Consolidated Non-Financial Statement

2024

Consolidated Non-Financial Statement

Background

The Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD) entered into force and replaced the Non-Financial Reporting Directive 2014/95/EU (NFRD) on 5 January 2023. As at 4 April 2025, at the time that this sustainability report was being prepared, the CSRD had not yet been transposed into national law in Austria.

The present consolidated non-financial statement was prepared in accordance with the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) implementing Directive 2014/95/EU and covers the main sustainability matters of our company. Pursuant to Section 267a of the Austrian Commercial Code (UGB), certain topics must be addressed in the non-financial statement if they are relevant to an understanding of the impacts of the company's activities. In this report, these topics are addressed in the following chapters: E1, E4 and E5 (environmental concerns), S1 and S2 (employee concerns), S1, S2 and S3 (respect for human rights) and G1 (combating corruption and bribery). The consolidated sustainability report was prepared in accordance with Article 29a of the Accounting Directive 2013/34/EU and complies with the European Sustainability Reporting Standards (ESRS) and the EU Taxonomy Regulation.

In the EU Taxonomy section, STRABAG discloses its share of Taxonomy-eligible and Taxonomy-aligned economic activities with regard to turnover (revenue), capital expenditures (CapEx) and operating expenditures (OpEx) as well as its compliance with minimum social safeguards.

The sustainability report was subjected to a voluntary limited assurance engagement conducted by PwC Wirtschaftsprüfung GmbH, Vienna, to verify compliance with the CSRD requirements.

2024 ESG year in review

The key factor to achieving our sustainability goals is to anchor sustainability in STRABAG's core business. Given the STRABAG Group's decentralised structure and international dimension of its business activities, this is a complex task. The most important priority issues in the year under report were:

- **Commitment to science-based climate targets, confirmed by the Science Based Targets initiative (SBTi):** We are committed to the 1.5 °C goal and are setting climate targets that are in line with the latest scientific findings. A transformation plan was approved during the reporting year to convert the vehicle fleet, construction equipment and other facilities – particularly in the building materials sector – to renewable energies, to increase efficiency through innovative technologies and to create climate-neutral administration offices. For more information, please see the chapter Climate change.
- **Expansion of the sustainability strategy:** Besides a clear commitment to decarbonisation, the sustainability strategy encompasses additional environmental, social and governance aspects.
- **Strengthening our expertise in climate-neutral buildings:** The acquisitions of the Triburuzek Group (Austria), Climtech (Germany) and ELCO (Luxembourg) have allowed STRABAG to expand its M&E and energy management expertise and to position itself as a full-service provider for the decarbonisation of existing buildings.
- **Consolidating our expertise in reconstruction, conversion and refurbishment in BESTAND BEYOND:** The brand supports the comprehensive refurbishment of existing buildings and contributes to the conservation of resources in the sense of a functioning circular economy, while also counteracting additional soil sealing.

- **Development of the serial timber hybrid construction system MOLENO® WOHNEN:** The combination of prefabricated timber and concrete elements, along with a systemic concept and an AI configurator, helps to promote a more sustainable and climate-friendly building process.
- **New sustainable building materials as part of the business model:** With the acquisition of Naporo Klima Dämmstoff GmbH, STRABAG is expanding its portfolio to include climate-friendly insulation materials made from hemp, flax and PET fibres.
- **Implementation of all preparatory work to fulfil the requirements of the Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD):** The preparatory work includes, among other things, the ongoing development of ESG risk management and structural data collection, particularly for reporting on Scope 3 emissions.
- **Expansion of our educational offering:** Mandatory training on sustainability has been rolled out for all of the Group's employees to provide basic knowledge on environmental, social and governance aspects. The training programme is to be further developed in the future.

Positive results in 2024 ESG ratings

In 2024, STRABAG obtained the following **ratings**:

CDP (Disclosure. Insight. Action., formerly known as the Carbon Disclosure Project) again awarded STRABAG SE a score of B in the category of Climate Change. Our continuous progress in the categories Transition Plan and Climate Risk Analysis were decisive factors in the decision to maintain the score of B that we had achieved in the previous year. With this score, the Group remains in Management level (B/B-) on CDP's rating scale, reaffirming our commitment to sustainable business practices.

STRABAG also participated in the **EcoVadis** ratings during the reporting year, achieving an overall score of 68 out of a possible 100 points.

The last full update of the **Sustainalytics** rating in November 2024 resulted in a score within the medium risk range.

As a participating organisation in the **United Nations Global Compact**, STRABAG also reports on its progress with respect to the Ten Principles of the UN Global Compact in the areas of human rights, labour, environment and climate, and anti-corruption in an annual Communication on Progress (CoP).

Our ESG commitment

WE SUPPORT UN GLOBAL COMPACT

In support of WOMEN'S EMPOWERMENT PRINCIPLES Established by UN Women and the UN Global Compact Office

Stiftung KlimaWirtschaft

Our ESG ratings

CDP Discloser 2024

Rated MORNINGSTAR SUSTAINALYTICS

COMMITTED ecovadis Sustainability Rating OCT 2024

Sustainability report

2024

About this report

ESRS 2 BP-1; ESRS 2 BP-2

STRABAG SE's consolidated sustainability report for the 2024 financial year was prepared in accordance with the European Sustainability Reporting Standards (ESRS). The scope of consolidation for the consolidated sustainability reporting corresponds to the IFRS scope of consolidation for the consolidated financial statements and includes, in addition to STRABAG SE, all major domestic and foreign subsidiaries directly or indirectly controlled by STRABAG SE. The sustainability statement includes the sections "Sustainability report", "Environment", "Social", "Governance" and "Appendix B" and concludes with an audit certificate.

The transition from the Global Reporting Initiative (GRI) to the European Sustainability Reporting Standards (ESRS) has resulted in significant changes to the sustainability reporting in this Annual Report. The **changes** compared to the previous year can be summarised as follows:

- New reporting structure in accordance with ESRS 1 Appendix F
- Performance of a double materiality assessment in accordance with ESRS 1
- Disclosure of additional quantitative and qualitative information through the application of new topical standards and consideration of the upstream and downstream supply chains. The disclosures generally relate to the scope of consolidation; exceptions are accompanied by a note.

When performing the materiality assessment, the time horizons specified by ESRS (short-term – within a financial year; medium-term – within five years; long-term – more than five years) were taken into account. For the analysis of physical and transition climate risks, short-term (until 2030), medium-term (until 2040) and long-term (until 2085) time horizons were considered in order to align these risks with the Group's emission reduction targets, among other things.

Developing a structured approach to data collection is a challenging task for a Group of our size and level of diversification. In some cases, estimates were made in the chapters "Climate change" and "Circular economy" to report metrics for which the required data quality is not currently available. We also use estimates when making forecasts, for example regarding our reduction pathway. Further information on the data sources used and the calculation methodology can be found in the notes to the corresponding indicators. STRABAG has been using new conversion factors to calculate greenhouse gas emissions since 2024. To ensure comparability with the previous year and the base year, the Scope 1 and Scope 2 emissions for the 2023 financial year have also been recalculated (old: 962,944 t CO_2e, new: 927,472 t CO_2e).

For the present report, the transitional provision related to ESRS Section 7.1 "Presenting comparative information" was applied. This means that no comparative ESRS metrics from the previous year are reported in this sustainability report. Information on the previous year's key performance indicators can be found in the annual reports from previous financial years and in the ESG Data Factsheet. The key performance indicators in this report were subjected to a voluntary limited assurance engagement by PwC Wirtschaftsprüfungsgesellschaft GmbH, Vienna, and have not been certified by any other external third party.

STRABAG SE is also making use of the transitional provisions set out in Appendix C of ESRS 1 and will not disclose any anticipated financial effects according to ESRS E1, ESRS E4 and ESRS E5 nor will it make any disclosures for ESRS S1-11, ESRS S1-12, and ESRS S1-15.

No information was omitted from the report to protect intellectual property or for similar reasons.

ESRS 2 GOV-5

STRABAG employs various control mechanisms to ensure that the report is prepared in accordance with the rules. However, these mechanisms are not embedded in a dedicated risk management process for sustainability reporting.

The subject of sustainability, with its environmental, social and governance facets, is the responsibility of the CEO. The responsibility for reporting, including the materiality assessment and the resulting impacts, risks and opportunities, lies with the STRABAG SE Management Board. The Management Board is informed annually of significant changes in sustainability reporting and is responsible for approving the Annual Report. It presents the Group management report, including the consolidated sustainability report, to the Supervisory Board.

Implementation of the reporting requirements is coordinated and supported by the SID function “Sustainability – Governance, Reporting & Data”. For the material topics identified in the materiality assessment, the STRABAG SE Management Board nominates specialist managers to coordinate the respective reporting topic across the Group, draft text building blocks and develop key performance indicators in line with the ESRS requirements. The nominated specialist managers, supported by the SID function “Sustainability – Governance, Reporting & Data”, are available to the auditor to help review the information contained within in the report and the results of the double materiality assessment.

The close collaboration between the SID function “Sustainability – Governance, Reporting & Data” on the one hand and the specialist managers and controlling on the other ensures that the qualitative and quantitative information is recorded and validated in accordance with the rules. Preventive controls such as the four-eyes principle, but also the assessment of metrics throughout the year, ensure that the collected data is reviewed for plausibility and that the corresponding processes are further developed as needed. STRABAG pursues a range of measures to improve data quality in the long term, including an increasing standardisation and automation of our data collection as well as employee training. These measures are designed to avoid risks such as methodological inconsistencies and transcription errors in the long term.

ESG-related risk management processes are described and regulated by overarching corporate policies such as the STRABAG SE Management Manual and its associated policies, as well as in other Group Directives, management systems and the Code of Conduct. Work is ongoing to further integrate and expand our ESG-related risk management.

Sustainability management

Governance

ESRS 2 GOV-1; ESRS 2 GOV-2

Achieving STRABAG's sustainability goals requires a management and accountability structure that involves all representatives within the Group. The following is a description of the most important bodies and committees of STRABAG SE that are entrusted with the oversight and management of sustainability agendas. Corporate-wide exchange makes it possible to discuss ongoing activities and set new steps. It also serves to identify negative impacts as well as risks and opportunities at an early stage, so that appropriate measures can be taken. The figure below provides an overview of the Group's various bodies and committees.

Governance structure

ESG – Environment / Social (social responsibility) / Governance (sustainable corporate governance)
UB – Division ZB – Central Division KSB – Central Staff Division

Role of the highest governance bodies

Oversight of STRABAG SE is exercised by the **Supervisory Board**. The Supervisory Board is kept informed of all relevant issues concerning the company's business development, including its risk situation and risk management, and is involved in decision-making processes through regular communication (at least four times during the financial year) and as warranted. The Management Board reports to the Supervisory Board at least once a year on the precautions taken to combat corruption. The Supervisory Board can also demand reports from the Management Board and inspect the company's books, records and assets. The Chairman of the Management Board (CEO) reports to the Supervisory Board on sustainability matters, including strategic objectives and progress made, as and when required, or separately in an annual ESG update (since 2024). There was no separate sustainability committee during the reporting period.

The Group's business activities are conducted by the STRABAG SE **Management Board**. The Management Board is responsible for maintaining the company's financial balance and setting the strategic objectives. At the Management Board meetings (usually held every two weeks), the members discuss implementation of long-term corporate strategies in addition to the ongoing business. The topics of discussion also include sustainability, which plays a central role and is a separate agenda item at every Management Board meeting. Due to the Group-wide anchoring of the ESG management system, this agenda item is submitted by various departments who prepare comprehensive analyses that should serve the Management Board as a basis for setting its objectives. Selected topics that were introduced during the financial year include the electrification of our vehicle fleet, updates to Group policies and directives, and the stakeholder dialogue. Regular reporting at the Management Board meetings, as well as at other meetings and Group conferences, ensures that the Management Board stays informed of and can monitor the progress being made towards achieving the strategic objectives.

The inclusion of members of the Management Board in strategic sustainability initiatives and bodies, as well as the ongoing reporting, ensures that the STRABAG SE Management Board is regularly and promptly informed about material sustainability topics and their associated impacts, risks and opportunities, enabling it to make directional decisions within the Group as needed. The CEO and CFO are informed of and approve the results of the materiality assessment (including impacts, risks and opportunities). This process is anchored within the Group by the corporate sustainability policy.

In line with the international orientation and organisation of STRABAG SE, each member of the Management Board is responsible for one or more corporate entities, which are structured both geographically and/or by business area. The management of the divisions, central divisions and central staff divisions therefore plays a special role in overseeing the sustainability-related impacts, risks and opportunities affecting the entire Group by regularly and directly reporting to the Management Board.

The mechanisms described for reporting to the Management Board and the Supervisory Board ensure that both bodies are kept informed of current sustainability topics, including the sustainability-related risk situation, so they can fulfil their functions as management and supervisory bodies. In this way, information also flows into strategic considerations and significant transactions, particularly with regard to the expansion of new and market-oriented business areas. During the financial year, the Management Board and the Supervisory Board discussed, among other things, the procedure for setting science-based climate targets in line with the 1.5 °C goal. The further expansion of ESG risk management and its integration into other control and risk systems within the Group is working towards a robust basis for balancing economic, environmental and social aspects.

Besides the internal reporting mechanisms, active participation in external committees and forums also contributes to the sustainability expertise of the Management Board, including, for example, the support of Stiftung KlimaWirtschaft and participation in the European Forum Alpbach 2024.

The table below summarises the most important information on the composition of the Management Board and the Supervisory Board in the 2024 financial year.

Composition of the Management Board and Supervisory Board

	Name		Start of current period of office	End of current period of office	Gender	Year of birth
Management Board						
	Number of members	**5**				
	Average ratio of female to male members	**0%**				
	Dipl.-Ing. Stefan Kratochwill (chair)		19 February 2025[1]	31 December 2026	Male	1977
	Klemens Haselsteiner, BBA, BF (chair)		1 January 2023	31 December 2026[2]	Male	1980
	Mag. Christian Harder		1 January 2023	31 December 2026	Male	1968
	Dipl.-Ing. (FH) Jörg Rösler		1 January 2023	31 December 2026	Male	1964
	Dipl.-Ing. Siegfried Wanker		1 January 2023	31 December 2026	Male	1968
	Dipl.-Ing. (FH) Alfred Watzl		1 January 2023	31 December 2026	Male	1970
Supervisory Board[3]						
	Number of members	**9**				
	Average ratio of female to male members	**44%**				
Shareholder representatives						
	Mag. Kerstin Gelbmann (chair)		24 June 2022	Until 2028 AGM[4]	Female	1974
	Mag. Erwin Hameseder		24 June 2022	Until 2028 AGM[4]	Male	1956
	Dr. Andreas Brandstetter		24 June 2022	Until 2028 AGM[4]	Male	1969
	Dr. Valerie Hackl		25 January 2024	Indefinite	Female	1982
	Mag. Gabriele Schallegger		24 June 2022	Until 2028 AGM[4]	Female	1972
Delegated by the works council						
	Dipl.-Ing. Andreas Batke		1 October 2009	Indefinite	Male	1962
	Magdolna P. Gyulainé		1 October 2009	Indefinite	Female	1962
	Georg Hinterschuster		13 October 2014	Indefinite	Male	1968
	Wolfgang Kreis		1 October 2009	31 July 2024	Male	1957
	Karl Gerdes		1 August 2024	Indefinite	Male	1963

[1] Stefan Kratochwill was appointed CEO of STRABAG SE on 19 February 2025 with immediate effect.

[2] Klemens Haselsteiner passed away on 17 January 2025.

[3] All members of the Supervisory Board are independent pursuant to Rule 53 ÖCGK.

[4] Annual General Meeting

Candidates for the Management Board or Supervisory Board of STRABAG SE should possess the relevant professional qualifications, personal skills and extensive experience in management positions. To ensure that the Management Board can optimally fulfil its management role and the Supervisory Board can optimally fulfil its oversight and advisory role, its members should be chosen to represent the broadest possible range of skills and experiences. This diversity includes, in particular, internationality, different professional and educational backgrounds, and age structures.

Potential members of the Management Board should also have at least ten years of experience in the construction industry or a related field and at least five years of management experience within the Group. Another requirement when selecting a new member is that the Management Board should be composed of an equal number of people with technical and commercial backgrounds. The maximum age at the time of appointment is 65. The composition of the Supervisory Board is determined by several mechanisms. The shareholder representatives are elected by the Annual General Meeting or appointed by shareholders. The employee representatives are appointed in accordance with the Austrian Labour Constitution Act (Arbeitsverfassungsgesetz, ArbVG).

Specific expertise in sustainability topics and the associated impacts, risks and opportunities is provided by experts from the various organisational entities. The Management Board and Supervisory Board can also call on external experts as needed.

The **Steering Committee Sustainability** (SCS) steers the corporate sustainability management and monitors the achievement of the strategic sustainability goals. The composition and staffing of the committee is determined on the basis of the business fields and as far as possible reflects our value chain. SCS members have responsibility for specific trades and topics.

The **tasks of the Steering Committee Sustainability** include:

- approval of position papers, policies and guidelines on sustainability
- monitoring of the strategy's implementation and of the defined roadmaps to achieve the objectives
- preparation of decision-making criteria for the STRABAG SE Management Board
- formulation and further development of minimum sustainability standards

SCS decisions are made several times a year and when required by means of circular resolutions. A face-to-face meeting takes place at least once a year.

The **ESG management** is structured according to the topics of **environment**, **social responsibility** and **sustainable corporate governance**. Due to the breadth of these topics, they are covered and dealt with by a number of central organisational entities within the Group. These units are responsible for the integration of these topics by providing the framework and tools to implement the management decisions with respect to requirements, strategies and measures. These central organisational entities also make their expertise available to the STRABAG SE Management Board, the Steering Committee Sustainability and the divisions, central divisions and central staff divisions and play an advisory role in the implementation of the sustainability strategy and related requirements and measures. The organisational unit "Sustainability – Governance, Reporting & Data" supports the development of the governance structure for sustainability and is also responsible for organising and coordinating development and updates of the sustainability strategy as well as for corporate sustainability reporting.

The role of **Human Rights Officer** is another central function in ESG management. The Human Rights Officer is responsible for monitoring the management of human rights risks and the complaints procedure, as well as for controlling its effectiveness. They also advise the STRABAG SE Management Board as well as the division and central division managers responsible for fulfilling human rights due diligence. The Human Rights Officer acts independently.

The corporate **sustainability network** includes one nominated representative from each division, central division and central staff division. The purpose of the network is to facilitate the exchange of experience and knowledge within the Group and to share information on best practice examples. The representatives have the task of sharing information from the sustainability bodies (SCS, ESG management) with their respective division and of reporting to their management as well as communicating information about their own sustainability-related activities, actions and projects back to the network. The representatives also provide their specific expertise for Group-wide projects and inquiries. The sustainability network meets four times a year.

At the **division**, **central division** and **central staff division** level, implementation and application of the minimum sustainability standards and the associated measures are carried out in accordance with the legal framework. Working together with the ESG management organisation, the divisions, central divisions and central staff divisions are responsible for developing and implementing the roadmaps for their respective areas.

ESRS 2 GOV-3

Group-wide sustainability-related performance criteria for integration in incentive schemes are being evaluated. Defining, measuring and managing the corresponding target values (key performance indicators) remains challenging, however. As a result, sustainability criteria are not currently used in determining the remuneration of Management Board and Supervisory Board members.

ESRS 2 GOV-4

Due diligence refers to the processes and procedures that STRABAG follows to identify and adequately manage actual or potential adverse impacts on people or the environment. The core elements of due diligence can be found in the sustainability statement.

Core elements of due diligence	Reference in the sustainability statement
Embedding due diligence in governance, strategy and business model	Sustainability management
Engaging with affected stakeholders in all key steps of the due diligence	Our social responsibility; Own workforce; Workers in the value chain; Affected communities
Identifying and assessing adverse impacts	Impacts, risks and opportunities
Taking actions to address those adverse impacts	Our social responsibility
Tracking the effectiveness of these efforts and communicating	Our social responsibility

Value chain and strategy

ESRS 2 SBM-1

The construction industry, and with it STRABAG, faces enormous challenges. Containing climate change requires a significant reduction in greenhouse gases, particularly from climate-intensive industrial sectors such as construction. To meet the demand for housing and infrastructure, existing buildings must be modernised and new structures built to sustainable standards. Innovative construction methods are therefore needed to align these activities with new and future requirements in terms of energy efficiency and the use of land and resources. This obliges STRABAG to act with foresight but also makes it clear that the construction sector is a key industry for achieving sustainability targets.

Services along the entire construction value chain

STRABAG operates primarily in Europe and offers services along the entire construction value chain, especially in its core markets of Central and Eastern Europe. Our company's activities are accordingly diverse as a result. Outside Europe, STRABAG is mainly focused on the English-speaking world and on the long-standing markets in South America and the Middle East.

The skills and expertise of our 86,883 employees who deliver our services are as diverse as our value chain. Partnership, trust and reliability are the core values we apply in our dealings with our stakeholders.

STRABAG maintains a dense network of proprietary production facilities to ensure the supply of construction materials from in-house resources. The most important construction materials include asphalt, concrete, cement, stone and gravel, which are used both for the company's own needs and are offered for sale to third parties. A particularly high self-sufficiency rate (85%) is achieved for asphalt. The other building materials and raw materials used are largely purchased from external sources. We aim to increase resource efficiency by setting strategic targets to expand our expertise in the procurement and handling of construction materials, as well as in dismantling and recycling. This not only reduces our dependence on third parties but also helps to avoid the human rights risks and compliance risks that can arise from complex global supply chains. Our production facilities also play an important role in the decarbonisation of the Group, for example with the conversion of asphalt mixing plants to renewable energy sources. In addition to mineral-based building materials, STRABAG also uses renewable raw materials, including those based on wood, straw or hemp. With the acquisition of Naporo Klima Dämmstoff GmbH during the financial year, STRABAG expanded its product range in the area of sustainable building materials.

The client as partner

Considering the entire building life cycle during the planning and design phase is an essential aspect of future-oriented construction, particularly in light of trends such as increasing urbanisation and the climate crisis. Concrete political objectives, such as those set out in the European Green Deal, call for the low-emission construction and operation of buildings as well as higher renovation rates. Despite these targets, however, sustainability criteria such as those outlined in the EU Taxonomy are generally not yet incorporated into procurement processes. With **TEAMCONCEPT**, STRABAG follows a partnering model in which the client and contractor form a team right from the planning phase. STRABAG also offers additional planning-related **consulting services** (e.g. a sustainability potential analysis or green services), that specifically address the sustainability requirements of buildings and involve clients early in the planning process. Sustainable buildings benefit not only public-sector clients but also building users, as lower operating costs can be achieved during the usage phase (through energy-efficient heating systems, for example).

STRABAG's range of services also includes the development of real estate, infrastructure and renewable energy projects. The Group develops, builds, sells and leases real estate projects with a focus on buildings that require fewer resources during construction and less energy during operation. In addition, STRABAG has a successful track record spanning more than three decades in concession models with a portfolio consisting of 41 public-private partnership (PPP) projects in the building construction and infrastructure sectors.

Construction is at the core of STRABAG's business model, with the transportation infrastructure and building construction divisions accounting for nearly 70% of our output in 2024. In building construction, more than in transportation infrastructures, STRABAG outsources some of its work to subcontractors, enabling it to adapt its capacities more flexibly to the current market environment. Through these two divisions, STRABAG contributes to municipalities and other public-sector clients, primarily by expanding infrastructure, especially in the mobility sector, and increasing housing availability. STRABAG also receives long-term contracts and recurring revenue from its service offering for infrastructure maintenance.

Decarbonising the construction industry

In 2022, building operations accounted for approximately 26% of global energy-related greenhouse gas emissions (IEA, 2023). In addition to traditional facility management, STRABAG is expanding its service portfolio in the field of mechanical and electrical engineering services (M&E), with a particular focus on implementing and providing sustainable energy management solutions across a wide range of property types – including the company's own real estate, existing properties and new builds, and highly complex facilities such as those in the healthcare sector – as a way to contribute to decarbonising existing buildings.

The depiction of the value chain to date reveals that vast amounts of resources and materials are contained within a building. In addition to energy consumption, the material demand of the construction sector has significant environmental relevance. Among other factors, the demolition, dismantling and deconstruction of buildings, which generates large amounts of construction waste and hard-to-recycle materials, as well as the low reuse and recycling rates of many building materials, contribute to making the construction sector one of the most waste-intensive industries (European Commission, n.d.).

The action area Reconstruction, Conversion & Refurbishment encompasses the required activities to sustainably use existing buildings and preserve both energy and material resources, including **deconstruction**, **maintenance**, **renovation** and **modernisation**. To achieve a truly circular economy, STRABAG also offers services related to demolition and dismantling, including the recycling of construction materials. The aim is to conserve resources, reprocess materials at a high standard and avoid landfill disposal.

STRABAG offers a range of services that align with global sustainability goals, but which, depending on how they are implemented, can also have negative environmental and social impacts. To minimise these impacts, STRABAG has defined a set of strategic sustainability goals and is continuously working on the sustainable transformation of the company. This includes the development of specific products and services, such as the use of sustainable building materials and construction methods, as well as measures to uphold our social responsibility towards our own employees, those in the supply chain and local communities.

Expanding our sustainability strategy

To strategically anchor the high potential within our value chain, STRABAG adopted its first sustainability strategy in 2021 with a clear commitment to decarbonising the value chain by 2040. In the year under review, this strategy was expanded to include additional environmental, social and governance aspects.

In recent years, the importance of sustainability has continued to grow across all areas – ranging from legal requirements and shifting stakeholder expectations to the increasing specificity of scientific findings on climate change, biodiversity loss and other challenges. These developments call for a new approach, which at STRABAG is manifested in an updated sustainability strategy, adopted by the STRABAG SE Management Board in the first quarter of 2025 and now applicable across the entire Group.

The **expanded sustainability strategy** covers several focus areas relating to the environment, social responsibility and sustainable corporate governance. As a construction group, STRABAG's activities have potential impacts in these focus areas that must be carefully considered, because STRABAG can influence them positively or negatively and because they involve both risks and opportunities.

Environmental

- **Decarbonisation**: With a science-based reduction pathway, we are lowering greenhouse gas emissions across our entire value chain. By 2030, we aim to reduce our Scope 1 and Scope 2 emissions by 42% and our Scope 3 emissions by 25%, with the goal of becoming climate neutral by 2040.
- **Circular economy**: We put circular economy principles into practice by reducing the consumption of primary raw materials, minimising waste and preserving resources at a high level of quality.
- **Biodiversity**: By establishing a biodiversity management system, we minimise our negative impacts on the local flora, fauna and funga while contributing to the preservation of intact ecosystems.

Social

- **Our employees**: Protecting and promoting the health of all our employees, fostering a strong learning culture and creating an inclusive work environment are key action areas for us to maintain our position as a top employer.
- **Human rights along the value chain**: The value chain in the construction industry is complex – our social responsibility and due diligence therefore extend not only to our own employees but also to a wide range of other stakeholders, particularly suppliers and their employees.
- **Added value for society**: By strengthening our positive dialogue with local communities, we can shape our impact responsibly for everyone.

Governance

- **Fair competition**: To ensure its commitment to being a reliable business partner, contractor and employer, STRABAG encourages compliant behaviour, ethical conduct and a corporate culture based on partnership and trust.
- **Sustainable corporate governance**: Sustainable corporate governance requires clear structures, processes and responsibilities. This helps to ensure business integrity and the early identification of impacts, risks and opportunities.

Stakeholder engagement

ESRS 2 SBM-2

Stakeholders have various opportunities to share their interests and views as a way of providing valuable input for STRABAG's strategy and business model. Currently, STRABAG does not follow a fixed, structured approach to overarching stakeholder engagement. The wide range of options for engagement enables the flexible design of **individual and targeted forms of collaboration** tailored to the specific context and need.

The structured engagement formats for our own employees include the appraisal interviews that are held annually in accordance with the respective Group Directive, as well as the exit interviews conducted when an employee leaves the company. These conversations provide valuable insights that inform the continued refinement of our human resource development processes. When processing workplace accidents, the parties involved are included as needed and when possible to conduct a structured analysis of the events.

Our employees can raise their concerns and issues at any time through channels such as the whistleblower platform or the ombudsman service. Potential corrective actions, as well as regular evaluations of their effectiveness, provide valuable input for assessing our processes. STRABAG also relies on **participatory formats**, such as the adASTRA intrapreneurship programme and the ideas management. adASTRA has already led to the establishment of new companies that contribute to STRABAG's strategic areas of action.

