

CORPORATE **GOVERNANCE**

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COMMITMENT TO THE **AUSTRIAN CODE OF** **CORPORATE GOVERNANCE**

The Austrian Code of Corporate Governance (ÖCGK), in line with international standards, is a body of rules for good and responsible corporate governance and supervision on the Austrian capital market. The ÖCGK, introduced in 2002 for the first time, has become an indispensable part of the Austrian system of corporate governance and of Austrian business life. Both investors and issuers recognise the Code as an effective instrument to promote confidence and as a standard for good corporate governance and supervision.

The version of the Code that is valid for the 2009 financial year is the January 2009 version – available at the website of the Austrian Working Group for Corporate Governance (www.corporate-governance.at) and the website of STRABAG SE (www.strabag.com -> Investor Relations -> Corporate Governance -> Code of Corporate Governance).

STRABAG SE is fully and without exception committed to the Austrian Code of Corporate Governance in the applicable version. For all procedures from the 2009 financial year, the version as amended in January 2009 was the applicable version. This commitment represents a voluntary self-imposed obligation on the part of STRABAG SE that aims to boost shareholder confidence by assuring transparency, increasing the quality of the cooperation between the management board, the supervisory board and the shareholders, and orienting the company towards the responsible, sustainable and long-term creation of added value.

This commitment requires STRABAG SE to do more than merely comply with the prevailing laws and legislation. Voluntary self-imposed obligation means that STRABAG SE must explain non-compliance with the so-called C-rules (“Comply or Explain”) which go beyond the legal requirements. In line with this part of the Austrian Code of Corporate Governance, STRABAG SE explains its non-compliance with C-Rule 57 of the Code (2009):

Because of the international nature of the group’s business, it can be advantageous for STRABAG SE to appoint members of the management board of listed companies as members of the supervisory board even if it means non-compliance with this rule. Compliance with all legal requirements is a matter of course.

STRABAG SE further endeavours to abide not only by the minimum requirements but also by all of the Code's R-rules (Recommendations).

NOTES ON THE COMPOSITION AND WORKING METHODS OF THE MANAGE- MENT BOARD AND OF THE SUPERVISORY BOARD AND ITS COMMITTEES

WORKING METHODS OF THE MANAGEMENT BOARD AND OF THE SUPERVISORY BOARD

The management and supervisory boards of STRABAG SE are fully committed to the objectives of the Austrian Code of Corporate Governance (ÖCGK) as amended in January 2009 and see compliance with all the rules contained within the Code as a main obligation. This means that STRABAG SE is constantly working to maintain and optimise its high internal legal, behavioural and ethical standards.

In line with the rules of the Code, the management and supervisory boards of STRABAG SE work together particularly in regard to

- regular and extensive informing of the supervisory board by the management board as to all relevant matters concerning the development of the company's business, including the risk situation and risk management in the company and the important group entities;
- the regular exchange of information and opinions between the CEO and the chairman of the supervisory board concerning strategy, the development of the business, risk management and important business transactions, particularly acquisitions and disposals, and the immediate informing of the chairman of the supervisory board of any important information; as well as
- an open exchange of opinion and open dialogue among the members of the supervisory board as well as between the members of the supervisory board and the management board.

The management board of STRABAG SE and the individual members of the management board conduct their business in accordance with the prevailing laws and legislation, the articles of association, and the management board's rules of procedure as approved by the supervisory board. The rules of procedure govern the work of the individual members of the management board as well as the allocation of duties within the board. Coordination within the management board occurs during regular meetings, which are held approximately every two weeks, but also in the form of an informal exchange of information. Matters discussed at the management board meetings include the current operations and the company strategy. Also discussed are any current or outstanding measures to be implemented by the relevant management board members under the "four-eyes" principle. The rules of procedure require the management board or the individual management board members to provide extensive information and reporting to the supervisory board and define an extensive catalogue of measures and legal transactions which require approval by the supervisory board.

Information regarding the supervisory board and its committees, their decision-making rights as well as a report on their activities can be found as of page 11.

