ANNUAL FINANCIAL REPORT

2024

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Consolidated income statement

T€	Notes	**2024**	2023
Revenue	(1)	17,422,219	17,666,540
Changes in inventories		213,014	151,938
Own work capitalised		8,156	9,747
Other operating income	(2)	258,645	302,314
Construction materials, consumables and services used	(3)	-10,463,013	-11,275,080
Employee benefits expense	(4)	-4,905,497	-4,540,895
Other operating expense	(5)	-1,115,284	-1,086,601
Share of profit or loss of equity-accounted investments	(6)	148,715	144,132
Net income from investments	(7)	77,227	46,218
EBITDA		**1,644,182**	**1,418,313**
Depreciation and amortisation expense	(8)	-582,292	-538,116
EBIT		**1,061,890**	**880,197**
Interest and similar income		144,845	119,194
Interest expense and similar charges		-69,429	-75,068
Net interest income	**(9)**	**75,416**	**44,126**
EBT		**1,137,306**	**924,323**
Income tax expense	(10)	-308,973	-290,929
Net income		**828,333**	**633,394**
attributable to: non-controlling interests		5,329	2,886
attributable to: equity holders of the parent (consolidated profit)		823,004	630,508
Earnings per share (€)	**(11)**	**7.35**	**6.30**

Statement of comprehensive income

T€	Notes	**2024**	2023
Net income		**828,333**	**633,394**
Differences arising from currency translation		-15,570	5,760
Recycling of differences arising from currency translation		38,642	-2,115
Change in interest rate swaps		720	-1,604
Recycling of interest rate swaps		-13,673	-14,158
Deferred tax relating to other comprehensive income	(10)	3,638	4,647
Share of other comprehensive income of equity-accounted investments		-3,509	-2,657
Total of items that will be subsequently reclassified to profit or loss (“recycled”)		**10,248**	**-10,127**
Change in actuarial gains/losses		9,823	17,269
Deferred tax relating to other comprehensive income	(10)	-2,052	-3,401
Share of other comprehensive income of equity-accounted investments		-64	-82
Total of items that will not be subsequently reclassified to profit or loss (“recycled”)		**7,707**	**13,786**
Other comprehensive income		**17,955**	**3,659**
Total comprehensive income		**846,288**	**637,053**
attributable to: non-controlling interests		5,260	2,790
attributable to: equity holders of the parent		841,028	634,263

Consolidated balance sheet

T€	Notes	**31.12.2024**	31.12.2023
Goodwill	(13)	555,793	490,738
Rights from concession arrangements	(14)	431,892	452,850
Other intangible assets	(15)	29,151	33,227
Property, plant and equipment	(16)	2,999,062	2,847,437
Investment property[1]	(17)	222,302	36,954
Equity-accounted investments	(18)	525,671	541,026
Other investments	(19)	231,766	218,580
Receivables from concession arrangements	(22)	369,570	427,630
Other financial assets	(25)	336,271	319,152
Deferred tax	(20)	120,131	109,730
Non-current assets		**5,821,609**	**5,477,324**
Inventories	(21)	1,552,070	1,256,039
Receivables from concession arrangements	(22)	58,060	53,855
Contract assets	(23)	1,237,095	1,283,504
Trade receivables	(24)	1,745,277	1,693,301
Non-financial assets		222,738	166,481
Income tax receivables		48,185	64,306
Other financial assets	(25)	265,851	260,773
Cash and cash equivalents	(26)	3,723,695	3,450,622
Current assets		**8,852,971**	**8,228,881**
Assets		**14,674,580**	**13,706,205**
Share capital		118,222	102,600
Capital reserves		1,732,319	1,747,941
Retained earnings and other reserves		3,127,429	2,540,376
Non-controlling interests		22,400	18,443
Equity	**(27)**	**5,000,370**	**4,409,360**
Provisions	(28)	1,338,741	1,336,797
Financial liabilities[2]	(29)	632,690	626,208
Other financial liabilities	(31)	33,795	28,074
Deferred tax	(20)	282,344	236,666
Non-current liabilities		**2,287,570**	**2,227,745**
Provisions	(28)	1,313,274	1,156,902
Financial liabilities[3]	(29)	294,578	272,722
Contract liabilities	(23)	1,539,731	1,335,837
Trade payables	(30)	2,790,820	2,790,761
Non-financial liabilities		613,604	622,358
Income tax liabilities		125,300	102,719
Other financial liabilities	(31)	709,333	787,801
Current liabilities		**7,386,640**	**7,069,100**
Equity and liabilities		**14,674,580**	**13,706,205**