In addition to engaging with our internal stakeholders, we also seek the dialogue with other relevant stakeholders. These include, in particular, our customers, investors and suppliers. We also maintain contact with universities and the media, political institutions and NGOs as spokespeople for "silent" stakeholders such as nature. A variety of engagement formats encourage interaction and exchange between STRABAG and its stakeholders, including representation at trade fairs and industry events, stakeholder dialogues and the establishment of research collaborations. When updating our corporate strategy, we engage with analysts and investors through a dedicated event, as we did in 2023 with the Strategic Update 2030.

Stakeholder dialogue on environmental and social supply chains

In September 2024, we organised a stakeholder dialogue on the topic of environmental and social supply chains. In addition to an expert presentation on human rights in the construction industry, the event focused primarily on dialogue and exchange formats. Participants included representatives from the STRABAG Group as well as external stakeholders such as suppliers, partner companies, clients and the scientific community. This diverse group covers a significant portion of the construction value chain, which is affected to varying degrees by new regulatory requirements and challenges related to the supply chain. Data availability was identified as a key enabler for meeting due diligence requirements and overcoming challenges, which will require close, collaborative business relationships. Feedback and networking opportunities, as well as follow-ups, laid the foundation for ongoing dialogue. Additional stakeholder dialogues are planned.

When it comes to our construction projects, affected communities and local residents are another key stakeholder group. Dialogue with these stakeholder groups is often required by law. A key undertaking to strengthen this dialogue is the planned implementation of a corporate-wide guideline for engaging local communities and residents at the project level.

Sources – Sustainability Management

European Commission. (n.d.). *Construction and demolition waste*. Retrieved 18 February 2025
International Energy Agency. (2023). *Buildings*. Retrieved 18 February 2025.

Impacts, risks and opportunities

ESRS 2 IRO-1

STRABAG uses a variety of methods to identify impacts, risks and opportunities. In the year under review, further risk analyses were undertaken related to climate, biodiversity, human rights and business compliance, in addition to the double materiality assessment.

Double materiality assessment

STRABAG already last year adopted the principles of double materiality as set out in ESRS 1, restructuring its process for determining the material topics. Based on the sustainability topics specified by ESRS (including sub-topics and sub-sub-topics), STRABAG identified and assessed not only the company's impacts on the environment, society and the economy ("inside-out" or impact materiality) but also those impacts that affect the company ("outside-in" or financial materiality), particularly in the context of increasing sustainability-related regulation. For the 2024 financial year, STRABAG was able to build on this basis and validate the results from the previous year, taking into consideration external and internal events, with a focus on the additional engagement with external stakeholders. No site-specific analyses or consultations were carried out with affected communities for the issues E2: Pollution and E3: Water and Marine Resources, as these are currently considered immaterial.

The materiality assessment was coordinated by the SID function "Sustainability – Governance, Reporting & Data" and conducted together with experts from other corporate entities who, through their role within the Group, possess the relevant expertise on a given topic. In view of STRABAG's decentralised structure, the engagement with internal stakeholders from our central divisions, central staff divisions and operating divisions is crucial for taking into consideration business- or activity-specific factors as well as the business relationships that arise along our broad value chain. Impacts, risks and opportunities were identified and assessed in terms of their materiality for STRABAG using internal corporate knowledge as well as industry reports and other scholarly publications. The expert knowledge and industry reports made it possible to identify risks specific to the construction industry as well as opportunities representing an important basis for discussion when conducting the assessment.

Interactive, topic-specific workshops on conducting the materiality assessment were organised to help identify points of contact with an ESRS topic, sub-topic or sub-sub-topic and to identify and assess corresponding impacts, risks and opportunities. The workshops also included the identification of dependencies between the individual impacts, risks and opportunities. This made it possible to identify material risks and opportunities arising especially from the increasing regulation of sustainability aspects.

In line with ESRS requirements, all identified **impacts** were assessed in terms of their scale, scope, remediability and likelihood of occurrence. These parameters were evaluated using the following intensity rankings:

- Scale: 0–5
- Scope: 0–5
- Remediability: 0–5
- Likelihood of occurrence: low, high, very high

Each identified impact was assigned a value for each parameter, allowing for prioritisation based on the total score. A threshold value of 8 was set for negative impacts, while a lower threshold value of 6 was applied to positive impacts, as the parameter of remediability does not apply here. The materiality of a given impact is determined by a high or very high likelihood of occurrence and an exceedance of the defined threshold value. Impacts that meet these criteria are included in the reporting. If negative human rights impacts were identified,

their severity was given priority over likelihood of occurrence. The assessment of impacts was primarily based on industry reports as well as on internal corporate statistics.

Identified **risks and opportunities** at STRABAG were assessed in terms of their influence on business relationships, availability of resources and likelihood of occurrence:

- Influence on business relationships: 1–4
- Availability of resources: 1–4
- Likelihood of occurrence: low, high, very high

A risk or opportunity was considered material and included in the reporting if it reached a maximum value of 3 in either of the two parameters “influence on business relationships” or “availability of resources”. This accounts for scenarios where one factor alone could present a material risk, even if the other factor does not indicate a recognisable risk. Monetary valuation was possible for only a few risks, particularly those with criminal law implications. The methodology for the evaluation of financial risks and opportunities will be further developed with the establishment of an ESG risk management framework, although the existing evaluation methodology already allows for the prioritisation of risks, providing insights into potential risk hotspots. There is no prioritisation of ESG risks over other identified risk categories (see Risk management).

The results of the materiality assessment were shared during several internal events. The internal dissemination of the results, along with corresponding feedback opportunities, helped ensure that the entire value chain was represented in the materiality assessment. Specific topics that emerged as particularly debatable during the internal analysis were brought into the stakeholder dialogue. Several group discussions were held to gather further perspectives and opinions. The results obtained from the analysis up to that point were tested for plausibility by querying and discussing touchpoints, challenges and opportunities related to the topics that were raised.

The SID function “Sustainability – Governance, Reporting & Data” compared the internal assessments made up to that point with the inputs from external stakeholders to distinguish between relevant and less relevant aspects of the topics. The consolidated results of this process were presented to and approved by the CEO and CFO. As part of the reporting obligations, the results of the materiality assessment are validated annually to account for any internal or external events, incorporate them into the assessment and ensure the monitoring of impacts, risks and opportunities.

The materiality assessment is also at the heart of **Group-wide ESG risk management**, which is currently under development. A key task in this regard is the long-term integration of various existing risk processes within the Group, including climate risk analyses, human rights risk analyses and compliance risk analyses. These are described in more detail below.

Physical and transition climate risk analysis

The materiality assessment has allowed STRABAG to identify and assess the impacts, risks and opportunities related to climate change mitigation, climate change adaptation and energy. In 2023, an ESG risk management project was launched to assess STRABAG SE's business model for its vulnerability to climate-related physical and transition risks.

The climate risk analysis conducted in 2024 offers a broader perspective by identifying specific risks and opportunities for STRABAG as a result of climate change. Analysing physical risks (e.g. extreme weather events) and transition risks (e.g. legal requirements) helps to identify relevant climate-related factors that influence both the business strategy – which is regularly reviewed for short-, medium- and long-term risks – and long-term value creation.

STRABAG SE's resilience to climate risks depends on a variety of factors. The **consistent implementation of the actions defined in the climate transition plan up to 2040** will help to strengthen resilience in the long term. The climate risk analysis did not reveal any risks that could jeopardise the continued existence of the company.

Physical climate risk analysis

Material activities along the upstream and downstream value chain were evaluated as part of the project to assess the climate-related physical risks. STRABAG's actual and potential vulnerability was analysed on the basis of the short-, medium- and long-term exposure.

To carry out a meaningful analysis of the physical climate impacts on the company, a selective sample of relevant site locations was taken along the upstream and downstream value chains. The upstream value chain was covered by analysing suppliers and their site locations, as well as the risk exposures of the relevant building materials. The analysed sites are predominantly located in Central and Eastern Europe, as a significant proportion of the project and construction materials production business and, consequently, the primary supply sites are located here. For STRABAG, the completed construction projects analysed in the physical climate risk analysis cover both its own business activities as well as the downstream value chain.

The first step was to identify objects of investigation belonging to the areas of business activities, own assets and value chain. These were then analysed based on factors such as the economic output generated per Group country, the expenditure volumes per externally sourced construction materials and the Group's own construction material production volume. This analysis was supported by experts within the Group. The aim was to define representative locations for the clusters that hold strategic and financial relevance and which reflect the broadest possible coverage of the Group's activities. The site selection focused on values from the 2023 financial year, which were validated in workshops with internal expert groups. The first risk assessment was conducted in 2024, with key findings approved by the Management Board as the highest governance body. The maturity of the climate risk analysis will continue to be developed to establish a robust basis for well-informed investment decisions in the future.

In a second step, the selected site coordinates were transferred into climate analysis software in order to evaluate the exposure values for each defined climate-related hazard based on the chosen climate scenario from RCP8.5 to SSP5-8.5. These mandatory climate scenarios describe global conditions in which emissions continue to rise at current rates without policy changes, leading to global temperature increase of about 4 °C by the year 2100.

The software, provided by a consulting firm, is based on climate projections that combine global and regional models derived from climate models provided by the CORDEX initiative. A few other indicators come from external databases such as the Aqueduct global platform for water stress, coastal and riverine flooding or the CATNAT natural disasters platform. The damage functions are based on climate-related hazards and their corresponding indicators, derived from publicly available climate databases such as Copernicus, WIR, ESGF, CATNAT and Arup.

In the final step of the physical climate risk analysis, the sensitivity of the site locations examined was assessed together with experts from selected divisions and central divisions. The likelihood, magnitude, duration and geospatial coordinates were taken into consideration.

Similarly, the exposure of STRABAG's activities and supply chains to these values was analysed across three time horizons.

The risks and opportunities relevant to STRABAG were qualitatively assessed using scenario analysis for short-term (until 2030), medium-term (until 2040) and long-term (until 2085) time horizons to estimate their potential impact on the entire value chain and their likelihood of occurrence. The short- and medium-term time horizons are aligned with the Group's Strategy 2030: People. Planet. Progress. and the 2040 climate neutrality target. Long-term impacts were derived with regard to asset lifespans. No material climate risks were excluded from the risk analysis.

The following table describes the identified material **physical climate risks** that pose potential risks for the company along the entire value chain.

Description of physical risks	
Acute climate risks: extreme weather events, heat and heavy rainfall	Construction work takes place predominantly outdoors, leading to increased vulnerability for both employees and machinery. Potential impacts from acute extreme weather events such as heavy rainfall or heatwaves primarily affect the company's own business activities. In the medium and long term, these impacts may lead to temporary construction stoppages.
Chronic climate risks: drought and rising temperatures	Chronic effects such as prolonged periods of drought and rising temperatures will impact business activities and employees in the long term. One possible consequence is increased dust exposure at urban construction sites, necessitating changes in building design to meet the new climatic requirements.

Transition climate risk analysis

During the analysis of the climate-related impacts on the company, relevant events were identified arising from the transition to a 1.5 °C-compliant economy, society and policies. These events impact the business activities and assets along STRABAG's upstream and downstream value chains. The exposure to these impacts was analysed as a next step, followed by an assessment of the resulting implications for short-, medium- and long-term time horizons. The upstream value chain was included by considering the increased raw material and energy costs. The downstream value chain was analysed, among other things, taking into consideration risks such as changes in consumer behaviour and uncertainty regarding market signals.

The first step was to apply the International Energy Agency's NZE transition scenario (Net Zero Emissions by 2050), which describes how to achieve the 1.5 °C temperature target by 2050 and outlines the underlying assumptions, such as the rapid introduction of efficient technologies and sustainable energy supply systems. These were examined by STRABAG to assess the related impacts. Specifically, STRABAG analysed its business activities, assets and supply chain with regard to their **exposure to the following transition events**:

- CO_2e targets of the main building material suppliers
- higher renewable energy demand and the associated risks to supply security and costs
- price developments for fossil fuels
- prices for emission-intensive industries, which can be predicted by the Carbon Border Adjustment Mechanism (CABM) and the European Union Emissions Trading System (EU ETS)

In a second step, relevance was discussed together with experts and a consulting firm to then describe the Group's vulnerability to these risks and opportunities. This included determining whether there was a touchpoint in the value chain and what impacts would be expected as a result. When assessing vulnerability to transition events, operating and central departments were specifically included to ensure the greatest possible coverage of the affected value chain. As not all departments in the Group were involved, there are potential gaps in the results, which the Group hopes to close over the coming reporting years.

The table below shows the selected transition events, their impacts, the likelihood of occurrence and the scale of the potential material risks aggregated over three time horizons (2030, 2040 and 2050). No material climate risks were excluded from the risk analysis.

Description of transition risks	
Future mandates and regulation	European Union mandates such as the Circular Economy Action Plan (CEAP), the European Deforestation Regulation (EUDR) and the Corporate Sustainability Due Diligence Directive (CSDDD) or product-specific regulations such as the Construction Products Regulation (CPR), the Ecodesign Directive and the Energy Performance of Buildings Directive (EPBD) are creating changing requirements that construction companies must be prepared for. Potential cost factors include investment costs for the use of sustainable technologies, adaptation costs and minimum quotas for recycled building materials in response to stricter standards. The risk of exclusion from procurement procedures due to a lack of compliance with new sustainability requirements is another potential impact.
Demand for low-carbon products and services	The use of new technologies resulting from the demand for low-carbon products and services brings both risks and opportunities. An ambitious climate target requires investment in new technologies that may not meet the usual prices on the market in the short term but which could achieve significant competitive advantages in the long term.
Rising raw material and energy costs	Transition impacts on construction companies from rising raw material and energy costs can vary greatly. The scenarios developed by the International Energy Agency (IEA) and the World Economic Outlook (WEO) suggest that by 2050 certain raw materials will no longer be available in sufficient quantities to meet demand for the 1.5 °C transition. Increased efficiency and a higher recycling rate will be necessary to offset rising costs in the long term.

Description of transition opportunities	
Potential for revenue growth through new business models	Clients are expected to shift towards low-carbon and energy-efficient construction services in the long term, which means that the development and expansion of more environmentally friendly services and products in the construction sector are predicted to bring opportunities for growth.
Risk minimisation through sustainability strategy and target setting	STRABAG sees significant business opportunities in the decarbonisation of its value chain to strengthen the resilience of vulnerable business activities to transition impacts. These can be leveraged to develop new business models that could further consolidate the company's market position in its core markets.

The **climate scenario analyses** that were conducted confirm the high resilience of STRABAG's business model to material climate risks. The Group's broad positioning has proven to be an important factor for success over the years that has contributed significantly to this resilience. The company's Strategy 2030 and the transition plan through 2040 focus on climate-friendly innovations, particularly with regard to the circular economy and renewable energies, as a way of taking advantage of growth opportunities. Despite potential risks, the financial opportunities predominate, with ESG governance to ensure continuous monitoring.

Site-specific biodiversity risk analsyis

STRABAG worked intensely on **addressing the topic of biodiversity** in 2024. A materiality assessment was conducted with the involvement of internal stakeholders to identify and assess impacts, risks and opportunities as well as dependencies related to biodiversity. A survey of specific site locations and of the production or procurement of raw materials with negative or potentially negative impacts on affected communities has not yet been carried out for this reporting cycle.

Transition risks identified in the materiality assessment primarily concern changes in regulatory frameworks that are expected in the future. These include but are not limited to stricter standards for the materials used, which could result in new procurement measures. In addition, climate-related scarcity of resources such as timber is leading to rising raw material costs and possible supply bottlenecks. The growing demand for sand, gravel, timber and water is intensifying this effect, further driving up construction costs. Regulations, such as the European Deforestation Regulation (EUDR), are also contributing to increased investment costs, due to the stricter requirements, and influencing the selection of suppliers.

Conversely, these changing framework conditions also present new opportunities for STRABAG. The use of renewable raw materials and sustainable building materials opens up new business areas, particularly with regard to renaturation and the reversal of soil sealing.

At present, no material physical risks related to biodiversity have been identified in the materiality assessment, although interfaces do exist with other environmental topics such as climate change and resource availability. These interfaces arise from the mutual interaction of topics that can cause damage to mining sites and local ecosystems, such as the frequency of extreme weather events caused by climate change.

The materiality assessment also identified systemic risks that impact the company at a higher level. These include risks such as the degradation of ecosystems, climate change and biodiversity loss, which can have both direct and indirect impacts on STRABAG's entire value chain. The downstream value chain, particularly with regard to construction projects and infrastructure development, is closely linked to biodiversity, as the implementation of compensatory and protective measures during the construction phase often has long-term effects on the surrounding area, thus securing the local ecological foundations.

In addition to conducting the double materiality assessment at the Group level, site-specific risks are also considered using monitoring tools such as the WWF Risk Filter and the Integrated Biodiversity Assessment Tool (IBAT). This structured approach makes it possible to identify site-specific challenges and systemic risks and, if necessary, develop specific guidelines for regions or projects located in ecosystem-sensitive areas. Further details can be found in the Biodiversity chapter in the section Actions and projects.

Human rights risk analysis

The methodology for the human rights risk analysis was thoroughly revised and refined in the 2024 financial year. New sources, originating from the handouts of Germany's Federal Office for Economic Affairs and Export Control (BAFA), were included in the data for risk assessment. A methodology was developed for analysing human rights and environmental risks in our own business area and in the supply chain in order to identify potential negative impacts on people and their natural livelihoods through country and industry risks. The prioritised human rights and environmental risks are compared with existing actions at the STRABAG Group's divisions and adapted as needed. Specification and prioritisation are based on likelihood of occurrence and severity. These appropriateness criteria were also included in the risk assessment as part of the **revision of the methodology**. The risk assessment focuses on particularly vulnerable groups of people. The vulnerable groups of people that were identified include, for example, employees and workers at subcontractors, workers performing manual and physical labour, especially those with language barriers, low-income persons who are unaware of their rights, and children.

In the construction industry, workers on construction sites are exposed to increased risks, for example when handling large and heavy machinery, working at height and below ground, and performing potentially physically demanding tasks. Construction activities that modify existing systems can have potentially negative impacts on the natural foundations of local communities, for example through dust formation during the construction phase. Inequality in employment may occur during personnel recruitment and development, as well as in the way people are spoken to and treated because of their gender, disability or social or ethnic origin. These risks can be found in our core European markets as well as in our international markets. The prevalence of employment agencies and the unauthorised subcontracting of orders are factors that increase the risk of forced labour in STRABAG SE's non-European areas of activity, both in construction and in the service sector. There are no STRABAG companies that show a significantly increased risk of child labour. Awareness of these possible risks, the actions derived, and the implemented policies should permanently minimise the likelihood of these risks occurring. Our Group Directives do not include a definition of vulnerable groups, as the directives apply to all persons equally.

Compliance risk analysis

The risk assessment procedure is described in the appendix Business Compliance Risk Analysis as part of the overarching Business Compliance Management System. The determination of the risk areas is based on STRABAG's business activities as an internationally active construction group and is confirmed by many years of experience and industry knowledge. Specific risk areas were defined with the support of the operating management, the central staff divisions Internal Audit, Contract Management and Legal (CML) and Bau-, Rechen- und Verwaltungszentrum (BRVZ), along with the Business Compliance (BC) department (part of the Corporate Responsibility Office).

As part of the risk analysis, all divisions, central divisions and central staff divisions are subject to an assessment of the corruption risk, among other things, and are re-evaluated at regular intervals based on ongoing incident reports. At the procedural level, the risk analysis is based on the ongoing incident reports and periodic surveys among the respective entities on risk trends within their field of activity. These surveys are conducted through the annual Management Business Compliance Reporting.

Material impacts, risks and opportunities

ESRS 2 SBM-3

Reporting on material topics

The methodical approach of the materiality assessment confirms the relevance of the environmental topics E1: Climate Change and E5: Resource Use and Circular Economy, which STRABAG has been reporting on for several years already. The consumption of fossil fuels for our construction equipment and the high resource requirements for the execution of our construction projects are the decisive aspects here. Starting with the 2024 financial year, the topic E4: Biodiversity and Ecosystems will also be included as a new material topic. The conversion of large areas of land and the extraction of our necessary resources have significant impacts for flora, fauna and funga.

Following the transition from GRI to ESRS, material social topics that STRABAG has reported on in the past are summarised under S1: Own Workforce. Starting in 2024, STRABAG also began reporting on the two stakeholder groups S2: Workers in the Value Chain and S3: Affected Communities. With an expanded perspective of STRABAG's area of responsibility to include the upstream and downstream value chain, significant impacts, risks and opportunities arise in these thematic contexts.

The topic G1: Business Conduct (previously Fair Competition), which has also been an integral part of STRABAG SE's reporting for years, remains unchanged in its materiality.

The results of the double materiality assessment are shown in the table below.

Description of the material impacts, risks and opportunities		Relevant time horizons	Sustainability matter
E1 Climate Change			
Actual negative impact	High greenhouse gas potential due to the use of fossil fuels	Short, medium and long term	Energy
Actual positive impact	Reduction of CO_2e emissions through resource-conserving construction methods, use of renewable energy sources and efficiency measures	Short, medium and long term	Climate change adaptation; Energy
Actual positive impact	Removal and binding of CO_2e emissions through renewable energy sources and technologies (e.g. CCU/CCS processes)	Long term	Climate change mitigation
Risk	Volatile energy costs	Short, medium and long term	Energy
Risk	Climate change-related extreme weather events and the related damage to fixed assets, limited production capacities, supply shortages, construction delays	Short, medium and long term	Climate change adaptation
Risk	Increased requirements and demand for sustainable products and services	Short, medium and long term	Climate change adaptation; Climate change mitigation
Opportunity	Independence from fossil fuels through the use of renewable energy sources	Short, medium and long term	Energy
Opportunity	Development of new business areas	Short, medium and long term	Climate change mitigation
E4 Biodiversity			
Actual negative impact	Negative impact on biodiversity and ecosystems due to raw material extraction, CO_2e emissions in the construction process and soil sealing	Short, medium and long term	Direct impact drivers of biodiversity loss
Actual negative impact	Reduction in the availability of raw materials due to the extraction of finite raw materials	Short, medium and long term	Impacts and dependencies on ecosystem services
Risk	Re-evaluation of suppliers to fulfil regulations	Short term	Impacts on the extent and condition of ecosystems
Opportunity	Renewable raw materials and sustainable building practices reduce costs in the long term and improve resource management.	Short, medium and long term	Direct impact drivers of biodiversity loss

Description of the material impacts, risks and opportunities		Relevant time horizons	Sustainability matter
Opportunity	Incentives for construction projects with biodiversity and soil improvement measures that exceed legal requirements.	Short, medium and long term	Impacts on the state of species
Opportunity	Adaptation of the business model by expanding renaturation projects and shifting from soil-sealing construction activities to the renovation and expansion of existing properties.	Short, medium and long term	Impacts on the extent and condition of ecosystems
E5 Circular economy			
Actual negative impact	High use of non-renewable raw materials	Long term	Resources inflows, including resource use
Actual negative impact	Loss of raw materials through landfilling and lack of recycling options	Long term	Waste
Potential negative impact	Hazard potential for the environment and humans due to hazardous properties of waste	Short, medium and long term	Waste
Actual positive impact	Use of secondary raw materials through recycling	Short, medium and long term	Waste
Potential positive impact	Increased use of secondary raw materials due to greater demand	Long term	Resources inflows, including resource use
Potential positive impact	Long-term binding of resources in products forms a continuously growing anthropogenic material stock	Short, medium and long term	Resource outflows related to products and services
Risk	Rising prices and a lack of availability of raw materials	Long term	Resources inflows, including resource use
Risk	Wide-ranging requirements for sustainably operated buildings as a result of regulatory requirements	Long term	Resource outflows related to products and services
Risk	Stricter requirements for waste management as well as declining landfill capacities	Long term	Waste
Opportunity	Revenue growth and new business areas through the sale and use of renewable raw materials	Long term	Resources inflows, including resource use
Opportunity	Development of expertise and services in the field of selective demolition, materials science and the circular economy	Long term	Resource outflows related to products and services
Opportunity	Increasing revenue from recycled construction materials, landfilling of waste and landfill construction	Long term	Waste
S1 Own workforce			
Potential negative impact	Occurrence of occupational diseases and accidents.	Short, medium and long term	Working conditions
Potential negative impact	Promotion of stereotypical role models due to a lack of diversity	Short, medium and long term	Equal treatment and opportunities for all
Actual positive impact	Development and training programmes for employees	Short, medium and long term	Working conditions
Actual positive impact	Health promotion measures for employees	Short, medium and long term	Working conditions
Actual positive impact	Objective recruitment procedures and competence development measures	Short, medium and long term	Equal treatment and opportunities for all
Opportunity	Increasing employee satisfaction and employer attractiveness through development and qualification programmes	Long term	Working conditions; equal treatment and opportunities for all
Opportunity	Diversity in teams	Short, medium and long term	Equal treatment and opportunities for all
Risk	Absence of employees due to occupational accidents and illnesses	Short, medium and long term	Working conditions
S2 Workers in the value chain			
Potential negative impact	Occupational accidents and illnesses	Short, medium and long term	Working conditions

Description of the material impacts, risks and opportunities		Relevant time horizons	Sustainability matter
Potential negative impact	Violations of human rights in the form of child and forced labour, working time violations, violations of working hours and withheld wages	Short, medium and long term	Working conditions; other work-related rights
Opportunity	Improved (social) sustainability performance of suppliers	Medium term	Equal treatment and opportunities for all
Risk	Loss of sales and reputational damage due to criminal charges	Short, medium and long term	Other work-related rights
S3 Affected communities			
Potential negative impact	Impairment of natural livelihoods due to resource extraction and the execution of construction projects	Long term	Communities' economic, social and cultural rights
Risk	Emergence of land use conflicts and thus restrictions of construction projects	Short, medium and long term	Communities' economic, social and cultural rights
Risk	Loss of sales and reputational damage due to criminal charges	Short term	Communities' civil and political rights
Chance	Creation of infrastructure for the inclusion of local communities	Short, medium and long term	Adequate housing
G1 Business conduct			
Actual negative impact	Negative influence on fair competition through misconduct.	Short, medium and long term	Corruption and bribery
Actual positive impact	Definition of minimum standards with regard to corporate culture by means of codices (Code of Conduct, Supplier Code)	Short, medium and long term	Corporate culture
Actual positive impact	Protection of whistleblowers through the possibility of anonymous use of the whistleblower platform	Short, medium and long term	Protection of whistle-blowers
Actual positive impact	Compliance with internal group standards through authorisation requirements and risk analyses	Short, medium and long term	Political engagement and lobbying activities; management of relationships with suppliers including payment practices
Actual positive impact/ opportunity	Comprehensive range of training courses to sensitise employees to business compliance issues	Short, medium and long term	Corruption and bribery
Risk	Loss of potential suppliers due to sanctions legislation	Short term	Management of relationships with suppliers including payment practices
Risk	Penalties for misconduct	Long term	Corruption and bribery

STRABAG has identified material impacts, risks and opportunities for the topics and sub-topics listed above and prescribed by ESRS. These are discussed in more detail in separate chapters and covered by the ESRS disclosure requirements. The impacts for the business model and strategy are also explained, along with the actions that STRABAG is taking to minimise negative impacts and risks and to exploit positive impacts and opportunities.

The current assessment of the risk situation shows that there are no material financial risks at present and none are foreseen in the near future. STRABAG is committed to a resilient business model that ensures long-term stability and effectively addresses key challenges. Through broad diversification, the strategic anchoring of sustainability and the use of innovative technologies, the company makes targeted use of growth opportunities.

STRABAG identified **no material company-specific topics** in the reporting year.

Annual materiality review

Topic E3: Water and Marine Resources is currently defined as immaterial, although it is expected to become increasingly important in the future for the construction industry as well. Topics E2: Pollution and S4: Consumers and End-Users are currently considered immaterial as well. STRABAG recognises that the environmental topics are interrelated and that the climate crisis, in particular, causes and intensifies other environmental and social challenges. As part of the reporting process, all ESRS topics are assessed annually for their materiality and a corresponding approach is derived from the results.

In previous years, STRABAG reported on the company-specific topics of digitalisation and innovation, social engagement and client satisfaction in its sustainability report. The topic of digitalisation and innovation is seen as an enabler for achieving our sustainability targets and was therefore not assessed for its materiality as a separate topic, which is why the report does not include a separate chapter on it. The management report contains information on the research and development activities at STRABAG SE.

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S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Affected communities
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Environment

2024

EU Taxonomy

Regulation (EU) 2020/852 ("Taxonomy Regulation"), which entered into force on 12 July 2020, establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable. It provides the legal basis for sustainable investments as a way to swiftly implement the European Green Deal. The aim of the regulation is to introduce a uniform classification system ("EU Taxonomy") in order to steer capital flows into environmentally sustainable sectors.

For this purpose, the Taxonomy identifies economic activities that have a significant impact on the EU's environmental objectives.