THE COMPOSITION OF THE MANAGEMENT BOARD

MEMBERS OF THE MANAGEMENT BOARD IN THE 2009 FINANCIAL YEAR

MANDATES

In the 2009 financial year, the following management board members held supervisory board mandates or similar functions at non-group companies (not included in the consolidated financial statements) in Austria and abroad:

NAME	NON-GROUP COMPANY	MANDATE
Dr. Hans Peter Haselsteiner	CONCORDIA Sozialprojekte P. Georg Sporschill Gemein- nützige Privatstiftung	Chairman of the Advisory Board
	Rail Holding AG	Chairman of the Supervisory Board until 8 January 2009; Vice Chairman of the Supervisory Board since 9 January 2009
	Tiroler Festspiele Erl Betriebs-ges.m.b.H	Chairman of the Supervisory Board
Ing. Fritz Oberlerchner	Andritz AG	Member of the Supervisory Board
	Chemson Polymer-Additive AG	Member of the Supervisory Board
Dr. Thomas Birtel	Deutsche Bank AG	Member of the Advisory Board
	HDI-Gerling Industrie Versicherung AG, Hannover	Member of the Advisory Board
	VHV Allgemeine Versicherung AG, Hannover	Member of the Supervisory Board
DI Roland Jurecka	Autostrada Wielkopolska S. A.	Vice Chairman of the Supervisory Board
	Syrena Immobilien Holding AG	Member of the Supervisory Board
Mag. Hannes Truntschnig	Raiffeisen evolution project deve- lopment GmbH	Vice Chairman of the Advisory Board
	Syrena Immobilien Holding AG	Member of the Supervisory Board

DR. HANS PETER HASELSTEINER

CEO

Responsibilities for Central Staff Divisions and BRVZ Central Division

Hans Peter Haselsteiner was born on 1 February 1944. In 1970, he received his doctorate degree from the Vienna University of Economics and Business and started working at a commercial law firm in Vienna. Two years later he joined Isola & Lerchbaumer. Since joining the group, Hans Peter Haselsteiner has been chairman of the management board of several group companies, including ILBAU AG, Bauholding Aktiengesellschaft, A-WAY Holding und Finanz AG, and FIMAG Finanz Industrie Management AG. From 1994 to 1998, he also was a member of the Austrian parliament. Hans Peter Haselsteiner has been a member of the management board and CEO since 1987. His term expires on 31 December 2010.



ING. FRITZ OBERLERCHNER
Deputy CEO and Technical Responsibilities
for Transportation Infrastructures

Fritz Oberlerchner was born on 16 June 1948 and graduated from the HTL Villach polytechnic institute in 1968 as a certified engineer in building construction. He began his professional career as a construction engineer at a small building firm, joining the STRABAG Group (ASPHALTBAU Ges.m.b.H.) in 1971. In 1978, he was made authorised signatory for Asphalt & Beton Bauges.m.b.H. and eleven years later became managing director of Magyar Aszfalt Kft, Budapest. Fritz Oberlerchner has been a member of the management board since 14 July 1994 and deputy CEO since 1 January 2003. From 1998 to 2002, he served as management board member of STRABAG AG, Cologne. His term ends on 31 December 2010.



MAG. WOLFGANG MERKINGER

Commercial Responsibilities for Transportation Infrastructures

Wolfgang Merkinger was born on 5 July 1952 and studied business administration at the Johannes Kepler University in Linz. He began working at a commercial law firm in 1976 and qualified as a tax accountant in 1979. In 1980, Wolfgang Merkinger joined the STRABAG Group as head of finance and accounting of STRABAG Bau-Gesellschaft m.b.H., Linz. In 1990, he was appointed group finance director. From 1996 to 1998, he was a member of the management board of STRABAG AG, Austria. Wolfgang Merkinger has been a member of the group management board since 5 November 1999. His term ends on 31 December 2010.



DR. PETER KRAMMER

Technical Responsibilities for Building Construction & Civil Engineering (since 1 January 2010)

Peter Krammer was born on 18 January 1966. He studied civil engineering at the Technical University in Vienna, completing his studies in 1995 with a doctorate degree in engineering sciences. His professional experience has included positions at Porr Technobau AG, Swietelsky Bau GesmbH and STRABAG AG, Austria. In 2005, Peter Krammer joined the management board of STRABAG AG in charge of building construction and civil engineering in Eastern Europe and of environmental technology for the entire company. Peter Krammer has been a deputy member of the management board of STRABAG SE since 1 January 2010. His term ends on 31 December 2010.