1 Presentation at 31 December 2023 within property, plant and equipment.

2 Thereof non-recourse bank debt from concession arrangements in the amount of T€ 307,753 (2023: T€ 325,628)

3 Thereof non-recourse bank debt from concession arrangements in the amount of T€ 204,818 (2023: T€ 184,040)

Consolidated cash flow statement

T€	Notes	**2024**	2023
Net income		828,333	633,394
Income tax expense		308,973	290,929
Net interest		-94,638	-79,362
Income from investments		-72,290	-60,264
Non-cash effective results from change in the consolidated group		32,076	-1,659
Non-cash income/expense attributable to equity-accounted investments		5,713	-8,530
Other non-cash income/expense		-49,140	24,197
Depreciations/reversal of impairment losses		596,750	540,110
Change in non-current provisions		11,256	43,846
Gains/losses on disposal of non-current assets		-96,771	-53,200
Interest received		131,853	106,126
Interest paid		-28,909	-21,099
Dividends received		72,535	54,619
Taxes paid		-216,197	-163,947
Cash flow from earnings		**1,429,544**	**1,305,160**
Change in inventories		-352,709	-185,807
Change in receivables from concession arrangements, contract assets and trade receivables		-17,092	141,133
Change in non-financial assets		10,755	26,761
Change in income tax receivables/liabilities		-10,846	-2,050
Change in other financial assets		-9,958	47,212
Change in current provisions		173,202	29,700
Change in contract liabilities and trade payables		203,871	392,128
Change in non-financial liabilities		-8,189	81,185
Change in other financial liabilities		-31,369	-18,914
Cash flow from operating activities		**1,387,209**	**1,816,508**
Purchase of financial assets		-47,481	-138,201
Purchase of Investment property[1]		-154,299	-114
Purchase of property, plant, equipment and intangible assets		-644,574	-540,857
Proceeds from asset disposals		159,717	86,235
Payments from other financing receivables		-22,419	-500
Proceeds from other financing receivables		25,487	47,505
Cash outflow from changes in the consolidated group[2]		-67,605	-109,148
Cash inflow from changes in the consolidated group[2]		1,635	210
Cash flow from investing activities		**-749,539**	**-654,870**
Proceeds from bank borrowings		56,169	12,631
Repayment of bank borrowings		-52,183	-96,630
Payments from lease liabilities		-67,864	-63,052
Repayment of other financing liabilities		-80,213	-13,504
Acquisition of own shares		0	-108,214
Distribution of dividends		-209,595	-161,812
Cash flow from financing activities	**(35)**	**-353,686**	**-430,581**
Net change in cash and cash equivalents		**283,984**	**731,057**
Cash and cash equivalents at the beginning of the period		3,450,472	2,701,699
Effect of exchange rate changes on cash and cash equivalents		-10,911	17,716
Cash and cash equivalents at the end of the period	**(35)**	**3,723,545**	**3,450,472**

