAS since March 1999, Magna Steyr Graz has produced more than

three million vehicles in 22 models. Behind this excellent performance are some 6,500 employees. As an innovative company Magna Steyr constantly seeks new and better solutions for its partners and endeavors to provide highest quality at competitive prices. For Magna Steyr, vehicles are more than just a business, they are a passion.

With respect to health, safety and environmental protection practices, Magna Steyr has set itself the goal of being an industry leader. Technical innovations and process efficiency minimize the company's effect on the environment and ensure safe and healthy working conditions.

**Aerial view of the
plant premises.**



-  **Mercedes-Benz G-Class**
Assembly (Hall 12)
Body-in-White (Hall 2)
-  **MINI Countryman**
MINI Paceman
(Halls 81, 82)
Module Center (Hall 3)
-  **JLR Project SOP 2017**
(Halls 1, 2)
-  **Paint Shop**
(Hall 8)
-  **Engineering, Test Track**

Layout of the plant premises.

Three million automobiles made in Graz



From the voiturette in 1906 to the current range of models including the Mercedes-Benz G-Class, MINI Countryman and MINI Paceman, a total of 22 vehicle models rolled off the lines in Graz from 1906 to 2015. In 2014 Magna Steyr celebrated its historic anniversary of three million automobiles made in Graz



• **VW Transporter T3 4x4**
(1984 – 1992)



• **Audi V8L**
(1990 – 1994)



• **Mercedes-Benz E-Class**
(1996 – 2002)



• **Mercedes-Benz M-Class**
(1999 – 2002)



• **Mercedes-Benz E-Class**
(2003 – 2006)



• **BMW X3**
(2003 – 2010)



• **Jeep Commander**
(2006 – 2010)



• **Mercedes-Benz SLS AMG**
Painted Aluminum Body
(2009 – 2014)



• **MINI Countryman**
(since 2010)



• **MINI Paceman**
(since 2012)

• **Haflinger**
(1959 – 1974)



• **Puch 500/650/700c/126**
(1957 – 1975)



• **VW Golf Country**
(1990 – 1991)



• **Chrysler Voyager**
(2002 – 2007)



• **Saab 9³ Cabrio**
(2003 – 2009)



• **Jeep Grand Cherokee WH**
(2005 – 2010)



• **Aston Martin Rapide**
(2010 – 2012)



• **Peugeot RCZ**
(2010 – 2015)



• **Alpenwagen**
(1919)



• **Voiturette**
(1906)



• **Pinzgauer**
(1971 – 2000)



• **Jeep Grand Cherokee ZG, WG, WJ**
(1994 – 2004)



• **Chrysler 300 C**
(2005 – 2010)



• **Mercedes-Benz G-Class**
(since 1979)



Being a pioneer

Magna Steyr stands for quality, stability and reliability. To live up to the continually growing demands of the market and customers now and in the future, the company puts an emphasis on strategic innovations which allow high-quality product development and efficient manufacturing processes. On one hand, the further development process is carried out through optimizations initiated by management. On the other hand, the intensive involvement of all employees makes an essential contribution to the success of the company.



Innovation: The foundation for the success of tomorrow



SMART FACTORY BY MAGNA STEYR

We read and hear about Industry 4.0 more and more frequently. It's a term we come across not only in the media, but also increasingly in our daily production routine. At Magna Steyr, the applications in this field are called the Smart Factory. But what exactly is meant by this word and how is Magna Steyr dealing with this future key topic?

As an automotive supplier, Magna Steyr moves in a very dynamic business environment. Increasing product and process complexity, and constantly shorter product, market, technology and innovation cycles combined with volatile markets are making us face new challenges. Accordingly, companies are currently increasingly challenged to expand their competitiveness to secure their locations in the long run.

THE PRODUCTION OF THE FUTURE STARTS TODAY

To master these complex demands, the world of industry is experiencing a revolutionary change – the so-called fourth revolution. The German federal government introduced the term "Industry 4.0". At Magna Steyr, we talk of Smart Factory applications.

In the intelligent factory of the future, humans, machines, products and resources communicate with each other by exchanging data along the value-added chain in real time. By networking data more effectively and more economically, production can be ensured and increasing demand for individual products in manufacturing can be met better.

INTELLIGENTLY INTERCONNECTED – THE VIRTUAL FACTORY

Magna Steyr has developed a strategy for the production of the future under the name of "Smart Factory by Magna Steyr". The basis for this is the digital factory, which represents the complete product and manufacturing life-cycle from the virtual development of a vehicle to the digital, virtual planning of all manufacturing steps and

finally to real implementation in vehicle production. By means of this digital mapping, the digital factory creates a general database of all the technologies and is thus a virtual mirror image of the real factory. This extensive data provides the foundation for a real-time communication between employees, machines, products and resources in order to react faster and better to changing demands.

SMART FACTORY IN THE DAILY PRODUCTION ROUTINE

At Magna Steyr the Smart Factory is seen as a very flexible, agile and versatile factory which is oriented to the needs of the customers and the market. What is important is not so much any theoretical discussion, but rather direct implementation in the daily routine.

In the future, machines will adapt more to humans and not the other way round. This means that workplaces of the future can be designed more individually and ergonomically according to requirements. By means of a mobile, real-time exchange of information, value-added processes can be supported in real time. For instance, machines will communicate their maintenance needs directly to the right place, and system machinery will recognize the vehicle model and initiate the right inspection process independently. New information and communication

technologies will simplify the production process, raise flexibility and thus increase efficiency.

As the only supplier worldwide whose portfolio of services ranges from the development and manufacture of vehicle parts, system integration, complete vehicle development and contract manufacturing, Magna Steyr is vigorously pursuing implementation of Smart Factory concepts. Advanced robotics, 3D-printing and next-generation automation solutions are just some of the technologies being developed to increase efficiency.



The Smart Factory in practice: Automatic C-parts management

On any production line, the supply of parts is of essential importance. In the case of bulk materials, such as nuts and bolts – so-called C-parts – the supply process is carried out manually at Magna Steyr. Actions by employees are necessary for the ordering process and for delivery.

Automatic C-parts management automates the process by using an automatic guided vehicle not only to further optimize process reliability but also so that employees can focus on their tasks.

This project shows how to automate supply using a fully implemented demonstrator. On top of this, an automatic guided vehicle – a so-called AGV – was

built from standard parts in a low-cost version. The integration of an intelligent control system enables automatic guidance to destinations in accordance with the ERP system. The environment is navigated in real time, obstacles are avoided and persons protected. The navigation takes into account interfering contours, such as hall pillars, pedestals and racks, and is designed in such a way that the existing infrastructure does not have to be changed.

A wireless re-ordering system has been coupled with the "automatic guided shopping cart". Repeat orders are made by means of a keyboard or the RFID container identity. When you put empty containers in the shelf compartment, the number

of the container is read and the article automatically re-ordered.

The innovation was implemented by Magna Steyr in a prototype with scientific support from the CAMPUS 02 University of Applied Science. This demonstrates the company's readiness for the Smart Factory – in this case with respect to C-parts management. The first AGV will go into action in production as early as spring 2017. The project team is currently working on series-production readiness as well as increasing the load capacity so that larger parts, such as seats and complete cockpits can be automatically transported.



A case of making a good thing even better!

THE CONTINUAL IMPROVEMENT PROCESS (CIP) ENSURES CONSTANT FURTHER DEVELOPMENT AND IMPROVEMENT OF THE COMPANY.

2,850 implemented suggestions for improvement in 2015

The solution-oriented thinking of employees and striving to make good things even better are at the forefront of the CIP.

Furthermore, employees' own initiative is a driving force for constant further development. These crucial qualities allow a variety of optimizations to be carried out by employees. On the one hand, improvements are introduced in the framework of daily work, and on the other hand, employees' ideas which extend beyond the scope of activity of the individual employees are submitted as suggestions for improvement in the company suggestion scheme.

More than 2,850 implemented suggestions for improvement

in 2015 made an essential contribution to the improvement of the company.

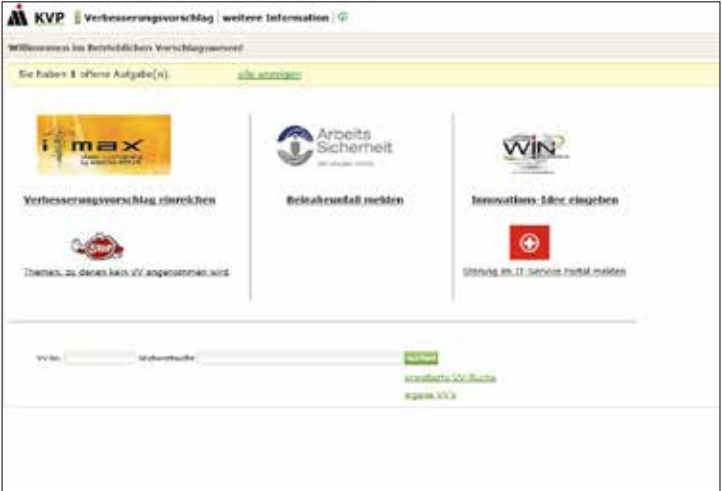
To simplify submitting and adapting suggestions for improvement even more, the new CIP workflow was rolled out at the Graz location in May 2016. This replaced the former workflow system in which more than 64,000 suggestions for improvement were recorded and adapted in the last 12 years. A remarkable number that underscores the importance of the company suggestion scheme for both employees and the company.

In order to ensure an overall view of all improvement activities, the platform "Improvement Initiatives" was

initiated. All the activities of the individual business units and functional departments are recorded in this platform, and enable a best-practice sharing to be carried out.

All the named activities share a common goal: continual improvement and further development with the inclusion of all employees.

Prize draw of a sporty Mercedes-Benz A-Class and other amazing non-cash prizes are a highlight in the company suggestion scheme



The start page of the new CIP workflow is clearly organized and invites employees to submit their suggestions for improvement.

Achievements, awards and honors



500,000 MINI Countryman made in Graz

THE 500,000TH MINI COUNTRYMAN MADE IN GRAZ ROLLED OFF THE ASSEMBLY LINE IN SEPTEMBER

In 2010 Magna Steyr began with the production of the MINI Countryman, followed by the MINI Paceman, a sporty coupe version from 2012 onwards. The first MINI to have four doors, with a big tailgate, five possible different seats and optional all-wheel drive, the MINI Countryman was a pioneer of its marque. To manufacture such a high number of items at the highest quality level in such a short time could only be done through extensive know-how, the high operational readiness of the team and the excellent cooperative partnership with the

customer. A large number of awards for the MINI models is impressive proof of the high-quality and efficient production in the spirit of World Class Manufacturing. The production of half a million vehicles of a model is really an exceptional milestone in the history of Magna Steyr and was duly celebrated in September by the customer and the whole team who made this anniversary possible through their commitment and passion.

The 250,000th Mercedes-Benz G-Class

A MAGNIFICENT ANNIVERSARY FOR A GENUINE GRAZ LEGEND.