DR. THOMAS BIRTEL

Commercial Responsibilities for Building Construction & Civil Engineering

Thomas Birtel was born on 3 June 1954. He graduated with a degree in economics from the Ruhr-University Bochum in 1978 and completed his doctorate there four years later. Thomas Birtel began his career in 1983 at Klöckner & Co. The last position he held there before leaving in 1989 was division manager of the accounting department of Klöckner Industrie-Anlagen GmbH. From 1989 to 1996, he worked for Sweden's Frigoscandia Group as head of the Central European region. Thomas Birtel joined the STRABAG Group in 1996 as a member of the management board of STRABAG Hoch- & Ingenieurbau AG. In 2002, he was appointed member of the management board of STRABAG AG, Cologne, responsible for building construction, finance, accounting, controlling, risk management and procurement. Thomas Birtel has been a member of the group management board since 1 January 2006. His term ends on 31 December 2010.



DI ROLAND JURECKA
**Technical Responsibilities for
Special Divisions & Concessions**

Roland Jurecka was born on 18 November 1944. He studied civil engineering at the Technical Universities in Aachen and Munich and graduated in 1969. He began his professional career in the technical department at STRABAG AG in Germany. At the same time, he studied law at the University of Cologne and graduated in 1974. From 1981 to 1991, Roland Jurecka was branch head and from 1991 to 1996, member of the management board of STRABAG AG, Austria. From 1996 to 1999, he was a member of the management board of STRABAG AG, Cologne. He then became a member of the management board of BAUHOLDING STRABAG AG and, from 2004 to 2005, member of the management board of A-WAY Holding und Finanz AG. Roland Jurecka has been a member of the group management board since 3 July 2006. His term ends on 31 December 2010.



MAG. HANNES TRUNTSCHNIG

Commercial Responsibilities for Special Divisions & Concessions as well as Responsibilities for BMTI Central Division, TPA Central Division, BLT Central Division

Hannes Truntschnig was born on 22 July 1956. He completed his qualifications in electromechanical engineering in 1978 and went on to study at the Karl Franzens University Graz, graduating with a degree in business administration in 1981. Hannes Truntschnig joined the STRABAG Group (ILBAU AG) in the same year. Since 1985, he has held several management positions within the group, including positions as managing director of various group companies. In 1992, he was appointed authorised signatory for BAUHOLDING STRABAG AG. Hannes Truntschnig has been a member of the group management board since 1 April 1995. His term ends on 31 December 2010.



DI NEMATOLLAH FARROKHNIA

Technical Responsibilities for

Building Construction & Civil Engineering (until 31 December 2009)

Nematollah Farrokhnia was born on 8 August 1946. After graduating with a civil engineering degree from the Vienna Technical University in 1973, he started working at Zivilingenieurbüro Dr. Schickl in Vienna. In 1977, he joined the STRABAG Group at ILBAU Ges.m.b.H., where he was named managing director in 1988. On 4 December 1991, he was appointed member of the management board of Bauholding STRABAG AG and from 1998 to 2002 he served as management board member of STRABAG AG, Cologne. Nematollah Farrokhnia had been a member of the group management board from 1 January 2003. He resigned his position as a member of the management board of STRABAG SE effective 31 December 2009.

DIRECTORS' DEALINGS

Proprietary transactions with STRABAG SE shares by members of the company's boards and related persons or companies as well as by other management-level employees with group-wide responsibilities, the so-called Directors' Dealings, are reported as required by law and continually posted on the website of STRABAG SE (www.strabag.com -> Investor Relations -> Corporate Governance -> Directors' Dealings) as well as on the website of the Austrian Financial Market Authority (www.fma.gv.at -> Providers -> Exchange Operating Companies -> Disclosure Requirements -> Directors Dealings-Meldungen (German only)).

WORKING METHODS OF THE SUPERVISORY BOARD

In the 2009 financial year, the supervisory board diligently performed the duties incumbent upon it under Austrian law, the Articles of Association, the Austrian Code of Corporate Governance (ÖCGK) as amended in January 2009, and the Rules of Procedure. A total of five regular meetings of the supervisory board, three meetings of the presidium, one meeting of the presidium and nominations committee, and three meetings of the audit committee took place in 2009. The internal audit department informed the audit committee of the audit plan and of significant events in accordance with Rule C-18 of the Austrian Code of Corporate Governance as amended in January 2009. Furthermore, the audit committee monitored the accounting processes (including the preparation of the consolidated financial statements), the work of the auditor, the effectiveness of the system of internal control, the risk management system and the audit system. The independence of the auditor (group financial auditor) was reviewed and monitored in particular as regards the additional services given to the audited company. All members of the supervisory board and its committees are independent according to the terms of the Austrian Code of Corporate Governance and were properly represented in the relevant meetings. Further information about the individual meetings of the supervisory board and its committees can be found in the Supervisory Board Report on page 72. Information regarding the supervisory board, its committees and their decision-making rights can be found as of page 12.