1 Presentation at 31 December 2023 within property, plant and equipment.

2 See notes on the scope of consolidation.

Statement of changes in equity

T€	Share capital	Capital reserves	Retained earnings	IAS 19 reserves	Hedging reserves	Foreign currency translation reserves	**Group equity**	Non-controlling interests	**Total equity**
Balance as at 1.1.2024	**102,600**	**1,747,941**	**2,657,841**	**-65,682**	**-115**	**-51,668**	**4,390,917**	**18,443**	**4,409,360**
Net income	**–**	**–**	**823,004**	**–**	**–**	**–**	**823,004**	**5,329**	**828,333**
Differences arising from currency translation	–	–	–	–	–	23,134	23,134	-62	23,072
Change in equity-accounted investments	–	–	–	-64	773	-4,282	-3,573	–	-3,573
Change in actuarial gains and losses	–	–	–	9,832	–	–	9,832	-9	9,823
Change in interest rate swap	–	–	–	–	-12,953	–	-12,953	–	-12,953
Deferred tax relating to other comprehensive income	–	–	–	-2,054	3,638	–	1,584	2	1,586
Other comprehensive income	**–**	**–**	**–**	**7,714**	**-8,542**	**18,852**	**18,024**	**-69**	**17,955**
Total comprehensive income	**–**	**–**	**823,004**	**7,714**	**-8,542**	**18,852**	**841,028**	**5,260**	**846,288**
Capital increase[1]	15,622	-15,622	–	–	–	–	0	–	0
Distribution of dividends[2]	–	–	-253,975	–	–	–	-253,975	-1,078	-255,053
Transactions concerning non-controlling interests due to changes in the consolidated group	–	–	–	–	–	–	–	-225	-225
Balance as at 31.12.2024	**118,222**	**1,732,319**	**3,226,870**	**-57,968**	**-8,657**	**-32,816**	**4,977,970**	**22,400**	**5,000,370**

[1] See also the comments under item (27) Equity.

[2] The total dividend payment of T€ 253,975 corresponds to a dividend per share of € 2.20 based on 115,442,976 shares.

T€	Share capital	Capital reserves	Retained earnings	IAS 19 reserves	Hedging reserves	Foreign currency translation reserves	Group equity	Non-controlling interests	Total equity
Balance as at 1.1.2023	**102,600**	**2,085,806**	**1,935,488**	**-79,326**	**18,260**	**-59,977**	**4,002,851**	**22,392**	**4,025,243**
Net income	**–**	**–**	**630,508**	**–**	**–**	**–**	**630,508**	**2,886**	**633,394**
Differences arising from currency translation	–	–	–	–	–	3,706	3,706	-61	3,645
Change in equity-accounted investments	–	–	–	-82	-7,260	4,603	-2,739	–	-2,739
Change in actuarial gains and losses	–	–	–	17,314	–	–	17,314	-45	17,269
Change in interest rate swap	–	–	–	–	-15,762	–	-15,762	–	-15,762
Deferred tax relating to other comprehensive income	–	–	–	-3,411	4,647	–	1,236	10	1,246
Other comprehensive income	**–**	**–**	**–**	**13,821**	**-18,375**	**8,309**	**3,755**	**-96**	**3,659**
Total comprehensive income	**–**	**–**	**630,508**	**13,821**	**-18,375**	**8,309**	**634,263**	**2,790**	**637,053**
Transfers due to changes in the consolidated group	–	–	177	-177	–	–	0	–	0
Reverse entry of the purchase obligation for own shares[1]	–	–	291,310	–	–	–	291,310	–	291,310
Distribution of dividends[2]	–	–	-199,642	–	–	–	-199,642	-3,495	-203,137
Capital adjustment[1]	1,900,000	-1,900,000	–	–	–	–	0	–	0
Capital reduction[1]	-1,900,000	996,620	–	–	–	–	-903,380	–	-903,380
Capital increase[1]	–	565,515	–	–	–	–	565,515	–	565,515
Transactions concerning non-controlling interests due to changes in the consolidated group	–	–	–	–	–	–	–	-3,244	-3,244
Balance as at 31.12.2023	**102,600**	**1,747,941**	**2,657,841**	**-65,682**	**-115**	**-51,668**	**4,390,917**	**18,443**	**4,409,360**

[1] See also the comments under item (27) Equity.

