

Employment Conditions and Human Rights Policy

(Annex to the Management Manual of STRABAG SE)

Principles

We build with and for people. Both our own employees and the employees along the value chain play a decisive role in all our projects. The standards for employment conditions and the protection of human rights are as different as the countries in which we operate. The supply and value chains in the construction industry and in the area of Building Solutions are characterised by a high degree of complexity and a large number of different business partners, which leads to a lack of transparency.

This policy complements and clarifies the principles of our business ethics, which are already firmly established in the Code of Conduct and our existing management practices and systems. It takes into account the employment regulations and reflects our commitment to the fundamental principles of the International Labour Organization (ILO) and the UN Guiding Principles on Business and Human Rights. We are also committed to the International Bill of Human Rights, which includes the Universal Declaration of Human Rights. Furthermore, we respect the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

In joining the UN Global Compact (2021), we also commit to the [ten universal principles of the UN Global Compact](#) in the areas of human rights, labour standards, environmental protection and anti-corruption. As a signatory to the UN Women's Empowerment Principles, we are also obligated to implement the seven principles for the empowerment of women in business and to actively promote gender equality in the workplace and in society.

Prohibition of discrimination and harassment in employment and occupation

STRABAG has zero tolerance for discrimination of any kind. The STRABAG management and all employees are called upon to refrain from and prevent any form of discrimination, harassment and reprisals in connection with employment relationships relating to STRABAG. We live solidarity, promote inclusion and diversity and are committed to equal opportunities regardless of skin colour, nationality, ethnic origin, social background, migration, gender, sexual orientation, gender identity, political opinion, religion, disability or age.

Prohibition of modern slavery and forced labour, human trafficking and torture

The STRABAG management and all employees are fully committed to the prohibition of slavery, forced labour, human trafficking and torture as defined in the Universal Declaration of Human Rights. No one shall be subjected to slavery or servitude or to cruel, inhuman or degrading treatment or punishment.

Prohibition of child labour

We are aware of our responsibility to respect children's rights and base our approach on the UN Convention on the Rights of the Child and ILO Conventions No.138 'Minimum Age Convention' and No.182 'Worst Forms of Child Labour Convention'. We are committed to the prohibition of child labour and the prohibition of the worst forms of child labour. For us, this also includes a commitment to the prohibition of the exploitation, abuse, abduction and human trafficking of children. Our management and our employees with personnel responsibility are obliged to check that the minimum age for employment is not below the age at which compulsory schooling ends and under no circumstances below 15 years of age. This does not apply to work as part of school education. As a general rule, young employees under the age of 18, like employees in general, may only carry out activities that do not endanger their health or well-being.

Forced evictions, rights of local communities, minorities and indigenous peoples

In accordance with our commitment to the fundamental principles of ILO Convention 169 on the Protection of the Rights of Indigenous Peoples and the Universal Declaration of Human Rights, we respect the culture, way of life and customary law of local communities, especially minorities and indigenous peoples. In particular, we recognise their ownership and tenure rights and are committed to the prohibition of unlawful forced evictions and the unlawful taking of land, forests and waters. This includes the rights to use, manage and conserve the natural resources of these habitats and of cultural sites. We aim to ensure that no violation of this principle occurs in our operations and take this into account when selecting our construction projects. Should a violation of land use rights occur, we are committed to taking the socio-economic development and rights of indigenous peoples into account and supporting them wherever possible. In this context, we strive for an open dialogue with the indigenous peoples or their representatives and rely on free, informed and prior consent.

Health and Safety

Health and safety are central concerns and an integral part of our corporate culture. We are committed to maintaining and continuously improving the health and safety standards for our employees, our business partners and other potentially affected persons.

Safety of services

We are committed to the safety of our services to end users by meeting high safety standards in our (construction) services, for example in buildings. In addition, we have implemented measures and procedures to minimise the risk of using counterfeit parts and materials in our products and services. We also confirm that we respect and comply with intellectual property rights where relevant, including patents, copyrights and trademarks.

Suppliers, subcontractors and other business partners

We also expect our suppliers, subcontractors, their employees and other business partners to comply with our principles on human rights and employment conditions. This applies in particular to the contents of the Supplier Code, which is binding on all suppliers, subcontractors and other business partners.