COMPOSITION OF THE SUPERVISORY BOARD

MEMBERS OF THE SUPERVISORY BOARD IN THE 2009 FINANCIAL YEAR

O. UNIV.-PROF. DDR. WALDEMAR JUD

Chairman of the Supervisory Board, Free Float Representative

Waldemar Jud was born on 26 November 1943. He studied law and political science at the University of Graz with study terms in the UK (University of Cambridge), Ireland (Trinity College), Canada (Mc Gill University, Montreal) and France (Université de Poitiers). He received his doctorate in law in 1966 and political science in 1969. In 1979, Waldemar Jud was appointed associate professor for commercial law at the University of Graz with a focus on corporate law and intellectual property rights. In 1984, he became a full professor for commercial and securities law at the University of Graz. Waldemar Jud was appointed to the supervisory board of STRABAG SE on 29 November 2006. His current term ends in 2010.

MAG. ERWIN HAMESEDER

Vice Chairman of the Supervisory Board

Erwin Hameseder was born on 28 May 1956. He received a master of law degree from the University of Vienna. From 1975 to 1987, Erwin Hameseder served as an officer in the Austrian army, where he achieved the rank of colonel in 2002 and of brigadier in 2006. In 1987, he joined the legal department of Raiffeisenlandesbank Niederösterreich-Wien reg. Gen.m.b.H. From 1988 to 1994, he was responsible for investment management, from 1991 as head of the department. He has been managing director of Raiffeisenlandesbank Niederösterreich-Wien reg. Gen.m.b.H. since 1994 and director-general of Raiffeisen-Holding Niederösterreich-Wien reg. Gen.m.b.H (a spin-off from Raiffeisenlandesbank Niederösterreich-Wien AG) since 2001. In July 2007, Erwin Hameseder assumed the position of chairman of the management board of Raiffeisenlandesbank Niederösterreich-Wien AG. He has been a member of the supervisory board of STRABAG SE¹⁾ since 15 October 1998 and was nominated to the current supervisory board on 17 August 2007.

DR. GERHARD GRIBKOWSKY

Gerhard Gribkowsky was born on 16 April 1958. From 1979 to 1981, he completed a traineeship with Siemens AG in Munich and Berlin. Subsequently, he studied law at the Albert-Ludwigs-University in Freiburg and graduated with a doctorate in 1988. Until 2002, Gerhard Gribkowsky worked at Deutsche Bank AG and Deutsche Bank Kreditbank AG. After completion of a trainee program, he worked as branch manager before being promoted to senior analyst in the credit department and head of risk management. From 1998 to 2001, he was member of the executive board for the southern region of Deutsche Bank AG. In 2002, he was senior credit executive responsible globally for consumer goods, trade and plant engineering and construction. From 2003 to 2008, Gerhard Gribkowsky was a member of the management board of Bayerische Landesbank, Munich. He was appointed to the current supervisory board of STRABAG SE on 29 November 2006. His term ends in 2010.

DR. GULZHAN MOLDAZHANOVA

Gulzhan Moldazhanova was born on 11 June 1966. She studied physics at the Kazakhstan State University, graduating with honours. This was followed by a doctorate from Moscow State University and an EMBA (Executive Master of Business Administration) from the Academy of National Economy (Moscow) and the University of Antwerp (Belgium). Gulzhan Moldazhanova later held various management positions at Sibirsky Aluminium. From 2000 to 2002, she was sales and marketing director at RUSAL, from 2002 to 2004 director for strategy and corporate development. In this position, she was responsible for implementing the development strategy and overseeing investment activities. From February 2005 to March 2009, Gulzhan Moldazhanova was chairwoman of the management board of Basic Element after already serving as managing director of the group's aluminium business. Gulzhan Moldazhanova was appointed to the supervisory board of STRABAG SE on 17 August 2007. She resigned her position as a member of the supervisory board of STRABAG SE effective 21 April 2009.

¹⁾ Formerly Bau Holding AG / Bau Holding Strabag AG / Bauholding Strabag SE.

ANDREI ELINSON

Andrei Elinson, born on 10 January 1979, is the director of corporate governance and internal control at Basic Element and is responsible for the development and implementation of corporate governance standards. Before joining Basic Element, he was a partner at Deloitte & Touche CIS, where, starting in 1997, he was in charge of consulting and assurance projects for Russian and international companies. Later he was appointed partner-in-charge for Forensic and Dispute practice in the CIS. From 2004, Andrei Elinson managed the internal control and risk management consulting streams at Deloitte. He graduated from the Finance Academy of the Government of the Russian Federation with a degree in accountancy and audit. He is a certified public accountant and fraud examiner in the US, a licensed Russian auditor and holds a Certificate in Company Direction from the Institute of Directors (IoD) in the UK. Andrei Elinson was appointed to the supervisory board of STRABAG SE on 21 April 2009.