[2] The total dividend payment of T€ 199,642 corresponds to a dividend per share of € 2.00 based on 99,820,994 shares.

Notes to the consolidated financial statements

2024

Basic principles

The STRABAG SE Group is a leading European technology group for construction services. STRABAG SE has its headquarters in Triglavstraße 9, 9500 Villach, Austria. STRABAG SE is the ultimate parent company of the group. From its core markets of Austria and Germany, STRABAG is present via its numerous subsidiaries in all countries of Eastern and South-East Europe, in selected markets in North and Western Europe and the Arabian Peninsula, as well as in the project business in Africa, Asia and the Americas. STRABAG's activities span the entire construction industry (Building Construction & Civil Engineering, Transportation Infrastructures, Tunnelling, construction-related services) and cover the entire value-added chain in the field of construction.

The consolidated financial statements of STRABAG SE, at the reporting date 31 December 2024, were drawn up under application of Section 245a Paragraph 2 of the Austrian Commercial Code (UGB) in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

Applied were exclusively those standards and interpretations adopted by the European Commission before the reporting deadline and published in the Official Journal of the European Union. Further reporting requirements of Section 245a Paragraph 1 of the Austrian Commercial Code (UGB) were fulfilled as well.

In addition to a statement of total comprehensive income and the consolidated balance sheet, the financial statements include a cash flow statement in accordance with IAS 7 and a statement of changes in equity (IAS 1). The disclosures in the Notes also contain a segment reporting section in accordance with IFRS 8.

In order to improve the clarity of the representation, various items in the balance sheet and the income statement have been combined. These items have been shown separately and are explained in the Notes. The income statement has been drawn up in accordance with the nature of expense method.

There have been no changes in accounting policies during the financial year.

The preparation of the consolidated financial statements was based on the assumption that the company will continue as a going concern.

The consolidated financial statements were prepared in T€. The presentation in T€ may result in rounding differences.

Changes in accounting policies

New and revised standards and interpretations that are effective for the 2024 financial year

The IASB has made the following amendments to the existing IFRS and passed several new IFRS and IFRIC, which have also been adopted by the European Commission. Application thus became mandatory on 1 January 2024.

	Application for financial years which begin on or after (according to IASB)	Application for financial years which begin on or after (according to EU endorsement)
Amendments to IAS 1 – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date and Non-Current Liabilities with Covenants	1.1.2024	1.1.2024
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	1.1.2024	1.1.2024
Amendments to IAS 7/IFRS 7 – Supplier Finance with Arrangements	1.1.2024	1.1.2024

The first-time adoption of the IFRS standards had no impact on the consolidated financial statements as at 31 December 2024.

Future changes of financial reporting standards

The IASB and the IFRIC approved further standards and interpretations. However, these were neither required to be applied in the 2024 financial year nor adopted by the European Commission. The amendments affect the following standards and interpretations:

	Application for financial years which begin on or after (according to IASB)	Application for financial years which begin on or after (according to EU endorsement)	Impact on the consolidated financial statements
Amendments to IAS 21 – Lack of Exchangeability	1.1.2025	1.1.2025	minor
Annual Improvements Volume 11	1.1.2026	n. a.[1]	minor
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1.1.2026	n. a.[1]	is being analysed
Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	1.1.2026	n. a.[1]	minor
IFRS 19 Subsidiaries without Public Accountability: Disclosure	1.1.2027	n. a.[1]	not applicable
IFRS 18 Presentation and Disclosure in Financial Statements	1.1.2027	n. a.[1]	is being analysed

[1] n. a. – endorsement process is still in progress

Early application of the new standards and interpretations is not planned.

Consolidation

The financial statements of the domestic and foreign companies included in the consolidated group are drawn up in accordance with uniform methods of accounting and valuation. The annual financial statements of the domestic and foreign Group companies are adapted accordingly.