It has been an unbelievable 36 years since the cult classic first rolled off the line at the Graz Magna Steyr plant. The anniversary of the production of the quarter millionth vehicle was yet another great milestone in the G-Class story of success. As before, the characteristic appearance and technical finesse of the off-road vehicle was very impressive and garnered immense international popularity. It's found

as far away as China, Japan and Australia, is more and more sought after in the USA and Canada and is constantly exploring new markets. Magna Steyr responds to this popularity year after year by increasing volumes. This means each year since 2012 has meant record numbers of G-Class vehicles being produced at the Graz location. The continual success of the off-roader shows that the investments

of the previous years and also especially the commitment of the 1,800 employees have borne fruit. With much loyalty to workmanship and individuality, decades of mature experience and the deeply rooted passion for the G-Class, the Magna Steyr team contributed to a magnificent production anniversary which hardly any other vehicle has achieved in this segment.



Au revoir Peugeot RCZ!

IN SEPTEMBER 2015 THE LAST FRENCH SPORTS COUPE ROLLED OFF THE LINE.

After barely six years and 67,915 manufactured vehicles later, the last French sport coupe rolled off the lines at Magna Steyr on September 18. Thus an important vehicle project came to an end at the Graz location. The Peugeot RCZ was the first complete vehicle contract which Magna Steyr carried out for the customer PSA Peugeot Citroen. Not only the development of the complete vehicle and contract

manufacturing did Magna Steyr take on for the first time, but also the responsibility for the choice of development strategy, purchase of all new parts and quality. Markets were impressed by the new vehicle and its unique design and it became one of the best-selling sports coupes in Europe. Not only the design, but also the assembly concept was unique. By integrating the RCZ as the third vehicle in the Jeep

Grand Cherokee and Chrysler 300C production, Magna Steyr demonstrated its flexibility in contract manufacturing. This was the first time that a sports coupe, an SUV and a limousine from two different customers was manufactured on one assembly line.

PUSH Challenge Cup for the Graz MINI production

BMW AWARDS PRIZE TO GRAZ LOCATION FOR OUTSTANDING ROADSIDE ASSISTANCE STATISTICS.

Magna Steyr supplies highest quality to its customers in the spirit of World Class Manufacturing – as proven by the Customer #1 PUSH Mobility Award from the BMW Group. The PUSH Challenge Cup, which was launched in 2015, is awarded every three months for special quality achievements with regard to the incidence of roadside assistance. With the MINI Countryman and the

MINI Paceman, Magna Steyr managed to undercut the numbers of roadside assistance incidents set by BMW. For this the MINI production was awarded "BMW plant with the best roadside assistance numbers in the first quarter of 2015". This was a very special quality award of which the Graz team of the MINI Countryman and MINI Paceman can be proud.





GRAZ LOCATION WINS ENVIRONMENT PRIZE

Magna Steyr wins the 2015 EMAS Prize

The Graz plant was awarded the EMAS Prize by the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management for its model environmental management system on May 27, 2015. For the first time, Magna Steyr had presented the four topics of Business Performance, Environment, Social

Responsibility and Compliance in a Performance Report with integrated Environmental Statement in 2014. The company was awarded the well-known EMAS Prize 2015 (Eco-Management and Audit Scheme) for the best public relations work on company environmental achievements. This is the highest award of



its kind in Austria. At a festive event, the Magna Steyr environmental team accepted this special award from the Federal Minister of Agriculture, Forestry, Environment and Water Management at Vienna's Schönbrunn Palace.



ÖKOPROFIT® AWARD FOR GRAZ PLANT

Magna Steyr demonstrates responsibility in environmental protection

In 2015 the Graz location received the accolade as an ÖKOPROFIT® company from the City of Graz for the 18th time. ÖKOPROFIT® stands for "ecological project for integrated environmental technology" and is a key environmental program of the City of Graz which sets measures in order to protect resources and benefit from them.

Responsible production is also a big topic for reasons of profitability. Magna Steyr has injected huge investments in the last few years and implemented a whole range of projects to improve energy efficiency in order to be able to increase ecologically sound and sustainable production.

For 2014, prizes were

awarded for achievements in the fields of energy savings in terms of electrical energy and heat saving, use of LED technology in the halls and outside lighting, optimization of transport flow, "zero emissions" in waste management, improvements in ergonomics, awareness raising (environmentally oriented product development, preventive occupational safety) and sensitization (safety and ergonomics). A reduction of heat and electricity requirements by 1,300,000 kWh/a and a CO₂ reduction of 500 t/a was achieved at the Graz plant in 2014. Translated into everyday terms, this corresponds to an annual power consumption of approx. 300 four-person households.



AWARD-WINNING PAINT SHOP

Excellent result for the Magna Steyr Paint Shop in the "besser lackieren. Green Award 2015"

Taking part for the first time ever in the "besser lackieren. Green Award 2015", the Paint Shop at the Graz plant reached the final and just missed first place. The company was awarded the certificate in the category "In-house coater – paint shop with more than 250 employees" in Bad Nauheim on November 25, 2015.

Magna Steyr was delighted with the extremely positive feedback. Its flexibility and commitment to raising efficiency and conserving resources within "evolved" structures was rated

highly as above average.

The "besser lackieren. Green Award 2015" is the only benchmark competition for industrial paint technology in the German-speaking area which assesses practical technology-leading know-how in a comparative way. It also presents the outstanding best-practice solutions for this technology in a prize-giving ceremony at a final specialist event.



MAINTENANCE AWARD AUSTRIA 2015

Second place for Magna Steyr Graz

The "Maintenance Award Austria" was given for the fifth time. The Graz location achieved second place in 2015. The company accepted the award during the International Maintenance Conference on October 7. The Maintenance Award was initiated by OVIA (Austrian technological and scientific union for maintenance and asset management) to distinguish companies who have successfully completed the change from classical maintenance to life-cycle-oriented asset management. Here, the orientation to

Industry 4.0 plays a crucial role. These best-in-class companies were chosen by a jury after an audit and site visits. Magna Steyr scored highly due to its highly developed management system, the maintenance manager working group, strong integration of IT, visualization of relevant key data and its mature replacement-part management.



Responsible production

Through its environment and safety management system, Magna Steyr wants to further save valuable resources and increase both safety as well as quality of the workplace. Dealing efficiently with electricity, compressed air, heat and natural gas is as important as reducing emissions of all kinds. Another focus is raising awareness of safety among employees.



Environmental management system



Management approach

The Magna Steyr Management Board is responsible for fulfilling customer requirements and expectations in cooperation with stakeholders and partners – and at a higher level for the company management system.

Integration of various sets of rules in the company and the collective implementation of requirements in company processes lead to synergies in organizational rules and thus to reduction of effort in the implementation of the demands of the processes, e.g. in document guidance, in internal system audits and in certification.

Quality Management is responsible for shaping general conditions as well as the organization, preservation and

further development of the integrated management system.

The integrated management system consists of the following management system disciplines:

– **Quality management**
based on ISO/TS 16949,
ISO 9001

– **Environmental management**
based on ISO 14001,
EU regulation EMAS III with
integrated energy management

– **Safety management**
based on OHSAS 18001

– **Information security**
based on ISO/IEC 27001,
VDA prototype protection

For each discipline, a management system officer is appointed for the implementation of strategic planning, design, maintenance and further development.

Environment and safety program 2016



Program 2016

No.	Objective	Measure	Implementa- tion date	Department responsibility	Com- pany
RESOURCES (Focal areas: power, heat, compressed air, natural gas)					
14	Reduction of electricity demand during operation of the roller test bench in Hall 12 by approx. 45 %	Attachment of automatic timers to the extractors of the pit roller test bench	May 16	Business Unit G	MSF
15	Reduction of heat loss (caused by ven-tilation) during operation of the roller test bench in Hall 12 by approx. 45 %	Attachment of automatic timers to the extractors of the pit roller test bench	May 16	Business Unit G	MSF
1	Optimization of route planning and adaptation to the frequency of waste generation; reduction of costs for waste disposal in Hall 12 by approx. 5 %	Comprehensive implementation of the project "Waste collection logistics 2.0" in Hall 12; all waste containers were equipped with sensors for identifying fill levels and site of installation in Hall 12	Sept. 16	Business Unit G	MSF
13	Reduction of compressed-air consump-tion in Hall 12 by 10 %	Shutting off compressed air on the manip-ulators (e.g. during wheel assembly)	June 16	Business Unit G	MSF
16	Reduction of energy consumption by converting to drive technologies without compressed air in Hall 82	Replacement of "compressed-air" drive technologies by other technologies (electric drive)	Nov. 16	Business Unit H	MSF
17	Reduction of heating costs (reduction of energy costs) by optimizing the rolling doors and door air locks in Hall 82	Repair of old doors/air-lock control systems, replacement of rolling doors by better sealed sectional doors, and ensuring correct use	Sept. 16	Business Unit H	MSF
18	Reduction of electrical energy con-sumption by installing solar-powered hot water system in Hall 84	Verification of efficiency and implementation by Plant Planning, implementation parallel to refurbishment of changing rooms in Hall 84	Dec. 16	Business Unit H	MSF
19	Reduction of electrical energy con-sumption and waste volume in Hall 82 and Hall 84	A continual improvement process campaign carried out ("energy saving and waste avoidance")	May 16	Business Unit H	MSF
20	Reduction of energy consumption in the parts washing plant in the external location at Köglerweg by 15 %	Renovation of the parts washing plant	Aug. 16	Business Unit Painted Body	MSF
21	Reduction of electrical energy consumption for compressed-air production in the external location at Köglerweg by 30 %	Renovation of the compressed air supply and of the dryer	Dec. 16	Business Unit Painted Body	MSF
5	Reduction of paint consumption in interior painting in top coat line 3 by 10 % and improvement of the grade of application efficiency	Installation of an automatic interior painting unit	Dec. 16	Business Unit Painted Body	MSF
6	Reduction of paint consumption in top coat line 2 by 15 %	Savings in roof paintwork of contrast vehicles during first top coat run	Jan. 16	Business Unit Painted Body	MSF
22	Reduction of natural gas consumption in top coat line 3 by 10 %	Automation of interior painting using robots and resulting reduction of air-flow speed	Dec. 16	Business Unit Painted Body	MSF
23	Reduction of electrical energy con-sumption in Hall 1 by 35 %	Conversion of lighting in Hall 1 to LED technology	Dec. 16	Facility Management	MSS
24	Reduction of electrical energy con-sumption in Hall 2 by 35 %	Conversion of lighting in Hall 2 to LED technology	Dec. 16	Facility Management	MSS

Production process – attachment of automatic timers to the extractors of the pit roller test bench in Hall 12: Power savings 10 MWh/year

Infrastructure process – conversion of lighting in Halls 1 and 2 to LED technology: Power savings 400 MWh/year

RESPONSIBLE PRODUCTION

Infrastructure process – restructuring of heating network, interconnection of heating facilities: Heat energy savings of 1570 MWh/year electricity, CO₂ reduction of 350 t/year

Hall logistics – replacement of 30 forklift trucks by 15 electric tugger trains including trailers in Hall 82: Power savings 290 MWh/year

No.	Objective	Measure	Implementa- tion date	Department responsibility	Com- pany
25	Reduction of heat energy at the Graz location by 1000 MWh	Restructuring of the plant-wide heating network into a room heating network and industrial heating network	Dec. 16	Facility Management	MSS
26	Reduction of heat energy in Hall 1 by 570 MWh	Interconnection of all heating facilities in Hall 1	Aug. 16	Facility Management	MSS
27	Reduction of energy consumption by materials-management hall transport in Hall 82 by 290 MWh	Withdrawal of 30 forklift trucks and replacement by 15 electrical tugger trains including trailers	Aug. 16	Supply Chain Management	MSS

EMISSIONS (CO₂, noise, exhaust air, dust, waste, etc.)