These six environmental objectives are:

1. climate change mitigation (CCM)
2. climate change adaptation (CCA)
3. the sustainable use and protection of water and marine resources (WTR)
4. the transition to a circular economy (CE)
5. pollution prevention and control (PPC)
6. the protection and restoration of biodiversity and ecosystems (BIO)

For each of these environmental objectives, economic activities and technical screening criteria are defined by means of EU Delegated Regulations.

If one of our business activities falls under the definition of the respective economic activity, it is a Taxonomy-eligible activity; if not, it is a Taxonomy-non-eligible activity. Many of the STRABAG Group's business activities, in particular new road construction, infrastructure project development, building materials production, and property and facility services, are currently not defined as Taxonomy-eligible, i.e., they are not an economic activity as defined by the EU Taxonomy.

Based on this classification of economic activities into those that are Taxonomy-eligible and those that are Taxonomy-non-eligible, the degree to which the activities are environmentally sustainable is assessed on the basis of the technical screening criteria. An economic activity is considered environmentally sustainable if it contributes substantially to one or more environmental objectives, causes no significant harm to any of the other environmental objectives, and is carried out in compliance with certain minimum safeguards. Whether an economic activity makes a substantial contribution or causes no significant harm (DNSH) to an environmental objective is determined on the basis of the technical screening criteria specified in detail by the European Commission.

The criteria and requirements must all be fulfilled **cumulatively**.

Article 8 of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 requires non-financial undertakings to disclose information on the following in their sustainability report:

- proportion and absolute value of the Taxonomy-aligned, the Taxonomy-eligible but not Taxonomy-aligned, and the Taxonomy-non-eligible turnover (revenue) related to products or services
- proportion and absolute value of the Taxonomy-aligned, the Taxonomy-eligible but not Taxonomy-aligned, and the Taxonomy-non-eligible capital expenditures and operating expenditures related to assets or processes

The detailed calculation of these individual values is described below in the sections on turnover, capital expenditures and operating expenditures.

Applicable provisions for the 2024 financial year

The transitional provisions applicable in the previous year have expired. Consequently, the provisions of the EU Taxonomy applied in full for the 2024 financial year, and the economic activities related to the four environmental objectives – sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems – that were not previously reviewed for Taxonomy alignment now also had to be reviewed for Taxonomy alignment on the basis of the technical screening criteria established in Commission Delegated Regulation (EU) 2023/3851 of 27 June 2023.

Management approach

Assessment of Taxonomy eligibility

The mapping of turnover to the economic activities detailed in the EU Taxonomy is based on the business activities and types of works included in the central controlling system. When an order is placed, the project is assigned to a certain business activity with opening of the cost centre. This ensures a clear classification of an economic activity. As the economic activity may be relevant to several environmental objectives, however, it is assessed for Taxonomy alignment according to the technical screening criteria for each environmental objective

STRABAG's Taxonomy-eligible economic activities in relation to the environmental objectives of climate change mitigation, climate change adaption, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems are listed below. The environmental objectives and the numbering of the respective delegated regulation are given in brackets.

1. Electricity generation using solar photovoltaic technology (CCM 4.1)
2. Electricity generation from wind power (CCM 4.3)
3. Electricity generation from hydropower (CCM 4.5)
4. Electricity generation from geothermal energy (CCM 4.6)
5. Electricity generation from biogas (CCM 4.7)
6. Electricity generation from bioenergy (CCM 4.8)
7. Transmission and distribution of electricity (CCM 4.9)
8. District heating/cooling distribution (CCM 4.15)
9. Construction and extension of water supply systems (CCM 5.1 / WTR 2.1)
10. Construction and extension of waste water collection and treatment (CCM 5.3 / WTR 2.2)
11. Infrastructure for personal mobility, cycle logistics (CCM 6.13)
12. Infrastructure for rail transport (CCM 6.14)
13. Construction of new buildings (as general contractor) (CCM 7.1 / CE 3.1)
14. Renovation of existing buildings (CCM 7.2 / CE 3.2)
15. Flood risk prevention and protection infrastructure (CCA 14.12)
16. Sustainable urban drainage systems (WTR 2.3)
17. Sorting and material recovery of non-hazardous wastes (CE 2.7)
18. Demolition and wrecking of buildings and other structures (CE 3.3)
19. Maintenance of roads and motorways (CE 3.4)
20. Use of concrete in civil engineering (CE 3.5)

The economic activities related to energy (1 through 8) and to water supply and waste water management (9 and 10) are included as Taxonomy-eligible because the construction of such facilities and systems is included in the respective definitions. As a rule, STRABAG Group is only active in the construction of these facilities but does not operate them. In individual cases, such facilities are operated as part of the project development business.

This also applies to the economic activities related to transport (11 and 12). The definition includes the construction of infrastructure for rail transport and for personal mobility carried out by the STRABAG Group.

As the construction of new buildings (13) is defined as the development of building projects for residential and non-residential buildings and the construction of complete residential or non-residential buildings on contract basis, only those building construction projects in which the STRABAG Group acts as general contractor or erects entire buildings as part of a project development are included under this activity.

The renovation of existing buildings (14) is defined in the EU Taxonomy as construction and civil engineering works or preparation thereof, which is why the STRABAG Group's renovation and conversion activities in building construction are recorded here.

The maintenance of roads and motorways (19) as defined by the EU Taxonomy includes routine maintenance, preventive maintenance and rehabilitation of asphalt and concrete roads. The maintenance operation mainly concerns the binder course, surface course and concrete slabs. STRABAG's road construction activities, which include maintenance and rehabilitation as types of work, are covered by this definition.

The economic activity "use of concrete in civil engineering" (20) encompasses the use of concrete for new construction, reconstruction or maintenance of civil engineering objects, except concrete road surfaces and maintenance services that are already covered by "maintenance of roads and motorways" (19). The projects of the business areas concerned, in which concrete, reinforced concrete or prestressed concrete is used as the main construction material, fall under this economic activity.

Assessment of Taxonomy alignment

As the STRABAG Group's revenue (turnover) stems from a large number of very different individual projects, the examination of the technical criteria of the Taxonomy-eligible economic activities cannot be carried out at the level of the activity itself but only at the individual project level. With regard to the six environmental objectives, approximately 9,200 projects were Taxonomy-eligible in the 2024 financial year, whereby some of these are to be reviewed in relation to multiple environmental objectives. The assessment requires a considerable administrative effort due to the extensive and detailed criteria involved. In addition, a wide variety of technical screening criteria were defined for each economic activity within the framework of the delegated regulations.

For this reason, the detailed assessment for Taxonomy alignment is carried out per individual project for the five economic activities with the highest turnover: construction of new buildings (as general contractor) (CCM, CE), renovation of existing buildings (CCM, CE), infrastructure for rail transport (CCM), maintenance of roads and motorways (CE) and use of concrete in civil engineering (CE).

These five economic activities account for a consolidated 88% of the total Taxonomy-eligible turnover and comprise more than 7,090 individual projects, which is why only projects with an annual output volume of more than € 5 million were examined in detail.

A special software application, the STRABAG-Taxonomiemonitor, was therefore created to carry out the assessment of the individual projects using questionnaires for assessing Taxonomy alignment for the five economic activities listed above. The questions are to be answered by the project managers with verification to document the answers to be uploaded to the system. The questionnaires cover the criteria for making a significant contribution and for ensuring the DNSH criteria at the individual project level.

For the economic activities not examined at the individual project level, an analysis of the technical screening criteria was carried out using typified construction site organisations and structures.

As the required evidence, in particular the climate risk analysis for these projects, is not fully available, these projects are only shown as Taxonomy-eligible but not Taxonomy-aligned.

The existence of a robust climate risk analysis is the DNSH criterion for climate change adaptation in the relevant activities to which the projects have been assigned.

The absence of climate risk and vulnerability analyses is contrary to the DNSH criterion for climate change adaptation. As Taxonomy-alignment requires not only a material contribution to an environmental objective but also compliance with the DNSH principle for the remaining environmental objectives, non-compliance with the criterion prevents Taxonomy-alignment for the projects concerned.

For economic activities in the energy, water supply, waste water and waste disposal sectors, the definitions of the EU Taxonomy Regulation are met as Taxonomy-eligible economic activities for the construction work alone. The technical screening criteria apply to the operation and equipment used, however, about which STRABAG has no information as these are outside the scope of services. These economic activities are therefore shown as not Taxonomy-aligned.

STRABAG SE is a leading European technology group for construction services. These services are provided on the basis of public tenders or specifications from private clients. Sustainable solutions are offered. STRABAG has an influence on the ecological design of buildings only in rare cases or within the scope of its own project developments. In public tenders in particular, the company is usually only commissioned to carry out the construction work.

The review of the individual projects has shown that many criteria specified by the EU Taxonomy are not yet taken into account as standard practice in construction projects. We expect that an increasing number of tenders will meet the EU Taxonomy criteria in the future.

Turnover (revenue)

Determination of the denominator according to Article 8 Annex 1:

The turnover comprises revenue that was recognised in accordance with IAS 1.82(a), determined on the basis of IFRS 15. It includes revenue from construction contracts, revenue from construction materials, revenue from facility management, revenue from project developments and other revenue.

Determination of the numerator according to Article 8 Annex 1:

In line with the management approach described above, the Taxonomy-eligible projects were assessed at the individual project level or through analytical reviews for Taxonomy alignment.

The Taxonomy-aligned projects exclusively involve the economic activities “construction of new buildings” and “infrastructure for rail transport” in relation to the environmental objective of climate change mitigation. With “construction of new buildings”, the criteria for primary energy demand, air-tightness and thermal integrity are met and the life-cycle global warming potential has been calculated. With “infrastructure for rail transport”, the substantial contribution of electrification is met.

With the economic activities “renovation of existing buildings”, “maintenance of roads and motorways” and “use of concrete in civil engineering”, no project was able to fulfil all the technical screening criteria for Taxonomy alignment. While “renovation of existing buildings” failed on various criteria, “use of concrete in civil engineering” and “maintenance of roads and motorways” were unable to meet the required waste treatment and recycling rates. In asphalt road construction, this can be explained by the fact that the existing asphalt mixing plants have lower recycling rates.

The individual economic activities can be Taxonomy-aligned or Taxonomy-eligible with regard to several environmental objectives. The share of the total turnover of Taxonomy-aligned and Taxonomy-eligible economic activities per environmental objective is shown in the overview tables in the Notes. Care must be taken to avoid redundancies when determining the Taxonomy-aligned or Taxonomy-eligible turnover.

The turnover is as follows:

A detailed presentation by economic activity in accordance with the reporting templates from Annex II is available in the Notes.

Turnover (revenue)

	2024		2023	
	€ mln.	**%**	€ mln.	%
Turnover related to environmentally sustainable activities (Taxonomy-aligned) (A.1)	1,312.81	7.53	1,277.60	7.23
Turnover related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)	9,281.93	53.28	11,561.45	65.44
Total (A.1 + A.2)	**10,594.74**	**60.81**	**12,839.05**	**72.67**
Turnover related to Taxonomy-non-eligible activities (B)	6,827.48	39.19	4,827.49	27.33
Total (A+B)	**17,422.22**	**100.00**	**17,666.54**	**100.00**

The Taxonomy-aligned turnover compared to the previous year is roughly the same and relates exclusively to the environmental objective of climate change mitigation. With regard to the other environmental objectives that were assessed for alignment for the first time in the 2024 financial year, the technical screening criteria could not be met for the projects examined.

All turnover reported in the numerator relate to revenue in accordance with IFRS 15 and are reported as revenue in the consolidated financial statements of STRABAG SE.

The result shows that 39.19% of the STRABAG Group's business activities are not covered by the EU Taxonomy. This applies in particular to property and facility services, building materials production and the new road construction. As a result, there are no technical screening criteria laid out in the regulation to assess their degree of sustainability.

A large proportion of building construction also does not fall under the Taxonomy-eligible economic activities, as the definition is aimed at the construction of complete residential and non-residential buildings. In many cases, however, STRABAG is only responsible for individual parts of buildings.

Nevertheless, sustainable solutions in essential business activities are key for a successful transition to a sustainable economy. STRABAG relies on relevant standards in this area and pursues a comprehensive sustainability strategy. Detailed information can be found elsewhere in this Sustainability Report.

The EU Taxonomy is constantly evolving. An adaptation and expansion of the economic activities and the screening criteria is to be expected.

Capital expenditures (CapEx)

Determination of the denominator according to Article 8 Annex 1:

Capital expenditures as defined by the EU Taxonomy include additions to tangible and intangible fixed assets, including business combinations. Also included are additions to right-of-use assets in accordance with IFRS 16. The disclosures are made before depreciation, amortisation, impairment or other changes in value. The total capital expenditures in intangible and tangible assets reported in the IFRS consolidated financial statements form the starting point for determining the investments.

Determination of the numerator according to Article 8 Annex 1:

Taxonomy-eligible and Taxonomy-aligned expenditures can be divided into three categories:

- Capital expenditures related to assets that are associated with Taxonomy-eligible or Taxonomy-aligned economic activities
- Acquisition of assets related to Taxonomy-eligible or Taxonomy-aligned economic activities or individual measures that reduce greenhouse gas emissions
- Capital expenditures incurred as part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned (CapEx plan)

Capital expenditures related to assets that are associated with Taxonomy-eligible or Taxonomy-aligned economic activities

The STRABAG Group has a central equipment management function that controls the procurement, servicing, maintenance, repair, deployment and utilisation of construction machinery, mechanical equipment and vehicles throughout the Group.

A clear allocation of construction equipment and the vehicle fleet to individual projects and thus to economic activities is not possible. In the case of mixed-use assets, these are assigned to Taxonomy-eligible or Taxonomy-aligned economic activities by means of a suitable classification key. STRABAG assigns technical equipment, machinery, the vehicle fleet, and operating and office equipment to this category. The acquisition of these assets through business combinations is also included here.

The equipment intensity in construction projects varies greatly; especially in projects with a high level of subcontractor services, equipment use differs considerably compared to services performed using the company’s own personnel.

The metric of equipment costs, recorded in the management reporting for each project, is used to assign investments as Taxonomy-aligned or Taxonomy-eligible. The percentage of the total equipment costs that is attributable to Taxonomy-aligned and Taxonomy-eligible projects is presented as Taxonomy-aligned and Taxonomy-eligible investments.

Acquisition of assets related to Taxonomy-eligible or Taxonomy-aligned economic activities or individual measures that reduce greenhouse gas emissions

Capital expenditures that are not directly attributable to the provision of services are not allocated on the basis of equipment costs.

Buildings and photovoltaic systems constructed by STRABAG for its own use are recognised as Taxonomy-eligible economic activities. Any real estate or photovoltaic array that was acquired or built in-house in a certain financial year will be reviewed for compliance with the technical screening criteria and thus for Taxonomy alignment. The acquisition or construction of these buildings is reported in the Consolidated Statement of Fixed Assets under “Properties and buildings” or “Facilities under construction”.

The right-of-use assets from leases involve a large number of real estate leases for office locations. These are Taxonomy-eligible in accordance with CCM 7.7 and, due to a lack of available information for assessing Taxonomy alignment, are reported in their entirety as not Taxonomy-aligned. The previous year's figure has been adjusted accordingly.

The acquisition of vehicles also represents an acquisition of assets related to a Taxonomy-eligible economic activity. Capital expenditures for passenger cars that are not directly attributable to the provision of services are therefore included under this item. When assessing Taxonomy alignment, the technical screening criteria must be verified by the manufacturer or supplier. This evidence has not yet been provided to the STRABAG Group for vehicle investments in the 2024 financial year, which is why only Taxonomy-eligible investments are shown here.

Capital expenditures incurred as part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned (CapEx plan)

STRABAG is rethinking the future of construction. With numerous innovation and sustainability projects, the Group is working to reduce CO_2 emissions in administration and construction projects in order to achieve the goal of becoming climate neutral in 2040. The circular economy, or circularity, was also defined as one of the six key strategic topics of our Strategy 2030. Detailed information can be found elsewhere in this Sustainability Report.

Whether and to what extent an economic activity can be classified as Taxonomy-aligned is to be assessed on the basis of the screening criteria for the individual construction projects. Since STRABAG essentially provides construction services on the basis of public tenders or specifications from clients, Taxonomy-aligned economic activities can only be expanded together with the clients. Therefore, no investment plans currently exist in this regard.

It should be noted that capital expenditures to expand Taxonomy-aligned turnover are to be reported in this category. Since the technical screening criteria usually refer to the building and not to the construction process, there is no direct connection between capital expenditures and Taxonomy-aligned turnover.

Capital expenditures for Taxonomy-non-eligible economic activities

This category comprises capital expenditures that cannot be allocated to Taxonomy-eligible economic activities. The calculation is based on the total additions to intangible assets and to property, plant and equipment according to the IFRS consolidated financial statements. First, the capital expenditures for the acquisition of assets related to Taxonomy-eligible or Taxonomy-aligned economic activities as well as the Taxonomy-non-eligible expenditures are determined. The remaining expenditures are allocated on the basis of the Taxonomy-aligned and Taxonomy-eligible turnover.

Capital expenditures that are associated with Taxonomy-eligible or Taxonomy-aligned economic activities may be Taxonomy-aligned or Taxonomy-eligible with regard to several environmental objectives due to the allocation according to turnover. The share of the total capital expenditures of Taxonomy-aligned and Taxonomy-aligned economic activities per environmental objective is shown in the overview tables in the Notes. Care must be taken to avoid redundancies when determining the Taxonomy-aligned or Taxonomy-eligible capital expenditures.

The total capital expenditures are as follows:

A detailed presentation by economic activity in accordance with the reporting templates from Annex II is available in the Notes.

CapEx

	2024		2023	
	€ mln.	**%**	€ mln.	%
CapEx related to environmentally sustainable activities (Taxonomy-aligned) (A.1)	182.73	18.79	29.38	4.15
CapEx related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	559.29	57.50	466.67	65.86
Total (A.1 + A.2)	**742.02**	**76.29**	**496.05**	**70.01**
CapEx related to Taxonomy-non-eligible activities (B)	230.59	23.71	212.52	29.99
Total (A+B)	**972.61**	**100.00**	**708.57**	**100.00**

The increase in Taxonomy-aligned capital expenditure, amounting to € 143.30 million or 15.12%, is attributable to the acquisition of investment property. There were no investments of this kind in the previous year.

The remaining Taxonomy-aligned capital expenditures results exclusively from the allocation of the Taxonomy-aligned turnover, so that the development essentially follows that of the turnover. Slight shifts are possible due to the projects' different equipment costs.

The Taxonomy-aligned capital expenditures include € 143.30 million (previous year: € 0.00) related to investment property; € 15.62 million (previous year: € 12.15 million) related to technical equipment and machinery; € 17.84 million (previous year: € 13.51 million) related to other facilities, furniture and fixtures and office equipment; € 2.23 million (previous year: € 1.23 million) related to facilities under construction; and € 0.73 million (previous year: € 2.49 million) related to business combinations. The capital expenditures are shown in the statement of fixed assets under "development of investment property".

Operating expenditures (OpEx)

Determination of the denominator according to Article 8 Annex 1:

Operating expenditures as defined by the EU Taxonomy are, in addition to non-capitalisable research and development activities, all maintenance and repair expenditures as well as short-term leasing expenses, building renovation activities and other directly attributable costs relevant to the ongoing maintenance and preservation of the functionality of intangible and tangible assets.

Determination of the numerator according to Article 8 Annex 1:

Analogous to the procedure for capital expenditures, the repair and maintenance costs for technical equipment, machinery, the vehicle fleet, and furniture and fixtures are allocated to Taxonomy-aligned, Taxonomy-eligible and Taxonomy-non-eligible operating expenditures in proportion to the equipment costs.

The maintenance expenses for real estate can be partially allocated to the economic activity "renovation of existing buildings" or to "maintenance and repair of energy efficiency equipment". These individual measures are therefore Taxonomy-eligible and, if the screening criteria are met, Taxonomy-aligned operating expenditures.

A detailed examination of the maintenance of real estate with regard to the technical screening criteria is only carried out, however, if the individual measure exceeds the expenditure of € 3 million. In the 2024 financial year, this value was not exceeded, which is why the entire allocation was made under Taxonomy-non-eligible operating expenditures.

The basis for determining the operating expenditures are the respective expense items according to the IFRS consolidated balance sheet. First, the individual measures are subtracted from the total and only then is the residual size assigned on the basis of the equipment costs.

Operating expenditures that are associated with Taxonomy-eligible or Taxonomy-aligned economic activities may be Taxonomy-aligned or Taxonomy-eligible with regard to several environmental objectives due to the allocation according to turnover. The share of the total operating expenditures of Taxonomy-aligned and Taxonomy-aligned economic activities per environmental objective is shown in the overview tables in the Notes. Care must be taken to avoid redundancies when determining the Taxonomy-aligned or Taxonomy-eligible capital expenditures.

The operating expenditures are as follows:

A detailed presentation by economic activity in accordance with the reporting templates from Annex II is available in the Notes.

OpEx

	2024		2023	
	€ mln.	**%**	€ mln.	%
OpEx related to environmentally sustainable activities (Taxonomy-aligned) (A.1)	21.80	6.26	16.87	5.34
OpEx related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	173.91	49.90	166.36	52.65
Total (A.1 + A.2)	**195.71**	**56.15**	**183.23**	**57.99**
OpEx of Taxonomy-non-eligible activities (B)	152.82	43.85	132.74	42.01
Total (A+B)	**348.53**	**100.00**	**315.97**	**100.00**

As the Taxonomy-aligned operating expenditures result exclusively from the allocation of the Taxonomy-aligned turnover, the development essentially follows that of the turnover. Slight shifts are possible due to the projects' different equipment costs.

The Taxonomy-aligned operating expenditures include € 17.04 million (previous year: € 13.08 million) related to maintenance of construction equipment and € 4.76 million (previous year: € 3.79 million) related to maintenance of the vehicle fleet. Recognition in the IFRS consolidated financial statements is made under the item "Other services used".

The STRABAG SE Group is not active in the economic activities 4.26 through 4.31 of the Delegated Regulation with regard to the environmental objectives of climate change mitigation and climate change adaptation, which is why the reporting forms relating to nuclear energy and fossil gas activities only contain blank reports.

Minimum safeguards

Assessing Taxonomy alignment in accordance with Articles 3 and 18 of the EU Taxonomy Regulation (EU 2020/852) also requires compliance with minimum social safeguards. The EU Taxonomy thus combines economic, environmental and social criteria for classifying sustainable economic activities. The minimum safeguards included in the EU Taxonomy are there to ensure that companies, when carrying out their economic activities, have procedures in place that protect human and workers' rights and which guarantee compliance with standards relating to taxation and fair competition. The safeguards are also designed to prevent serious offences with regard to these issues. An economic activity is carried out in alignment with the minimum safeguards if the following minimum social safeguards are followed in its implementation:

- OECD Guidelines for Multinational Enterprises
- United Nations (UN) Guiding Principles on Business and Human Rights
- Core Conventions of the International Labour Organization (ILO)

These international frameworks comprise principles and guidelines for corporate responsibility in relation to the four previously mentioned topics of human rights, corruption, taxation and fair competition. The Final Report on Minimum Safeguards published by the Platform on Sustainable Finance in October 2022 and the FAQs issued by the European Commission in June 2023 provide comprehensive guidance on interpreting the minimum safeguards requirements, which STRABAG took into account during implementation.

STRABAG has implemented various processes and procedures to ensure compliance with minimum social safeguards. These apply to all Group companies and take into account the upstream and downstream value chain with regard to human rights and anti-bribery compliance. We use various control mechanisms to monitor the processes and procedures, including audits, internal and external reviews, and ongoing risk analyses. Our monitoring systems also include the implementation of corrective measures in the event of non-compliance.

The topics of human rights, corruption and fair competition are covered in the sustainability statement. The topic of taxation, on the other hand, does not form part of the sustainability statement. The principles of STRABAG's tax policy call for compliance with all applicable tax laws and other relevant regulations internationally. Numerous directives, organisational instructions and controls have been implemented in the individual countries to ensure appropriate taxation and compliance with the relevant regulations.

When assessing compliance with the minimum social safeguards, STRABAG also takes into account the relevant Principal Adverse Impacts (PAI) indicators contained in the European Sustainable Finance Disclosure Regulation (EU) 2019/2088 (SFDR) and set out in the European Commission FAQs from June 2023. These include the unadjusted gender pay gap and board gender diversity. Both indicators are included in this report.

The following table provides an overview of the most important Group Directives and policies that were analysed and of the chapters in the sustainability statement where these are explained in more detail:

Topic	STRABAG group directives, processes and policies	Reference
Human rights	Code of Conduct, Sustainability Policy, Supplier Code of Conduct, Health and Safety Policy, ombudspersons, Policy on Employment Conditions and Human Rights	Our social responsibility
Corruption	Code of Conduct, Business Compliance Management System, online whistleblower platform, Supplier Code of Conduct	Our social responsibility
Taxation	Directives and technical instructions based on national legislation	Does not form part of the sustainability statement
Fair competition	Business Compliance Management System, online whistleblower platform	Business conduct

Reporting sheet: Proportion of turnover derived from goods or services associated with Taxonomy-aligned economic activities – Disclosure for the year 2024

Business year 2024			Year	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	Absolute Turnover (3)	Proportion of Turnover 2024 (4)	Climate Change Mitigation (CCM) (5)	Climate Change Adaptation (CCA) (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate Change Mitigation (CCM) (11)	Climate Change Adaptation (CCA) (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) Turnover, year 2023 (18)	Category "enabling activities" (19)	Category "transitional activities" (20)
		T€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Infrastructure for rail transport	CCM 6.14	897,725.00	5.15	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	5.41	E	
Construction of new buildings (as general contractor)	CCM 7.1	415,080.64	2.38	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	1.77		
Renovation of existing buildings	CCM 7.2	0.00	0.00	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	0.05		T
Turnover related to environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1,312,805.64**	**7.53**	**7.53**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**7.23**		
Of which Enabling		897,725.00	5.15	5.15	0.00	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	5.41	E	
Of which Transitional		0.00	0.00	0.00						Y	Y	Y	Y	Y	Y	Y	0.05		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	23,795.28	0.14	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.17		
Electricity generation from wind power	CCM 4.3	31,160.84	0.18	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.56		
Electricity generation from hydropower	CCM 4.5	35,938.23	0.21	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.17		
Electricity generation from geothermal energy	CCM 4.6	621.17	0.00	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01		
Electricity generation from renewable non-fossil gaseous and liquid fuels	CCM 4.7	8,847.17	0.05	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.11		
Electricity generation from bioenergy	CCM 4.8	11,481.30	0.07	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.08		
Transmission and distribution of electricity	CCM 4.9	64,744.37	0.37	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.14		
District heating/cooling distribution	CCM 4.15	86,115.22	0.49	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.51		
Construction and extension of water supply systems	CCM 5.1/ WTR 2.1	161,349.92	0.93	EL	N/EL	EL	N/EL	N/EL	N/EL								1.01		
Construction and extension of waste water collection and treatment	CCM 5.3/ WTR 2.2	309,194.07	1.77	EL	N/EL	EL	N/EL	N/EL	N/EL								1.83		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	176,571.67	1.01	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.13		
Infrastructure for rail transport	CCM 6.14	799,809.17	4.59	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.20		

Construction of new buildings (as general contractor)	CCM 7.1/ CE 3.1	2,497,941.27	14.34	EL	N/EL	N/EL	N/EL	EL	N/EL	19.50
Renovation of existing buildings	CCM 7.2 /CE 3.2	1,037,519.97	5.96	EL	N/EL	N/EL	N/EL	EL	N/EL	4.59
Flood risk prevention and protection infrastructure	CCA 14.12	122,231.27	0.70	N/EL	EL	N/EL	N/EL	N/EL	N/EL	0.73
Sorting and material recovery of non-hazardous waste	CE 2.7	208,978.66	1.20	N/EL	N/EL	N/EL	N/EL	EL	N/EL	1.27
Demolition and wrecking of buildings and other structures	CE 3.3	24,070.73	0.14	N/EL	N/EL	N/EL	N/EL	EL	N/EL	0.08
Maintenance of roads and motorways	CE 3.4	2,724,005.09	15.64	N/EL	N/EL	N/EL	N/EL	EL	N/EL	15.72
Use of concrete in civil engineering	CE 3.5	957,559.46	5.50	N/EL	N/EL	N/EL	N/EL	EL	N/EL	11.69
Sustainable urban drainage systems	WTR 2.3	0.00	0.00	N/EL	N/EL	EL	N/EL	N/EL	N/EL	0.11
Construction of new buildings (as general contractor)	CE 3.1	0.00	0.00	N/EL	N/EL	N/EL	N/EL	EL	N/EL	1.12
Renovation of existing buildings	CE 3.2	0.00	0.00	N/EL	N/EL	N/EL	N/EL	EL	N/EL	0.71
Turnover related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**9,281,934.86**	**53.28**							**65.44**
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**10,594,740.50**	**60.81**							**72.67**
B. Taxonomy-non-eligible activities										
Turnover related to Taxonomy non-eligible activities		6,827,478.02	39.19							
Total		**17,422,218.53**	**100.00**							