Subsidiaries

Entities whose financial and operating policies are controlled by the Group constitute subsidiaries.

The consolidated financial statements include the financial statements of the parent and entities (including structured entities) over which the Group has control. An entity is considered to be under control if the following criteria are met:

- The parent has power over the investee.
- The parent is exposed to variable returns on the investment.
- The parent has the ability to affect the returns from the investment through its power over the investee.

Control over an entity is reassessed if facts and circumstances indicate that there are changes to one or more of the three elements of control discussed above.

Owning a majority of the voting rights is not always necessary to have power and control over an investee. Control can be achieved through other rights or contractual agreements which give the parent the possibility to affect the returns of the investee.

A subsidiary is included in the consolidated financial statements from the date on which the parent acquired control. Conversely, the entity is deconsolidated when control ends.

Capital consolidation is performed in accordance with IFRS 3 using the acquisition method. The acquisition costs of the subsidiary are measured as the sum of the fair values of assets given, equity instruments issued and liabilities assumed. Contingent considerations are also measured at their fair value from the date of the business combination. Later deviations from this value are recognised in profit or loss. Transaction costs are also recognised immediately in profit or loss.

Non-controlling interests are recognised based on their proportional interest in the net assets of the acquired entity (partial goodwill method). The option of recognising non-controlling interests at fair value is not used.

In business combinations achieved in stages (step acquisitions), the existing equity interest of the entity is remeasured at fair value from the date of acquisition. The resulting profit or loss is recognised in the income statement.

The acquisition costs, contingent considerations, existing equity interests and non-controlling interests are to be compared with all identifiable assets and liabilities of the subsidiary measured at fair value. Any remaining difference on the assets side is classified as goodwill. Differences arising from the capital consolidation on the liabilities side are recognised immediately in profit or loss following another review. Goodwill is subjected to impairment testing in accordance with IAS 36 at least once a year.

In the 2024 financial year, T€ 65,636 (2023: T€ 53,258) in goodwill arising from capital consolidation was recognised as assets. Impairment losses on goodwill in the amount of T€ 0 (2023: T€ 7,454) were recognised.

Transactions with non-controlling interests that do not result in loss of control

Differences arising from the acquisition or disposal of investments in affiliated entities without acquisition or loss of control are recognised in full in equity outside profit or loss.

Disposal of subsidiaries

When control over a subsidiary is lost, the assets and liabilities of the former subsidiary are derecognised. The resulting profit or loss attributable to the former controlling interest is recognised in profit or loss. The amounts recognised in other comprehensive income are reclassified to the income statement or recognised directly against profit or loss brought forward. The profit or loss from deconsolidation is recognised as an amount in other operating income or expense.

When control over a subsidiary is lost, any remaining investment is remeasured at fair value. The difference to the existing carrying amounts is recognised in profit or loss. Associates, joint arrangements or financial assets are initially recognised at this fair value. All previous amounts recognised to date in other income are accounted for as if the assets and liabilities of the affected entities had been sold directly.

When a real estate project company is deconsolidated and sold under a share deal in the course of the project development business, the disposal profit is not presented as a deconsolidation gain but - from an economic point of view - as gross revenue and expenses from the project development. This ensures that asset deals and share deals are presented in the same way in the project development business.

Structured entities

Structured entities are entities that are not controlled by voting rights, but mainly through contractual arrangements for a specific business purpose. The business purpose is usually restricted to a narrow field of activity. Structured entities typically have little equity capital and rely on owner financing. There are no structured entities within the STRABAG SE Group.

Associates

Entities in which the Group exercises significant influence constitute associates. This is generally the case with a holding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method and recognised in the item equity-accounted investments. The acquired investment is initially measured at cost. Any differences that arise are treated according to the principles of consolidation. In subsequent years, the carrying amount of the investment increases or decreases in proportion to the share of profit or loss and/or the investee's other income. Distributions reduce the carrying amount of the investment. As soon as the Group's share of losses equals or exceeds the interest in the associate, no further losses are recognised unless the Group is liable for the associate's losses.