2	Reduction of waste generation	Setup of a recycling collection point; collection of parts serving transport protection and transport safety, etc. and return to the transport process	June 16	Business Unit H	MSF
3	Changeover from the paint-sludge recovery process from method D to method R, thus raising the recycling quota (project "Zero Waste")	Separation of paint sludge from the jute sack (after dewatering) for recycling	Dec. 16	Business Unit Painted Body	MSF
4	Reduction of hazardous waste by lowering the amount of aerosol cans to be disposed of by 30 %	Installation refilling stations and standard-ization of the aerosol cans	June 16	Engineering Center Austria	MSE
7	Integration of electrical drivetrains to enable reduction of exhaust emissions in the utilization phase of future xEV series vehicles	Creation of a high-voltage competence center including installation of innovative charging facilities for electric vehicles, expansion of training for the engineering team	Dec. 16	Engineering Center Austria	MSE
8	Presentation of concept maturity of lightweight-construction hybrid materials to enable a reduction of indirect environmental effects in the utilization phase of future customers products	Eco-design for metal-plastic hybrid construction techniques to improve recycling capability; creation of a comparable green-house-gas balance sheet (carbon footprint), lightweight construction by using intelligent material composites	Nov. 16	Engineering Center Austria	MSE
9	Improvement of environmental compatibility and reduction of indirect environmental effects from three products with series effectiveness 2016	Use of the Magna Steyr balance-code method and the Magna Steyr eco-design program to ensure material compliance; improvement of recycling capability and optimization of indoor air quality	Dec. 16	Engineering Center Austria	MSE
10	Eradication of noise and air pollutants regarding operation of the post vehicle at the Graz location	Replacement of fuel-driven post vehicle by an electrically powered vehicle	Dec. 16	Facility Management	MSS
11	Determination of the transport-relevant CO ₂ emission by implementing a CO ₂ reporting model for the Graz location	Acquisition of relevant baseline data for the calculation of the CO ₂ emission of new projects	Dec. 16	Supply Chain Management	MSS
12	Increase of truck capacity utilization in the case of direct and milk-run routes from 74 % to 79 % and associated CO ₂ reduction	Adaptation of released quantities in terms of a transport-optimized released quantity in the course of the "Redesign LAB" project	Dec. 16	Supply Chain Management	MSS

OCCUPATIONAL SAFETY (protection of employees against work-related health and safety hazards)

32	Maximization of plant safety in the case of new plants	Inspection of all planned new assembly lines regarding internal quality standards before start-up and, if required, imposition of changes	Nov. 16	Business Unit Painted Body	MSF
39	Reduction of risk of accidents and improvement of information protection for Hall 82	Creation and implementation of an access and security concept	Nov. 16	Business Unit H	MSF
43	Optimization of high-voltage safety at electrical lab workplaces in the relevant vehicle engineering workshops and set-up areas	Completion of fitting out workplace, introduction of personal protective equipment (PPE) including labeling, access restrictions for these areas	Dec. 16	Engineering Center Austria	MSE
44	Creation of age-appropriate jobs for 5 % of jobs regarding new products in Business Unit Painted Body	Survey about what workplaces can be specially ergonomically adapted for older employees, and planning workplaces for older employees	Dec. 16	Business Unit Painted Body	MSF
45	Non-smoking production in Halls 9 and 10 in the external location at Köglerweg	Setting up open-air smoking areas	Dec. 16	Business Unit Painted Body	MSF
46	Reduction of psychological stress in Business Unit Painted Body workplace in the framework of a location-wide project	Evaluation of the workplace by an external team together with the areas of occupational medicine, safety, human resources and management	Dec. 16	Business Unit Painted Body	MSF
47	Reduction of work accidents in the production area of the Business Unit Painted Body by 20 %	Verification of the defined measures on the basis of accident evaluations, and increased training for employees	Dec. 16	Business Unit Painted Body	MSF
49	Creation of age-appropriate jobs in Business Unit Painted Body	Survey about what workplaces have to be specially ergonomically adapted for older employees	Dec. 16	Business Unit Painted Body	MSF
50	Creation of alternative workplaces for older employees	Creation of a program regarding the use of older employees in maintenance work, e.g. painting work	Dec. 16	Business Unit Painted Body	MSF

No.	Objective	Measure	Implementa- tion date	Department responsibility	Com- pany
54	Reduction of posture-related damage on the musculo-skeletal system caused by wrong posture at monitor-based workplaces in the Functional Department Human Resources	Evaluation of office workplaces taking ergonomic perspectives into special consideration	Dec. 16	Human Resources	MSS
56	Reduction of posture-related damage on the musculo-skeletal system caused by wrong posture at monitor-based workplaces in the Functional Department Supply Chain Management	Evaluation of office workplaces taking ergonomic perspectives into special consideration	Sept. 16	Supply Chain Management	MSS
58	Modernization of personal protective equipment of all employees in the Functional Department Quality Management	Issue of latest personal protective equipment to employees according to PPE catalogue	Dec. 16	Quality Management	MSS
60	Reduction of posture-related damage to the musculo-skeletal system by wrong posture at the monitor-based workplaces in the Functional Department Quality Management.	Tour of the workplaces with the occupational physician, the responsible safety officer and safety confidants	Dec. 16	Quality Management	MSS
62	Prevention of hearing loss for employees of the Functional Department Quality Management	Issue of custom-made ear protectors to employees in noise-exposed workplaces	Dec. 16	Quality Management	MSS
63	No OSHA-related accidents at work in the Functional Department Quality Management	A continual improvement process campaign on the topic of safety	Dec. 16	Quality Management	MSS

SKILLS

28	Increase of knowledge of Magna Group-wide environmental guidelines, product environmental safety and material-compliance requirements in product development for 100 employees	Carrying out training course on the above topics	Dec. 16	Engineering Center Austria	MSE
33	Reduction of the OSHA rate from 1.5 to < 1.2 in Business Unit G	Training of team leaders and subsequently employees regarding dealing safely with air-bags, and a continual improvement process campaign on the topic of safety	Sept. 16	Business Unit G	MSF
36	Further improvement and stabilization of the OSHA rate to < 1.2	Training of employees on the prevention of hand injuries	Sept. 16	Business Unit H	MSF
37	Increasing the share of management who have undergone training as safety confidants in Business Unit H	Training of additional safety confidants	Dec. 16	Business Unit H	MSF
40	Increased training of employees of external companies by 40 % due to increased activities of external companies at the location Graz	Two additional training meetings per week to provide safety instructions for external companies	June 16	Facility Management	MSS
41	Ergonomic improvement of the workflow in the departments of central maintenance, central replacement parts store and the automobile workshop	Employee training courses on the topic of "Correct lifting and carrying" with AUVA	Dec. 16	Facility Management	MSS
42	Reduction of short-term single meetings for training employees of external companies at the security center by 15 % to relieve pressure on the staff of the security center	Setting up a self-service center with e-learning training programs in the security center	Dec. 16	Facility Management	MSS
48	Reduction of accidents at work and improvement of ergonomics at the workplace in Business Unit Painted Body	Carrying out AUVA special campaigns together with the occupational physician and the responsible safety officer	Dec. 16	Business Unit Painted Body	MSF
51	Reduction of accidents at work in the first year of apprenticeship	Training of apprentices on the topic of safety and accident prevention from the first day at work	Sept. 16	Human Resources	MSS
52	Reduction of accidents at work for apprentices of all years	Training of apprentices in the course of an apprentice safety day with special focus on accident prevention, health at the workplace, fire protection and environmental protection	July 16	Human Resources	MSS
53	Compliance with the internally stipulated OSHA targets in the apprentice workshop	Group discussion training, tour of the workplaces with the occupational physician, the responsible safety officer and safety confidants	Dec. 16	Human Resources	MSS
57	Strengthening skills of all plant operators in the Functional Department Quality Management on the topic of lock-out/tag-out	Training courses on the topic of lock-out/tag-out	Dec. 16	Quality Management	MSS
59	Reduction of the risk of injury when handling airbags for all the employees in the Functional Department Quality Management dealing with airbag experiments	Training of all employees concerned regarding the correct way of dealing with airbags according to internal and external guidelines	June 16	Quality Management	MSS
61	Increase in skills training of all employees in the Functional Department Quality Management working with high-voltage battery technology for future battery projects	Organization of training and instruction of employees for future high-voltage battery projects	Dec. 16	Quality Management	MSS

MSS Magna Steyr AG & Co KG
MSE Magna Steyr Engineering AG & Co KG
MSF Magna Steyr Fahrzeugtechnik AG & Co KG

Employee protection – reduction of accidents at work during the first year of apprenticeship by means of training measures from the first day at work

700 MWh

Power savings/year

>> Page 25 and 26

EMAS PRIZE 2015

The Graz location is awarded a prize for its model environmental management system by the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management.

>> Page 20

MODERNIZED APPRENTICE TRAINING CENTER

Magna invests in the renovation of the apprenticeship workshop.

>> Page 44

INNOVATION

Magna Steyr has developed a strategy for the production of the future under the name of Smart Factory by Magna Steyr.

>> Page 14 and 15

140 MWh

Power savings/year

>> Page 30

MAGNA KIDS WORLD

The new childcare facility was opened in fall 2015 after a construction period of only four months.

>> Page 42 and 43

380 t

CO₂ savings/year

>> Page 31

ANNUAL CELEBRATION 2015

Some 4,500 guests round off an eventful and successful year.

>> Page 45

AU REVOIR PEUGEOT RCZ

In September 2015 the last French sports coupe rolled off the line at Magna Steyr.