Reporting sheet: Proportion of CapEx derived from goods or services associated with Taxonomy-aligned economic activities – Disclosure for the year 2024

Business year 2024			Year	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx, Year 2024 (4)	Climate Change Mitigation (CCM) (5)	Climate Change Adaptation (CCA) (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate Change Mitigation (CCM) (11)	Climate Change Adaptation (CCA) (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category "enabling activities" (19)	Category "transitional activities" (20)
		T€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Infrastructure for rail transport	CCM 6.14	31,445.00	3.23	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.82	E	
Construction of new buildings (as general contractor)	CCM 7.1	4,982.11	0.51	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	1.32		
Renovation of existing buildings	CCM 7.2	0.00	0.00	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	0.00		T
Acquisition and ownership of buildings	CCM 7.7	146,303.71	15.04	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.00		
CapEx related to environmentally sustainable activities (Taxonomy-aligned) (A.1)		**182,730.82**	**18.79**	**18.79**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**4.15**		
Of which Enabling		31,445.00	3.23	3.23	0.00	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	2.82	E	
Of which Transitional		0.00	0.00	0.00						Y	Y	Y	Y	Y	Y	Y	0.00		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	236.80	0.02	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.02		
Electricity generation from wind power	CCM 4.3	1,126.46	0.12	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.24		
Electricity generation from hydropower	CCM 4.5	1,930.02	0.20	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.15		
Electricity generation from geothermal energy	CCM 4.6	32.32	0.00	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Electricity generation from renewable non-fossil gaseous and liquid fuels	CCM 4.7	364.45	0.04	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.02		
Electricity generation from bioenergy	CCM 4.8	294.17	0.03	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.05		
Transmission and distribution of electricity	CCM 4.9	4,080.95	0.42	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.12		
District heating/cooling distribution	CCM 4.15	4,381.53	0.45	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.41		
Construction and extension of water supply systems	CCM 5.1/ WTR 2.1	7,860.74	0.81	EL	N/EL	EL	N/EL	N/EL	N/EL								0.81		
Construction and extension of waste water collection and treatment	CCM 5.3/ WTR 2.2	16,294.65	1.68	EL	N/EL	EL	N/EL	N/EL	N/EL								1.83		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	8,609.83	0.89	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.75		
Infrastructure for rail transport	CCM 6.14	34,174.94	3.51	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.98		

Construction of new buildings (as general contractor)	CCM 7.1/ CE 3.1	23,513.05	2.42	EL	N/EL	N/EL	N/EL	EL	N/EL	3.92
Renovation of existing buildings	CCM 7.2 /CE 3.2	15,648.46	1.61	EL	N/EL	N/EL	N/EL	EL	N/EL	1.17
Flood risk prevention and protection infrastructure	CCA 14.12	6,090.74	0.63	N/EL	EL	N/EL	N/EL	N/EL	N/EL	0.85
Sorting and material recovery of non-hazardous waste	CE 2.7	7,494.49	0.77	N/EL	N/EL	N/EL	N/EL	EL	N/EL	0.73
Demolition and wrecking of buildings and other structures	CE 3.3	554.01	0.06	N/EL	N/EL	N/EL	N/EL	EL	N/EL	0.03
Maintenance of roads and motorways	CE 3.4	105,950.72	10.89	N/EL	N/EL	N/EL	N/EL	EL	N/EL	9.99
Use of concrete in civil engineering	CE 3.5	35,635.61	3.66	N/EL	N/EL	N/EL	N/EL	EL	N/EL	7.69
Acquisition and ownership of buildings	CCM 7.7	257,301.32	26.45	EL	N/EL	N/EL	N/EL	N/EL	N/EL	25.39
Manufacture of renewable energy technologies	CCM 3.1	12,585.71	1.29	EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.00
Manufacture of low carbon technologies for transport	CCM 3.3	15,129.66	1.56	EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.00
Sustainable urban drainage systems	WTR 2.3	0.00	0.00	N/EL	N/EL	EL	N/EL	N/EL	N/EL	0.03
Construction of new buildings (as general contractor)	CE 3.1	0.00	0.00	N/EL	N/EL	N/EL	N/EL	EL	N/EL	5.26
Renovation of existing buildings	CE 3.2	0.00	0.00	N/EL	N/EL	N/EL	N/EL	EL	N/EL	1.40
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.00	0.00	EL	N/EL	N/EL	N/EL	N/EL	N/EL	2.02
CapEx related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**559,290.63**	**57.50**							**65.86**
A. CapEx of Taxonomy eligible activities (A.1+A.2)		**742,021.45**	**76.29**							**70.01**
B. Taxonomy-non-eligible activities										
CapEx related to Taxonomy non-eligible activities		230,589.49	23.71							
Total		**972,610.94**	**100.00**							

Reporting sheet: Proportion of OpEx derived from goods or services associated with Taxonomy-aligned economic activities – Disclosure for the year 2024

Business year 2024			Jahr	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities (1)	Code (2)	Absolute OpEx (3)	Pro-portion of OpEx, Year 2024 (4)	Climate Change Mitigation (CCM) (5)	Climate Change Adaptation (CCA) (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate Change Mitigation (CCM) (11)	Climate Change Adaptation (CCA) (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2023 (18)	Category "enabling activities" (19)	Category "transitional activities" (20)
		T€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Infrastructure for rail transport	CCM 6.14	18,819.09	5.40	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.63	E	
Construction of new buildings (as general contractor)	CCM 7.1	2,981.68	0.86	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	1.71		
Renovation of existing buildings	CCM 7.2	0.00	0.00	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	0.00		T
OpEx related to environmentally sustainable activities (Taxonomy-aligned) (A.1)		**21,800.77**	**6.26**	**6.26**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**5.34**		
Of which Enabling		18,819.09	5.40	5.40	0.00	0.00	0.00	0.00	0.00	Y	Y	Y	Y	Y	Y	Y	3.63	E	
Of which Transitional		0.00	0.00	0.00						Y	Y	Y	Y	Y	Y	Y	0.00		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	141.72	0.04	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.03		
Electricity generation from wind power	CCM 4.3	674.16	0.19	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.30		
Electricity generation from hydropower	CCM 4.5	1,155.07	0.33	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.19		
Electricity generation from geothermal energy	CCM 4.6	19.34	0.01	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Electricity generation from renewable non-fossil gaseous and liquid fuels	CCM 4.7	218.11	0.06	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.03		
Electricity generation from bioenergy	CCM 4.8	176.05	0.05	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.06		
Transmission and distribution of electricity	CCM 4.9	2,442.35	0.70	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.16		
District heating/cooling distribution	CCM 4.15	2,622.24	0.75	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.53		
Construction and extension of water supply systems	CCM 5.1/ WTR 2.1	4,704.47	1.35	EL	N/EL	EL	N/EL	N/EL	N/EL								1.05		
Construction and extension of waste water collection and treatment	CCM 5.3/ WTR 2.2	9,751.96	2.80	EL	N/EL	EL	N/EL	N/EL	N/EL								2.36		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	5,152.78	1.48	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.97		
Infrastructure for rail transport	CCM 6.14	20,452.90	5.87	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.84		
Construction of new buildings (as general contractor)	CCM 7.1/ CE 3.1	14,072.01	4.04	EL	N/EL	N/EL	N/EL	EL	N/EL								5.04		

Renovation of existing buildings	CCM 7.2 /CE 3.2	9,365.24	2.69	EL	N/EL	N/EL	N/EL	EL	N/EL								1.50		
Flood risk prevention and protection infrastructure	CCA 14.12	3,645.17	1.05	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1.09		
Sorting and material recovery of non-hazardous waste	CE 2.7	4,485.28	1.29	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.94		
Demolition and wrecking of buildings and other structures	CE 3.3	331.56	0.10	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.03		
Construction of new buildings (as general contractor)	CE 3.4	63,409.01	18.19	N/EL	N/EL	N/EL	N/EL	EL	N/EL								12.87		
Use of concrete in civil engineering	CE 3.5	21,327.07	6.12	N/EL	N/EL	N/EL	N/EL	EL	N/EL								9.90		
Acquisition and ownership of buildings	CCM 7.7	7,423.10	2.13	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.35		
Manufacture of low carbon technologies for transport	CCM 3.3	2,336.57	0.67	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.78		
Sustainable urban drainage systems	WTR 2.3	0.00	0.00	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0.04		
Construction of new buildings (as general contractor)	CE 3.1	0.00	0.00	N/EL	N/EL	N/EL	N/EL	EL	N/EL								6.78		
Renovation of existing buildings	CE 3.2	0.00	0.00	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1.81		
OpEx related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**173,906.16**	**49.90**														**52.65**		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**195,706.93**	**56.15**														**57.99**		
B. Taxonomy-non-eligible activities																			
OpEx related to Taxonomy non-eligible activities		152,817.53	43.85																
Total		**348,524.46**	**100.00**																

Overview

Proportion of turnover / Total turnover

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	7.54	37.72
CCA	0.00	0.70
WTR	0.00	2.70
CE	0.00	52.96
PPC	0.00	0.00
BIO	0.00	0.00

Proportion of CapEx / Total CapEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	18.79	60.28
CCA	0.00	0.63
WTR	0.00	2.48
CE	0.00	19.41
PPC	0.00	0.00
BIO	0.00	0.00

Proportion of OpEx / Total OpEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	6.26	29.41
CCA	0.00	1.05
WTR	0.00	4.15
CE	0.00	32.42
PPC	0.00	0.00
BIO	0.00	0.00

Template 1: Nuclear and fossil gas related activities

	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Climate change

ESRS 2 SBM-3

As an energy- and resource-intensive industry, the construction sector has a key role to play in and exerts considerable influence on the transition to a low-carbon economy. Fossil fuels are used along the entire value chain in construction, from the operation of the production facilities and the construction machinery to the actual operation of our buildings. This makes the construction industry a source of process- and energy-related emissions. To become climate neutral by 2040, STRABAG aims to continuously reduce greenhouse gas emissions along the entire value chain and, in the year under review, has adopted a climate transition plan to achieve this goal. The company joined the Science Based Targets initiative (SBTi) in 2024, committing itself to climate change mitigation in line with the 1.5 °C target. The following chapter describes the reduction pathway with science-based targets that was developed in this respect.

Despite all the actions aimed at climate change mitigation, its impacts are still being felt. This makes adaptation processes necessary. Construction companies have a decisive role to play here. On the one hand, actions must be taken today to adapt to climate change, for example by building the necessary protective structures. On the other hand, sustainable, climate-resilient construction methods can help make buildings and cities more resistant to extreme weather events.

Buildings today are designed to provide a long service life, with an environmentally efficient operating phase and the ability to be converted for reuse or selectively dismantled at the end of their life cycle. We expect this trend to continue to gain strength, with circular construction and expertise in the energy sector playing a key role in this development. STRABAG has defined these areas as key strategic topics and will continue to expand the relevant business models. With our services, we seek to play an important role in the transition to climate-neutral buildings and infrastructure.

Our transition plan

ESRS E1-1

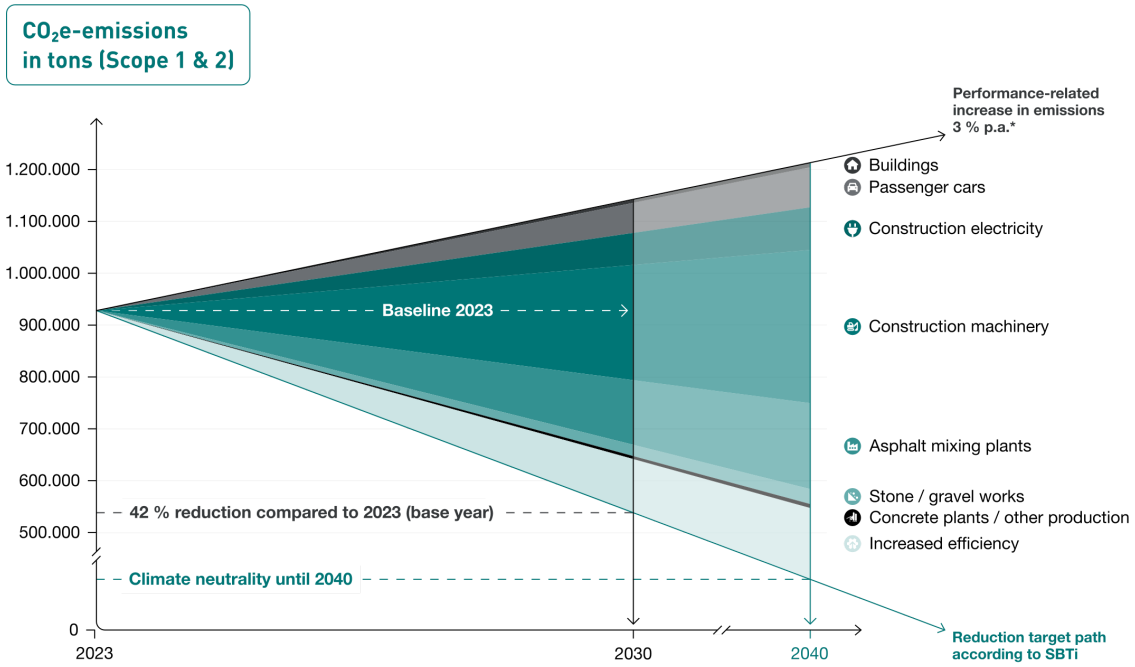
In 2024, the Management Board of STRABAG SE approved a climate transition plan centred on a greenhouse gas reduction pathway with science-based targets and corresponding monitoring tools. As the transition plan influences the strategic direction of the Group, the Supervisory Board was also informed of this undertaking by the Management Board.

The EU Paris-Aligned Benchmark Regulation (EU PAB) is not applicable to STRABAG.

The following eight action areas were identified with regard to Group-wide energy consumption. Material actions were defined for each of these action areas in order to avoid or reduce the consumption of fossil fuels. Specifically, these are:

1. **Buildings**: climate-neutral operation of administration buildings (own and third-party) used by the Group
2. **Passenger cars / commercial vehicles**: conversion of vehicle fleet to renewable energy sources
3. **Construction site power / other construction-related energy**: electrification and environmental optimisation of small equipment, office containers and cranes
4. **Construction machinery / heavy goods vehicles**: conversion of construction machinery and heavy goods vehicles to renewable energy sources
5. **Asphalt mixing plants**: conversion of asphalt mixing plants to renewable energy sources
6. **Stone and gravel plants**: conversion of stone and gravel plants to renewable energy sources
7. **Concrete plants / other production**: conversion of concrete plants and other production to renewable energy sources
8. **Efficiency increase**: potential to increase energy efficiency through conversion to new technologies such as electrification

Transition plan



Targets

ESRS E1-4

STRABAG is convinced that credible climate targets must follow a uniform standard and be externally validated. That is why we committed ourselves to participation in SBTi during the reporting year. Our commitment to the short-term goal (2030) of Scope 1, Scope 2 and Scope 3 emissions was officially confirmed in October 2024. SBTi is expected to validate the targets by the fourth quarter of 2026 at the latest.

Our transition plan makes use of the methodological specifications of SBTi as the basis for a science-based reduction pathway by 2040. This was developed by an internal working group on energy transition headed by a member of the Management Board with the involvement of the relevant divisions, central divisions and central staff divisions. No comprehensive progress measurement currently exists, as the transition plan was first adopted during the year under review. Due to STRABAG's diversified business model, the cross-sector standard was adopted.

The chosen base year was 2023 with a baseline value of 927,472 t CO_2e for Scope 1 and Scope 2 emissions. The base year and the data for the reduction pathway are based on the energy demand data from the 2023 financial year. STRABAG has been using new conversion factors for calculating greenhouse gas emissions since 2024. As a result, the Scope 1 and Scope 2 emissions for 2023 have also been recalculated, which means that the base value differs from the values in the 2023 Annual Report. Due to a system change in the database, changes to the report boundaries cannot be ruled out. Adjustments are also possible as SBTi has not yet completed its validation of the targets and the base year. There were no special capacity utilisations or other special occurrences in the base year that would have led to a distortion of the emissions figures. An annual increase in output was taken into consideration in the target-setting and assigned a 50% increase in emissions. Our target for Scope 1 and Scope 2 emissions corresponds to an ambition level that is necessary from a scientific perspective to limit global warming to 1.5 °C.

Targets for Scope 3 emissions are currently being developed in line with the WB2C scenario (well below 2 °C) using 2023 as the base year. The baseline value for Scope 3 emissions cannot be reported at this time because complete and externally audited data (including downstream Scope 3 emissions) for the 2023 base year are not yet available.

The reporting boundaries of the greenhouse gas emissions that were considered in the reduction targets are consistent with the boundaries of the other greenhouse gases reported. We distinguish in accordance with the categories of the Greenhouse Gas Protocol (GHG Protocol):

- **Scope 1 & Scope 2**: Compared to our 2023 base year, we are aiming to reduce our Scope 1 and Scope 2 emissions by 42% by 2030 and to achieve climate neutrality by 2040 in line with the 1.5 °C scenario.
- **Scope 3**: Starting from 2023 as the base year, targets for the upstream and downstream Scope 3 emissions are being developed in accordance with the WB2C scenario by 2030. The reduction targets through 2040 are also based on the continuation of the reduction pathway.

Our long-term goal, as approved by the STRABAG SE Management Board, is to achieve climate neutrality by 2040. We understand climate neutrality as defined by the United Nations Framework Convention on Climate Change (UNFCCC, 2021) as the endeavour to minimise greenhouse gas emissions as much as possible and to offset unavoidable emissions through systematic offsetting measures. This concept is in line with the 1.5 °C target and represents a consistent continuation of our science-based pathway based on quantitative targets for 2030.

We have identified specific action areas and defined specific actions for achieving our targets for Scope 1 and Scope 2 emissions. In summary, eight action areas can be distinguished. The action areas and the actions for achieving the Scope 3 targets are currently being developed. The following table shows their respective contribution to achieving the targets.

Contributions to achieving emissions reduction targets

Scope	Action areas	Contribution to target achievement by 2030		Contribution to target achievement by 2040
		t CO_2e[1]	%	
Scope 1 + 2	Buildings	5,416	0.90	Climate neutrality
	Passenger cars / commercial vehicles	58,359	9.68	
	Construction site power / other construction-related energy	62,151	10.31	
	Construction machinery / heavy goods vehicles	220,010	36.50	
	Asphalt mixing plans	125,272	20.78	
	Stone and gravel plants	21,207	3.52	
	Concrete plants / other production	4,951	0.82	
	Efficiency increase	105,381	17.48	
	Total	**602,747**	**100.00**	
Scope 3	Action areas currently under development	According to WB2C scenario		Climate neutrality

[1] In accordance with Kyoto Protocol

Policies

ESRS E1-2

The environmental and energy policy signed by the STRABAG SE Management Board sets out fundamental principles on the topics of energy, circular economy and sustainable supply chains to reduce negative impacts on the environment along the value chain. The document describes a series of targets and commitments for the entire Group, including the replacement of fossil fuels in all company processes – as a way of reducing greenhouse gas emissions and contributing to climate change mitigation – and the use of sustainable and resource-efficient materials and parts in construction. With the additional goal of collecting more data on the subject and through the establishment of effective management systems, the company aims to improve the way it manages identified negative impacts, which ultimately relate to the high consumption of energy and resources in the construction industry. The policy does not address targets for climate change adaptation. Responsibility for implementing the defined environmental and energy targets lies with the CEO. As part of the management review of the environmental and energy management system, the environmental and energy policy is evaluated at regular intervals in terms of its suitability and effectiveness.

Actions and projects

ESRS E1-3

To achieve the stated reduction targets, key actions linked to targets for 2030 and 2040 have been defined for each action area. The following table shows the planned actions and the short- and long-term climate targets for each action area.

Decarbonisation actions

Action area	Action	Scope of application	2030 target	2040 target
Buildings	Climate-neutral operation of administration buildings (own and third-party) used by the Group	Concerns existing buildings and new builds (own and third-party) managed by Corporate Real Estate Management in all countries where the Group operates	85.0%	Climate neutrality
Passenger cars / commercial vehicles	Conversion of vehicle fleet to renewable energy sources	Concerns the employee vehicle fleet at all divisions, central divisions and central staff divisions as well as commercial vehicles at the operating divisions (in all countries where the Group operates)	50.0%	
Construction site power / other construction-related energy	Energy-optimised container office	Concerns the organisational entity BMTI as well as all divisions that use construction site power (in all countries where the Group operates)	33.3%	
	Electrification of small equipment		66.7%	
	Energy-efficient crane lighting during purchase of new cranes		100.0%	
Construction machinery / heavy goods vehicles	Conversion of construction machinery and heavy goods vehicles to renewable energy sources	Concerns the organisational entity BMTI as well as all divisions that use construction machinery (in all countries where the Group operates)	66.7%	
Asphalt mixing plants	Conversion of asphalt mixing plants to renewable energy sources	Concerns the organisational entity BMTI as well as all divisions that with own production facilities	33.3%	
Stone and gravel plants	Conversion of stone and gravel plants to renewable energy sources		50.0%	
Concrete plants / other production	Conversion of concrete plants and other production to renewable energy sources		50.0%	
Efficiency increase	Potential to increase energy efficiency through conversion to the above-mentioned technologies			

A set of specific metrics was defined during the reporting year to help monitor implementation and effectiveness of the planned actions and to determine their CO_2e savings potential. We are currently developing the process and software basis for monitoring and reporting these metrics. An annual target/actual comparison of the metric is to be reported to the Steering Committee Sustainability and the Management Board starting in 2025.

The technical implementation options for the key actions and their financial evaluation are currently being worked out. This process should be completed and the corresponding CapEx and OpEx plans defined in the 2025 financial year.

STRABAG is continuously implementing actions to help mitigate the impacts of the climate-related physical and transition risks that have been identified. Climate change is already having a noticeable impact today, prompting STRABAG to respond with actions and to assess these for their effectiveness. A Group-wide analysis of climate-related physical and transition risks was conducted for the first time during the reporting year. Meanwhile, STRABAG continues to advance the management of its impacts, risks and opportunities. Further actions and targets for mitigating the significant risks and impacts and for exploiting opportunities will be developed and disclosed over the coming years.

The allocation of financial resources to the actions listed below is not possible as they are not necessarily carried out as independent, project-based activities and are therefore not subject to specific budgeting. Instead, they are an integral part of our day-to-day business that are seamlessly incorporated into our regular operations.

Material climate-related risks and opportunities	Current actions	Scope of application
Extreme weather events, heat and heavy rainfall	Implementation of occupational safety actions, such as the use of cooling and shading accessories, as well as adjustment of working hours to protect workers, especially site workers, executing construction projects during hot weather periods	Group-wide with a focus on operating entities
	Increased integration of a corporate GIS (geographic information systems) to identify areas and regions with high flood potential and to evaluate potential hazards at an early stage	
Drought and rising temperatures	Expansion of services to offer flexible buildings and structures adapted to chronic climate change	Group-wide
Future mandates and regulation	Interdisciplinary cooperation between departments to implement the necessary requirements	Supply chain, Group-wide
Demand for low-carbon products and services	Increased level of value creation through strategic orientation towards circular construction, expansion and generation of renewable energies	Group-wide
Rising raw material and energy costs	Trial and use of alternative powertrain technologies in construction machinery	Supply chain, Group-wide
	Expansion of building material offerings produced in-house to include renewable raw materials	
Potential for revenue growth through new business models	STRABAG engages in an intensive dialogue with stakeholders to monitor market developments. The prioritised action areas for Strategy 2030 also result from the potential associated with trends in the construction industry.	Group-wide
Risk minimisation through sustainability strategy and goal setting	STRABAG has set science-based targets to develop a strategic plan for decarbonising its value chain. The active participation of all corporate divisions is key to achieving these targets. Strategic management decisions are initiated through the ESG governance structure. The Sustainability department also supports the planning, implementation and coordination of decarbonisation actions and levers for each Group entity.	Group-wide

Metrics

The energy and CO_2e data for the Group are systematically captured and analysed using the Carbon Tracker software developed by STRABAG in-house in 2012. The software solution, which is regularly updated and refined, was fundamentally revised in the 2024 financial year to meet the new reporting requirements under the CSRD Directive and the Group's commitment to improving data quality. The underlying calculation of the energy data published here is largely carried out by our internal ERP system. The energy expenditures recorded are converted into corresponding calorific values using a financial calculation basis. The calorific values determined are then linked to the appropriate CO_2e emission factors and mapped in Carbon Tracker down to the smallest organisational entity. Due to the complexity of compiling energy and greenhouse gas data, particularly in a diversified group of our size, minor deviations may occur.

ESRS E1-5

The updated software allows for more detailed evaluations, particularly with regard to Group-wide energy consumption. The data shows, for example, that approx. 4% of the total energy consumption of 3,390,866 MWh already comes from renewable sources. Of particular note here is that 2,197 MWh of this amount is attributable to our own production (solar energy). A further 918 MWh is fed into the grid.

Own energy production

	2024
Solar energy (MWh)	3,115

Fuel (diesel and petrol) is the Group's most important energy source, accounting for 1,948,736 MWh (57%) of its total energy consumption. By analysing the data in more detail, 10,037 MWh of the total fuel consumption can be shown as coming from renewable sources.

Energy consumption and energy mix

	2023[1]	**2024**
Fossil Energy		
(1) Fuel consumption from coal and coal products (MWh)		533,526
(2) Fuel consumption from crude oil and petroleum products (MWh)		2,089,585
(3) Fuel consumption from natural gas (MWh)		305,123
(4) Fuel consumption from other fossil sources (MWh)		29,994
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)		269,707
(6) Total fossil energy consumption[2] (MWh)		3,227,936
Share of fossil sources in total energy consumption (%)		95.20
Nuclear energy		
(7) Consumption from nuclear sources (MWh)		43,555
Share of consumption from nuclear sources in total energy consumption (%)		1.28
Renewable energy		

	2023[1]	2024
(8) Fuel consumption from renewable sources, including biomass (MWh)		9,883
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)		107,295
(10) Consumption of self-generated non-fuel renewable energy (MWh)		2,197
(11) Total renewable energy consumption[3] (MWh)		119,375
Share of renewable sources in total energy consumption (%)		3.52
Total energy consumption[4] (MWh)		**3,390,866**

1 STRABAG is applying Application Requirement ESRS 1 Section 7.1. and is not presenting prior-period comparative information.

2 Calculated as the sum of lines 1 to 5

3 Calculated as the sum of lines 8 to 10

4 Calculated as the sum of lines 6, 7 and 11

STRABAG's business activities are categorised under NACE Section F. The energy intensity per thousand € revenue is 0,19. The net revenue used to determine the metric corresponds to the revenue presented in the consolidated income statement.

Energy intensity per net revenue

	2023[1]	2024	% 2024 / 2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh / T€)		0.19	

1 STRABAG is applying Application Requirement ESRS 1 Section 7.1. and is not presenting prior-period comparative information.

Greenhouse gas emissions

ESRS E1-6

The CO_2e footprint for the 2024 financial year refers to the Group's full scope of consolidation and includes the CO_2e emissions generated in 72 countries. The emissions are reported in Scope 1, Scope 2 and Scope 3 as defined by the GHG Protocol and in accordance with the CSRD Directive.

Notes on Scope 1 and Scope 2 emissions

Scope 1 and Scope 2 emissions are calculated adopting a spend-based methodology using the Group-wide energy consumption as recorded in the Carbon Tracker software. For the calculation of market-based Scope 2 emissions from electricity consumption in Germany and Austria, it is assumed that the electricity used in regions with a green power supply contract is emission-free.

Energy values are converted using emission factors, most of which are provided by the database operator Climatiq. Climatiq is a **certified database operator** that collects emission factors from various sources, processes them in accordance with the GHG Protocol and updates them regularly. Biogenic CO_2 emissions are reported separately amount to 8,524 t CO_2 (market-based) and 14,140 t CO_2 (location-based). Scope 1 accounts for 2,721 t CO_2, Scope 2 for 5,803 t CO_2 (market-based) or 11,419 t CO_2 (location-based), and Scope 3 for 0.10 t CO_2. For pulverised lignite, factors from the local suppliers were also used.

Scope 2 emissions from purchased heat and electricity are reported using market-based and location-based methodologies. The location-based calculation is based on the latest version (2024) of the **International Energy Agency's (IEA) emission factors database**, which takes into account not only CO_2 but the greenhouse gases CH_4 and N_2O as well. The database is also used for country-specific district heating emission factors. For the market-based calculation, CO_2e emission factors of concluded green power rates, substantiated by a corresponding guarantee of origin (certificate), are applied where used. The percentage of bundled contractual instruments in market-based Scope 2 emissions thus amounts to 26%. If no rate-specific emission factors are available, a country-specific residual mix that shows CO_2e is used. Since this residual mix is not available for all countries in which the Group operates, the IEA emission factors database is used for the remaining countries. This approach takes into account otherwise contractually secured shares of green electricity that are excluded from the overall mix.