At the end of every accounting period, the Group determines whether there are any indications for an impairment of the investment in the associate. If there are, then the difference between the carrying amount and the recoverable amount is recognised as an impairment expense in the share of profit or loss of equity-accounted investments in the income statement.

In the year under review, the initial equity measurement of newly acquired entities and of additional interest acquired in existing entities resulted in goodwill in the amount of T€ 6,191 (2023: T€ 84,030), which is reported under equity-accounted investments.

Joint arrangements

Joint ventures are entities over which the Group exercises joint control together with a third entity. Joint control exists when the determination of the financial and operating policies requires the unanimous consent of all parties to the joint control. STRABAG accounts for joint ventures using the equity method and these are recognised in the item equity-accounted investments.

Consortia are quite common in the construction industry in Austria and Germany. According to the Institute of Public Auditors in Germany (IDW) and a statement by the Austrian Financial Reporting and Auditing Committee (AFRAC), the typical German and Austrian construction consortium meets the requirements to be classified as a joint venture. Earnings from construction consortia are presented proportionately under share of profit or loss of equity-accounted investments. The receivables from and payables to construction consortia include mainly in- and outflows of cash, charges resulting from services as well as proportional contract results and are recorded under trade receivables and trade payables.

Joint arrangements for the execution of construction work in the remaining countries are accounted for either as joint ventures or as joint operations depending on the substance of the arrangement.

Other investments

In accordance with IFRS 9, investments which do not constitute subsidiaries, joint ventures or associates are recognised at fair value through profit or loss and are stated under other investments.

Subsidiaries, joint ventures and associates which, being immaterial, are not consolidated or accounted for using the equity method are measured at amortised cost and reported under other investments.

Consolidation procedures

As part of the consolidation of intercompany balances, any trade receivables, loans and other receivables existing within the Group are set off against the corresponding liabilities and provisions of the subsidiaries included in the consolidated financial statements.

Expenses and revenues from intra-group transactions are eliminated. Results incurred from intra-group transactions that are recognised in the non-current and current assets are eliminated if they are material.

Unrealised profits from transactions between Group entities and associates are eliminated in proportion to the Group's share in the associate.

Non-controlling interests in equity and profits of companies controlled by the parent are shown separately in the consolidated financial statements.

The necessary tax deferrals are made for consolidation procedures.

The consolidated group

The consolidated financial statements as at 31 December 2024 include STRABAG SE as well as all major domestic and foreign subsidiaries over which STRABAG SE either directly or indirectly has control. Associates and joint ventures are reported in the balance sheet using the equity method (equity-accounted investments).

Group companies which are of minor importance for the purpose of giving a true and fair view of the financial position, financial performance and cash flows of the Group are not consolidated. The decision to include an entity in the consolidated group is based on quantitative and qualitative considerations.

Subsidiaries and equity-accounted investments included in the 2024 consolidated financial statements are given in the list of investments.

The financial year for all consolidated and associated companies, with the exception of the following companies that are included in the consolidated group on the basis of an interim report effective 31 December 2024, is identical with the calendar year.

Companies	Reporting date	Method of inclusion
EFKON INDIA Pvt. Ltd., Mumbai	31.3.	consolidation
Thüringer Straßenwartungs- und Instandhaltungsgesellschaft mbH & Co. KG, Apfelstädt	30.9.	equity-accounted investment

The number of consolidated companies changed in the 2023 and 2024 financial years as follows:

	Consolidation	Equity method
Balance as at 31.12.2022	**266**	**22**
First-time inclusions in the reporting period	19	2
First-time inclusions in the reporting period due to merger/accrual of assets	8	0
Merger/Accrual of assets in the reporting period	-17	0
Exclusions in the reporting period	-15	-1
Balance as at 31.12.2023	**261**	**23**
First-time inclusions in the reporting period	14	0
First-time inclusions in the reporting period due to merger/accrual of assets	3	0
Merger/Accrual of assets in the reporting period	-7	0
Exclusions in the reporting period	-7	-1
Balance as at 31.12.2024	**264**	**22**