>> Page 19

350 t

CO₂ savings/year

>> Page 26

Achieved targets



Achievements in environment protection and occupational safety 2015

No.	Objective	Measure	Fulfillment in %	Department responsibility	Company
RESOURCES (Focal areas: power, heat, compressed air, natural gas)					
3	Reduction of the use of replacement batteries in Business Unit G by 20 %	Recording/tracking and reduction of the use of funds for battery tools, such as cordless screwdrivers, and setting optimization measures	100	Business Unit G	MSF
4	Reduction of energy costs by reducing use of compressed air in Business Unit G by 10 %	Carrying out compressed-air audits, inspections with short-term elimination of leaks and carrying out an energy audit	100	Business Unit G	MSF
5	Reduction of personnel costs by reducing waste disposal in Business Unit G by 15 %	Revision/optimization of the waste disposal route plan	100	Business Unit G	MSF
7	Reduction of waste costs in Business Unit H	Determination of potentials for the reduction of resources used for waste disposal (material, time, personnel, etc.), such as avoidance of empty runs and the optimization of used waste containers	100	Business Unit H	MSF
8	Reduction of waste costs through waste avoidance by 15 % and the reduction of energy consumption in Business Unit H	Use of two PIT (Process Improvement Teams) and the development and implementation of measures (e.g. shut off of compressed air in Hall 82, optimization of container numbers and use of personnel in waste disposal)	100	Business Unit H	MSF
9	Reduction of energy consumption in the production process in Business Unit H (initial focus: Hall 1)	Determination of potentials for the reduction of resources used for production (power, compressed air, etc.), lowering consumption during production-free times	100	Business Unit H	MSF
12	Reduction of electrical energy consumption in Hall 3 by 35 %	Conversion of basic hall lighting to LED technology	100	Facility Management	MSS
13	Forecast model for plant-wide energy consumption	Presentation of a future-oriented energy-consumption forecast model on the basis of the previous year's values (with the same granularity as in previous energy reports)	100	Facility Management	MSS
14	Analysis of potentials of the top 10 cooling systems regarding energy reduction of infrastructure cooling systems	Detailed analysis of cooling systems in the area of responsibility of the Functional Department Facility Management with experts from Energie Steiermark	100	Facility Management	MSS
16	Reduction of energy consumption in Hall 81 and Hall 82	Optimization of ventilation control and control of air-conditioning systems after completion of conversion work at the location	0	Facility Management	MSS
28	Reduction of energy consumption by optimizing compressed-air supply at the external location at Köglerweg by 30 %	Concept creation for a new compressor system with intelligent combination control adapted to needs	100	Business Unit Painted Body	MSF
29	Introduction of energy monitoring for robots as a basis for future improvement measures in Hall 81	Installation of new robots including an energy monitor to be installed at the main feed-in points of the robot system supply	100	Business Unit Painted Body	MSF
30	Carrying out an analysis of potential for the reduction of energy costs and the optimization of parts washing in Hall 10 of the external location at Köglerweg	Feasibility study for the renovation of the parts washing plant; implementation during the winter shutdown in 2015	100	Business Unit Painted Body	MSF

Body-in-White – concept development for demand-driven compressed-air supply: Power savings 140 MWh/year

No.	Objective	Measure	Fulfillment in %	Department responsibility	Company
35	Reduction of annual energy costs (comparison year 2010 on the basis of two-shift operation) in the area of top coat 3 by approx. 5 %	Implementation of the measures of the top coat 3 energy model (lowering supply-air temperature by 1°C to 2°C, use of window regulation, upgrade of frequency converters at existing pumps)	100	Business Unit Painted Body	MSF
36	Reduction of heating energy and electrical energy consumption in Hall 8 by 3 %	Saving power and heat at the hall supply-air systems in Hall 8; lowering the temperature by 1°C to 2°C and creating a concept for reducing overpressure in production-free times	100	Business Unit Painted Body	MSF
38	Reduction of natural gas consumption in the spray and work booths of the Paint Shop by approx. 2 %	Savings of natural gas in the supply-air plants of paint and work booths; lowering supply-air temperatures by 1°C to 1.5°C in the paint booths and by 2°C in the work booths	100	Business Unit Painted Body	MSF

EMISSIONS (CO₂, noise, exhaust air, dust, waste, etc.)

19	Reduction of generation of residual waste against baseline values of 2013 in the Engineering Center Austria by 5 % (implementation conceived for 2014 and 2015)	Preparation of waste separation information, separation posters and planned training in the departments concerned	100	Engineering Center Austria	MSE
23	Sorted separation of metal and plastic waste at Magna Steyr Aerospace	Installation of additional collection containers	100	Aerospace	MSE
37	Carrying out an analysis of potentials for the reduction of PVC use and waste quantities in the Paint Shop	Examination of recycling of the material and optimization of the plant (pressure regulator)	100	Business Unit Painted Body	MSF
41	Optimization of vehicle flows in the plant	Implementation of a new electronic traffic control system with integrated dock involvement (demand and release system)	100	Supply Chain Management	MSS
43	Determination of the transport-relevant CO ₂ emission for the Graz location	Survey of status quo and setting up a reporting system; Note: Due to repeated project changes the 2015 project was not able to be completed; continuation of project in 2016	50	Supply Chain Management	MSS
44	CO ₂ reduction by optimizing transport logistics in the Functional Department Supply Chain Management	Consolidation of pick-up and delivery frequencies with regard to current production quantities	100	Supply Chain Management	MSS

LEGAL COMPLIANCE

15	Definition and partial implementation of an electronic EHS platform to raise transparency, increase efficiency, and automate procedures in the Functional Department Facility Management	Intelligent integration of existing datasets and creation and/or increase of the degree of automation	25	Facility Management	MSS
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OCCUPATIONAL SAFETY (Protection of employees against work-related health and safety hazards)

1	Reduction of the OSHA rate from 2.3 (2014) to ≤ 1.5	Integration of safety topics as a key focus in group meetings	100	Business Unit G	MSF
2	Reduction of the OSHA rate from 2.3 (2014) to ≤ 1.5	Carrying out campaigns on the topic of safety (e.g. "G-sicher voraus!" – Go ahead safely) and basic training courses	100	Business Unit G	MSF
6	Complete marking of handrails in Business Unit H	Marking and labeling all stairways (handrails)	100	Business Unit H	MSF
10	Optimized safety data-sheet target process at the Graz location	Definition of an IT-supported, consistent safety data-sheet target process	90	Facility Management	MSS
11	Creation of a new, comprehensive catalog for personal protective equipment for the Graz location	Preparation of the electronic or printed updated version (with efficient change management)	100	Facility Management	MSS
21	Provision/establishment of a defined assembly point in the case of fire or an evacuation plan	Installation of an assembly point sign	100	Aerospace	MSE
24	Improvement of ergonomics in Body-in-White, quarterly presentation of modification in "ergonomic jobs"	Elimination of platforms and elephant feet; adjustable workplaces; elimination of trip hazards	100	Business Unit Painted Body	MSF
25	Implementation of the pilot project "Non-smoking production"	Fully non-smoking Hall 7 as an element of the "mylife @ Magna Steyr" program	100	Business Unit Painted Body	MSF
26	Reduction of work accidents in Body-in-White by 15 %	Installation of an outside entrance to the check-room in Body-in-White in Hall 2, reduction of weld spatters and the correct use of personal protective equipment	100	Business Unit Painted Body	MSF
27	Increasing safety by eliminating walkways through the production area	Installation of an outside entrance to the check-room in Body-in-White in Hall 2 and relocation of the time terminal	100	Business Unit Painted Body	MSF
31	Reduction of pushing bodies by hand in the Paint Shop by 50 %	Automatic in and out control of bodies by means of the conveyor technology	25	Business Unit Painted Body	MSF

Paint process – lowering the supply-air temperatures in the spray and work booths to reduce natural gas consumption: CO₂ savings 200 t/year

Transport logistics – optimizations in terms of pick-up and delivery frequencies according to quantities: CO₂ savings 180 t/year

Employee protection – improvement of ergonomics in Body-in-White by eliminating platforms and trip hazards

No.	Objective	Measure	Fulfillment in %	Department responsibility	Company
32	Improvement of ergonomics in Body-in-White in Business Unit Painted Body, quarterly presentation of modification in "ergonomic jobs"	Elimination of single platforms, elephant feet and trip hazards	100	Business Unit Painted Body	MSF
33	Introduction of adapted ear protection and new safety shoes with high cushioning characteristics	Provision of protective equipment	100	Business Unit Painted Body	MSF
34	Further 55+ initiatives in Business Unit Painted Body	Continuation of painting activities and development of a further area of activity	100	Business Unit Painted Body	MSF
39	No accidents at work in the Functional Department Human Resources	Training sessions with focus on renovation of apprenticeship workshop	100	Human Resources	MSS
40	Full workplace evaluation of the office workplaces in the Functional Department Supply Chain Management	Evaluation of all office workplaces with focus on ergonomics	100	Supply Chain Management	MSS
42	Use of VCI anti-corrosion films without chemical additives	Carrying out of product tests	100	Supply Chain Management	MSS
45	Increase of safety of employees in the Functional Department Quality Management	Equipping employees with new UVEX safety shoes (40-Joule cushioning) and subsequent annual inspection whether they are available to all employees	100	Quality Management	MSS
46	Increase of safety of employees in the Functional Department Quality Management	Equipping employees with new UVEX safety goggles and subsequent annual inspection whether they are available to all employees	100	Quality Management	MSS
48	Increase of safety of employees in the Functional Department Quality Management	Equipping employees with cut-resistance level 5 leather gloves and subsequent annual inspection whether they are available to all employees	100	Quality Management	MSS
49	Increase of safety of employees in the Functional Department Quality Management	Increase of seating capacity on the line and office and subsequent annual complete standardized fitting out of workplaces	50	Quality Management	MSS
50	Increase of safety of employees in the Functional Department Quality Management	Monthly presentation of performed upgrades and documentation in the minutes of the safety meetings by the safety officer	100	Quality Management	MSS
51	Increase of safety of employees in the Functional Department Quality Management	Equipping employees with tailor-made ear protection and subsequent annual inspection whether they are available to all employees	90	Quality Management	MSS

SKILLS

17	Energy monitoring/data evaluation based on the XM frame system	Training of employees for the XM frame system; Note: The XM frame system is an independent data-evaluation program which from now on will be used exclusively by external service providers	0	Facility Management	MSS
18	Increase of safety of employees in Engineering Center Austria	Training with regard to protective function and the necessity of personal protective equipment in the course of safety instruction and tours as well as occasional follow-up training	100	Engineering Center Austria	MSE
20	Obligatory, improved communication on topics of environment and safety within Engineering Center Austria	Quarterly presentation of the current status on environment and safety in the interdisciplinary jour fixe	100	Engineering Center Austria	MSE
52	Optimization of waste separation in the Functional Department Quality Management	Introduction to the topic of waste separation as topic of the month in the environment team and carrying out employee training including verification management	100	Quality Management	MSS

MSS Magna Steyr AG & Co KG
MSE Magna Steyr Engineering AG & Co KG
MSF Magna Steyr Fahrzeugtechnik AG & Co KG

Environment in figures

Data, facts and regulatory requirements

AIR POLLUTANTS AND WATER

The values of emissions in exhaust air and wastewater mostly lie significantly under the stipulated thresholds. Water consumption lies at only a

quarter of the volume approved by the authorities. The location obtains its raw water from its own wells at the location, and the water supply of the social areas is a blend of its own water and that from the public water supply.

Emission thresholds stipulated by the authorities and measured values 2014

Paint Shop	Unit	Threshold	measured results
Particles	mg/Nm³	3	0.2–1.8
Total carbon acc. to TNV ¹	mg/Nm³	30	0.2–1.5
Nitrogen dioxide acc. to TNV ¹	mg/Nm³	100	33.1–95.5
Carbon monoxide acc. to TNV ¹	mg/Nm³	100	2.0–95.5
Total carbon ²	mg/Nm³	75	0.2–48.9

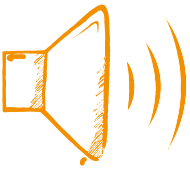
1) Thermal afterburning plant.
2) Measured in the exhaust air from the paint booths.
The measured results are derived from 88 individual measurements at various emission sources.