DR. GOTTFRIED WANITSCHKE

Gottfried Wanitschke was born on 14 May 1955. He studied law at the University of Vienna and at the University of Salzburg. After receiving his doctorate degree in 1979, he performed his mandatory year of court training. From 1980 to 1984, he worked at the Austrian Association of Insurance Companies. From 1984 to 1990, Gottfried Wanitschke was secretary-general of Raiffeisen Versicherung AG and managing director of various group companies. From 1991 to 1993, he was a member of the management board of Leipzig-Lundenburger Invest Beteiligungs AG. From 1993 to 1997, Gottfried Wanitschke was managing director of the KURIER group and several subsidiaries of the group. In 1997, he joined BARC Versicherungs-Holding AG, where he was a member of the management board until 1999. Since 1999, Gottfried Wanitschke has been a member of the management board of UNIQA Versicherungen AG. He has been a member of the supervisory board of STRABAG SE since 15 October 1998¹⁾. Gottfried Wanitschke was appointed to the supervisory board of STRABAG SE on 29 November 2006. His term ends in 2010.

ING. SIEGFRIED WOLF

Siegfried Wolf was born on 31 October 1957. He started his career with Philips in Vienna, where he trained as a tool and die-maker and continued his professional training through the stages of master craftsman up to obtaining an engineering degree. From 1981 to 1983, he worked as quality manager and assistant director of quality control at VMW (Vereinigte Metallwerke Wien). Siegfried Wolf then joined Hirtenberger AG, where he advanced from director for quality control to plant director and authorised signatory. In 1994, he joined Magna Europa AG, becoming president of the company in 1995. In 1999, he became vice chairman of the supervisory board of Magna International Inc. He held this position until 2001, when he was appointed president and CEO of Magna Steyr. In February 2002, he was appointed executive vice chairman of Magna International Inc. and remained in this position until his nomination to co-CEO in April 2005. Siegfried Wolf was appointed to the current supervisory board of STRABAG SE on 17 August 2007. His current term ends in 2010.

DI ANDREAS BATKE

Andreas Batke was born on 4 May 1962 and joined STRABAG AG as a land surveyor on 1 April 1991. He has been a member of the works council since May 1998. Andreas Batke currently serves as chairman of the segment works council for Transportation Infrastructures, chairman of the group works council and vice-chairman of the supervisory board of STRABAG AG, Cologne. He was appointed to the supervisory board of STRABAG SE by the STRABAG SE works council and has been a member of the STRABAG SE supervisory board since November 2009.

MIROSLAV CERVENY

Miroslav Cerveny was born on 16 January 1959 and has worked for a Czech subsidiary of the STRABAG Group since 1988, holding positions in IT administration, accounting, and occupational health and safety. He was appointed to the supervisory board of STRABAG SE by the STRABAG SE works council in November 2009.

MAGDOLNA P. GYULAINÉ

Magdolna P. Gyulainé was born on 26 July 1962. She is chairwoman of the works council of STRABAG Hungary, having joined a predecessor company of STRABAG Hungary as bookkeeper in 1983. She was appointed to the supervisory board of STRABAG SE by the STRABAG SE works council in November 2009.

WOLFGANG KREIS

Wolfgang Kreis, an industrial clerk by training, was born on 18 March 1957. He joined Ed. Züblin AG as a commercial clerk in 1979 and today is in charge of occupational health and safety at the company. He has been vice-chairman of the supervisory board of Ed. Züblin AG since 2002. He was appointed to the supervisory board of STRABAG SE by the STRABAG SE works council in November 2009.

PETER NIMMERVOLL

Peter Nimmervoll was born on 16 January 1944 and has worked for the STRABAG Group since April 1968, initially in the payroll department, accounting and as commercial project manager, and from 1978 to 1997 as branch manager for Upper Austria. Peter Nimmervoll was a member of the supervisory board as employee representative from 2001¹⁾ to November 2009.

JOSEF RADOSZTICS

Josef Radosztics was born on 19 February 1956. He joined the STRABAG Group (STUAG) in 1976 as a motorcar mechanic. He was a member of the supervisory board as employee representative from 2000¹⁾ to November 2009.