Notes on Scope 3 emissions

STRABAG began estimating upstream Scope 3 emissions in 2022. For the 2024 reporting year, these are now being **verified for the first time** and – with a few exceptions – automatically calculated in the new version of Carbon Tracker. For the categories 3.2 "Capital Goods" and 3.7 "Employee Commuting/Remote Work", for example, the data are currently still being collected outside of the Carbon Tracker environment. Integration into Carbon Tracker is planned for the coming financial year.

The cost-based methodology is used for most of the upstream Scope 3 emissions and for some of the downstream Scope 3 categories (e.g. 3.13 "Downstream Leased Assets" and 3.15 "Investments"). Emission values are then determined in combination with cost-based, country-specific emission factors. The Group's six most important building materials – asphalt, bitumen, stone/gravel, steel, concrete and cement – are an exception. For these building materials, the internal prices are first determined and then converted into CO_2e quantities using suitable quantity-based emission factors. The emissions from employee commuting are also not calculated using the cost-based methodology, but rather represent an estimate based on average commuting distances and representative internal surveys among white-collar (salaried) employees and blue-collar (wage-earning) workers. Category 3.3. is shown in the table below using the market-based calculation approach.

Group-specific data were used to determine the product-related emissions. At STRABAG, "products" refers to building materials and prefabricated parts manufactured within the Group as well as construction projects implemented by the Group as a general contractor in relevant business areas. The latter were considered under Category 3.11. To calculate the CO_2e emissions from the third-party transport of building materials and prefabricated parts (Category 3.9) and from the further processing (Category 3.10) and disposal phase (Category 3.12), data from internal sources, average transport distances and various EPD values were also used. When considering the construction projects, the extensive experience of STRABAG experts in a wide range of business areas, but particularly in sustainable construction, was drawn upon. Category 3.14 "Franchises" was identified as irrelevant for STRABAG as it relates to activities that are not part of the STRABAG business model.

The calculation of downstream Scope 3 emissions took place for the first time this year. A primary data share of 2% was used for the Scope 3 emissions. As a result, a **complete CO_2e footprint for the entire Group** was calculated for the first time in 2024.

The first-time calculation of Scope 3 emissions and performance of a transition risk assessment in this reporting year did not yet take into consideration any overlaps in detail. Nevertheless, the results of the risk analyses to date show that the main transition impacts largely correspond to the largest Scope 3 categories (see "rising raw material and energy costs" upstream and "demand for low-carbon products and services" downstream). As the transition risk analyses develop, the Scope 3 data will be included in the long term to gain a more comprehensive understanding of the Group's climate-related transition risks.

		Retrospective			Milestones and target years			
	Base year	**2023[1]**	**2024**	**% 2024 / 2023**	**2025**	**2030**	**2050**	**Annual target compared to base year**
Scope 1 GHG emissions (t CO_2e)								
Gross Scope 1 GHG emissions (t CO_2e)			790,336					
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)			0.00					
Scope 2 GHG emissions (t CO_2e)								
Gross location-based Scope 2 GHG emissions (t CO_2e)			156,306					
Gross market-based Scope 2 GHG emissions (t CO_2e)			158,504					
Total gross indirect (Scope 3) GHG emissions (t CO_2e)								
Significant Scope 3 GHG emissions			9,053,179					
3.1 Purchased goods and services			5,474,338					
3.2 Capital goods			208,674					
3.3 Fuel and energy-related activities (not included in Scope1 or Scope 2)			168,456					
3.4 Upstream transportation and distribution			64,088					
3.5 Waste generated in operations			229,093					
3.6 Business travel			33,055					
3.7 Employee commuting			59,183					
3.8 Upstream leased assets			122,222					
3.9 Downstream transportation and distribution			90,778					
3.10 Processing of sold products			21,978					
3.11 Use of sold products			1,704,432					
3.12 End-of-life treatment of sold products			677,545					
3.13 Downstream leased assets			12,329					
3.15 Investments			187,007					
Total GHG emissions								

Total GHG emissions (location-based) (t CO_2e)	10,027,735
Total GHG emissions (market-based) (t CO_2e)	10,002,019

[1] STRABAG is applying Application Requirement ESRS 1 Section 7.1. and is not presenting prior-period comparative information.

The greenhouse gas intensity per thousand € revenue is 0,58 (location-based) or 0,57 (market-based). The net revenue used to determine the metric corresponds to the revenue presented in the consolidated income statement.

Greenhouse gas intensity per net revenue

	2023[1]	**2024**	% 2024 / 2023
Total GHG emissions (location-based) per net revenue (t CO_2e) / T€)		0.58	
Total GHG emissions (market-based) per net revenue (t CO_2e) / T€)		0.57	

[1] STRABAG is applying Application Requirement ESRS 1 Section 7.1. and is not presenting prior-period comparative information.

ESRS E1-7

STRABAG's plants and facilities are not currently obliged to participate in the European Union Emissions Trading System. Despite all efficiency and substitution measures, it is to be assumed that a base level of difficult-to-avoid greenhouse gas emissions will remain in the medium term that will have to be offset. To achieve the climate targets, an internal offsetting guideline has therefore been created to regulate the future purchase of carbon credits across the Group. The guideline stipulates that investments may only be made in Gold Standard–certified projects. Alternatively, it is also possible to purchase EU Carbon Allowances from the EU Emissions Trading System in accordance with the internal requirements. Carbon credits or EU Carbon Allowances are not currently purchased to offset STRABAG's own emissions. Such measures are carried out exclusively on behalf of customers who wish to optimise their own carbon footprint. STRABAG acts within the agreed project requirements and ensures that only Gold Standard–certified projects or EU Carbon Allowances are considered, as required by the internal offsetting guideline. To date, no own projects have been realised in the voluntary carbon market.

ESRS E1-8

STRABAG currently does not use internal carbon pricing.

ESRS E1-9

The financial assessment of the material physical and transition risks was carried out only qualitatively for the 2024 reporting year. The qualitative assessment of the material physical and transition risks is described in the mandatory disclosures in the section Impacts, risks and opportunities. The methodology for monetary quantification is being developed to meet future mandatory reporting requirements.

Sources – Climate Change

United Nations Framework Convention on Climate Change (UNFCCC). (2021). *A Beginner's Guide to Climate Neutrality*. Retrieved 19 February 2025.

Biodiversity and ecosystems

ESRS 2 SBM-3; ESRS E4-1

The construction industry has a significant impact on biodiversity and ecosystems worldwide, particularly along the upstream value chain. This is especially evident in the extraction of raw materials for the production of building materials. The use and conversion of land in construction projects poses a major challenge to global flora, fauna and funga. At the same time, soil sealing results in the loss of essential soil functions, which in turn can affect natural habitats and put species diversity at risk – especially in biodiversity-sensitive areas.

On the other hand, the construction industry also offers numerous opportunities to make a positive contribution. Sustainable planning and targeted renaturation actions can create new habitats for flora, fauna and funga, and innovative approaches such as sustainable infrastructure, the conscious use of eco-friendly materials and minimising soil sealing help protect natural ecosystems and promote biodiversity in the long term.

STRABAG is exposed to both risks and opportunities arising from the interaction between its business activities and biodiversity conservation. In the face of global environmental change and stricter legal requirements, precise management of these factors is becoming increasingly important to mitigate biodiversity-related risks. The materiality assessment and the site-specific risk analyses serve as a starting point for a future resilience analysis of the business strategy and business model.

Biodiversity strategically anchored

Forward-thinking management is key to future-proofing the company and continuously aligning corporate strategy with environmental requirements. Biodiversity is a material topic in our sustainability strategy, and we are committed to implementing realistic actions to protect it. This includes, among other things, establishing a Group-wide biodiversity management system and developing our employees' expertise.

In Germany, Austria and Switzerland, 54 of STRABAG's sites are located in biodiversity-sensitive areas and have a negative impact on the local species diversity. For this purpose, sites are defined as any fixed place of business or construction site with a duration of more than 12 months. The impact assessment included asphalt mixing plants, concrete mixing plants, landfills, emulsion mixing plants, gravel and sand pits, recycling and recovery plants, quarries, ballast pits, workshops and cement plants. A breakdown of the sites based on the identified impacts and dependencies, as well as the ecological condition of the areas they are located in, is not yet available, as the biodiversity-related data foundation is still being developed. As part of the materiality assessment, no significant negative impacts related to land degradation or desertification were identified.

Policies

ESRS E4-2

The environmental and energy policy signed by the STRABAG SE Management Board, which applies to the entire Group, sets out the principle of protecting ecosystems and preserving habitats for humans and animals. The document establishes **commitments** for several topics identified in the materiality assessment, including the efficient use of land within the company's sphere of influence and the avoidance of deforestation along supply chains. Other key factors addressing biodiversity loss and ecosystem degradation, as outlined in the environmental and energy policy, include the mitigation of environmental and climate-related risks in our business and along the supply chain as well as the reduction of emissions and resource use through circular economy practices. Responsibility for implementing the environmental and energy policy lies with the CEO. As part of the management review of the environmental and energy management system, the document is regularly assessed for its suitability and effectiveness and adapted as needed.

In 2023, the Management Board of STRABAG SE adopted a Group-wide position paper on biodiversity. The document provides clear, **practical guidance and advice** on protecting biodiversity and species in construction projects. Serving as a supplementary resource to the environmental and energy policy, it raises employee awareness of biodiversity and establishes guidelines for environmentally responsible planning and construction processes. Together with the environmental and energy policy, the paper could serve as the foundation for deriving specific actions to protect biodiversity. The guidelines include minimising land use, emissions and environmental impacts, along with additional actions to reduce the impact on flora, fauna and funga during construction projects. While the position paper does not address the traceability of products, components or raw materials, it does highlight the procurement of materials from sustainably managed forests as a potential factor in improving biodiversity protection.

The social consequences of biodiversity loss, biodiversity-related transition and physical risks, invasive species and desertification are not currently addressed in either of the two documents. Site-specific actions to promote biodiversity are laid down in the respective approval notices, particularly for extraction sites, for example in the form of compensatory actions. These actions are not yet recorded on a Group-wide basis, however. As we develop our biodiversity management and conduct further risk analyses at STRABAG, we reserve the right to expand the two documents to include other material topics. The Group has no overarching directives or guidelines for operating sites in or near a protected or biodiversity-sensitive area. Similarly, there are no Group-wide policies for land use, agriculture, oceans or seas.

Actions and projects

ESRS E4-3

Foundations laid for establishment of biodiversity management system

STRABAG is currently establishing a Group-wide biodiversity management system. To date, the company's sustainability management has focused primarily on climate-related topics, social issues and the development of a corresponding governance structure. In 2024, a project to establish a biodiversity management system was launched with representatives from various operating divisions. This laid the foundation for targeted actions to be implemented in the raw materials extraction business. The current focus is on conducting a detailed analysis of the status quo in order to consolidate the existing biodiversity-related actions and practices within the Group and to engage the relevant stakeholders. This should create a solid basis for informed decision-making when developing new actions. Additional actions can be developed and implemented for additional business areas as needed. Another key aspect of the project to establish a biodiversity management system is the introduction of suitable measuring parameters to establish a monitoring system and enable regular reporting.

The following biodiversity actions are already being undertaken at STRABAG:

STRABAG, in coordination with local authorities and stakeholders, implements specific actions at its own **extraction sites** to minimise its environmental footprint and ensure land restoration and renaturation. Conservation-related requirements are established, tailored to each site individually, including, for example, the creation of compensatory measures such as biotopes, the implementation of regular ecological assessments and other potential actions resulting from these, as well as a land-saving use of the area to avoid unnecessary interference with nature and to prevent landscape fragmentation.

Impacts are evaluated at the outset, and compensatory measures for flora and fauna are documented in the approval plan in coordination with the relevant authorities. Monitoring is conducted at least once a year to assess the impact on biodiversity and make adjustments if necessary.

For certain **construction projects**, legal and regulatory requirements demand an environmental impact assessment (EIA). An environmental impact assessment ensures that potential environmental impacts are identified and assessed during the planning and design phase, allowing for the development and implementation of appropriate protection and compensatory measures. This approach is also being taken in countries outside the European Union where the Group operates, for example through environmental impact assessments for specific public- and private-sector construction projects, in accordance with the applicable laws in those regions.

In the field of **transportation infrastructures** in Germany, STRABAG follows a sustainable construction site concept in line with the standards set by the German Sustainable Building Council (DGNB), where biodiversity criteria are taken into consideration for certification of construction sites with a duration of more than three months. This certification takes into account compliance with biodiversity-promoting actions, such as the use of environmentally friendly technologies and processes, the minimisation of soil sealing and the consideration of local flora, fauna and funga.

An assessment of which communities experienced the most material negative impacts due to construction projects has not been conducted. STRABAG does not currently include any compensatory measures in its action plans.

We view these efforts as a key component of our strategic direction and as an opportunity to ensure, through engagement with all relevant stakeholders, both internal and external, that our actions are effective in the long term and aligned with our biodiversity targets.

Targets

ESRS E4-4

STRABAG has not yet defined any quantitative targets for biodiversity and ecosystems but is working to integrate this topic across the Group. Until now, the focus of sustainability management has been primarily on governance, climate and social aspects. A key challenge in this process is measuring biodiversity, especially considering the large number of sites.

Metrics

ESRS E4-5

The procedures for collecting specific impact metrics related to biodiversity, which are currently under development, are based on internationally recognised tools such as the WWF Risk Filter and the Integrated Biodiversity Assessment Tool (IBAT). STRABAG uses these tools to gain an overview of sites that are in or near biodiversity-sensitive areas. These tools allow for the identification of site-specific risks and will enable a systematic investigation of the business model's resilience to biodiversity risks in the future.

As part of the establishment of a biodiversity management system, work is underway to create an appropriate set of metrics to capture biodiversity performance in a meaningful and practical way in the future.

Use of internationally recognised tools

A **multi-step process** was implemented to identify the sites under STRABAG's operational control in Germany, Austria and Switzerland that potentially have negative impacts on biodiversity. The first step was a protected area analysis using the **WWF Risk Filter and IBAT** to identify sites in or near biodiversity-sensitive areas, with a one-kilometre buffer zone. Included in the analysis were raw material extraction sites, office buildings, production plants for asphalt, concrete, emulsions and cement, garages, residential buildings, undeveloped land, recycling plants, warehouses, laboratories and workshops, among other sites. Construction sites, even those with a duration of more than 12 months, were not yet considered in the analysis. Key sites were identified based on WWF industry sector classification and an assessment of potential risks in five specific indicators (habitat loss, deforestation, pollution, ecosystem health and biodiversity).

The internal categorisation of STRABAG sites by impact type was assigned to a WWF Biodiversity Risk Filter (BRF) industry sector classification. For the **impact type assessment** (low, medium, medium-high, high), the direct impacts of the five specific indicators were analysed and averaged for each WWF BRF industry sector. The classification is based on the WWF Risk Filter methodology, where specific industries are assessed according to their potential impact on biodiversity. These assessments contribute to the overall assessment of the site type. Sites are included in the report if their potential impact is assessed as medium-high or high. Additionally, IBAT data were used to analyse overlaps with protected areas (e.g. Natura 2000, UNESCO World Heritage Sites). Some areas overlap across multiple protected area categories. In these cases, the site was considered multiple times to enable a more precise assessment of potential impacts on biodiversity. The sites were defined by type and geographical overlaps to accurately assess the potential impacts on biodiversity. The process is still in development and will be continuously refined to make the analysis even more accurate and comprehensive.

A potential extension of the analysis is planned for 2025 to include construction sites with a duration of more than 12 months, as well as operations outside Germany, Austria and Switzerland, in order to provide a Group-wide overview in the future.

Sites in biodiversity-sensitive areas

	Number	Area (in ha)
Natura 2000 network of protected areas	29	405
UNESCO world heritage sites	6	95
Key Biodiversity Areas	5	25
Other protected areas in accordance with Annex II Appendix D of Delegated Regulation (EU) 2021/2139	40	677

Circular economy

ESRS 2 SBM-3

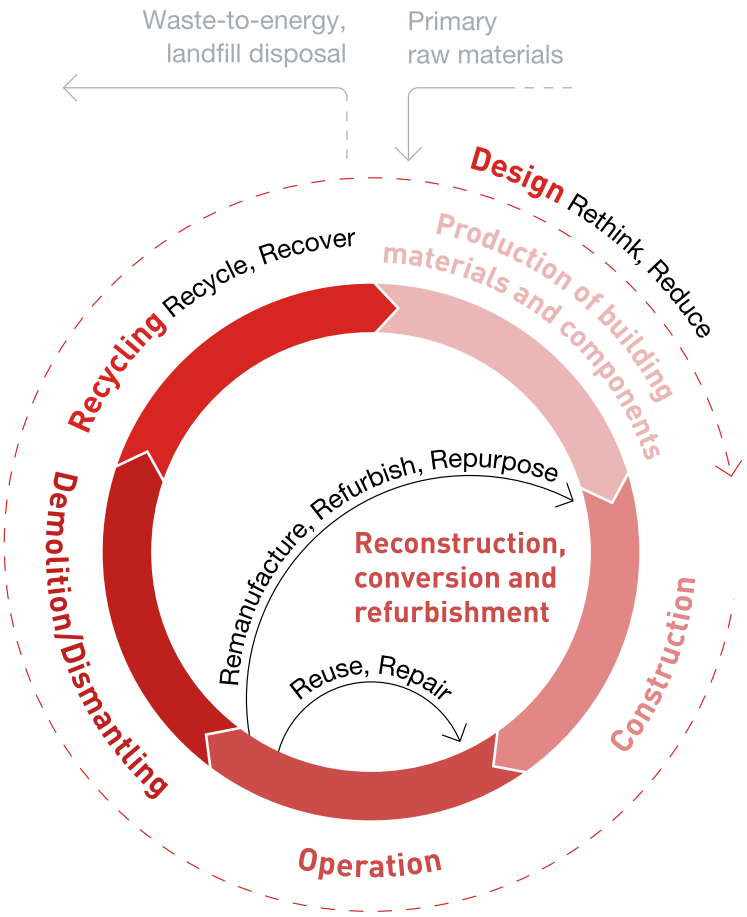
The high demand for raw materials in construction and the large amounts of waste generated through demolition make the building industry one of the most **resource-intensive sectors of the economy**. Due to the finite availability of resources, the linear economic system – consisting of raw material extraction, use and disposal – is increasingly reaching its limits.

The construction of buildings requires large quantities of non-renewable building materials such as sand, stone, asphalt and concrete. We are also seeing an increasing demand for renewable raw materials, especially wood. Large amounts of waste are generated at the end of the life cycle of the buildings we construct. This waste is often not returned to the economic cycle in the same way but is instead recycled or reused at a lower quality. In the worst case, these raw materials are completely removed from the economic cycle through waste incineration or landfill disposal. A problem with landfill sites is that they are no longer available as habitable or cultivable land. Hazardous waste poses an additional risk to human health and the environment and involves higher disposal costs. These considerations show that the material negative impacts and risks extend across the entire value chain, from in-house building material producers and/or external suppliers to waste disposal companies.

These developments also offer opportunities, however. The reuse and recycling of raw materials not only reduces costs in procurement and disposal but also opens up new business areas, for example in the production and use of sustainable building materials and the renovation of existing buildings. An **extensive in-house building materials network** enables a high level of value creation within the Group. In this way, STRABAG counteracts scarcity risks, meets customer requirements and can minimise disposal costs. When developing strategies and business models, STRABAG aligns itself with the 9R framework of the circular economy: rethink, reduce, reuse, repair, refurbish, remanufacture, repurpose, recycle and recover.

The **circular economy model is firmly anchored as one of six key strategic topics** in our Strategy 2030. We want to expand our expertise in the procurement and handling of building materials, as well as in selective demolition and recycling, in order to continuously increase our resource efficiency. Within the key topic of circular economy, the following additional topics are being addressed at Group level as prioritised action areas: value stream management competence; reconstruction, conversion and refurbishment; and building materials production / sustainable building materials.

Circular economy in the construction industry



Policies

ESRS E5-1

This strategic framework gives rise to a series of principles and objectives, which are outlined in our overarching sustainability policy and in our **environmental and energy policy**. These principles and strategic goals currently represent non-binding guiding principles that will serve to align STRABAG's business activities in the future. The measurability of the principles will be possible as soon as time-bound, measurable targets have been developed and sufficient data become available.

Our environmental and energy policy is especially important in defining the goal of a circular economy:

- We consider buildings over their entire life cycle. Using building-specific life cycle assessments and the evaluation of circularity, we identify potential for improvement and demonstrate the ecological added value of building variants to our clients. Analyses of circularity reveal opportunities for improvement in saving raw materials, increasing efficiency, making greater use of secondary or renewable raw materials, and avoiding waste.
- We develop end-to-end material and waste concepts and are introducing a Group-wide waste management system that also includes the handling of hazardous waste. Material and waste concepts during the planning and design stage can minimise raw material consumption. Opportunities for waste reduction should be identified through waste management.

– We are continuously increasing the percentage of recycled materials in our products and are investigating the use of alternative, renewable building materials. In doing so, we reduce the consumption of primary and non-renewable raw materials and promote the circular economy model by increasing the use of secondary raw materials.
– During the design and build phases of our projects, we consider not only the origin of the materials used, but also their possible uses at the end of their service life. The materials and components used should be removable, separable and reusable or recyclable. Keeping our raw materials and building materials in the economic cycle for as long as possible helps to strengthen the circular economy.

The environmental and energy policy has Group-wide validity and applies to both STRABAG and our upstream and downstream supply chain. The policy has been signed by the STRABAG SE Management Board; responsibility for its implementation lies with the CEO.

Actions and projects

ESRS E5-2

STRABAG has launched a variety of actions and projects to establish the principles of circular economy as a key factor in the company's sustainable transformation. The allocation of financial resources to the initiatives listed below is not possible as they form part of the overarching transformation of the Group, which involves making lasting changes to our day-to-day business and regular operations.

In 2024, STRABAG expanded its service and product portfolio with **BEST**AND BEYOND and Naporo, positioning its reconstruction, conversion and refurbishment activities and renewable raw materials as material components of the circular economy.

Reconstruction, conversion and refurbishment

Using buildings for as long as possible, refurbishing or modernising them, is the resource-saving alternative to demolition and new builds. Reconstruction, conversion and refurbishment are therefore part of a functioning circular economy and can help minimise raw material consumption and waste volumes.

To support our customers in the transformation and adaptive reuse of their existing buildings, we are taking a long-term approach in everything having to do with reconstruction, conversion and refurbishment. Our new **BEST**AND BEYOND brand, offering a modular service portfolio, was created for just this purpose in 2024. **BEST**AND BEYOND delivers an integrated offering from a single source that covers all project phases from site assessment and planning to design, construction and operation to selective demolition. To help achieve our goals, we set up special staff divisions at various operating and central organisational entities that are working together to implement circular projects for our customers.

Sustainable building materials

We are also expanding our product portfolio to reduce primary raw materials and increase the use of secondary and renewable raw materials that can be reintroduced into the (biological) cycle. With the acquisition of **Naporo Klima Dämmstoff GmbH**, STRABAG expanded its product range in 2024 to include sustainable insulation materials, especially natural insulation materials made from hemp and flax straw. These materials have a low environmental footprint and can sequester CO_2e. The hemp fibre insulation boards, which bear the Austrian Ecolabel, are manufactured in Lower Austria and can be used in a variety of applications: insulation boards, acoustic elements, noise absorbers and green roofs. In addition to the Austrian Ecolabel, Naporo was also awarded the Austrian Climate Protection Prize.

The results of the **NaWaRo** project, which was launched in 2023, are being incorporated into the ongoing expansion of STRABAG's portfolio of sustainable building materials. The focus of the project is on renewable raw materials (*nachwachsende Rohstoffe*, NaWaRo) and their use in the production of construction materials that contain as little embodied energy as possible, are easy to recycle, or can be returned to the natural environment. An internal needs assessment was used to identify those renewable raw materials and building materials with

the highest materiality for the Group and to evaluate them in terms of environmental, economic, technical and legal criteria. This provided the basis for determining the key topics for the coming years, including, for example, the use of biochar or the purchase and processing of raw materials from restored peatlands. The following achievements were made in the 2024 financial year: Project members advocated on behalf of STRABAG at the Alliance of Pioneers for the active use of renewable, regional raw materials and the utilisation of paludiculture biomass, represented the topic of sustainable building materials at Alpbach Forum, and gave a presentation at the GreenTech Days organised by the Austrian Federal Economic Chamber. In the middle of the year, the topic of renewable raw materials was permanently integrated into a newly created subdivision dedicated to sustainable building materials.

Actions to optimise value stream management

Robust data on current raw material consumption and waste amounts enables us to fully exploit any potential for improvement in order to keep the value streams at STRABAG in continuous circulation.

We are working on obtaining information about the waste from our downstream supply chain and are continuing to develop a digital platform for tracking waste amounts. This involved surveying the requirements with respect to a possible software solution among our operating entities in Austria and Germany. Until the tool is deployed across the Group, the waste amounts are tracked using STRABAG's accounting system. A **standardised methodology for tracking waste amounts** was developed in the 2023 financial year and introduced company-wide in January 2024. The new system should help improve the data foundation so we can better manage our recyclable material flows. As this is a long-term development spanning several years, it is not possible to provide a project completion date at this time.

A **GIS-based site map** was also developed during the financial year as part of the value stream management competence action area. The map shows the location of construction sites with relevant material flows as well as stationary production and disposal sites belonging to the company and to third parties in the field of transportation infrastructures in Germany. The map serves as a key information tool for value stream managers at the various subdivisions to manage their incoming and outgoing material flows, making it an important tool for utilising recyclable materials across construction sites and so increasing their own value creation.

The third component involves expanding the network of **STRABAG-owned sites to include value stream management**, for example in the form of recycling and storage facilities. This should enable more materials to be processed at our own sites and more recyclable materials to be kept in circulation within the Group. Several operating divisions are currently analysing the sites they operate to determine their potential. Additional sites also form part of the strategic considerations.

Targets

ESRS E5-3

There are no measurable time-bound outcome-oriented targets related to resource use and circular economy at this time. These are currently under development and will be set as soon as sufficient data become available.

STRABAG is working to develop its IT infrastructure and to capture the necessary data for the production and use of raw materials along the value chain. This will enable us to set quantifiable targets and to measure progress in the future. The data strategy is being revised, a data catalogue is being prepared, and technologies and the architecture for data storage and data provisioning are being developed. A data governance framework is being set up as well. Concepts and pilots are to be completed by 2025 so that scaling can begin in 2026.

When defining the targets, consideration must be given to the fact that both the use of building materials and the generation of waste in the construction industry are project-dependent. A revolution in resource use will therefore require a new mindset among our

clients as well. We see one of our key tasks as winning over clients through sustainable and economically attractive offers in circular construction.

Metrics

Resource inflows

ESRS E5-4

STRABAG's main activities involve construction projects in the fields of transportation infrastructures, building construction and civil engineering. The following building materials are essential in our construction work: stone, gravel, concrete, cement, asphalt, bitumen, steel and wood. We not only purchase stone, gravel, concrete and asphalt, but also produce these materials in large quantities ourselves. Cement for the production of concrete and bitumen for the production of asphalt are important materials in our upstream supply chain. We also use water at various points in our in-house production of building materials, for example as a primary component of concrete.

A wide range of construction equipment and machinery is needed in our work, including cranes, roller-compactors, excavators and wheel loaders. Packaging plays a relatively minor role in STRABAG's resource use, as our most important materials are not delivered in conventional packaging but are shipped in substantial quantities as dry bulk or in mixtures directly by heavy goods vehicles. Weight and packaging are therefore not included in our parameters.

We report on the six largest material flows in terms of quantity of material used to produce our products and provide our services. Wood was selected as the most important biological building material. Taken together, these building materials account for around 72% of the costs of all building materials. The data for asphalt, bitumen, cement, concrete, steel and wood only include materials that have been purchased externally, not those that were produced in-house. The reported purchase quantities end up, among other places, in our building material production (bitumen and stone/gravel in asphalt, cement and stone/gravel in concrete). The amounts from our own production are therefore not included in the metrics in order to avoid double counting. The reported amount of stone and gravel, in addition to materials purchased externally, also includes the quantities extracted from our own quarries and gravel operations as well as the recycled aggregates that end up in our asphalt and concrete mixing plants. To determine the partial amount from own extraction, it was assumed that the sales volumes correspond to the quantities that were extracted. We also assume that the extraction inventory can be neglected, as these quantities remain approximately the same.