Wastewater threshold values stipulated by the authorities and measured values 2015

Substances in wastewater	Unit	Threshold	Measure value
Adsorbable organically bound halogens (AOX)	mg/l	1	0.04*
Nickel	mg/l	0.4	0.06*
Zinc	mg/l	1.1	0.06*
Fluoride	mg/l	35	6.02*
Sulfate	mg/l	400	28.15*
Sulfite	mg/l	10	0.30*
Hydrocarbons	mg/l	15	0.09*
Wastewater volume per day	m³	456	171*
Wastewater volume per year	m³	139,000	41,939

*) Mean value from external monitoring.



NOISE

The relevant areas and sources of emissions were surveyed and approval of the plant was granted under commercial law. The on-site noise situation is primarily determined by traffic noise.

WASTE

The requirements made on the proper collection and weighing of the respective waste collection points at the location are fulfilled in the form of an outsourcing model by Saubermacher Outsourcing GmbH.



Input/Output balance

INPUT	2015
Production material	47,907 t
Metals	
Welding wire	
Textile, leather, other carpeting materials	
Finished products ¹⁾	99,909 t
Indirect production material	5,970 t
Operating consumables	
Adhesives and sealants	
Coating materials	
Insulation materials	
Non-production material	315 t
Pretreatment chemicals	
Coagulants	
Wastewater treatment	
Maintenance materials	
Office cleaning materials	
Media consumption	
Electricity	83,311 MWh
Natural gas	5,589,233 Nm³
Water ²⁾	296,090 m³
Heat ³⁾	66,672 MWh

- 1) Finished products include e.g. engines, seats, tires, cockpits, etc.
2) Raw water from company wells and from municipal supply for drinking-water purposes (29,961 m³).
3) Heat is provided by external supplier.
4) CO₂ emissions from fuel (natural gas), incineration of solvents (process) and district heating.

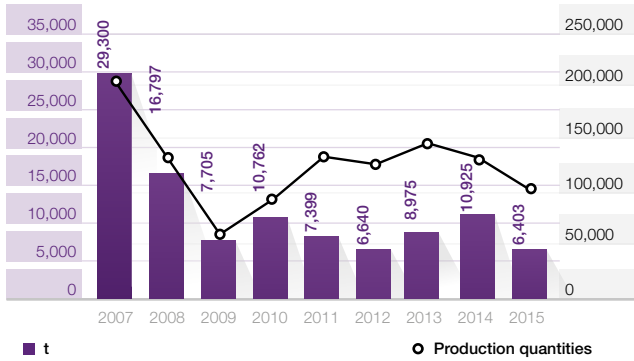
OUTPUT	2015
Complete vehicles incl. painted bodies (units)	105,033
Components from aerospace sector	9 t
Emissions into the atmosphere	
Solvent emissions	116 t
Odor emissions	1,201,685 MGE
Organic C emissions	81 t
CO ₂ ⁴⁾	26,659 t
CO	11.7 t
NO _x	15.2 t
Dust	6.2 t
Water output	
Output to external heat supplier	234 m³
Discharge into sewage system	255,442 m³
Pipe bursts, losses, evaporation and Test track irrigation	40,648 m³
Waste disposal	
Hazardous waste	1,324 t
Non-hazardous waste	5,079 t
Total	6,403 t

Waste

TOP 10 HAZARDOUS WASTES 2015

Rank	KN acc. to ÖNORM	Name acc. to ÖN S2100	Weight [kg]
1	55503	Lacquer and paint sludge	364,974
2	51310	Other metal hydroxides	216,980
3	59405	Waste from washing and detergents characterized as inflammable, corrosive, dangerous to the environment or to health (reduced toxicity)	118,024
4	55374	Solvent-water mixtures without halogenated solvents	112,288
5	55404	Solvent-based materials without halogenated organic components	109,428
6	55502	Used lacquers and paints containing solvents or heavy metals including not fully hardened residues in containers	74,355
7	54702	Oil-separator contents (benzine-separator contents)	61,620
8	35322	Lead batteries	38,892
9	55907	Filler waste, not hardened	33,090
10	54930	Solid fat and oil-contaminated materials (workshop, industrial and gas-station wastes)	32,907

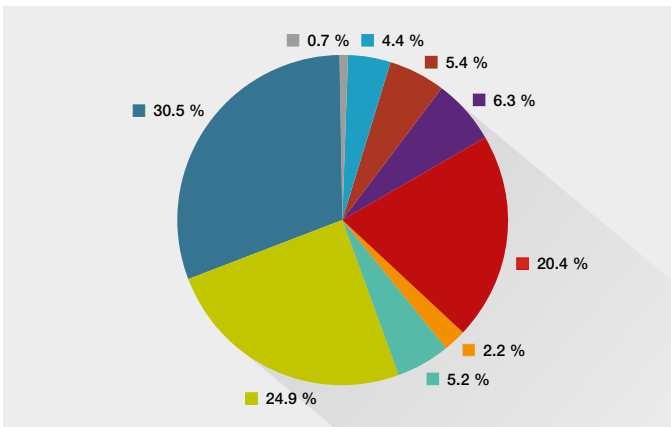
VOLUME OF WASTE – TOTAL



The reduction of the volume of waste in 2015 is proportional to the smaller production volume. Additionally, the volumes of waste from building activities were not taken into account by these statistics, which results in an over-proportionally higher reduction of non-hazardous wastes.

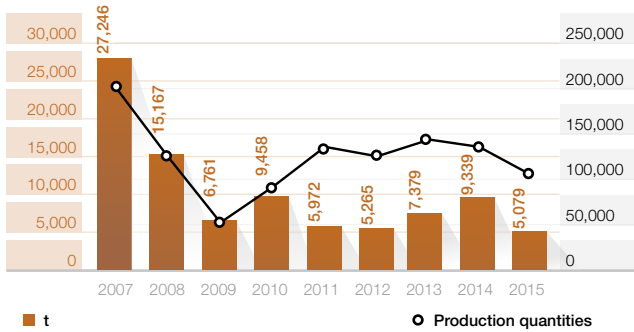
RECOVERY AND DISPOSAL METHODS

The percentage representation of waste recovery and disposal methods based on the accrued waste volumes of 6,403,229 kg in 2015 acc. to Appendix 2, AWG 2002

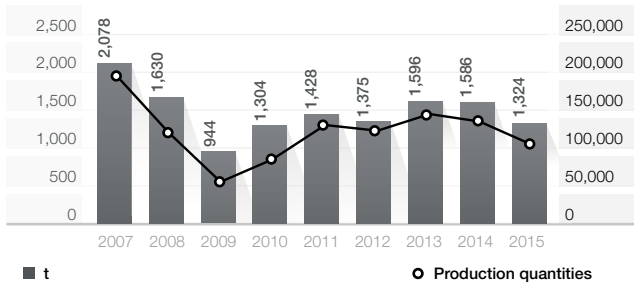


- R 1 Main use as fuel or other means of energy production
- R 3 Recycling/recovery of organic materials not used as solvents (including composting and other biological conversion methods)
- R 4 Recycling/recovery of metals and metal compounds
- R 5 Recycling/recovery of other inorganic materials
- R 11 Use of waste materials which could be obtained from one of the methods mentioned under R1 to R10
- R 12 Exchange of waste materials to subject them to one of the methods mentioned under R1 to R11
- D 9 Chemico-physical treatment which is described in this appendix and not anywhere else and which is derived from end compounds or mixtures and which is disposed using one of the methods listed under D1 to D12 (e.g. steaming, drying, calcination, etc.)
- D 10 Incineration on land
- D 11 Incineration at sea

VOLUME OF WASTE – NON-HAZARDOUS WASTE



VOLUME OF WASTE – HAZARDOUS WASTE



Environmental effects

KEY INDICATORS ACCORDING TO EMAS III

The reference value vehicle refers to the finished production volume in 2015 at 105,033 vehicles.

Designation	Unit	2015	2014	2013	2012
Energy efficiency ¹⁾	MWh per vehicle	1.98	1.64	1.77	2.02
Energy efficiency of renewable energies	MWh per vehicle	0.79	0.65	0.11	0.11
Material efficiency ²⁾	kg per vehicle	1,467	1,380	1,563	1,528
Water ³⁾	m³ per vehicle	0.97	0.63	0.72	0.90
Hazardous waste for elimination	kg per vehicle	9.7 ⁹⁾	9.44 ⁹⁾	10.67	10.7
Hazardous waste for recovery	kg per vehicle	2.91 ⁹⁾	2.18 ⁹⁾	0.22	0.23
Non-hazardous waste for elimination	kg per vehicle	0.09 ⁹⁾	0.9 ⁹⁾	1.66 ⁸⁾	0.18
Non-hazardous waste for recovery	kg per vehicle	48.27 ⁹⁾	67.54 ⁹⁾	48.68	41.8
Land usage ⁴⁾	m² per vehicle	6.42	4.94	4.90	5.7
Carbon dioxide ⁵⁾	kg per vehicle	254	214	241	249
Nitrogen oxide ⁵⁾	kg per vehicle	0.29	0.25	0.22	0.26
Dust	kg per vehicle	0.06	0.06	0.06	0.05
Sulfur dioxide ⁶⁾	kg per vehicle	not relevant	not relevant	not relevant	not relevant
Chlorofluorocarbons ⁷⁾		not relevant	not relevant	not relevant	not relevant
Fluorinated hydrocarbons ⁷⁾		not relevant	not relevant	not relevant	not relevant
Sulfur hexachloride ⁷⁾		not relevant	not relevant	not relevant	not relevant

¹⁾ Includes power, heat and natural gas, and from 2012 also includes the proportions from the Kastner halls and Puchstrasse.

²⁾ Material efficiency includes production material, finished products, indirect production material and non-production material.

³⁾ Taking into account own quantities from the production areas, and from 2012 also includes the quantities from the Kastner halls.

⁴⁾ Land usage includes built-up, bituminized and graveled areas as well as railway areas.

⁵⁾ Additionally includes quantities from external heat supply of the neighboring boiler house (Building 27).

⁶⁾ Sulfur-free energy sources are used (natural gas and fuels).

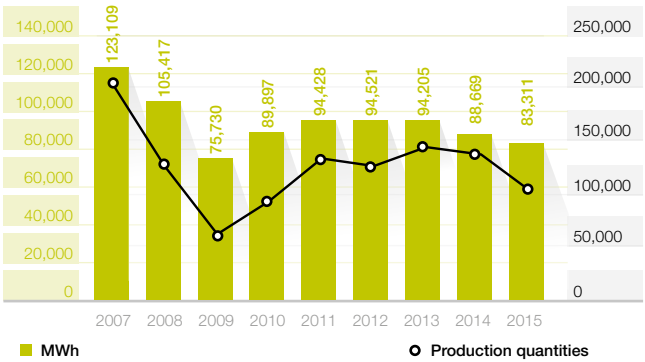
⁷⁾ These materials are only present in locked plants (cooling systems and switching stations).

⁸⁾ The fluctuations in elimination of non-hazardous waste can be traced back to building activities and the associated accumulation of construction waste.