We expect appropriate processes and measures to be in place to prevent human rights abuses in our own operations. Suppliers, subcontractors and business partners are required to identify risks along their supply chains and take appropriate preventive and corrective action. When a contract is awarded, contractual clauses are agreed that require compliance with human rights and environmental requirements and provide for sanctions in the event of non-compliance. The principles of respecting human rights and employment conditions also apply to the security forces we commission. We are committed to the prohibition of violence and restrictions on freedom of movement by the security forces we commission.

Recruitment and hiring

Recruitment and hiring of new employees at STRABAG is carried out lawfully and in accordance with international human rights and labour standards, in a fair and transparent manner. Discrimination also has no place in recruitment and hiring. We advocate equal treatment of applicants and are committed to objectivity in the application process. In addition, we promote transparent communication about the application and decision-making process. At the start of their employment, our employees receive a written employment contract in their local language, setting out their main rights and obligations. Throughout the entire process, we ensure that the applicants' data are protected.

Remuneration, working hours, voluntary allowances

Work at STRABAG is performed under fair working conditions. Remuneration for work (pay) is based on the applicable collective agreements and laws and is agreed individually in the specific employment contract based on qualifications and performance. Our aim is to guarantee at least a living wage. We also adhere to the country-specific labour law framework (e.g. minimum wages, normal and maximum working hours, entitlement to continued remuneration for holiday and sick leave). The overtime worked in excess of the contractually agreed working hours is voluntary and remunerated. Country-specific break and rest periods stipulated by law or collective labour agreements are observed. In addition, STRABAG promotes the balance between work and private life.

Right to organise and freedom of association

We respect the principles of freedom of association, the right to organise, and free participation in trade unions. Employees participate in employee representations in accordance with the respective country-specific legislation. Membership in trade unions gives employees the opportunity to exercise their right to have a say. In countries where freedom of association is restricted by law, we grant employees the free choice of employee representation.

Data protection

We respect and protect the privacy and personal rights of our employees and recognise our responsibility for the careful processing of personal or individual-related data in accordance with the General Data Protection Regulation (GDPR). Data protection - particularly the protection of personal data - is a matter of great concern to us.

Contribution to the local economy and community involvement

With our range of construction services, we contribute to infrastructure development and create jobs, including in structurally weak regions.

Community involvement is a management responsibility. We support carefully selected long-term initiatives with humanitarian, social, charitable, educational or cultural objectives, making a tangible contribution to our local environment.

Implementation

The principles are implemented in collaboration between Divisions, Central Divisions and Central Staff Divisions through appropriate management systems or policies and procedures. STRABAG management is called upon to ensure compliance with these principles on human rights and employment conditions by taking appropriate measures within their area of responsibility.

Social compliance

To manage, implement and further develop our human rights strategy, a social compliance management system has been implemented and is being continuously improved. Key components of this management system are regular risk analyses and the derivation of appropriate preventive and corrective measures for the business area and the supply chain. Risk analyses are carried out annually and on an ad hoc basis. When analysing risks, the focus is on particularly vulnerable groups of people.

Operational implementation is carried out in close cooperation of responsible persons in the relevant Central Divisions and the corresponding representatives at Division and national level.

An important element is raising awareness among employees in our own operations. For this reason, all STRABAG employees receive mandatory training on the topic of sustainability. This training covers the topics of the environment, governance and social responsibility, including the human rights strategy. Employees also receive targeted training on the risks along the supply chain. We counter these risks with a wide range of risk-specific preventive measures aimed at our suppliers, subcontractors and business partners, including contractual arrangements, training measures, questionnaires and audits.

In the event of a violation, appropriate corrective measures are taken. In certain cases, health & safety violations, and occupational accidents or violations of human rights due diligence obligations may be mitigated through compensation. Compensation as a measure shall be used on case by case basis. The amount and extent of compensation payments are assessed and adjusted according to the incident.

Human Rights Officer

Responsibility for compliance with human rights due diligence obligations lies with the management. A Group-wide Human Rights Officer has been appointed. The role of the Human Rights Officer is to act as a consultant to the management and to monitor the Social Compliance Management System and review its effectiveness. The human rights officer acts free from instructions.