GERHARD SPRINGER

Gerhard Springer was born on 26 March 1952. He trained as construction foreman and attended the “social academy” of the Austrian Chamber of Labour before joining the STRABAG Group in 1977. From 1977 to 1983, he worked as construction foreman, deputy foreman and employee representative. He has been a full-time employee representative since April 1983. Gerhard Springer was appointed to the supervisory board of STRABAG SE as an employee representative and has been a member of the supervisory board of STRABAG SE since 1995¹⁾.

MANDATES

In the 2009 financial year, the following supervisory board members held supervisory board mandates or similar functions at publicly listed companies in Austria and abroad in addition to their supervisory board mandate at STRABAG SE:

NAME	PUBLICLY LISTED COMPANY	MANDATE
o. Univ.-Prof. DDr. Waldemar Jud	Do&Co Restaurants Catering AG, Vienna	Chairman of the Supervisory Board
	Ottakringer Getränke AG	Vice Chairman of the Supervisory Board
Mag. Erwin Hameseder	AGRANA Beteiligungs-AG	Vice Chairman of the Supervisory Board
	Flughafen Wien AG	Member of the Supervisory Board until 19 May 2009
	Südzucker AG, Mannheim/ Ochsenfurt, Germany	Member of the Supervisory Board
	UNIQA Versicherungen AG	Member of the Supervisory Board
Andrei Elison	VK Mühlen AG, Hamburg, Germany	Chairman of the Supervisory Board until 19 March 2009
	GAZ Group, Russian Federation	Member of the Supervisory Board
Ing. Siegfried Wolf	GAZ Group, Russian Federation	Member of the Supervisory Board
	Österreichische Elektrizitätswirt- schafts-AG (Verbund)	Member of the Supervisory Board
Dipl. Ing. Andreas Batke	STRABAG AG, Cologne	Vice Chairman of the Supervisory Board

COMMITTEES

Presidium

o. Univ.-Prof. DDr. Waldemar Jud (Chairman)
Mag. Erwin Hameseder (Vice Chairman)
Andrei Elinson

The presidium deals with all matters affecting the relations between the company and the members of the management board, especially matters relating to the remuneration of management board members, but excluding decisions regarding the appointment or removal of a management board member or regarding the granting of stock options.

Presidium and Nomination Committee

o. Univ.-Prof. DDr. Waldemar Jud (Chairman)
Mag. Erwin Hameseder (Vice Chairman)
Andrei Elinson
Wolfgang Kreis
Gerhard Springer

The presidium and nomination committee presents the supervisory board with proposals regarding the filling of new management board mandates or positions which are opening up, deals with questions of succession planning and makes decisions on urgent matters.

Audit Committee

o. Univ.-Prof. DDr. Waldemar Jud (Chairman)
Mag. Erwin Hameseder
Andrei Elinson
Dr. Gottfried Wanitschek
DI Andreas Batke
Wolfgang Kreis
Gerhard Springer

The audit committee is responsible for the auditing and preparation for the approval of the annual financial report, the proposed distribution of profits and the management report, as well as the auditing of the consolidated financial statements. The committee also deals with the management letter written by the financial auditor as well as with the auditor's report as to the efficiency of the risk management. The audit committee makes a proposal for the selection of the auditor and presents the proposal of the supervisory board to the Annual General Meeting for voting.

INDEPENDENCE OF THE MEMBERS OF THE SUPERVISORY BOARD

All members of the supervisory board and its committees are independent in accordance with the conditions contained within the Austrian Code of Corporate Governance as amended in January 2009, (see also www.strabag.com -> Investor Relations -> Corporate Governance -> Supervisory Board -> Independence of the Supervisory Board) and have declared in writing explicitly to adhere to all conditions of the Austrian Code of Corporate Governance as amended in January 2009. The independence of the supervisory board members is defined by the following guidelines (excerpt from the Rules of Procedure for the Supervisory Board as amended on 25 May 2009):

Guidelines for the Independence of Supervisory Board Members of STRABAG SE ("the company") in Accordance with Rule 53 of the ÖCGK

A member of the supervisory board of the company shall be deemed independent if he or she has no business or personal relations with the company or its management board which would constitute a material conflict of interest and thus could influence the member's behaviour.