⁹⁾ The "Zero Waste" project attempts to promote treatment methods over disposal methods.

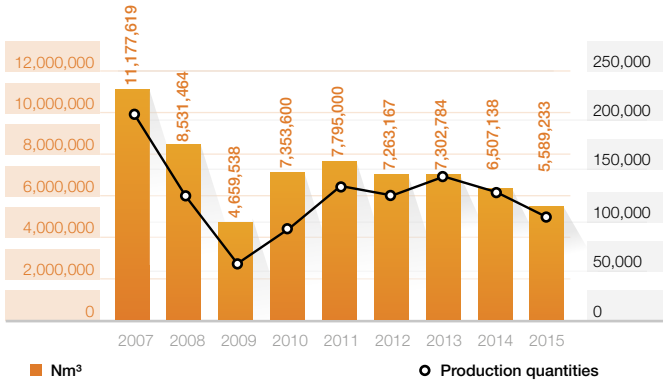
Media consumption

POWER CONSUMPTION



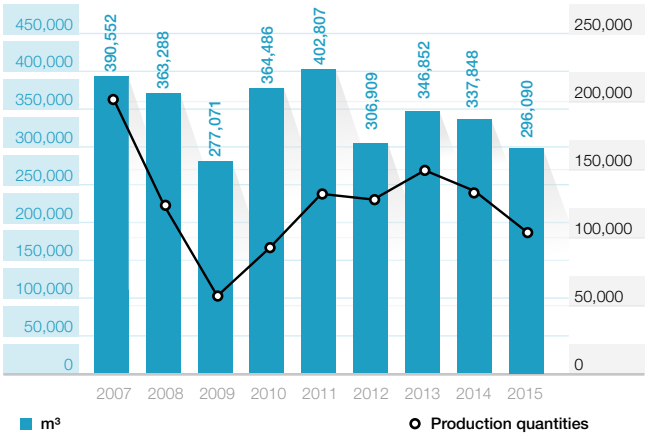
The power supply is provided entirely by an external supplier. The detailed production-related metering structure is being constantly expanded to ensure a transparent presentation of energy consumption per organizational unit. The determining factors are production volume (automation grade), number of employees and land use.

NATURAL GAS CONSUMPTION



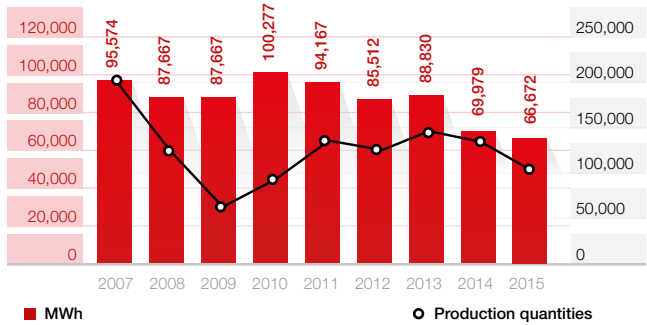
The primary energy source natural gas is used for temperature control of the painting booths and for heating the paint dryers. The quantities consumed are influenced by the process, but primarily by seasonal influences (outside temperatures) and by the hours of operation.

WATER CONSUMPTION



Water is supplied by the company's own raw water wells. Important influencing factors include the consumption of sanitary and process water, and for this reason there is not necessarily a linear relation in proportion to production quantities.

HEAT CONSUMPTION



Heat is supplied from the neighboring boiler house by an external supplier. Heat consumption is seasonal and tends to be determined by land use.

Focus on the environment

Bushes in front of the
administrative building north.



Focus on the environment

ENVIRONMENTAL ASPECTS OF MAGNA STEYR GRAZ

Each one of us creates so-called environmental impacts that may affect the environment in the form of noise, air, wastewater, waste, and energy consumption.

An overview of the environmental aspects of the individual divisions of Magna Steyr Graz shows the areas in which environmental impacts occur. It is important to recognize where there are environmental impacts in order to avoid them or keep

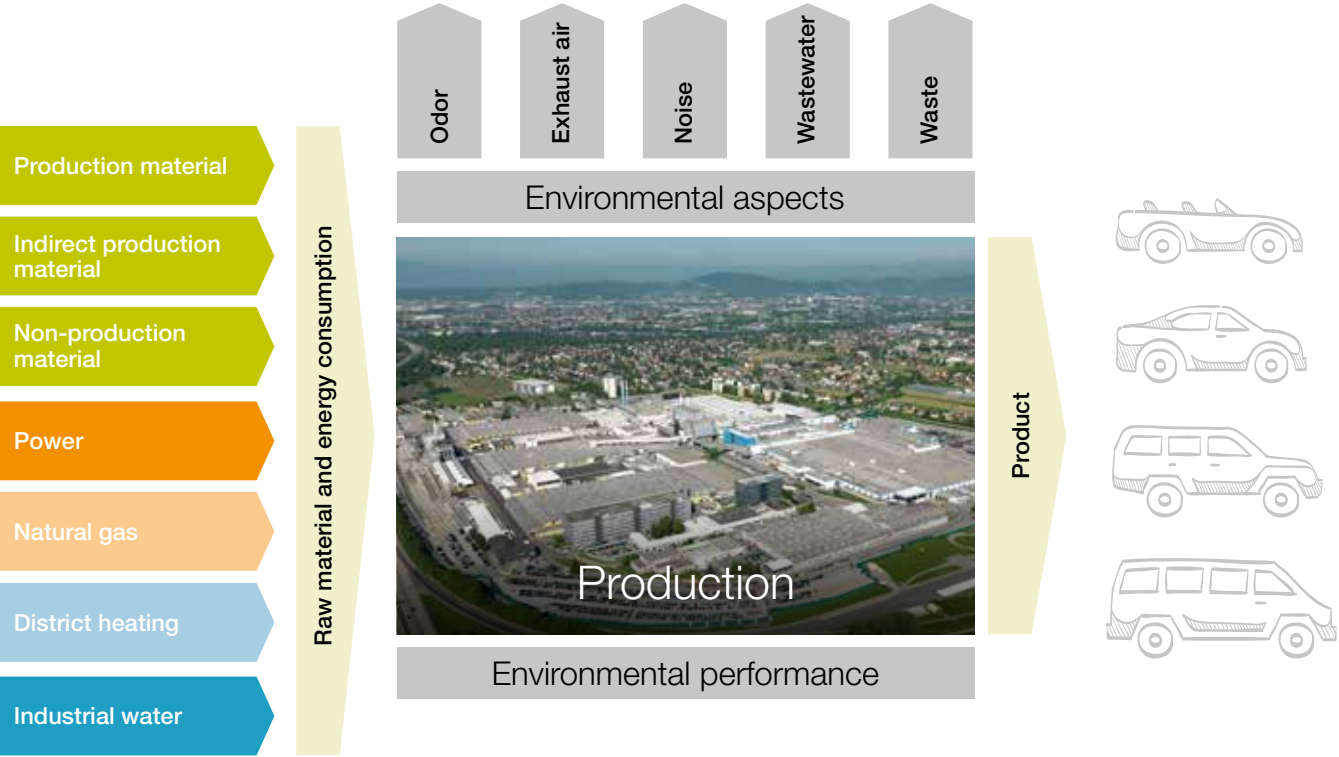
them as low as possible (see table).

Environmental management is responsible for instituting demands for the reduction of raw materials and energy consumptions as well as environmental

impacts. It also ensures that production activities take place in compliance with the laws and corporate guidelines. The environmental management system is validated and certified annually by independent environmental verifiers.

Environmental aspect	Description	Magna Steyr AG & Co KG	Magna Steyr Fahrzeugtechnik AG & Co KG	Magna Steyr Engineering AG & Co KG	Magna Steyr Fuel Systems
		Functional Departments	Contract Manufacturing	Engineering	Aerospace
Waste generation	Waste volumes	●	●	●	●
Wastewater from fat separators	Canteens	●	●	○	○
Wastewater from oil-separators	Production areas and traffic areas	●	●	●	○
Energy consumption	Natural gas consumption	○	●	○	○
Energy consumption	Power consumption	●	●	●	●
Energy consumption	Heat consumption (heating of halls, process heat)	●	●	●	●
Fecal wastewater	Sanitary facilities	●	●	●	●
Land usage	Built-up areas	●	●	●	●
Industrial wastewater with water law permit	Hall 25 and Hall 83	○	●	○	○
Greenhouse gases	Air conditioning	●	●	●	●
Noise	Plants and traffic	●	●	●	●
Air pollutants	Org. C, dust, NOx, CO, odors, etc.	●	●	●	○
Surface water from MPP (Meteor water purification plants)	Only on surfaces of the former EUROSTAR	○	●	○	○
Surface water unpurified	From sealed areas	●	●	●	●
Production material (PM)	PM, Indirect PM, Non-PM	●	●	●	●
Raw water consumption	Water input from plant wells	●	●	●	○
Municipal water consumption	Water input from municipal water supply	●	●	●	●

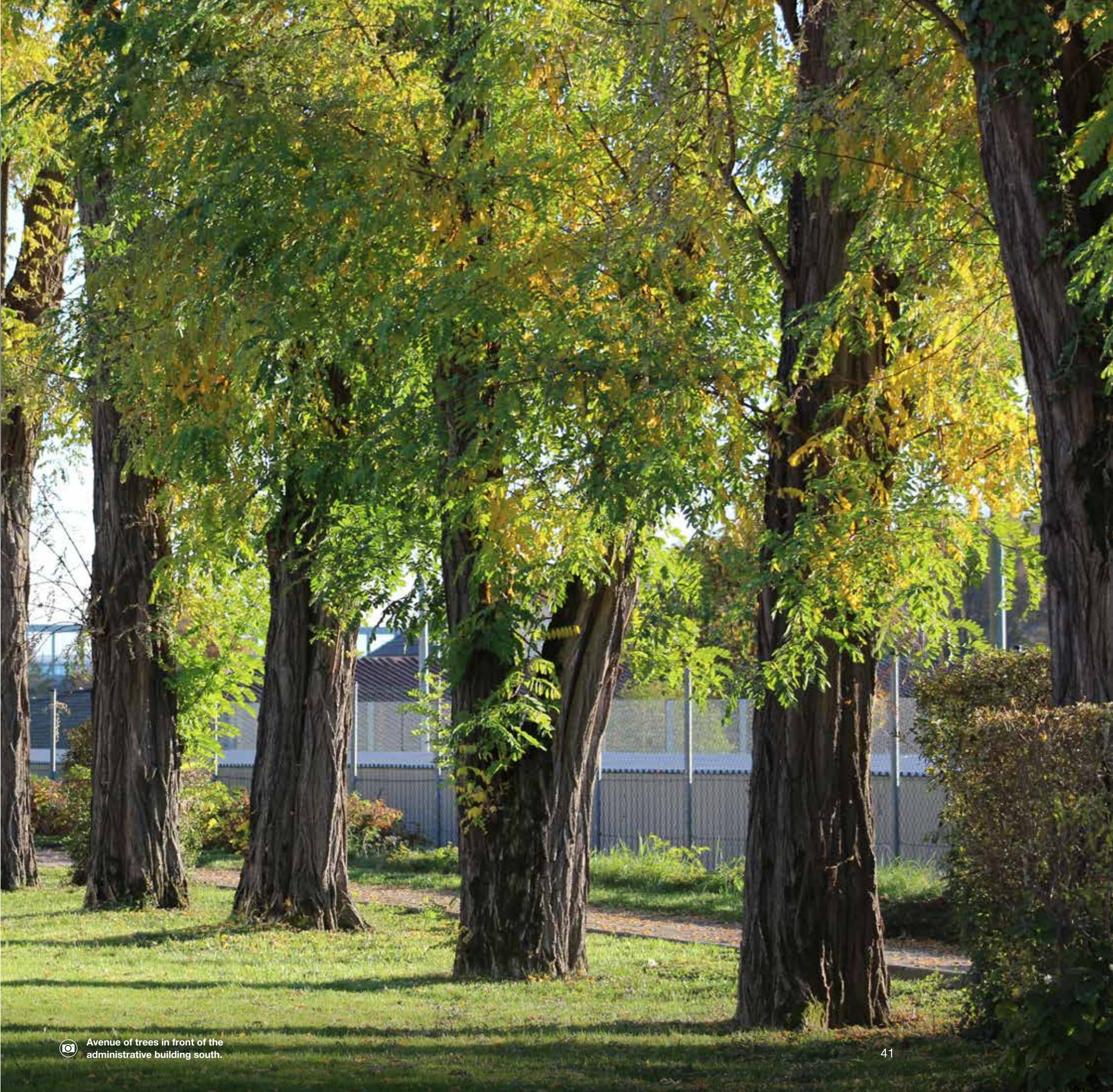
● Reporting obligations from official and environmental requirements ● Relevant aspect ○ Non-relevant aspect