The quantities for stone/gravel, asphalt, concrete and wood were calculated on the basis of euro values and average prices. The euro values were taken from STRABAG's accounting system. Data from ZÜBLIN Timber's purchasing department were used for the average price of wood. Data from the in-house production of these materials were used to determine the average prices of stone/gravel, asphalt and concrete. One exception is the amount of recycled aggregates as a percentage of the total amount of stone/gravel. These data are not euro-based. Instead, the quantities are recorded directly at the production plants.

The quantities for bitumen, cement and structural steel were taken from STRABAG's accounting system. Country-specific average prices were calculated based on the quantities and costs. A price range was then determined based on the average price. Transactions within the price range were included in the calculation of the metrics with their quantity value. Transactions outside the price range were included in the calculation of the metrics with their respective average price and the amount of the costs. This results in a total amount for each building material and country, which was used to calculate the metrics.

Materials used

Material	Unit	**2024**
Stone/gravel	thousands of tonnes	79,878
Bitumen	thousands of tonnes	781
Asphalt	thousands of tonnes	4,520
Cement	thousands of tonnes	1,266
Concrete	thousands of m^3	3,319
Structural steel	thousands of tonnes	258
Wood	thousands of m^3	94

Wood is the most important biological building material for the production of STRABAG's products and the provision of its services. Despite the significantly smaller amount of wood used compared to other building materials, we therefore report the percentage of sustainably sourced wood in the total weight of materials used. For the calculation, we use volume data calculated on the basis of average prices.

To show the percentage of wood purchased from sustainable sources, we assume that this corresponds to the percentage of PEFC- or FSC-certified forest areas in the countries from which our wood is purchased. No information can be provided on how the purchased wood is handled at the end of its useful life nor can we make any statements as to whether the cascade principle is applied. Based on the information on the handling of waste wood provided by the German Federal Environment Agency, it can be assumed that most of the wood is incinerated at the end of its useful life.

Percentage of biological materials

Wood	Unit	**2024**
Total weight	thousands of m^3	94
From sustainable sources	%	73

We report the weight and percentage of secondary reused or recycled components, products or materials from the largest material flows and of wood, as wood is our most important biological building material. Information on the percentage of secondary raw materials for cement and bitumen cannot be provided as these are used as binders in the building materials concrete and asphalt. The current recycling processes therefore only allow the recycling of the building materials and do not allow the building materials to be separated into their original components.

The percentage of secondary raw materials used to produce the building materials purchased externally is based on the percentage of secondary raw materials used to produce the building materials in-house (stone/gravel, asphalt and concrete). These data are recorded in the ERP systems of the production plants throughout the year. It is assumed that building materials purchased from third parties have the same percentage of secondary raw materials as building materials produced by STRABAG itself.

Secondary raw materials

Material	Unit	**2024**
Stone/gravel	thousands of tonnes	1,562
	%	2.0
Asphalt	thousands of tonnes	615
	%	13.6
Concrete	thousands of m^3	3
	%	0.1
Structural steel	thousands of tonnes	109
	%	42.1
Wood	thousands of m^3	20
	%	21.3

Resource outflows

ESRS E5-5

Structures are increasingly being designed and built according to circular principles. The application of circular economy methods, however, is project-dependent and is significantly influenced by our clients' requirements. In the in-house production of building materials, we strive to make these more circular all the time. Our central division TPA and our production facilities develop and test building materials with higher percentages of secondary raw materials. The addition of so-called rejuvenators is intended to restore the original properties to bitumen from old asphalt as a way of preparing old asphalt for use in new mixtures. The development of alternative binders should also help to ensure that more renewable raw materials are used in construction and that building materials can be better reused or recycled in the future.

For construction materials, the durability and reparability of our products depends on their exact use within a building. Every building is unique and can consist of thousands of different components. At present, there is no industry-specific assessment scheme. Information on durability, reparability or even the percentage of recyclable content is therefore difficult to compare and offers little meaningful insight.

When it comes to the recyclable percentage of our products, the situation is different. The most important building materials produced in-house by STRABAG (stone/gravel, asphalt and concrete) are all 100% recyclable. In practice, however, this recycling rate cannot be met due to legal restrictions and standards. If the aforementioned research and development work on building materials progresses, the construction industry will be able to make a significant contribution to the transition to a circular economy.

We report on waste streams that are diverted from disposal or directed to disposal by external disposal companies. The data are collected over the course of the year as part of the accounting process. Country-specific average prices were calculated for each waste fraction based on the quantities and costs. A price range was then determined based on the average price. Waste transactions within the price range were included in the calculation of the metrics with their quantity value. Waste transactions outside the price range were included in the calculation of the metrics with their respective average price and the amount of the costs. This results in a total amount for each waste fraction and country, which was used to calculate the metrics.

Each waste fraction is assigned to one of the following premises: preparation for reuse, recycling or other recovery operations for waste diverted from disposal; and incineration or landfill for waste directed to disposal. The assignment to these premises is based on the experience of disposal experts at STRABAG and on current information from professional associations in the construction industry.

We assume that our waste is not treated in any other way and that each waste fraction is 100% diverted from disposal or directed to disposal in one of the ways mentioned.

Waste generated

	Unit	**2024**
Total amount	tonnes	12,172,728
Non-hazardous waste	tonnes	11,861,361
Hazardous waste	tonnes	311,367

Waste diverted from disposal

	Unit	Preparation for reuse	Recycling	Other recovery operations
Total amount	tonnes	168,636	2,466,511	8,129,833
Non-hazardous waste	tonnes	168,636	2,466,511	8,103,934
Hazardous waste	tonnes	0	0	25,899

Waste directed to disposal

	Unit	Incineration	Landfill	Other disposal operations
Total amount	tonnes	251,025	1,156,723	0
Non-hazardous waste	tonnes	221,645	900,634	0
Hazardous waste	tonnes	29,379	256,089	0

Non-recycled waste

	Unit	**2024**
Total amount	tonnes	9,537,581
Percentage	%	78

The waste streams relevant to STRABAG are construction and demolition waste. The most important waste fractions that are generated in the course of our business activities are: excavation waste (soil, stones, dredged material and track ballast), concrete waste, construction rubble (concrete, bricks, tiles, ceramic), asphalt waste, bitumen mixtures and mixed construction waste (wood, glass, plastic, metals, insulation and plaster). Radioactive waste is generated in only isolated cases, for example in the decommissioning of nuclear power plants. We will only report on this in years when we carry out these kinds of projects.

Sources – Circular Economy

Deutsches Umweltbundesamt [German Federal Environment Agency]. (2019). *Altholz* [Waste Wood]. Retrieved 19 February 2025.

Social

2024

Our social responsibility

Construction companies impact people along their entire value chain – especially their own workforce, workers in the value chain and the (local) communities where construction projects are realised. The increasing complexity of global value chains calls for heightened corporate responsibility. Ensuring that STRABAG's impact is positive over the long term requires safe and fair working conditions and construction projects that add value for communities as much as it means taking environmental sustainability into consideration during all phases of construction.

As a construction technology group, STRABAG takes responsibility for its own workforce, for non-employee workers in the value chain and for affected communities. We are committed to upholding the **fundamental principles of the International Labour Organization (ILO)** and the **International Bill of Human Rights**, which consists, among other things, of the Universal Declaration of Human Rights. We are also committed to the **OECD Guidelines for Multinational Enterprises** and the **United Nations Guiding Principles on Business and Human Rights**. STRABAG is a signatory to the **United Nations Women's Empowerment Principles**. As a member of the **United Nations Global Compact**, we report annually on our progress with respect to implementing the Ten Principles of the Global Compact in the areas of human rights, labour, environment and anti-corruption. These internationally recognised standards and principles also form part of our Group Directives.

STRABAG has set itself an overarching goal in terms of social responsibility in 2025. We want to hold or participate in a regular – at least once a year – stakeholder dialogue to gain a better understanding of our stakeholders' interests and needs. This will enable us to act with foresight while driving along the transformation of the construction industry in a spirit of partnership.

All policies and guidelines reported in the section "Social" fall under the responsibility of the Management Board. The instruments used to implement our social responsibility apply throughout the Group, including the three main stakeholder categories: own workforce, workers in the value chain and affected communities. The targets and actions taken for each of the respective stakeholder groups are set out in separate chapters.

Policy on Employment Conditions and Human Rights

Our Policy on Employment Conditions and Human Rights applies to all three key stakeholder groups. The policy is published as an annex to the STRABAG SE Management Manual and is available to all employees. The policy also makes reference to the whistleblower platform for reporting violations of the defined principles. STRABAG's management is sworn to compliance with these principles by taking the appropriate actions within their respective area of responsibility. The policy is managed by the Head of Corporate Responsibility Office, who is responsible for the Social Responsibility group.

In our Policy on Employment Conditions and Human Rights, we are committed to the prohibition of:

- discrimination and harassment in the workplace, meaning all forms of discrimination, including, but not limited to, discrimination based on skin colour, nationality, ethnic origin, social background, gender, sexual orientation, religion, disability or age
- modern slavery and forced labour, human trafficking and torture
- child labour
- unlawful evictions and land seizure

We also respect and support:

- the rights of local communities, minorities and indigenous peoples
- children's rights
- the maintenance and continuous improvement of our occupational safety and health standards
- fair and transparent recruitment and hiring practices
- fair working conditions (including fair pay and working hours)
- freedom of assembly and collective bargaining
- data privacy
- the development of society through our contribution to the local economy
- the communication of our values in the value chain

To underscore our commitment to upholding human rights and the Core Conventions of the International Labour Organization, the Policy on Employment Conditions and Human Rights was further revised to address in greater detail topics such as the treatment of indigenous peoples and the use of security forces. Other forms of discrimination, for example based on political opinion, were also included. Our commitment to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights were included in the revision as well. The policy was also expanded to include a commitment to the Universal Declaration of Human Rights by placing it in the context of the International Bill of Human Rights.

Social Compliance Management System

The **Social Compliance Management System** maps our due diligence processes for human rights and environmental risks. Its aim is to identify human rights and environmental risks in our own business and in the supply chain. Appropriate actions are then taken to prevent and minimise these risks and avoid violations, including training and sustainability audits as well as the policies and Group Directives described.

We are working to roll out the Social Compliance Management System throughout the Group by 2025 and to continuously improve the system through an annual ad-hoc effectiveness review. The central elements of the Social Compliance Management System are annual risk analyses, carried out as needed, the derivation of suitable preventive and corrective actions (remedies), the complaints procedure, as well as documentation and reporting. To further develop the Social Compliance Management System, the risk analysis methodology was revised and the sustainability audits were further developed in the 2024 financial year.

Despite all risk assessments and preventive actions, non-compliance can never be entirely ruled out. Should a violation occur, remedy will be provided. Each case is assessed individually. Compliance violations can be reported through the STRABAG whistleblower platform, the ombudspersons or directly to the Human Rights Officer. A special action plan was designed to initiate the appropriate remedy in a structured manner. The **remedy action plan** serves as a guide when a violation is discovered or an imminent violation is identified, for example in one's own business area or at a supplier. The action plan provides for an immediate response. This includes, following notification of a violation, the subsequent individual analysis and assessment of the case. The requirements to be met at each step are clearly defined, for example with regard to the involvement and handling of rights holders or their representatives, the timeline, cooperation in the supply chain and compliance with

specific due diligence standards. The actions to be taken are then developed and implemented, followed by a final review of its effectiveness and the documentation process.

The reporting on the Social Compliance Management System, along with implementation of the due diligence obligations, is carried out annually and as needed to the management, which includes the STRABAG SE Management Board and the management of the respective operating divisions. The information is shared with the Supervisory Board upon request and as warranted. The Social Compliance Management System is implemented in the operating entities through close cooperation with the interface managers at the relevant departments and the corresponding representatives at the national level.

Human Rights Officer

A corporate Human Rights Officer was appointed in 2023 to lead the Social Responsibility team, which deals specifically with the topics of **human rights**, **labour standards** and **social responsibility**. The team looks at the needs of our own workforce, workers in the supply chain and the impact of our value chain and business activities on society. The Human Rights Officer is responsible for monitoring the Social Compliance Management System and reviewing its effectiveness. She also advises management, which is responsible for ensuring compliance with human rights due diligence. The Human Rights Officer acts independently.

Reporting

Until 2024, we published an annual statement underlining the relevance of human rights risks in our business activities and supply chain in accordance with the UK and Australian Modern Slavery Acts. Starting with the 2024 financial year, we are publishing an annual modern slavery statement in accordance with UK and Canadian legislation. In line with the German Obligation to Exercise Due Diligence in the Supply Chain Act (short: Supply Chain Act), we also publish a policy statement and an annual report for our Group companies affected by this law in Germany.

Own workforce

ESRS SBM-3

STRABAG's success is built on the hard work and commitment of our dedicated employees. In the following, we report on the material impacts, risks and opportunities identified with regard to our own workforce in the areas of occupational safety and health, human rights and human resource development. Industry-specific characteristics, such as the use of heavy equipment and tools, as well as the exposure of 50,570 blue-collar workers (58% of STRABAG's total workforce) to wind and weather, require a particular focus on **occupational safety** at our construction sites to avoid work-related accidents and ill health. Our adherence to Group-wide standards and the high collective bargaining coverage of our workforce ensure that all work at STRABAG is carried out under **humane and fair conditions** – both by our blue-collar workers on the construction sites as well as by the white-collar employees working in our office locations. STRABAG does not employ any external labour in its own workforce.

The range of services offered, along with the pace of technological progress, requires the use of numerous different skills and job profiles. As skilled labour becomes increasingly scarce, STRABAG is committed to strengthening employee retention and, above all, to attracting and retaining bright minds by offering opportunities for **strategic training and skills development** and fostering a diverse work environment.

We use the materiality assessment to consider and evaluate the negative and positive impacts on our own workforce as well as risks and opportunities with different areas of responsibility as a whole. The assessment allows us to identify material opportunities and risks in a qualitative manner, creating a basis for the future implementation of a resilience analysis for this topic as a way of further specify the financial impacts on the business model. Due to the thematic diversity involved, the implementation of appropriate actions to manage these impacts, along with our due diligence obligations, extends across various operating divisions within the Group. As these actions are an integral part of our ongoing daily business, it is not possible to say exactly which financial resources are allocated to the actions described in this chapter.

Reporting by the individual divisions to the Management Board enables the highest management level to monitor the issues described above. The Management Board also bears responsibility for human rights in this regard.

Embedding social aspects in our sustainability strategy

With the expansion of our existing sustainability strategy in 2024, we strategically embedded the aspect of human rights, giving increasing relevance to the way we handle social issues. We consider our own workforce to be a strategic focus topic here and aim to promote the well-being of our employees through various action clusters. Protecting and promoting the health of all our employees, fostering a strong learning culture and creating an inclusive work environment are key action areas for us if we are to continue to maintain our position as a top employer.

Human rights as an overarching topic

As an international technology group for construction services, we take responsibility for protecting human rights within our corporate sphere of influence. Due to the fragmented and complex supply and value chains, risks arise that we have to counter with foresight. Respect for human rights extends to three stakeholder groups: our own workforce, workers in the value chain and affected communities. Our **Social Compliance Management System** and the associated actions cover all three of these stakeholder groups, which are therefore addressed in general in the section Our social responsibility and in more detail in the three chapters Own workforce, Workers in the value chain and Affected communities.

ESRS S1-1

Our **Policy on Employment Conditions and Human Rights**, which covers the topics of employment conditions, human rights and diversity, is also explained in more detail in the chapter Our social responsibility. The policy applies to all three stakeholder groups. Other policies and guidelines that specifically concern our own workforce are listed in this chapter. The Group Directives described have been approved by the STRABAG SE Management Board.

In the event of a violation, **remedy** is provided. This includes, first and foremost, putting a stop to the violation, planning the necessary actions and initiatives on a case-by-case basis and, if no other solution can be found, taking further consequences such as disciplinary action. Compensation can also be provided. Restitution payments are used on a case-by-case basis, with the amount and scope reviewed and adjusted depending on the incident.

ESRS S1-2

STRABAG uses various channels and pursues a range of formats to enable and promote a respectful dialogue and exchange with our employees. These include the annual appraisal interviews, exit interviews conducted when an employee leaves the company, and the involvement of employees as needed in the processing of workplace accidents. There is no overarching structured process for ongoing engagement with the company's own workforce that goes beyond this. In principle, employees can take their concerns to their respective supervisors, regional works councils and ombudspersons. In 2024, we redesigned our intranet, creating the technical capability for commenting on posts as a way to encourage dialogue among our workforce.

Employee representation

In several countries where the Group operates, a works council is formed on the basis of the national legal framework. Depending on the legal provisions, the works council promotes the economic, social, cultural and health interests of the employees for their own benefit and that of the company while safeguarding the principle of co-determination at the workplace. This includes the involvement of the works council among other things in decisions on training opportunities and in the definition of occupational safety measures, although, due to the different levels of authority and national circumstances, there is no generally valid or Group-wide standard.

Regular coordination meetings between works council members and management are intended to ensure a constructive exchange on personnel-related topics. The STRABAG SE works council represents all employees within the EU, the EEA, Switzerland and all those states that are in accession negotiations with the EU. This body includes employee representatives from countries where no works council exists due to the legal framework in that country. The STRABAG SE works council also delegates the employee representatives to the Supervisory Board of STRABAG SE.

ESRS S1-3

At STRABAG, there are several points of contact and channels through which employees can express their concerns, including anonymously. The ombudsperson and whistleblower platform are the central points of contact, in addition to the works councils and the Human Rights Officer. This ensures that employee concerns and potential misconduct are systematically documented and investigated, and that appropriate remedy is provided. Remedy is determined on an individual basis and evaluated as part of the effectiveness reviews by the Social Compliance Management System.

The ombudsperson system offers a confidential point of contact for internal conflicts, cases of discrimination and personal hardship. The ombudspersons act as impartial mediators to support employees in finding solutions to their problems. Employees can either contact the ombudspersons directly or submit a report anonymously via the whistleblower platform. The ultimate responsibility for finding a solution lies with the persons concerned, while the ombudspersons accompany and support this process.

Another important channel of communication is the STRABAG whistleblower platform, which offers employees the opportunity to report their concerns anonymously. The platform can be used to report potential misconduct in the categories of discrimination, human rights and working conditions, as well as occupational health and safety. Incidents related to the

company's own workforce that were received in 2024 are explained in a separate section of this chapter.

The works council plays a central role in safeguarding employee interests. STRABAG SE has a corporate works council that is represented on the Supervisory Board of STRABAG SE and champions the interests of employees throughout the Group. Other works councils are the country- and business-specific works councils. STRABAG respects the principle of freedom of assembly and free participation in trade unions as well as free participation in works councils in accordance with local legislation.

The Human Rights Officer acts independently and is available as a confidential point of contact for employees to report concerns or violations related to human rights. She investigates the concerns for potential violations and, if necessary, initiates the process for providing remedy. In addition, all reports, even if they do not constitute a violation, are included in the human rights risk assessment.

Policies, actions and targets

ESRS S1-1, ESRS S1-2, ESRS S1-3, ESRS S1-4, ESRS S1-5

Occupational safety and health

Awareness campaign 1>2>3 Safe!

Find out more

A safe and healthy work environment that helps to prevent accidents and work-related ill health is important to STRABAG and a top priority in our corporate culture. A focus on health and safety in the workplace ensures the performance of our employees and the quality of our services. Our health and safety campaign 1>2>3 Safe! combines various awareness-raising initiatives related to occupational safety and health, including ongoing technical and organisational measures and temporary priority actions that were continued in 2024. Both forms are discussed in more detail in the following sections.

The STRABAG Group is certified to ISO 45001 (Occupational Health and Safety Management Systems) and is regularly audited internally and externally in this regard. An obligation to comply with this standard is laid out in an **HSW Group Directive** that applies to all employees within the Group as well as to our external contractors. The directive defines corporate-wide minimum standards for occupational safety and health to avoid accident and health risks in the workplace, including the standardisation of organisational structures, accident reporting processes, accident investigations and personal protective equipment as well as the assignment of responsibilities.

The central staff division Health Safety Wellbeing (HSW) brings together the areas of occupational safety, health and health promotion for all of STRABAG's site workers and office employees. The head of the central staff division reports directly to the CEO. A Group-wide accountability structure ensures the regular exchange and continuous development of these topics:

- HSW Group Committee (meets once a year)
- HSW National Committee (meets once a year in each country)
- Subdivision Occupational Safety Committee (meets at least once a year)
- Knowledge sharing with the HSW national representatives (once a month)

The committees consist of employer representatives and prevention experts as well as employees from various corporate levels. Employees have the opportunity to register relevant topics through the occupational safety specialist and/or the works council as their representative, which are then dealt with by the above-mentioned bodies, depending on the extent to which they affect employees. Country-specific requirements regarding the composition or frequency of meetings are taken into account with regard to the committees' work in each respective country. The management is responsible for convening and conducting the meetings.

To better reflect the STRABAG Group's broad positioning, an accident frequency rate (number of work-related accidents per million hours worked) below 35 has been defined as an absolute limit for all subdivisions and corporate entities. This benchmark was introduced across all

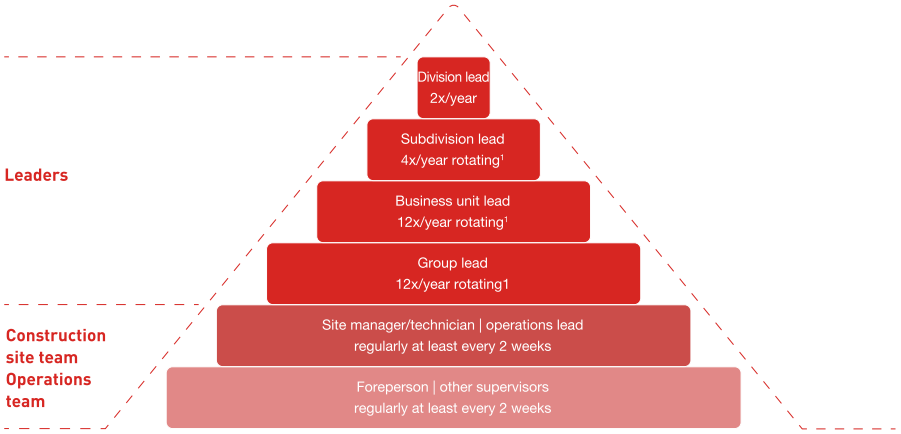
countries with the HSW country safety managers, agreed with the works council and ultimately approved by the STRABAG SE Management Board.

To continuously improve the quality and effectiveness of the occupational safety organisation, **occupational health and safety management systems** (ISO 45001, Safety Certificate Contractors) have been **implemented and certified throughout the group**. Occupational health services are guaranteed in accordance with the respective legal requirements in the EU countries where we operate. Compliance is also ensured with the EU's OSH Framework Directive 89/391/EEC, which precisely defines the requirements and basic principles for prevention and risk assessment as well as the obligations of employers and employees with regard to occupational safety.

To maintain safe working conditions, risk assessments are carried out for each area of work to derive relevant protective measures, rescue concepts and corresponding training and instruction needs. This evaluation is carried out for employees at all levels. In this context, own employees and those of external companies are treated equally and are jointly required to responsibly implement the derived protective measures in their own area of work.

The **HSW inspection pyramid** commits our leaders at all levels to monitor compliance with the protective measures. An inspection form, which varies depending on the area of work and risk assessment, is used to document the HSW inspections.

Minimum number of documented inspections



[1] Rotating means: inspections carried out at different construction sites/workplaces.
[2] Other supervisors can be: crew leaders, leading hands, charge hands, managers etc.

Serious accidents are thoroughly investigated, if possible and necessary with the persons involved in the accident themselves. An accident analysis sheet is used as a standardised template to systematically document and process a work-related accident. If a cross-organisational learning effect can be derived from the analysis of work-related accidents, an anonymised **lessons-learned report** is created. A lessons-learned report must always be created for life-threatening and fatal work-related accidents and submitted to the HSW country representative for further communication to the construction sites in order to develop specific prevention initiatives. Reports on analysed accidents are made available to employees through publication on the intranet and on noticeboards at the construction sites. Health actions to prevent work-related ill health are also derived from the anonymised metrics provided by the accident insurance providers. Recognised occupational illnesses include skin diseases, back pain, hearing loss and asbestosis.

In the 2024 reporting year, we further pursued the **centralised procurement of personal protective equipment (PPE)**. Personal protective equipment minimises the risk of injuries and work-related accidents by protecting employees from specific hazards in the workplace, making PPE a crucial addition to our technical and organisational safety measures. STRABAG aims to harmonise and standardise the procurement of PPE within the Group by rolling out a central purchasing platform and providing training on proper use and care. These actions ensure that all employees are provided with high-quality protective equipment that meets the required standards and is used correctly. The target is to achieve a maximum maverick buying

rate (the unauthorised purchase of goods or services outside of the established procurement guidelines) of 10% by 2028. The target was developed in consultation with and ultimately approved by the STRABAG SE Management Board. In the year under review, the maverick buying rate fell to 40.5% (2023: 49.1%). The rate is calculated on the basis of a Group-wide central cost account where PPE purchases are booked centrally. Any booked purchases that are not made through approved PPE partners are classified as maverick buying.

Another important action that was continued in 2024 is the centralised collection and storage of accident and occupational safety data on an **HSW platform**. Bundling our HSW statistics and documents (e.g. inspection forms, accident analyses) on a central platform will make it easier to evaluate and manage HSW-related topics in a targeted manner within the Group. In the reporting year, requirements from various operating divisions were collected and a proof of concept was carried out. Technical implementation on the HSW platform and a test and pilot phase are planned for 2025, with Group-wide roll-out of the platform scheduled in 2026.

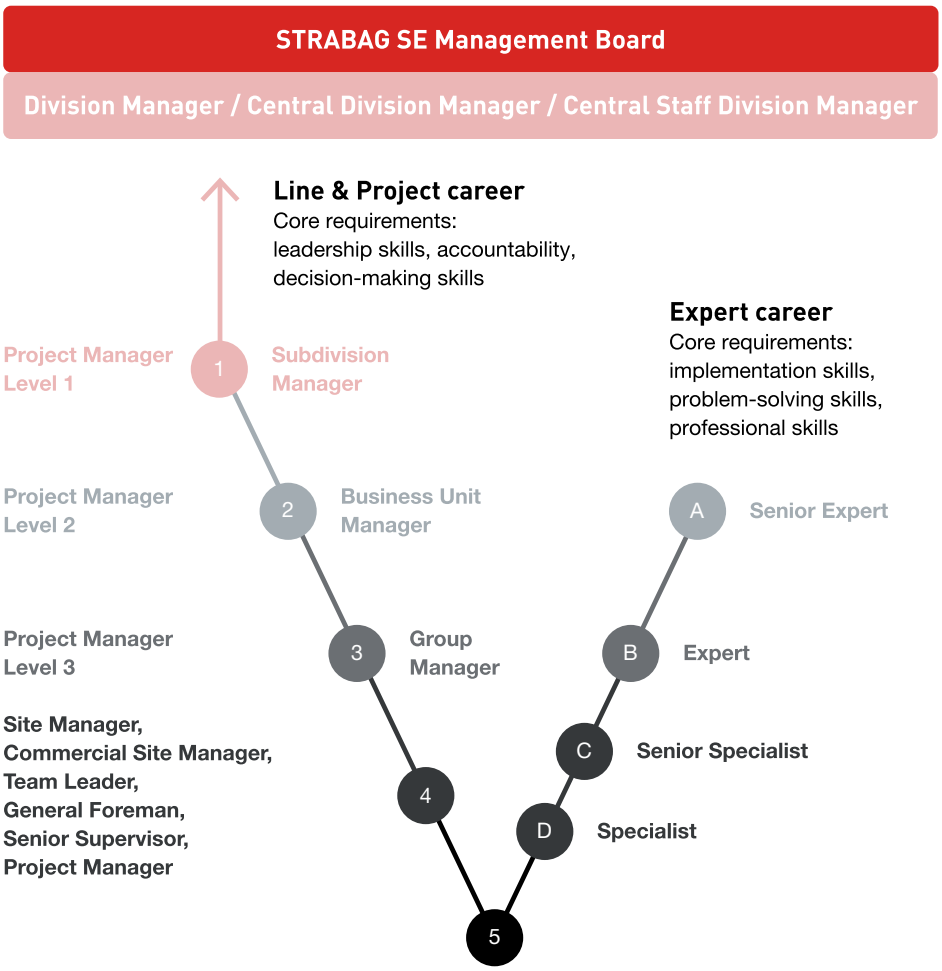
Strategic human resource development

Creating attractive working conditions involves much more than merely implementing occupational safety measures. Our goal is clear: As a leading construction technology company, we want to be **an attractive employer for all people**. To counteract the shortage of skilled workers and the loss of qualified personnel, our focus is on recruiting, training and appreciation. Only by supporting our workforce and taking their needs into account can we ensure employee satisfaction and provide our services on time and to the required quality.