Moreover, the members of the supervisory board shall comply with the following guidelines adapted from the Austrian Code of Corporate Governance (ÖCGK):

- The supervisory board member shall not have served as a member of the management board or as a manager of the company or one of its subsidiaries in the past five years.
- The supervisory board member shall not maintain or have maintained in the past year any business relations with the company or one of its subsidiaries to an extent of significance for the supervisory board member. This shall also apply to relationships with companies in which the supervisory board member has a considerable economic interest. The approval of individual transactions by the supervisory board according to Rule 48 does not automatically mean the person is qualified as not independent.
- The supervisory board member shall not have been auditor of the company or have owned a share in the auditing company or have worked there as an employee in the past three years.
- The supervisory board member shall not be a member of the management board of another company, in which a management board member of the company is a supervisory board member.
- The supervisory board member shall not be a close relative (direct offspring, spouse, partner, parent, uncle, aunt, sibling, niece, nephew) of a management board member or of persons in one of the aforementioned positions.

It shall be the responsibility of each member of the supervisory board of the company elected by the Annual General Meeting or delegated by the shareholders to declare his or her independence according to the criteria defined.

According to Rule 54 of the Austrian Code of Corporate Governance, the supervisory board of the company shall include at least one independent member delegated by the shareholders who is not a shareholder with a share of more than 10 % or who represents such a shareholder's interests. The independence of supervisory board members shall be published in the Annual Report. The supervisory board shall judge whether it and its committees contain a sufficient number of independent members in accordance with Rules 39 and 53 of the Austrian Code of Corporate Governance.

DISCLOSURE OF INFORMATION REGARDING THE REMUNERATION OF THE MEMBERS OF THE MANAGEMENT AND THE SUPERVISORY BOARDS

REMUNERATION REPORT – MANAGEMENT BOARD

Total remuneration for the management board members in the 2009 financial year amounted to € 8.67 million (2008: € 8.72 million).

REMUNERATION 2008/2009						
T€ (incl. non-monetary ¹⁾)						
NAME	FIXED PORTION		VARIABLE PORTION		TOTAL	
	2008	2009	2008	2009	2008	2009
Haselsteiner	546	543	960	971	1,506	1,514
Haselsteiner – payment in kind	–	–	1,000	1,000	1,000	1,000
Oberlerchner	456	411	800	758	1,256	1,169
Birtel	366	366	565	574	931	940
Farrokhnia	366	366	640	649	1,006	1,015
Jurecka	366	366	640	649	1,006	1,015
Merkingner	366	366	640	647	1,006	1,013
Truntschnig	366	366	640	637	1,006	1,003
Total	2,832	2,784	5,885	5,885	8,717	8,669

For 2007 and the following years, board member pay will be based on a system of remuneration which, in addition to a fixed base salary, foresees a variable portion dependent on the achievement of specific earnings and profit figures calculated according to principles of cost accounting. The profit-related bonus is basically calculated as a fixed percentage of the STRABAG Group profit according to cost accounting principles less a minimum profit. If this value surpasses the simple fixed amount, a sliding scale is applied with a maximum profit-related bonus of 200 % of the fixed salary possible. If a minimum profit is surpassed (profit according to cost accounting principles compared to construction output), a minimum profit-related bonus is granted; the chairman of the management board may also receive additional non-monetary remuneration, rounded to full €T 100, when pre-determined targets are met.

Furthermore, the members of the management board have the right to a company car. Accident insurance provides coverage in the event of death or disability, a private liability insurance policy covers the legal liability of the members of the management board which may arise from third-party personal injury, property damage or financial losses. The board members are also covered by legal expense insurance in the event of claims resulting from administrative or criminal violations. Insurance coverage exists for damage claims resulting from third-party or group financial losses as the result of neglect of duty during service for the company.

The members of the management board are subject to a competition clause for the period of their service. The contracts expire on 31 December 2010. If a member of the management board is dismissed without cause, the fixed base salary is paid for the full term of the contract.

Until 30 June 2009, three management board members performed their services on the basis of a contract for services between the company and a limited liability company owned either fully or partly by the relevant board member. Since 1 July 2009, all management board members perform their services on the basis of employment contracts and are subject to income tax regulations. One management board member is entitled to non-growing pension payments from subsidiaries of the company. No other pension agreements exist between the company and the members of the management board. Three management board members have a right to legal and contractual severance pay in the event of the termination of their service to the company, with the maximum amount set by the Austrian Employee Act (öAngG).

STRABAG SE has further decided against a stock option programme for management board members. No additional recompense is granted for internal group mandates or functions. No prior agreements or exception rules exist for the event of a public takeover offer.