Growing together

Taking on social responsibility is an essential element of the Magna corporate culture and is rooted in the corporate constitution. Magna is committed to a company philosophy that offers attractive jobs and a pleasant, fair and tolerant work environment to employees. This includes both a broad training program and a healthy balance between work and leisure.

Furthermore, social commitment towards society is an important concern for the company. Magna Steyr cooperates with a number of non-profit organizations and educational institutions in the regions in which the employees work and live.



Avenue of trees in front of the administrative building south.

Magna Kids World



Rail track gravel ballast
in front of Hall 10.

NEW MAGNA STEYR DAYCARE CENTER AT THE GRAZ LOCATION

Tons of commitment, fresh ideas and much more were invested in Magna Kids World – with fantastic results! After a construction period of just four months, the new daycare center suddenly came alive in mid-September 2015 as the first 60 children moved into Magna Kids World. And then on October 20, all was ready: Magna Kids World was officially opened.

Combining family and job. Under this slogan and by popular request on the part of employees, the world's first Magna daycare center launched in late fall 2014. Only one year later the new Magna Kids World opened its doors on the Graz premises, providing over 3,000 m² space for the loving care and individual support of up to 75 kids.

Magna Kids World is a place for learning and playing, and a place where the youngest ones feel just as good as the older ones and all benefit from each other. Two day-nursery groups and two kindergarten groups are available for kids up to three years old and from three to six. Volkshilfe Steiermark runs the daycare center and is charged with looking after the welfare of the kids with their team of 18

educators and carers. Moreover the generous facilities including an added love of detail make sure that nobody gets bored.

Science & technology and diversity play a central role in the overall pedagogic concept. The children can playfully explore the exciting world of technology in their own lab and make scientific discoveries. On top of this different cultures, traditions and



languages in the form of songs and customs are integrated in daily life and lived out – as are equal opportunities. The main idea is to awaken interest and enthusiasm and to foster each and every child's individuality and independence. Apart from these core areas, there is an important focus on health, movement and motor skills – thanks to the generous outdoor area, big movement rooms and a nutritional concept for children.

For years, under the rubric “mylife at Magna Steyr” the company has been offering a broad range of activities and services leading to a balanced ratio between everyday life and leisure time. With the Magna Kids World the company has expanded it's mylife program Family & Friends further and taken an important step helping to combine family and job. Through the new daycare center Magna Steyr wants

to support their employees during their back-to-work re-entry after parental leave, and promote both men and women in technical occupations and management positions. It was very important to adapt the opening times of Magna Kids World to the needs of the employees and their working lives. By being open all the year round and from 5:45 am for the employees in Production, Magna Steyr has responded to their wishes very specifically.



Modernized apprentice training center

MAGNA STEYR GRAZ INVESTS IN APPRENTICE TRAINING CENTER

Magna apprentice workshops in Graz have been among the biggest and most modern in the region for decades and can look back on a century-old tradition. To be able to live up to training needs and rising apprentice numbers better, Magna invested some half a million euros in modernizing the Apprentice Training Center at the Graz location. This was designed anew and rebuilt over the summer months.

Apart from new training areas, the entrance area was completely redone, additional training rooms were fitted out, and social and changing rooms were extended and newly equipped according to the latest standards. New machinery was invested in in a sustainable way. New CNC machines, a modern CAN bus test bench for automotive engineering, and expanded capacities of the hydraulic and pneumatic test benches were at center stage.

Apprentices are trained at the Apprentice Training Center in Graz for Magna Steyr in Graz, Magna Powertrain in Lannach, Albersdorf and Ilz and also for Magna Heavy Stamping in Albersdorf. The numbers of apprentices have continually risen in the previous years. Just in the last five years the number of apprentices have skyrocketed by over 40 %. The apprenticeships offered have been constantly adapted to demands of the

market and customers. Some 200 apprentices are currently being trained in 13 different occupations. In the light of the rebuilding and enlargement of the Apprentice Training Center, the company is taking responsibility as a traditional leading company in the region and is continuing to invest in its successful model of training apprentices.



Employees for a good purpose

MAGNA STEYR EMPLOYEES SHOW SOCIAL RESPONSIBILITY

Far removed from production and development projects, Magna Steyr Graz is involved in a variety of not-for-profit projects. Taking on social responsibility is an essential element of the company's corporate culture fully lived out by its employees. To this end a number of regional social projects were supported in 2015.

Taking on social responsibility is an important matter for Magna Steyr. Magna Steyr employees at the Graz location have sent a clear signal to this effect and committed themselves many times to social issues.

Instead of their summer party, some 800 employees of the Mercedes G production decided to exercise their generosity and donate the magnificent sum of 20,000 euros to Caritas

Inlandshilfe, which supports the needy in Styria. On top of this in a three-day campaign, Magna Steyr employees collected clothes and donations in kind for refugees.

Employees of the Graz Design department used their talents to good measure and offered sketches of vehicles for voluntary donations in the course of a Design Day and passed on the proceeds

to clients of Lebenshilfe Steiermark.

Additionally, during the collective annual celebration, Magna Steyr employees did not forget those worse off than themselves and donated generously to the Magna Steyr social fund, which ensures colleagues and their families prompt and unbureaucratic support in emergency situations.



New Magna training center

SINCE OCTOBER 2015 NEW TRAINING CENTER HAS SET NEW STANDARDS FOR IN-HOUSE TRAINING AND CONTINUING EDUCATION OF EMPLOYEES.

The new Magna training center was put into operation at the Magna Steyr location at Graz in October 2015. The training center, which has been fitted out to the latest standards, has available four training rooms and a workshop. It is accommodated on the second floor in the same building as the newly opened Magna Kids World.

These new facilities enable Magna Steyr to offer a first-class, high-quality training at the highest level. This includes imparting soft skills, technical skills, knowledge of World Class Manufacturing, quality,

legal compliance and business administration.

Employees learn the principles and practices of different departments in optimally equipped surroundings. They acquire new skills which are

indispensable to the much sought-after trades with their high quality standards to strengthen Magna's market position, to expand competitive advantage and grow together with the customers.



Annual celebration 2015

MAGNA STEYR EMPLOYEES SEE THE YEAR OUT TOGETHER

Due to the encouraging first annual celebration which comprised all the Austrian Magna Steyr locations in 2013 and the positive feedback received, it was done again in December 2015! Once more some 4,500 guests from the Magna Steyr locations in Graz, Sinabelkirchen and Weiz followed up on the invitation and spent a pleasant evening in the Graz Stadthalle with their

colleagues on December 5, 2015. The end of an eventful year was celebrated with laughter, dance and song. An exciting opening show and a varied program with numerous musical live acts ensured a good atmosphere and great entertainment.



Actively assuming responsibility

Compliance means observing rules and standards. Ethics & Legal Compliance sets out the ethical and legal framework, within which the entire Magna management operates, including all employees in all departments. In compliance with all regulations and requirements Magna Steyr relies on a software-assisted system that connects together project evaluation, law management system and asset management. Regular training makes employees aware of the basic Magna values.



 View towards the plant
entrance gate northeast.

Fulfilling requirements

High chimneys at the
Paintshop, Hall 8.



Management compliance during operation

ACHIEVING AND MAINTAINING LEGAL CONFORMITY

Taking preventive action to ensure no problems arise, transparency and knowledge of the current status, recognizing changes and initiating necessary measures on time is the hallmark of practicing one's principles.

Illustration of management compliance for the Graz location is carried out by means of an archive with paper documents and their electronic mirror images in a database.

Implementation of requirements for authorization is provided by an interdisciplinary team from all areas of the company.

More than 1,300 notifications are currently valid for the operating plant at the Graz location, and they all require the fulfillment of one-off or periodic conditions. The archive currently contains approx. 900 folders.



Legal management system – periodic inspections

COMPLEXITY AND CHALLENGE

Fulfilling legal requirements, making sure the operating plant is in accordance with authorizations, including keeping to all the conditions of authorizations, represents a special challenge. Magna Steyr masters this by systematizing requirements using software support.

Three electronic systems were implemented.

Results from the systems lead to a complete image. The interaction of the systems among themselves results in the Legal Management System (LMS). The fulfillment of legal requirements is checked cyclically and confirmed in integrated audits.