Occupational health and safety

STRABAGs health and safety principles and their implementation are set out in our Health and Safety Policy and apply to all Group employees, including those working for contractors.

Human Resources Management

The Group-wide People & Culture Development (P&C DEV) organisational unit supports all STRABAG Group Divisions in the areas of account and workforce planning, employer branding and recruiting, people development including career, potential and performance management, learning & development and organisational development.

STRABAG has extensive apprenticeship programmes and in-house apprenticeship academies as well as a trainee programme for bachelor and master graduates. Our STRABAG Group Academy offers internal training opportunities for all salaried and wage employees in the categories of technology, law, business administration, IT, personality and leadership. Employees also attend various mandatory training courses.

Dialogue on development measures is part of a regular exchange between employees and managers - at least once a year as part of the employee performance review.

Equality, Diversity, Inclusion (EDI)

STRABAG is committed to equality, diversity and inclusion. This is firmly established in our [Group-wide EDI strategy](#). By 2030, STRABAG has set itself the goals of increasing the proportion of women in management by 6% annually, reducing the gender pay gap to 0 and providing all executive staff with mandatory training on equality, diversity and inclusion.

Inclusion, diversity and equality are communicated as early as the recruitment and hiring phase. The EDI strategy is visible in job advertisements and the recruiting team and all executive staff, managers are successively trained and sensitised to EDI. STRABAG is also a member of the career portal myAbility, a career portal for people with disabilities. Membership of the myAbility B2B network is intended to promote inclusion in the workplace through an exchange of best practice experiences.

The in-house career development programme is open to all genders. There is also a mentoring programme for mutual exchange. Women in the Group can join a network group for women.

Responsibility for implementing the EDI strategy lies with the Management Board. The EDI strategy is monitored by a Group-wide EDI coordinator. This person also acts as a direct contact person for EDI issues in their own area of business.

Employee representation and social dialogue

STRABAG SE has an SE Works Council with various committees, including one for occupational health and safety. Members of the SE Works Council are represented on the Supervisory Board of STRABAG SE. In addition to the SE Works Council, there are also national employee representative bodies in some of the Group countries. More than 95% of our employees are covered by collective labour agreements, and the requirements of the national legislation are complied with in all our subsidiaries.

Data protection

STRABAG has a Group-wide applicable minimum standard for data protection, which sets the European General Data Protection Regulation (GDPR) as the minimum standard in all Group countries and for all Group companies in order to create a uniformly high level of data protection. Where higher data protection requirements are imposed, these must be complied with. STRABAG has established a data protection management system, the implementation of which is ensured by the data protection coordinators. The Directive applies to all types of personal data relating to natural persons and has been specifically designed to protect the data of employees, clients and other business partners.

Whistleblower system

Violations of the above principles can be reported by employees of STRABAG, as well as by employees of direct and indirect suppliers and third parties, in particular via our STRABAG whistleblower platform or to designated contact persons (ombudspersons).

Incoming reports are first checked for plausibility. If they are justified, they will be followed up by the relevant regional ombudspersons: Organisational and labour law measures, ranging from warnings to dismissals, are taken by the responsible management to respond appropriately to identified violations.

The information or questions received via the STRABAG whistleblower platform are treated confidentially and only passed on to third parties within the boundaries of the 'need-to-know' principle. Whistleblowers may disclose their identity or remain anonymous. In either case, the whistleblower's identity is protected.

The decisive criterion is that the report is made in good faith. Whistleblowers do not have to fear reprisals or negative consequences, even if the information is not substantiated or turns out to be false. There is no expectation that the whistleblowers will investigate the incidents themselves and gather evidence.

The whistleblower platform contains [rules of procedure](#) that can be viewed by all whistleblowers. In addition to the exact mode of operation, it also contains information on anonymity, reprisals and other topics.

Communication

We ensure that this policy on employment conditions and human rights is distributed appropriately and made available to interested parties and the public. We also ensure that this policy and the associated management systems, processes and guidelines are understood, implemented and maintained at all levels of our organisation and with our business partners. We involve all stakeholders and inform them of the criteria that must be adhered to in accordance with this Policy.

STRABAG employees involved in the awarding of contracts are requested to communicate these principles to suppliers, subcontractors and other business partners.

The Management Board