¹⁾ Non-monetary after deductibles

REMUNERATION REPORT – SUPERVISORY BOARD

The Annual General Meeting decides on the annual remuneration of the members of the supervisory board nominated or elected by the shareholders as well as on any additional remuneration for special tasks performed, if applicable.

At the Annual General Meeting of 27 February 2007, the shareholders approved annual remuneration of € 15,000 for the regular members of the supervisory board, € 25,000 for the vice chairman and € 50,000 for the chairman for the period from 1 January 2007 to the end of the ordinary Annual General Meeting of 2010, which decides on the approval of the actions of the management board and supervisory board members for the 2009 financial year.

Additionally to their annual remuneration, the supervisory board members also receive cash compensation for expenses. The supervisory board has further approved a € 100,000 limit on remuneration for consultant activities for its chairman. Furthermore, the members of the supervisory board are, in accordance with the Articles of Association, covered by D&O (directors and officers) liability insurance up to a certain maximum amount. The insurance covers the personal liability of the supervisory board members in the event of careless neglect of duty during their service for the company.

In 2009, no other remuneration was paid to the members of the supervisory board. There were no other transactions with members of the supervisory board.

The remuneration paid to the members of the supervisory board can be broken down as follows:

REMUNERATION 2008/2009		
T€ (incl. non-monetary ¹⁾)		
NAME	2008	2009
Jud	50,000	50,000
Hameseder	25,000	25,000
Gribkowsky	15,000	15,000
Moldazhanova	15,000	3,750
Elinson	–	11,250
Wanitschek	15,000	15,000
Wolf	15,000	15,000
Total	135,000	135,000

1) Non-monetary after deductibles

INTERNAL AUDIT REPORT

The STRABAG Group's internal audit department is a neutral and independent authority which conducted more than 200 internal audits in the 2009 financial year. It is as a central part of the group's risk management.

In accordance with the rules of the Austrian Code of Corporate Governance (ÖCGK), the internal audit department is set up as a staff unit of the management board of STRABAG SE, giving it the greatest possible amount of independence. The internal audit department plans and conducts process-independent and neutral audits of all of the group's divisions in Austria and abroad. The audit planning is constantly updated to meet the current needs.

In 2009, the internal audit department conducted more than 200 audits in all divisions worldwide, including individual objects as well as entire organisational units. The audits covered all of the group's divisions and sub-divisions as well as the most important contracts and orders of the year. The routine and special audits served to recognise and avoid risks, to reveal opportunities and to monitor proper conduct and compliance with the code of ethics.

Given its technical and commercial competence, the internal audit department forms an important part of the group's risk management and internal control. With its comprehensive approach, the use of uniform auditing standards and the neutral reporting, the internal audit department also contributes to the standardisation of processes and structures in the entire group.

The internal audit department reports regularly to the CEO and to the supervisory board's audit committee regarding the audit plan and significant events of its work. The audit reports are sent to the audited units and divisions, to the unit and division managers, and to the management board, and are made available to the financial auditors.

REPORT ON THE EXTERNAL EVALUATION

In accordance with Rule 62 of the Austrian Code of Corporate Governance (ÖCGK), STRABAG SE has since the 2008 financial year commissioned an external evaluation of compliance with the rules of the Code. For the 2009 financial year, the evaluation was conducted by the legal firm Berger Saurer Zöchbauer Rechtsanwälte. The results of the evaluation from March 2010 are available at the STRABAG SE website at www.strabag.com -> Investor Relations -> Corporate Governance -> Formal Obligation and Evaluation and can be summarised as follows (Excerpt from the 2009 Corporate Governance Evaluation Report for STRABAG SE, March 2010):

As part of the initial public offering in the autumn of 2007, STRABAG SE committed to observing the rules of the Austrian Code of Corporate Governance (ÖCGK). Rule 62 of the ÖCGK requires STRABAG SE to submit to an external evaluation of compliance with the rules of the Code. Following evaluation, we can confirm that STRABAG SE complied with the rules of the ÖCGK during the 2009 financial year in so far as these were included in STRABAG SE's declaration of commitment to compliance. Several rules were not applicable to STRABAG SE during the period of evaluation.

STRABAG SE fails to comply merely with Rule 57, according to which supervisory board members who are members of the management board of a listed company may not exercise more than four supervisory board mandates. STRABAG SE explains this as follows: "Because of the international nature of the group's business, it can be advantageous for STRABAG SE to appoint members of the management board of listed companies as members of the supervisory board even if it means non-compliance with this rule. Compliance with all legal requirements is a matter of course."