Monitoring of the legal management process and continual improvement of the

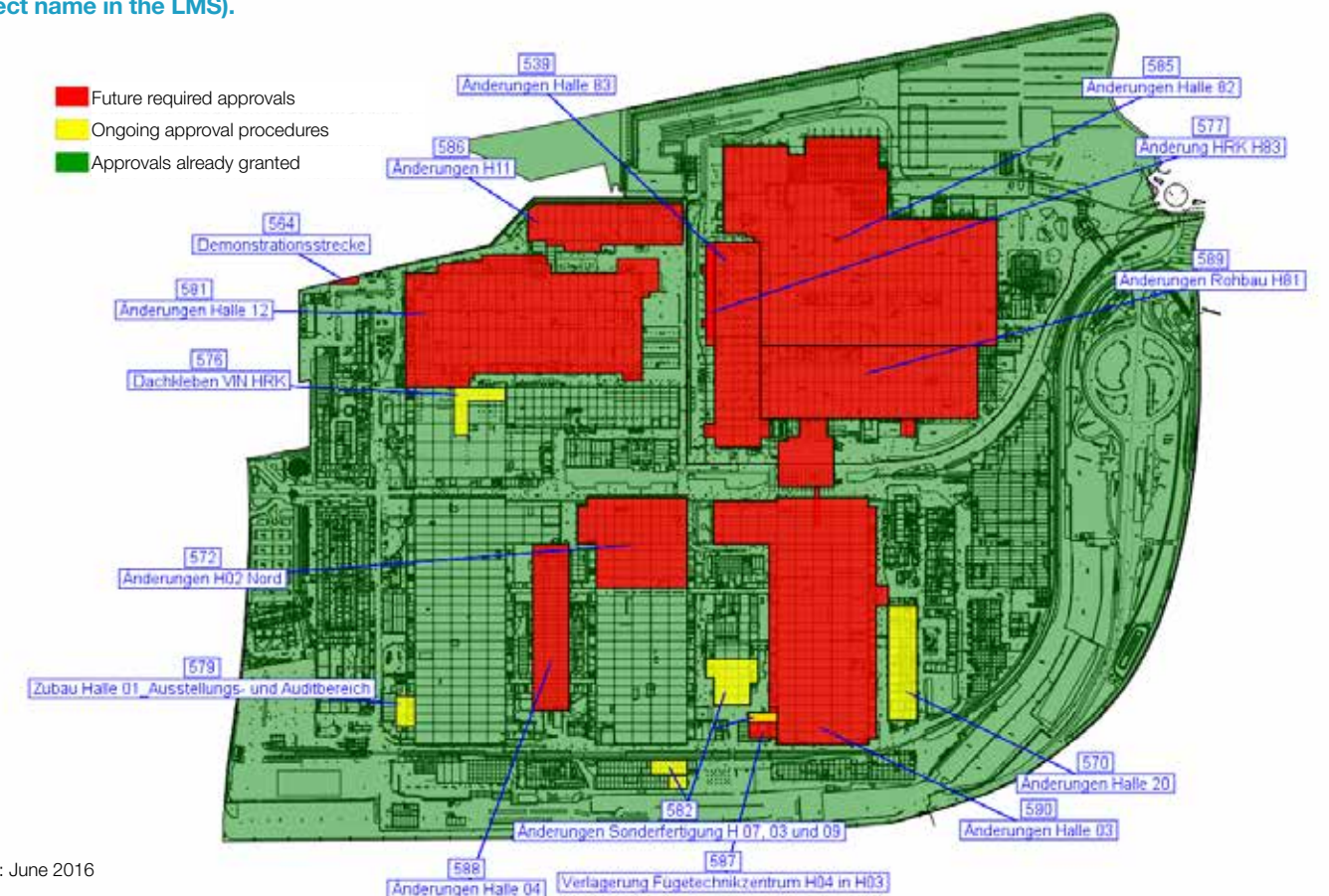
Legal Management System is carried out by those responsible for legal compliance on behalf of the management responsible for commercial law.

Laws/notifications

Implementation
in the company

Evidence of fulfillment

The monthly status of authorization procedures is visualized in the plant layout (incl. ID number and project name in the LMS).



Status: June 2016

Responsibility and voluntary commitment



Always one step ahead

KEEPING AHEAD OF DEADLINES

The management system standards are useful guidelines for the improvement of the quality of the company and its products. Magna Steyr is a pioneer in fulfilling the requirements of these standards.

- **1983:** G-Class: Fulfillment of AQAP 1 requirements of NATO, which can be seen as the forerunner of ISO 9001
- **1993:** ISO 9001 certificate due to manufacturer's requirement
- **1996:** QS 9000 certificate as a basis for requirements of the American "Big Three" GM, Chrysler and Ford
- **1997:** Worldwide first manufacturing plant with VDS 6.1 certificate to fulfill German and French requirements of the automotive industry
- **2003:** Review and certification of the management system as an integrated management system (quality, environment, safety, information security)
- **2009:** Strategic revision of group processes and consistency regarding site processes
- **2013:** Strategic revision of the process model to illustrate organizational changes and introduce experiences
- **2016:** Fulfillment of new, disciplinary-specific requirements from the revision of standards carried out in 2015/2016 by means of a comprehensive analysis of requirements

Communication



Cooperative partnership

A PRINCIPLED APPROACH

Magna Steyr is perceived by the public as a leading company which makes an important contribution to the prosperity of the region and Austria and which represents a cornerstone in the field of employment.

A correct, matter-of-fact and cooperative relationship with all relevant stakeholders from the field of public administration in terms of partnership is one of the key factors for the sustainable success of Magna Steyr. The basis for this is responsibility towards Austria – the country in which Magna Steyr would like to be commercially successful also in the future. Part of this involves dealing with representatives from government, authorities, state institutions and interest

groups at a qualitatively high level. This quality manifests in the competence, correctness, credibility and reliability, among other things, of Magna Steyr. This ensures that all obligations of notifications are fulfilled unconditionally, requirements are responded to in a flexible way, and laws and regulations adhered to. On the basis of this correct and matter-of-fact cooperation, Magna Steyr can create genuine value added together with public administration.

Success through communication

COMMUNICATION WITH AUTHORITIES

Businesslike working relationships; dialog at the foreground

Future requirements are introduced and negotiated in regular meetings for preliminary project talks and negotiations with representatives of authorities.

For Magna Steyr, early integration, open dialog and objective handling are decisive factors for constructive and successful communication.

**Official regular meetings
for preliminary project talks
and negotiations**

Environmental verifier's declaration on verification and validation activities

The undersigned, Dipl.-Ing. Peter Kroiss, Head of the EMAS – environmental verification organization of TÜV AUSTRIA CERT GMBH, 1015 Vienna, Krugerstrasse 16, EMAS environmental verifier with registration number AV 0008, licensed for

Group 29.10 “Manufacture of vehicles”

declares having verified that Magna Steyr Graz plant, as stated in the updated environmental report, the organizations

Magna Steyr AG & Co KG

8041 Graz, Liebenauer Hauptstrasse 317

Magna Steyr Fahrzeugtechnik AG & Co KG

8041 Graz, Liebenauer Hauptstrasse 317 and Köglerweg 50

Magna Steyr Engineering AG & Co KG

8041 Graz, Liebenauer Hauptstrasse 317 and Puchstrasse 85

with the registration number AT-000159, meet all requirements of Regulation (EC) No 1221/2009 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organizations in a Community eco-management and audit scheme (EMAS).

By signing this declaration, it is confirmed that:

- the verification and validation has been carried out in full compliance with the requirements of Regulation (EC) No 1221/2009.
- the outcome of the verification and validation confirms that there is no evidence of non-compliance with applicable legal requirements relating to the environment.
- the data and information of the updated environmental report of organizations of Magna Steyr Graz reflect a reliable, credible and correct image of all activities of the organizations, within the scope mentioned in the environmental report.

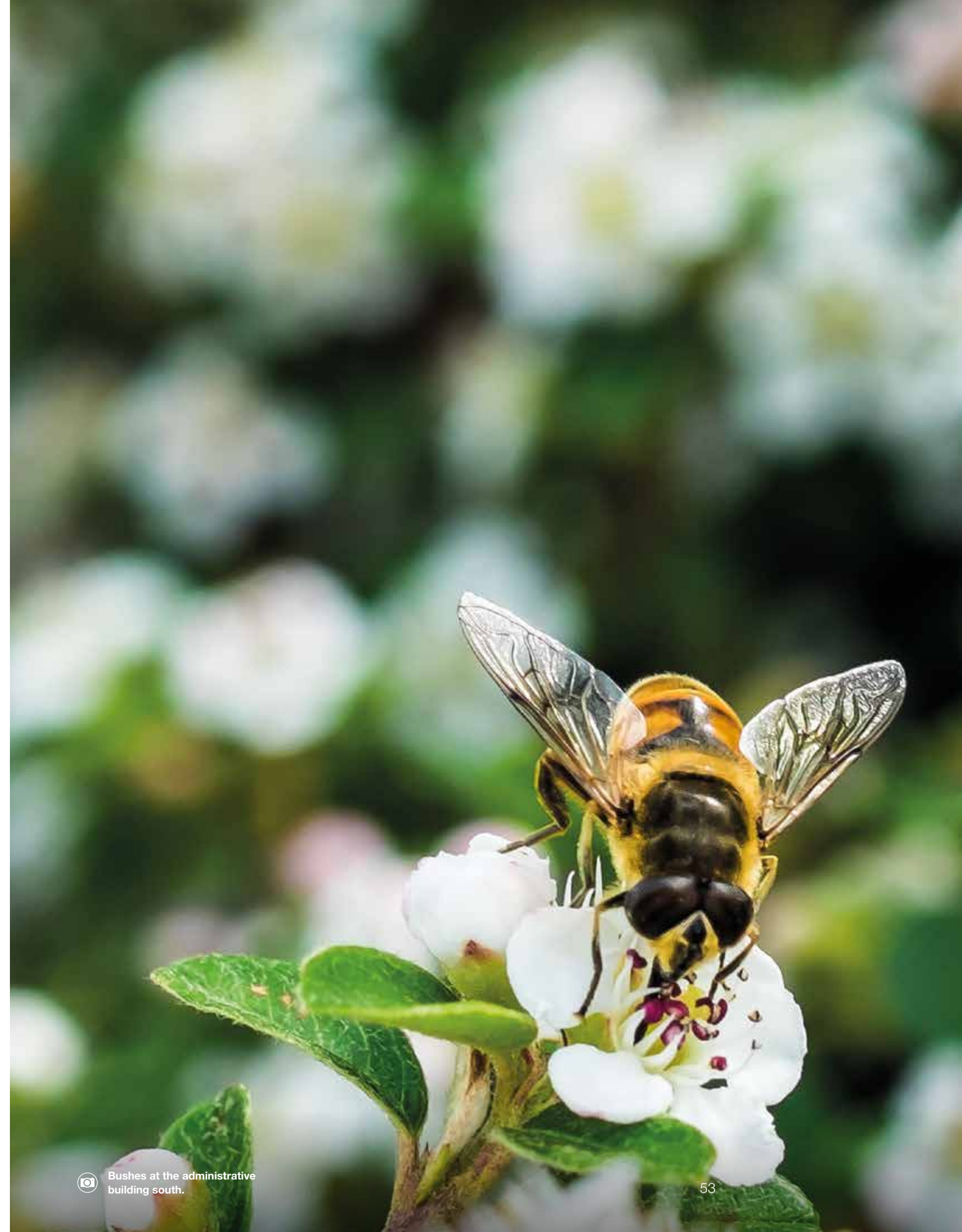
This document is not equivalent to EMAS registration. EMAS registration can only be granted by a competent body under Regulation (EC) No 1221/2009. This document shall not be used as a stand-alone piece of public communication.

Vienna, July 1, 2016



Dipl. Ing. Peter Kroiß
Senior environmental verifier

TÜV
AUSTRIA



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 The rubric "See the big picture" presents projects, underlines outstanding performance, summarizes highlights from individual departments – all illustrated using nature photos of the Graz plant taken by the company Photo Club.

For reasons of readability, the language in this report is gender neutral. In the spirit of equal gender treatment, all appropriate terms apply to both sexes.

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Read the Performance Report with Integrated Environmental Statement 2014 as well as the updated versions 2015 and 2016 online on the company website.
Scan the QR code to get background information on the four topics of Business Performance, Environment, Social Responsibility and Compliance.





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