The **Group Directive on People & Culture Development** summarises the structures and processes in the area of People & Culture. It covers all phases of the candidate and employee journey at STRABAG, starting with initiatives to attract personnel to actions designed to retain our employees to defined processes that are applied when employees transition internally or leave the company. The directive also includes a guideline for promoting internal employee mobility as a way of increasing the permeability of employees within the Group and improving employee retention by highlighting opportunities for further development in other corporate entities.

The **central division People & Culture Development (P&C DEV)** is a Group-wide organisational entity tasked with supporting STRABAG's strategy and goals in human resource matters. To ensure successful implementation, the central division develops all guidelines and standards for the search, selection, qualification, promotion and development of employees at all levels.

STRABAG career model



Last updated: 1 January 2025

In addition to a career as a line manager, which focuses on general day-to-day operations, two further career paths are also available at STRABAG: expert careers and project management. Experts have a high degree of professional specialisation in a specific field. Project managers possess many years of experience in project management and are responsible for complex construction projects.

The material impacts, risks and opportunities related to human resource topics are reflected in the "People" pillar of our corporate strategy, which includes the goal of **increasing employee retention by 6% year-on-year**. This target was actively developed by P&C partners and company leaders. Various discussion formats were used to explore the concept of employee retention, collect feedback, make adjustments and precisely formulate the target for approval by the STRABAG SE Management Board. Employee retention is calculated as the inverse of the turnover rate. In 2024, we achieved an employee retention of 5.2 (2023: 5.5), falling just short of the target of 5.8.

In the face of ongoing demographic trends and changing qualification requirements, STRABAG is working on a variety of actions to further strengthen employee retention and ensure that the Group has sufficient young talent with the best possible qualifications. These actions are not time-bound, as this is a long-term undertaking.

Our **key priority initiatives** include the recruitment and training of specialists as well as strategic human resource planning. The focus of the project work to date has been on conceptual planning and strategic preparation, which has laid the first important foundations

for further developing the initiatives according to their priority relevance. To achieve the goal of employee retention, actions to support the implementation of successful employee appraisal interviews were introduced in 2024. A Group Directive requires an employee appraisal to be conducted at least once a year, including a digital recording and documentation of the interview content. The appraisal interview is an opportunity to give and receive mutual feedback and to show employees prospects for further development and, in this respect, is an important tool for positively influencing employee retention. In 2024, we launched a new e-learning course on how to properly assess employee skills, with corresponding teaching content included in leadership training as a way to better prepare our company's leaders for the interview situation. The e-learning course is open to all employees of the Group. By 31 December 2024, the course had been completed by 48.5% of STRABAG's leadership employees.

An individual development plan is defined during the employee appraisal, which can comprise various actions depending on the further development needs and skills. Examples are traditional training formats, coaching and mentoring, participation in development centres to prepare potential candidates for new roles, and job rotation to gain insights into other fields. Working on the basis of our Strategy 2030, the central division P&C DEV developed a series of P&C focus topics together with the divisions that were then approved by the Management Board. A target was defined in this process, requiring a development plan for 30% of white-collar (salaried) employees. In 2024, a development plan existed for around 20% of salaried employees. The evaluation of development plans according to different actions is being considered for the future to be able to evaluate their need and effectiveness in a more structured way.

Employees who leave the company of their own accord are offered the possibility to engage in an exit interview. The insights gained from these interviews also serve to identify actions to improve our human resource development processes. To increase the response rate, the process will be rolled out in digital form starting in 2025, with a questionnaire sent to departing employees. This will also allow the results to be evaluated anonymously, if desired.

Equality, diversity and inclusion (EDI)

In addition to the strategic development of our workforce, we have also identified an **inclusive and diverse working environment** as a material factor for STRABAG's success, incorporating this into our corporate strategy within the action area Inclusive Leadership@STRABAG. We summarise our understanding of diversity under the term Equality, Diversity and Inclusion (EDI).

Our Policy on Employment Conditions and Human Rights calls on STRABAG's management and all employees to combat all forms of discrimination and to promote equal opportunities regardless of skin colour, nationality, ethnic origin, social background, gender, sexual orientation, religion, disability or age.

Implementation of our EDI strategy

A corporate EDI coordinator was appointed within the P&C DEV central division to implement and further develop the EDI strategy and objectives. An interdisciplinary EDI project team, including a member of the Management Board, meets several times a year to discuss further ideas and actions and to propose these to the Management Board. As part of this collaboration, the EDI project team has developed several targets that were approved by the STRABAG SE Management Board as early as 2023:

- **Annual increase of 6% in the percentage of women in management (Management Level 0–2)** by 2030: The aim is to achieve the same percentage of women in management as in the Group as a whole. The annual increase of 6% was achieved in 2024.
- **Gender pay gap of 0** by 2030: The value is determined annually and calculated as an average across all employees in the Group, regardless of their role. The figure is influenced, among other things, by the low percentage of women in technical professions and in management positions, which is common in the industry. For this reason, there are no annual targets for the period up to 2030.
- Mandatory **e-learning course on equality, diversity and inclusion** for all STRABAG leadership employees (Management Levels 0–4): Roll-out of the e-learning course began in November 2024, with a completion rate of just under 42% at 31 December 2024. Roll-

out of the e-learning course translated into a further nine languages is planned for the first half of 2025. The course is open to all Group employees.

The EDI team is working on further awareness-raising actions for the structured treatment of the three priority EDI dimensions of gender justice, generational diversity and ethnic diversity. The actions include the increased inclusion and integration of EDI in training courses and in existing processes in human resource development. We also established the Female Leaders@STRABAG programme in 2024 to connect women leaders across the Group and to promote their personal development through mentoring and coaching. The programme was launched in March 2025.

Metrics

Characteristics of own workforce

ESRS S1-6

All employee figures were determined by including all associated Group companies and represent annual average values. The information required to generate the metrics was taken from the HR master data of the ERP system at Group headquarters as well as from organisational entities with other ERP systems through standardised monthly reporting. All employees with a valid employment contract were included.

In 2024, STRABAG employed a total of 86,883 people. Of these, 50,570 were blue-collar (wage-earning) workers and 36,313 were white-collar (salaried) workers. The number of employees in FTE is 78,174 (in line with the information in the notes to the consolidated financial statements). 3,238 employees (FTE) are attributable to subsidiaries and affiliated companies that are not included in the scope of full consolidation.

Number of employees by gender (head count)

Gender	Number of employees
Male	69,647
Female	17,236
Other	0
Not reported	0
Total employees	86,883

Number of employees by country (head count)

Countries in which the number of employees accounts for at least 10% of the total workforce	Number of employees
Germany	39,013
Austria	13,002

Countries in which the number of employees accounts for less than 10% of the total workforce	Number of employees
Poland	6,581
Americas	5,822
Czech Republic	4,319
Hungary	2,923
Romania	2,212
Middle East	2,082
Slovakia	1,595
United Kingdom	1,472
Croatia	1,356
Serbia	1,232
Asia	1,052
Rest of Europe	955
Switzerland	827
Africa	517
Bulgaria	415
Benelux	744
Sweden	264
Slovenia	251
Italy	195
Denmark	51
Australia	3

Number of employees by gender and employment contract (head count)

Female	Male	Other[1]	Not disclosed	Total
Number of employees				
17,236	69,647	0	0	86,883
Number of permanent employees				
14,726	60,679	0	0	75,405
Number of temporary employees				
2,510	8,968	0	0	11,478
Number of non-guaranteed hours employees				
n. a.[2]				

[1] Gender as specified by the employees themselves.

[2] The category is not applicable because all STRABAG employment contracts have a fixed number of working hours.

Departures

Employee turnover	2024
Total number of employees who have left the undertaking	5,862
Rate of employee turnover[1]	7.8

[1] Calculated as the number of permanent employees leaving the Group (mutual termination, unilateral termination by either employer or employee, dismissal, death, retirement) as a percentage of the total number of permanent employees.

Collective bargaining coverage and social dialogue

ESRS S1-8

A total of 95% of STRABAG employees are covered by a collective bargaining agreement.

	Collective Bargaining Coverage		Social Dialogue[2]
Coverage rate	Employees – EEA (for countries with >50 employees representing >10% total employees)	Employees – Non-EEA (estimate for regions with >50 employees representing >10% total employees)[1]	Workplace representation (EEA only) (for countries with >50 employees representing >10% total employees)
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	Germany, Austria		Germany, Austria

[1] The number of employees in the respective non-EEA country accounts for less than 10% of the total workforce, which is why no disclosure is made on collective bargaining coverage in other countries.

[2] The existence and organisation of a works council is heavily dependent on the respective national legislation. In most of the countries in which the Group operates, there are no works councils, only trade unions as a form of employee representation. Since this is usually a personal membership that may not be recorded by the employer, no comprehensive metrics are available.

Diversity metrics

ESRS S1-9

	Unit	2024
Women in the Group	head count	17,236
	%	19.8
Women in management[1]	head count	150
	%	10.7
Women on the Supervisory Board[2]	head count	4
	%	45.0
Women on the Management Board	head count	0
	%	0.0
Men in the Group	head count	69,647
	%	80.2
Men in management[1]	head count	1,250
	%	89.3
Men on the Supervisory Board[2]	head count	5
	%	55.0
Men on the Management Board	head count	5
	%	100.0
Age distribution		
< 30 years	head count	15,359
	%	18.0
30-50 years	head count	44,519
	%	51.0
> 50 years	head count	27,005
	%	31.0

[1] Hierarchy levels from business unit management up

[2] As at 31 December 2024

Adequate wages

ESRS S1-10

All STRABAG employees receive adequate wages in line with applicable benchmarks as stated in ESRS Disclosure Requirement S1-10.

Training and skills development metrics

ESRS S1-13

The different rates for appraisal interviews at STRABAG result from the use of different reference values. While the appraisals for salaried employees are systematically assigned and recorded via internal IT systems, this does not happen automatically for hourly workers due to the limited technical integration of the latter into the IT systems. This results in a different calculation basis for the respective rates cited.

	Unit	For all STRABAG employees[1]	For allocated STRABAG employees
Employees that have participated in regular performance and career development reviews	%	32.1	82.6
Thereof women	%	51.5	84.1
Thereof men	%	27.4	82.0

[1] According to ESRS standards

	Unit	2024
Training hours per employee	number of hours	5.1
Thereof women	number of hours	7.1
Thereof men	number of hours	4.6

Health and safety metrics

ESRS S1-14

No cases of work-related illness were reported at STRABAG in the reporting year. Based on the evaluations of health insurance companies and employers' liability insurance associations, as well as sick leave reports, only generic information on work-related illnesses can be provided.

	Unit	2024
People in the own workforce who are covered by the health and safety management system (%)	%	100.0
Fatalities from work-related accidents among own workforce	number	2
Fatalities from work-related accidents among subcontractors	number	2
Recordable work-related accidents	number	1,870
	rate[1]	13.2
Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health[2]	number	35,286

[1] Number of accidents at work per 1 million working hours

[2] The number of days lost includes the day following the accident until the end of the sick leave. Natural deaths are not included in the data.

Remuneration metrics

ESRS S1-16

	Unit	2024
Gender pay gap	factor	0.17
Annual total remuneration ratio[1]	factor	48.5

[1] The factor is calculated from the ratio of the annual total compensation for the highest-paid individual to the median annual total compensation for all employees. The median annual employee compensation was calculated on the basis of the HR master data taken from the ERP system at Group headquarters, taking into account those employees who were employed for at least six months in the calendar year. Compensation was extrapolated into an annual amount for employees who were with the company for less than 12 months in the year and to a full-time amount in the case of part-time employment.

Human rights incidents

ESRS S1-17

	Unit	2024
Total number of reported incidents of discrimination, including harassment	number	33
Number of complaints, excluding reported cases of discrimination[1]	number	14
Total amount of fines, penalties and compensation for damages as a result of the incidents and complaints disclosed above	T€	0
Severe human rights incidents connected to the company's own workforce[2]	number	0
Indication of how many of the severe human rights incidents are cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises	number	0
Total amount of fines, penalties and compensation for damages for severe human rights incidents connected to the company's own workforce	T€	0

[1] One reported incident could not be assigned to a particular group (own workforce, workers in the value chain or affected community) due to a lack of information from the reporting party.

[2] Severe human rights incidents include forced labour, human trafficking or child labour.

Workers in the value chain

ESRS 2 SBM-3

STRABAG supports, respects and is committed to the protection of internationally proclaimed human rights. As our corporate responsibility also includes a responsibility for all workers in our upstream and downstream value chain, the same principles apply here. STRABAG's value chain is highly complex and characterised by a great diversity of different projects. Due to the presence of construction projects around the world, along with the global sourcing of building materials, our value chain includes a large number of different business partners, suppliers and their workers.

The topic of **social responsibility**, and with it the assumption of responsibility for human rights throughout the value chain, was included as an integral part of our corporate sustainability strategy during its expansion. The social aspects of the sustainability strategy are based on internationally recognised standards and are aligned with the identified risks and material impacts. This gives rise to the three focus topics – our employees, human rights throughout the value chain and added value for society – with the identified risks and impacts from the risk analysis and the double materiality assessment incorporated into strategic considerations. For the focus topic "human rights throughout the value chain", the strategic objectives are to implement the Social Compliance Management System (SCMS) across the group, to uphold human rights and to implement our corporate due diligence. An action package put together for this purpose includes, among other things, the expansion of risk analysis to other Group companies as well as a strengthened dialogue with our business partners through stakeholder dialogue formats on the topic of responsibility along the supply chain.

Implementation of due diligence

Our Social Compliance Management System applies to the entire value chain and is monitored by the **corporate Human Rights Officer**. Cooperation with various corporate entities is essential for the implementation and Group-wide application of the SCMS. Purchasing deserves special mention in this regard. Supplier management plays an important role in the purchasing process when it comes to implementing human rights standards throughout the supply chain and integrating them into the procurement strategy. The definition and subsequent implementation of sustainability requirements and criteria for the purchasing and procurement process are to be driven forward in the Group through corresponding projects involving the purchasing organisation.

As part of our due diligence, we identify and assess and are committed to preventing, mitigating, minimising, remediating and monitoring actual and potential adverse impacts arising from our business activities along our value chain. During **identification of the material impacts**, we considered the upstream and downstream supply chain as well as different groups of workers in the value chain. This includes, for example, people working at our own locations on behalf of other companies as well as workers who are particularly vulnerable to certain risks. As part of the risk assessment, country indices were used to identify in particular those workers in the lower tiers of the value chain (tier-n) who work in countries where human rights are not protected by law.

If the risk analysis identifies a heightened human rights risk at a supplier or other business partner, the first step is to verify the risk using **questionnaires** sent to the business partners, in which they are asked to provide information about themselves with regard to the identified risks, and through **supplier audits**. If the situation does not improve and the risk does not decrease, the last step is to terminate the business relationship.

Different risk assessments

The **double materiality assessment** identified the following topics at STRABAG as having a material impact on workers in the supply chain: working hours, adequate wages, health and safety, child labour, forced labour, fatal work-related accidents and the impact our suppliers have on the natural basis for life. In particular, the impact of working hours, adequate wages, health and safety, fatal work-related accidents, child labour and forced labour are to be

regarded as systemic. These occur primarily in individual countries with inadequate regulations, standards or laws, or, in the case of child and forced labour, primarily in certain industries. Supplier impact on the natural basis for life occurs only in certain cases.

The extent to which the impacts mainly apply to the groups of people listed below can be seen from the **risk assessment** **by country and industry risks**. The impacts of work-related safety violations particularly involve employees and workers at subcontractors performing manual and physical labour on construction sites as well as those with language barriers. Child labour involves underage workers in the lower, upstream value chain, particularly in the extraction of raw materials. The risk of forced labour particularly involves low-income persons who are unaware of their rights, have no access to the legal system and may end up on our construction sites through employment agencies or subcontractors. We aim to continuously improve our understanding of the extent to which certain groups are at greater risk of harm.

Violations of the prohibition of child or forced labour may result in a fine and the immediate termination of the business relationship with the client or investor. This also includes noticeable restrictions on business relationships with financial institutions and providers of financial capital, as well as with suppliers. The risks of child and forced labour can result in lost revenue, a reduction in brand value, disruptions in the supply chain or delivery delays, criminal charges, and limited or restricted access to capital in the short, medium or long term. A resilience analysis was not performed

The risk analysis conducted in accordance with the German Supply Chain Act identified certain regions with an increased risk of forced labour. In particular, STRABAG suppliers based in Serbia, Russia and Oman showed a significantly increased risk of forced labour. With regard to the risk of child labour, Bulgaria, Oman and China were identified as countries with increased risk along the supply chain. The **risk analysis in accordance with the German Supply Chain Act** covers large parts of STRABAG SE and will be extended to the entire Group in 2025.

Our business activities also create opportunities. For example, our operations ensure the creation of jobs and provide a livelihood for workers in the value chain.

Policies

ESRS S2-1

STRABAG has a Supplier Code of Conduct and a Supply Chain Management Policy that apply to the entire value chain and the workers in that value chain.

The STRABAG Supplier Code of Conduct serves to communicate our ethical principles to our business partners and, through their signature, to commit them to compliance. The Supplier Code of Conduct is generally valid for all suppliers and is usually anchored in the General Terms and Conditions. The contents of the Supplier Code also form part of sustainability audits. The Supplier Code is part of the Group-wide Ethics and Business Compliance Systems and as such is subject to control by the central staff division Corporate Responsibility Office (Business Compliance Group).

The ethical principles addressed in the Supplier Code of Conduct include respect for universal human rights, ensuring fair labour practices and acceptance of social responsibility. The code was revised in 2024 and expanded to include human rights and environmental topics. Additions related to human rights and employment conditions include the prohibition of violence by security forces, compliance with fair working conditions, land use rights and the rights of local communities, as well as the avoidance of impacts on consumers and end users. The environmental aspects were expanded to include climate change mitigation, circular economy, environmental protection, biodiversity and responsible procurement. The Supplier Code of Conduct also makes reference to the whistleblower platform for reporting violations of the defined principles.

This includes compliance with the prohibition of:

- slavery and human trafficking
- child labour
- discrimination and harassment
- violence by security forces

Compliance with the following topics is also covered:

- universal human rights
- freedom of assembly
- rules on occupational safety and health
- fair working conditions, including fair working hours, fair pay and benefits
- land use rights and respect for the rights of local communities
- consideration and avoidance of impacts on consumers and end users

The purpose of the **Supply Chain Management Policy** is to disclose STRABAG's procurement and purchasing strategy and to outline the sustainability requirements for the procurement process. The document is valid for the entire Group. Procurement is the responsibility of the operating entities, supported by a central procurement management team. At the Group level, committees have also been set up to develop and revise (further) standards and strategies, including the contents of the Supply Chain Management Policy, on behalf of the Management Board, and to plan their introduction. In contrast to the Supplier Code of Conduct, the policy is not passed on to our suppliers, subcontractors or business partners, but serves as a framework for our purchasing and procurement process. The Supply Chain Management Policy is currently being revised and is to be expanded to include further human rights and environmental risks and obligations, among them the obligation to comply with international standards on human rights, such as the Core Conventions of the International Labour Organization (ILO) and the UN Universal Declaration of Human Rights. The revision will fully integrate sustainability into the calculation and purchasing process and will define minimum requirements and sustainability criteria to be included in the policy. The overarching goal is to create more transparency along our supply chain.

Processes for engaging with workers in the value chain and providing remedy

ESRS S2-2, ESRS S2-3

STRABAG whistleblower platform

Find out more

Information about possible incidents and complaints is essential for STRABAG to implement appropriate preventive measures and remedies. The STRABAG whistleblower system is available to all internal and external employees. The whistleblower system is also included as an action within the revised sustainability strategy. The tips received can be incorporated into strategic considerations for the adaptation of actions to address negative impacts. Annual effectiveness reviews by the Human Rights Commissioner, along with reviews of all incoming reports, are used to highlight possible systemic problems that require long-term, strategic countermeasures. The whistleblower tips we have received to date indicate that the system is also utilised by external parties. The whistleblower system can be used to report information and incidents and to provide feedback on the system itself. Feedback on the system can also be provided to the ombudspersons and the Human Rights Officer.

In 2024, five tips were received involving workers in the value chain in the categories of "human rights and employment conditions" and "discrimination".

None of the tips that were received constituted a violation of the law. Whenever we receive a tip, we conduct a review to identify any potential structural or systemic issues that would

require further action. A full review of the tips received for possible structural or systemic issues had not yet been completed by the time of the 2024 reporting.

In addition to the whistleblower system, STRABAG also conducts stakeholder dialogues as a way of including the concerns of workers and their representatives in the value chain in its risk and opportunity management.

Actions and projects

ESRS S2-4

Once we have identified the risks, we implement targeted preventive actions and remedies. The aim is to reduce, prevent and remediate human rights violations to ensure compliance with our Group Directives. It is not possible to quantify the financial resources required to implement the individual actions, as these activities are usually ongoing and cross-departmental and are not assigned to a fixed project budget or similar.

The preventive measures include, among other things, appropriate contractual provisions as well as **training and sustainability audits** along the supply chain for suppliers, subcontractors and business partners to reduce and avoid negative impacts and risks related to human rights and the environment. Following a pilot phase in 2023, the implementation of sustainability audits was further developed in 2024 and incorporated into a structured process. The selection of suppliers to be audited is now risk-based. The audits serve to uncover possible grievances or negative impacts such as violations of occupational safety and health standards and to implement or further develop appropriate remedies. The evaluation of the audits from 2024 is not yet complete. There is no specific target for the number of suppliers to be audited due to the risk-based approach to sales. This is based on the identification of risks or is carried out in the event of violations. The target is therefore not a specific number of audits but a high level of effectiveness and improvements that can be initiated as a result of auditing.

Awareness-raising as key

The overarching topic of human rights is addressed in various training courses to communicate informative and job-specific content. Training and awareness-raising actions are particularly important for our employees in purchasing, who receive special training on human rights topics along the supply chain. In the reporting year, the training on human rights due diligence in purchasing was converted into an e-learning course as a way to broaden access. The training content includes legal requirements, information on the Social Compliance Management System and on due diligence obligations, and how to carry out plausibility checks. The e-learning programme is open to all employees throughout the Group. The annual e-learning requirement applies to purchasing employees in a large number of corporate entities and countries. The next step is to make the e-learning available in other languages besides German and English. A revision is also planned to adapt the e-learning for employees in estimation.

We provide remedy where a violation has occurred and assess each case individually. The conception of the **remedy action plan** provides for an immediate process that offers guidance in the event of a violation. Remedies include, first and foremost, putting a stop to the violation, planning the necessary actions and initiatives on a case-by-case basis and, if no other solution can be found, taking further consequences such as disciplinary action and the suspension or termination of the business relationship. Compensation can also be provided. Restitution payments are used on a case-by-case basis, with the amount and scope reviewed and adjusted depending on the incident. A structured, Group-wide documentation of the implemented remedies and compensation payments made does not exist. A full survey is planned for the future.

To ensure the effectiveness of our preventive measures, they are implemented on a risk-related basis. Remedies, on the other hand, are carried out independently of the regions and stakeholder groups affected.

The effectiveness of the actions can be determined on the basis of the number of reports received through the STRABAG whistleblower system. An annual effectiveness measurement is also carried out in accordance with the German Supply Chain Act to review the actions.

Promoting the dialogue with our stakeholders

We aim to actively involve the stakeholders in our value chain through regular dialogue. Our goal is to involve stakeholders from our own business area and from within the value chain as well as representatives of the public. We hope that the dialogue will enable an active exchange with the stakeholders in the value chain, such as suppliers, business partners and employee representatives. As part of the stakeholder dialogue in 2024 on the topic of sustainability in the supply chain, relevant actions on the topic of shared responsibility for human rights were discussed in various formats. Raising awareness and transparency, communicating the existence of whistleblower platforms, and certifications along the supply chain were identified as important starting points in the effort to prevent forced labour. The insights and feedback from participating stakeholders are being incorporated into the further consideration and development of the actions. An additional concern that was successfully implemented was the cultivation of relationships and the establishment of new contacts with stakeholders in the value chain.

Targets

ESRS S2-5

For 2025, we have set ourselves the target of **implementing the Social Compliance Management System throughout the Group**. To date, the system is being used for a number of companies representing 49% of the Group output. Implementation will also enable us to identify human rights risks for workers in the value chain and to implement appropriate preventive actions and remedies, as well as ensuring compliance with our Group Directives. Cooperation with various corporate entities ensures implementation at the operating level. The Social Responsibility group is responsible for developing the objectives. After development, the targets to be set are communicated to the Steering Committee Sustainability and the Management Board before final approval by the Management Board of STRABAG SE. As these are Group-wide, overarching targets for the implementation of a management system and not the design of its content, workers in the value chain or their representatives were not involved in setting the targets. The corporate Human Rights Officer reviews the effectiveness and monitors the achievement of the targets.

Affected communities

ESRS 2 SBM-3

At STRABAG, we see social responsibility not only as an obligation to society, but also as an opportunity to positively impact local communities. This includes municipalities and local residents but also indigenous peoples. Municipalities or communities are understood to mean groups of people who may be directly or indirectly impacted by our activities. Residents, on the other hand, are people who live in close proximity to a construction site and may be directly affected. Affected indigenous peoples and municipalities may be located in close proximity to a construction project or further away. Additional groups of affected communities could not be identified. Our goal is to maintain and improve the standard of living of these communities. We are aware that our business activities may have an impact on local communities and we are committed to managing this impact responsibly.

Three social focus topics of our sustainability strategy

The topic of **social responsibility**, and with it the assumption of responsibility to society and affected communities, was included as a permanent component of our Group-wide sustainability strategy during its expansion. The social aspects of the expanded sustainability strategy are based on the identified risks and material impacts and consist of three focus topics: our employees, human rights throughout the value chain and added value for society. This means that the identified risks and impacts from the risk analysis and the double materiality assessment are incorporated into strategic considerations. The focus topic “added value for society” includes the generation of positive impacts for society and the improved interaction with and inclusion of affected communities as strategic goals. Implementation involves, among other things, conducting a stakeholder dialogue, implementing Group-wide guidelines for the engagement with local communities, and creating added value for society through donations and infrastructure expansion.

Our construction activities can have negative impacts on the health and well-being of the local population. We recognise that any impairment of natural resources, particularly those of local communities, including soil, air and water, risks jeopardising food production, the availability of clean drinking water and access to sanitation. These risks, including the risk of land use conflicts, particularly with regard to indigenous peoples, were identified as material for STRABAG in the double materiality assessment. The impacts listed can be considered systematic, as the impairment of natural resources and conflicts over land use occur above all in countries with low environmental protection standards and inadequate legislation. Potentially negative impacts on STRABAG can arise from forced evictions and land use conflicts, particularly among indigenous peoples. Even if these are not primarily caused by STRABAG’s activities, they can still have a negative impact on our reputation, which could lead to lost revenue and a reduction in brand value in the short, medium and long term. Land use conflicts can in turn lead to restrictions on construction projects in the short, medium and long term as well.

Due to the numerous actions taken, it is currently not possible to quantify the resources provided for the management of material impacts. Insights regarding material negative impacts from the double materiality assessment and associated actions have been incorporated into the revision of the sustainability strategy by adding the focus topic “added value for society” to the strategy. A resilience analysis was not carried out.

Infrastructure as added value for communities

Improving infrastructure can create positive added value for local communities. STRABAG’s business activities improve the local infrastructure by creating housing, public buildings and squares, for example, which promote social interaction between local communities and residents, or by repairing and expanding roads, bridges and tunnels.

Policies

ESRS S3-1

Policies and documents for download

Find out more

We at STRABAG take responsibility for our business activities and for the local communities affected by them. This commitment is outlined in more detail in our Policy on Employment Conditions and Human Rights, our Code of Conduct and our Supplier Code of Conduct. The Policy on Employment Conditions and Human Rights applies to all affected communities and specifically addresses the rights of minorities, indigenous peoples, communities and individuals who may be affected by wrongful land seizure and forced eviction. Our policy commits us to respecting local culture and customary rights. We respect the land tenure and property rights of affected communities and advocate for the prohibition of forced evictions and the unlawful seizure of land, forests and waters.

Processes for engaging with affected communities and providing remedy

ESRS S3-2; ESRS S3-3

The inclusion of affected communities or their representatives into our risk and opportunity management does not currently follow a structured process. Depending on the project, there is a variety of ways in which individual actions are implemented at the project level, either directly with the affected communities, their legitimate representatives, or credible proxies. In most cases, however, the engagement is direct. Engagement with indigenous peoples also takes place in different ways depending on the project. We respect the culture, way of life and customary laws of indigenous peoples and have included this as an obligation in our Policy on Employment Conditions and Human Rights. When engaging and interacting with indigenous peoples, we commit to free, informed and prior consent. This was also included as an obligation in the revision of the Policy on Employment Conditions and Human Rights. In close consultation with the respective client, we strive to take engagement with indigenous peoples into consideration as early as the planning phase. This includes respect for cultural, intellectual, religious and spiritual property, as well as respect for land use rights and relevant legal and administrative regulations. National legislation also determines the engagement with and respect for the special rights of indigenous peoples. Some Group companies, for example in Canada, have a community management programme. Engagement with the affected communities, including indigenous peoples, then takes place within the framework of community management. In principle, all processes and actions for engaging with affected parties within the framework of the respective project also apply to the engagement with indigenous peoples as an affected community.

As part of the risk analysis in accordance with the German Supply Chain Act, affected communities were identified as potentially vulnerable groups. A precise analysis of the affected communities with certain characteristics or a higher damage risk has not been carried out. To enable a structured process for engaging with residents and local communities in the future, the first step is to develop a guideline establishing Group-wide recommendations for this process. Given the diversity of our business activities, however, the effectiveness of a generally applicable procedure is not guaranteed and must be reviewed. Responsibility for incorporating the results of risk and opportunity management into the corporate concept lies with the Corporate Responsibility Office. Responsibility for incorporating them at the operating project level depends on client's organisation.

A key component for the engagement with local communities is the STRABAG whistleblower system as a way to contact STRABAG and directly report possible violations. The whistleblower system is also included as an action within the revised sustainability strategy. The tips received can be incorporated into strategic considerations for the adaptation of actions to address negative impacts.

The whistleblower tips we have received to date indicate that the system is also utilised by external parties. The whistleblower system can be used to report information and incidents and to provide feedback on the system itself. Feedback on the system can also be provided to the ombudspersons and the Human Rights Officer.

In 2024, 21 tips were received involving affected communities in the categories of “human rights and employment conditions”, “discrimination” and the “environment”.

None of the tips that were received constituted a violation of the law. Whenever we receive a tip, we conduct a review to identify any potential structural or systemic issues that would require further action. A full review of the tips received for possible structural or systemic issues had not yet been completed by the time of the 2024 reporting.

Actions and projects

ESRS S3-4

Proactive communication with communities

At the project level, **various actions and processes** are already in place to help us engage with affected communities. These are designed to minimise negative impacts, such as noise or disturbance of the natural environment, on local residents and communities. We use several different ways to inform residents and affected communities about our construction projects. Information is provided, among other things, in the form of flyers, letters or advertisements in local newspapers. Another widely used method is to affix informational signs or banners at our construction sites. QR codes and posted notices directly at the construction site are used to communicate the contact details for further information. A construction site website is also a common way of providing information. To keep residents and members of the local community informed about our construction activities, STRABAG also participates in community dialogues and informational events. An informal approach that is used is the direct interaction between workers and residents at the construction site. This allows minor problems to be resolved on the spot, without the need to escalate the issue to a higher level.

In Germany, 62 of our construction projects have been certified by the **German Sustainable Building Council (DGNB)**. The certification covers not only environmental sustainability criteria but also social aspects. Upon receiving DGNB certification, construction projects are required to engage with residents, property owners and local businesses through actions including construction site visits, digital display panels, informational events, letterboxes, telephone hotlines or personal meetings.

No Group-wide guidelines exist as to which specific actions are to be implemented for which project size. The selection of actions and engagement opportunities is based on the legal context, the location and size of the project, and the need for engagement with residents and affected individuals. Likewise, the choice of the appropriate engagement format depends on the client’s requirements and organisation. Certain construction projects, such as the construction of an airport, are subject to legal and regulatory requirements, including the completion of an environmental impact assessment (EIA). An EIA is carried out before a building permit is granted. As part of an impact assessment, the affected population must be informed about the project in advance. The assessment, including the dissemination of information to the public, is carried out by the competent authority and is the responsibility of the client. An EIA is conducted during the planning and design phase of a project and must be completed before construction begins. The EIAs do not result in any specific binding actions during the construction phase. The timing of the individual actions described is based on the respective project plan.

No specific Group-wide actions were implemented in 2024, although individual actions were carried out for the duration of the respective construction projects. The implementation of a **corporate guideline** for engaging with affected communities is planned for 2025.

To prevent material risks such as reputational damage resulting from evictions or land use conflicts, close coordination and cooperation with clients is necessary. Our Policy on Employment Conditions and Human Rights commits us to respecting land use rights and opposing forced evictions across the Group. In the event of a violation, we seek to engage in open dialogue with those affected or with their representatives and, where possible, involve them in a dialogue with our clients.

Problems or complaints can be reported not only to the designated contact persons, but at any time also through the **STRABAG whistleblower platform**. After receiving tips or reports of violations, we will initiate appropriate, case-related remedy. Every tip is investigated with the aim of resolving conflicts amicably wherever possible. Restitution payments and compensation can also be used to provide remedy, whenever appropriate, and can be

reviewed and adapted depending on the incident. The concept of the remedy action plan applies here as well.

Support of social and cultural organisations

Find out more

One ongoing action for positively impacting local communities is our support for **Concordia Social Projects**. Through our business activities in Romania, Bulgaria and Austria, STRABAG engages with the communities in those countries, and we want to continue to foster this partnership by supporting local people, especially children, through donations and infrastructure projects. **STRABAG Kunstforum**, meanwhile, offers a framework for social and cultural engagement. Here we support artists with the presentation of the STRABAG Art Award and showcase their works to the general public through exhibitions in the STRABAG Artlounge. The renovation of the French Hall at Künstlerhaus Wien also created added value for society and art. The new performance and rehearsal venue for the Vienna State Opera is intended especially for young audiences and up-and-coming artists.

Targets

ESRS S3-5

Dialogue with affected communities is essential to fulfilling our social responsibility and mitigating impacts. To promote the engagement with local affected communities or their representatives, we have set ourselves the goal of implementing a **corporate guideline for the engagement with local communities and residents** at the project level by 2025. The guidelines will serve to present a collection of possible actions and processes, with project-specific decisions made on which actions or processes should be implemented. This should ensure that the appropriate format for engaging with local communities is selected for each construction project and business activity.

The sustainability network, which includes one nominated representative from each division, central division and central staff division, validated the idea of implementing a corporate guideline as an appropriate action and oversaw the joint development of content for an initial draft.

At STRABAG, we strive to continuously expand our social responsibility commitments. With this in mind, we are working on developing additional concepts and targets that will further strengthen our engagement with and positive impact on the communities affected by our business activities.

Governance

2024

Business conduct

ESRS SBM-3

STRABAG, having defined the avoidance of corruption and anti-competitive behaviour as a material management task, implemented an **Ethics and Business Compliance System** in 2008 and has been continuously developing the system ever since.

The great diversity of STRABAG's activities, of the countries in which it operates, and of its suppliers and business partners is reflected in the wide range of risks to which the company is exposed. A top priority, therefore, is to address and counteract the identifiable risks in order to avoid the potential exclusion of suppliers due to sanctions legislation or compliance violations and to guard against resulting consequences such as fines and reputational damage. A holistic approach is used to identify country risks as measured by the Corruption Perception Index (CPI) on the one hand as well as segment and business partner risks on the other. The results also form the basis for the double materiality assessment that is carried out as part of the sustainability reporting.

Legal violations must be avoided and incidents dealt with in a forward-looking manner to ensure that STRABAG continues to be a reliable business partner, contractor and employer in the future. With this in mind, STRABAG has implemented a comprehensive set of actions to promote ethical and legally compliant behaviour and to develop a corporate culture that is based on trust and partnership. Central to this are a comprehensive training concept and the public whistleblower platform.

Group-wide cooperation

The central staff division Business Compliance & Management Systems was renamed **Corporate Responsibility Office** (CRO) with effect from 1 January 2025. The Group management has tasked the Corporate Responsibility Office with the implementation of the STRABAG Ethics and Business Compliance System. The head of the Corporate Responsibility Office is also the Chief Compliance Officer of STRABAG SE. He reports directly to the CEO.

The Chief Compliance Officer is supported in his tasks by certified Business Compliance Officers (BCOs), with another 50 Business Compliance Partners nominated to carry out simplified business partner reviews on a large scale. This system ensures that business compliance is not only managed centrally but is also embedded within the operating entities to address local risks. The Business Compliance Committee, consisting of the heads of the central division Contract Management and Legal (CML) and the central staff division Internal Audit, along with the Chief Compliance Officer, plays a strategic role in the Corporate Responsibility Office. The committee deals with proposals developed by the business compliance organisation for improving the Business Compliance Management System, reviews suspected cases of serious business compliance violations and oversees Group-wide cooperation.

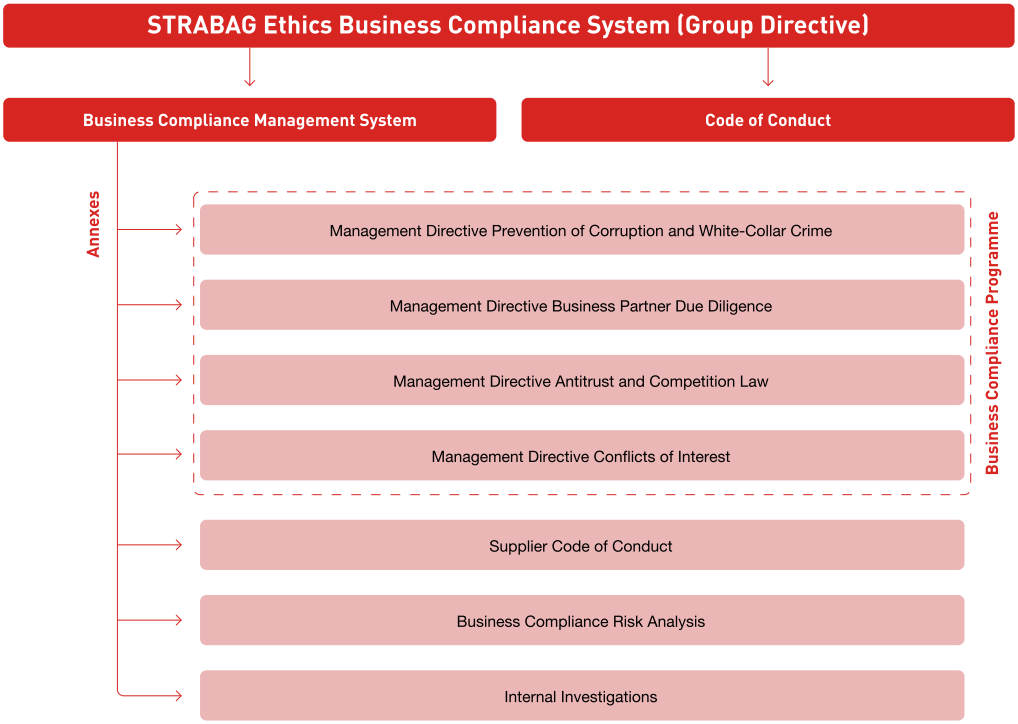
Policies

ESRS G1-1

The Ethics and Business Compliance System is firmly embedded within the company as a Group Directive. As such, it has been approved by the STRABAG SE Management Board. The entire Management Board adopts all directives developed by the Corporate Responsibility Office, as well as the Code of Conduct and the Supplier Code of Conduct. Any changes to these basic documents are also decided by the entire Management Board.

The Ethics and Business Compliance System consists of the **Business Compliance Management System** (BCMS) and the **Code of Conduct**, which sets out the Group's fundamental ethical values. The requirements set out in these documents are binding for all Group employees and are available on the intranet in all Group languages. A comprehensive training concept ensures that the content is communicated to all employees. The figure below shows the structure of the Ethics and Business Compliance System.

STRABAG Ethics and Business Compliance System



The **Code of Conduct** was last updated in 2022 and is addressed equally to all STRABAG employees and business partners and considers the interests of other stakeholders such as regulatory and government authorities as well as shareholders. The document has been approved by the STRABAG SE Management Board. The principles contained in the Code of Conduct are substantiated and regulated in detail by the Business Compliance Management System (BCMS) and the BCMS management directives and are continuously monitored, reviewed and refined by the Corporate Responsibility Office. The Code of Conduct is available on the intranet for all employees in all Group languages and, as far as legally possible, forms part of the employment contracts. New employees are made aware of the contents of the Code of Conduct as part of a mandatory compliance training course. As a code of conduct, compliance with the principles and standards described therein is also confirmed by our suppliers, subcontractors and business partners. The Code of Conduct describes STRABAG's responsibility as a business partner and the responsibility towards employees and other stakeholders, based on the company values of partnership, trust, solidarity and sustainability. The Code of Conduct also makes reference to the whistleblower platform for reporting violations of the defined principles.

The **STRABAG BCMS** and its Group-wide implementation fulfil the requirements of ISO 37001 (Anti-Bribery Management Systems) and ISO 37301 (Compliance Management Systems). It also meets the key requirements of the UN Convention against Corruption, which defines best practices for businesses. STRABAG is the **first globally active Austrian company to have Group-wide certification to ISO 37001 and ISO 37301**.

The STRABAG BCMS is an effective system for avoiding business compliance risks such as corruption and bribery. The most important ongoing actions are described later in this chapter. As these actions are an integral part of our ongoing daily business, it is not possible to say exactly which financial resources are allocated to the actions described in this chapter.

The management directives serve as an annex to the STRABAG BCMS and set out clear rules of conduct for the entire management and all Group employees. For a better overview and more practical use, they are categorised into different topics.

The management directive on the **prevention of corruption and white-collar crime** defines STRABAG's policy on invitations and gifts, donations and sponsorships, and how to deal with public officials.

The management directive on **business partner due diligence**, based on the risk analysis, provides for mandatory standards to screen various business partners and business relationships. Screening measures are also defined that can be carried out independently of the business relationship as a way to meet an increased standard of due diligence in individual cases if necessary. The central staff division Corporate Responsibility Office also takes actions in response to specific events. In the wake of Russia's attack on Ukraine, the business partner due diligence was further tightened in March 2022 and a memo on sanction list checks of business partners was sent to all operating division and central division managers. The regulation stipulates that every business partner who falls under the parameters must be reviewed by Business Compliance Partners for matches on the sanctions list before a contract is signed.

The management directive on **antitrust and competition law** governs the correct behaviour required to ensure fair competition as well as the auditing obligations for sensitive business relationships and merger control. It also stipulates the involvement of CML as an independent supervisory body where appropriate.

Dealing with **conflicts of interest** is regulated in the fourth management directive, which requires all STRABAG employees to disclose potential conflicts of interest that they may have. Besides the avoidance of interest conflicts, the focus is also on dealing transparently with conflicts of interest that cannot be avoided.

ESRS G1-2

The Supplier Code of Conduct summarises the principles of STRABAG's business activities, which suppliers and subcontractors are also expected to comply with. These principles cover topics related to business compliance, human rights, employment conditions, social responsibility, environment and responsible procurement. As a rule, the Supplier Code of Conduct is anchored in the General Terms and Conditions. STRABAG is working on the design of a supplier engagement programme to reduce emissions in our upstream value chain together with our suppliers. In the future, social and environmental sustainability criteria are to be embedded in the project-specific and project-independent supplier assessment.

Actions

ESRS G1-3

Close cooperation between individual central staff divisions is required to properly implement and manage the BCMS. The central staff division Internal Audit supports the central staff division Corporate Responsibility Office in enforcing the business compliance rules. Adherence to the provisions laid down by the BCMS is a standing audit component of the regular compliance and object audits. In addition to its regular audit activities, the Internal Audit division also works with the operating entities or the Corporate Responsibility Office to conduct special audits in response to suspected cases of non-compliance.

Conspicuous invoices are submitted to the central staff division Business Compliance by a business compliance monitoring process set up by BRVZ in all countries that it administers.

STRABAG whistleblower platform

Find out more

Potential wrongdoing related to business compliance, discrimination, human rights and employment conditions, occupational safety and health, environment and data privacy can be reported using the publicly accessible **STRABAG online whistleblower platform** or directly to a contact person within the Group. The whistleblower system is defined in both the BCMS and the Code of Conduct. The platform is accessible to internal and external persons in all Group languages. Employees are made aware of the whistleblower platform via the intranet and in training sessions, among other things.

The whistleblower system can be used to report information and incidents and to provide feedback on the system itself. Feedback on the system can also be provided to the ombudspersons and the Human Rights Officer.

Independent case workers review all incoming reports. Ombudspersons responsible for dealing with violations related to discrimination or human rights and employment conditions conclude an addendum to their employment contracts confirming that in their function as ombudspersons they are not bound by the instructions of their superiors.

The STRABAG whistleblower system meets the standards defined by the Whistleblower Protection Directive (EU) 2019/1937. Compliance by whistleblowers with the legal standards is specified in the management directive on **internal investigations**. Whistleblowers are not responsible for providing evidence to substantiate their claims. A detailed description of the whistleblower system, including a set of FAQs, explains how reports are received and handled and how STRABAG ensures the greatest possible level of protection and anonymity of the whistleblowers and of those involved. All information and data entered into the STRABAG whistleblower platform are encrypted and can only be viewed by the respective STRABAG case workers. Case workers are instructed on how to use the system and receive further training as needed to ensure that they protect the anonymity of the persons providing information. Information about reported incidents is only used and shared to the extent necessary for the investigation (need-to-know). Every report or complaint received through the whistleblower system is investigated. Depending on the circumstances, the management representative in charge will take corrective actions or disciplinary measures – from warnings all the way to dismissals – to respond appropriately to identified offences and counteract any future violations.

The final report contains proposals for measures and, if necessary, for improvements, including improvement to the Business Compliance Management System itself. Depending on the severity of the violation, the report is sent to the responsible organisational entity, the Management Board and/or the Supervisory Board.

The members of the Management Board are informed about material reports and cases, with different processes existing for the reporting. This is mainly due to the fact that the whistleblower platform is managed by various departments reporting to different members of the Management Board. Since the whistleblower platform can also be used by local communities as a channel for reporting complaints about a construction site, incoming reports are also handled directly with the management of the operating entities. The Human Rights Officer conducts an annual review of the effectiveness of the human rights complaints procedure, which includes an examination of the functionality and processes of the whistleblower platform.

Comprehensive training concept for all employees

Extensive employee training on the proper conduct in day-to-day business dealings, the definition of due diligence requirements for sensitive business relationships, and awareness-raising regarding the possible consequences of improper conduct are essential to ensuring fair competition. For this reason, STRABAG in 2013 implemented a comprehensive training concept to communicate to employees the current directives and processes for combating corruption and anti-competitive behaviour. Employees receive in-depth training in corruption law, covering offences such as embezzlement, fraud and bribery, as well as interacting with public officials. The training also covers the topics of merger control, the cartel ban and the ban on the abuse of dominant market positions under a competition law perspective and with a risk-based approach. The training concept is continuously adapted and improved based on feedback from participants and the experience gained through our incident management.

Immediately after joining the group, all STRABAG employees receive instruction in the rules for ensuring fair competition in the form of mandatory e-learning training courses that must be repeated once every two years.

As STRABAG's management (at the business unit, subdivision, division, central division and central staff division levels) plays an important role in the prevention of corruption and must observe increased due diligence requirements, members of this group of persons are obliged to participate in special training courses on the prevention of corruption and the avoidance of competition violations. At the level of business unit management and above, the basic training must be completed when taking up the position. In the following years, the material covered in the training is consolidated in-depth through refresher courses. Both the initial training and the refresher courses are divided into a general part and a part covering competition law. The refresher courses must be completed by members of management at three-year intervals. Since this risk is often transferred to group leaders, a more in-depth e-learning training course for group leaders was introduced in August 2024 that must be completed every two years.

The training concept, content and participant groups are decided by the Management Board and reported to the Supervisory Board. The content is based on the policy documents, which are approved and reported on equally. The risk areas and topics of the training courses are audited annually by independent auditors as part of the ISO 37001 and ISO 37301 audits, with the Management Board, as the highest governance body, also subject to the audit. Due to the Management Board's inherent duty to ensure compliance with both legal and internal

standards and to regulate these for all employees, no separate training is planned for the Management Board as a whole.

Training statistics

Title	Basic compliance training	Basic cartel law training	Refresher course	Group lead training	Business compliance training
Target group	Management (business unit, subdivision, division, central staff division and central division leads)[1]			Group lead[1]	Employees
Training rates					
Total to be trained	1,444	1,444	1,303	3,779	34,705
Total receiving training	1,345	1,332	981	3,496	31,648
Training coverage	93 %	92 %	75 %	93 %	91 %
Delivery method and duration					
Classroom training	4 hours	3 hours	4 hours		
Risk-based online training				approx. 40 min	
Online training					approx. 40 min
Frequency					
	After appointment as manager	After appointment as manager	Every three years after completing the basic training	Every two years	Every two years
Topics covered					
Anti-corruption	x		x	x	x
Competition law		x	x	x	x
Management directives	x	x	x	x	x
Incident management	x	x	x	x	

[1] Function-at-risk

In addition to the training courses listed above, 31 **special training courses** were held during the reporting period. Special training courses are offered at the request of local management for all employees who are exposed to an increased risk due to their work. The training courses are held regardless of the employee's respective level.

The Corporate Responsibility Office also organises numerous internal conferences and events to present general business compliance topics, anonymised incidents and lessons learned.

ESRS G1-4

German competition authorities in two proceedings imposed fines of € 2,790,000 and € 665,000 on a STRABAG SE Group company for anti-competitive collusion. The proceedings were each terminated with legal effect by a settlement in which STRABAG waived its right to appeal.

As a result of these two violations, the Group company was entered in the German Competition Register on 23 October 2024 and 25 November 2024. The Federal Cartel Office, as the government agency responsible for maintaining the register, has granted the requests for early deletion submitted on the basis of self-cleaning measures, whereupon the entries were deleted on 25 November 2024 and 2 December 2024.

ESRS G1-5

STRABAG is active in various organisations to represent the interests of the construction industry in **dialogue with stakeholders** as a way to contribute to the development of sustainable, innovative and economically viable framework conditions for the industry. This includes membership in major national construction industry associations, such as the Federation of the German Construction Industry (Hauptverband der Deutschen Bauindustrie, HDB) and the Association of Industrial Construction Companies in Austria (Vereinigung Industrieller Bauunternehmungen Österreichs, VIBÖ), as well as regional and/or trade-specific associations.

In 2024, STRABAG was a participant at the **European Forum Alpbach**. During the multi-day event, STRABAG published a policy paper on the circular economy. STRABAG is a founding member of Stiftung KlimaWirtschaft, a foundation that promotes corporate climate change mitigation. We have been a participating organisation in the UN Global Compact since 2021, committed to its ten principles in the areas of human rights, labour, environment and climate, and anti-corruption.

In accordance with Group Directives, donations and sponsorships with a connection to political parties must be approved by the full Management Board of STRABAG SE with the involvement of the Corporate Responsibility Office. In 2024, STRABAG made **no direct political donations or sponsorships**. STRABAG SE is registered in the EU Transparency Register under number 472996192561-86.

During the reporting period, no person was appointed to the Management Board or the Supervisory Board who had held a comparable position in public administration or at a regulatory authority within the two years prior to their appointment.

The membership fees paid by STRABAG SE are presented below. Membership contributions paid include both compulsory memberships required by law or professional regulations and voluntary memberships. The contributions paid during the financial year are as follows:

Recipient	Unit	**2024**
Compulsory memberships		
Austrian Federal Economic Chamber (WKÖ)	T€	1,426
German Chamber of Commerce and Industry (DIHK)	T€	1,778
Voluntary memberships		
Federation of the German Construction Industry (HDB)	T€	4,730
German Concrete and Construction Technology Association (DBV)	T€	302
Swiss Contractors' Association (SBV)	T€	162
Other national construction industry associations and memberships of less than EUR 150,000 each	T€	547
Total membership contributions paid	**T€**	**8,945**

ESRS G1-6

Incoming invoices at STRABAG SE are submitted via an electronic system or, in exceptional cases, in paper form to the respective cost centre manager, who checks the invoices for accuracy, in particular for completeness of the goods and services provided. Following operational approval by at least two persons, the invoice is released for payment with the corresponding due date and is generally settled by BRVZ's central accounting department in a weekly payment run. Due to the international and heterogeneous nature of the various business fields, no guidelines or processes exist for avoiding late payments. In the material countries of Germany and Austria, payments are usually made before the (net) due date, taking advantage of the cash discount, if available.

The average payment period is 21 days, the median 16.

Due to the large number of suppliers in a wide range of different countries, along with the fragmented and heterogeneous nature of the services received, no standardised payment

terms exist. Where STRABAG's General Terms and Conditions apply to orders, they provide for a payment term of 30 days net. A total of **90% of payments are made within 30 days**. There are no notable differences in payment duration and payment behaviour between the type and size of the supplier.

There were **no** open proceedings for late payment pending as of the reporting date.

Appendix B and audit report

2024

Appendix B

Disclosure Requirement and related datapoint	Reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Sustainability management
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	Sustainability management
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Sustainability management
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	not applicable
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	not applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	not applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	Climate change
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	not applicable
ESRS E1-4 GHG emission reduction targets paragraph 34	Climate change
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Climate change
ESRS E1-5 Energy consumption and mix paragraph 37	Climate change
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Climate change
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Climate change
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Climate change
ESRS E1-7 GHG removals and carbon credits paragraph 56	Climate change
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	not applicable (transitional provision)
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	not applicable (transitional provision)
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).	not applicable (transitional provision)
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	not applicable (transitional provision)
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69	not applicable (transitional provision)
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	not material
ESRS E3-1 Water and marine resources paragraph 9	not material
ESRS E3-1 Dedicated policy paragraph 13	not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	not material
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Impacts, risks and opportunities
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Impacts, risks and opportunities

Disclosure Requirement and related datapoint	Reference
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Impacts, risks and opportunities
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Biodiversity
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Biodiversity
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Biodiversity
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Circular economy
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	not applicable
ESRS 2 SBM-3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Own workforce
ESRS 2 SBM-3 - S1 Risk of incidents of child labour paragraph 14 (g)	Own workforce
ESRS S1-1 Human rights policy commitments paragraph 20	Our social responsibility
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Our social responsibility
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Our social responsibility
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Own workforce
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Own workforce
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Own workforce
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Own workforce
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Own workforce
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Own workforce
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Own workforce
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Own workforce
ESRS 2 SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Workers in the value chain
ESRS S2-1 Human rights policy commitments paragraph 17	Our social responsibility
ESRS S2-1 Policies related to value chain workers paragraph 18	Our social responsibility; Workers in the value chain
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Our social responsibility
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Our social responsibility
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Workers in the value chain
ESRS S3-1 Human rights policy commitments paragraph 16	Affected communities
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Affected communities
ESRS S3-4 Human rights issues and incidents paragraph 36	Affected communities
ESRS S4-1 Policies related to consumers and end-users paragraph 16	not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	not material
ESRS S4-4 Human rights issues and incidents paragraph 35	not material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Business conduct

Disclosure Requirement and related datapoint	Reference
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Business conduct
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Business conduct
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Business conduct

We draw attention to the fact that the English translation of this independent assurance report according to section 273 UGB (Austrian Company Code) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Independent Assurance Report

STRABAG SE
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9500 Villach

We have performed a limited assurance engagement of the consolidated sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” of STRABAG SE, Villach, for the financial year ended as at 31 December 2024.

Conclusion Based on a Limited Assurance Engagement

Based on the procedures performed and evidence obtained nothing has come to our attention that causes us to believe that the consolidated sustainability reporting included in the management report for the Group in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” does not comply, in all material aspects, with the requirements of Article 29a of the Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards (hereinafter ESRS) including carrying out the process to identify the information to be reported pursuant to ESRS (hereinafter “Materiality Assessment Process“), and its presentation in disclosure “Double Materiality Assessment”, and
- compliance with the reporting requirements pursuant to Article 8 of the Taxonomy Regulation (EU) 2020/852 (hereinafter EU Taxonomy Regulation).

Basis for Conclusion

We performed our limited assurance engagement in accordance with the legal requirements and the professional standards applicable in Austria with regard to other assurance engagements and additional opinions. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Limited Assurance Engagement of the Consolidated Sustainability Reporting“ section of our report.

We are independent of the Group in accordance with professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our assurance activities are subject to the requirements of KSW-PRL 2022, which essentially corresponds to the requirements pursuant to ISQM 1, applying an extensive quality management system including documented guidelines and processes to adhere to ethical requirements, professional standards as well as applicable legal and regulatory requirements.

We believe that the assurance evidence we have obtained until the date of the independent assurance report is sufficient and appropriate to provide a basis for our opinion by this date.

Other Matter – Prior-year Disclosures 31 December 2023

Prior-year disclosures were not subject to a comparable assurance engagement.