Additions to the consolidated group

The following companies formed part of the consolidated group for the first time in the reporting period:

Consolidation	Direct stake %	Date of acquisition or foundation
Climtech GmbH, Berlin	100.00	7.5.2024
ELCO S.A., Kehlen	100.00	30.4.2024
ELCO SERVITEC S.A., Kehlen	100.00	30.4.2024
Hotelprojekt am Tabor GmbH & Co KG, Vienna	100.00	1.1.2024[1]
Hotelprojekt am Tabor Komplementär GmbH, Vienna	100.00	1.1.2024[1]
MUSCORUM GmbH & Co KG, Vienna	100.00	19.12.2024
PASCUORUM GmbH & Co KG, Vienna	100.00	19.12.2024
SAT REABILITARE RECICLARE SRL, Cluj-Napoca	100.00	1.1.2024[1]
STRABAG CONSTRUCT S.R.L., Bucharest	100.00	28.08.2024
STRABAG EGLINTON PROJECT INC., Mississauga	100.00	1.1.2024[1]
STRABAG Hold Estate Frankfurt Gateway GmbH & Co. KG, Cologne	100.00	29.10.2024
STRABAG Hold Estate Köln-Mülheim GmbH & Co. KG, Cologne	100.00	25.7.2024
STRABAG SIS a.s., Prague	100.00	1.1.2024[1]
STRABAG Water s.r.o., Prague	100.00	1.1.2024[1]

Merger/Accrual of assets	Direct stake %	Date of Merger/ Accrual of assets
GITA Gunter Ingenieure TA GmbH, Nidda	100.00	22.7.2024[2]
SRE Zweite Vermögensverwaltung GmbH, Cologne	100.00	22.7.2024[2]
Wollhaus HN GmbH & Co. KG, Cologne	100.00	29.7.2024[2]

[1] Due to its increased business volumes, the companies were included in the consolidated group for the first time effective 1 January. The foundation/acquisition of the companies occurred before 1 January 2024.

[2] The companies listed under Merger/Accrual of assets were merged with/accrued on already consolidated companies and as such are simultaneously represented as additions to and removals from the consolidated group.

Companies included for the first time were consolidated at the date of acquisition or the next reporting date, provided this had no significant difference to an inclusion at the date of acquisition.

STRABAG acquired 100% of **Climtech GmbH, Berlin,** by way of an assignment agreement dated 28 February 2024. Climtech is a M&E enterprise (mechanical and electrical engineering services) with expertise in the main building engineering segments (heating, cooling, ventilation, sanitary and electrical). Instrumentation and control engineering services and their downstream maintenance round off the service portfolio. The company and its 123 employees generated an output volume of around € 31 million in 2023.

The acquisition will expand STRABAG's service and customer portfolio in Brandenburg, Germany, while also increasing the depth of the Group's property and facility services business. The transaction was completed on 7 May 2024.

Additions to assets and liabilities from the first-time consolidation of Climtech GmbH are comprised as follows:

T€	First-time consolidation
Assets and liabilities acquired	
Goodwill	13,062
Other non-current assets	3,047
Current assets	7,616
Non-current liabilities	-2,179
Current liabilities	-3,812
Consideration (purchase price)	**17,734**
Cash and cash equivalents	-1,402
Net cash outflow from acquisition	**16,332**

In a contract dated 19 April 2024, STRABAG acquired the **ELCO Group**, consisting of the main companies ELCO S.A. and ELCO SERVITEC S.A., based in Kehlen, Luxembourg. The ELCO Group is a leading multi-technology provider in Luxembourg. The company has around 450 employees and in 2023 generated revenue of around € 59 million.

The service portfolio in the field of mechanical and electrical engineering services (M&E) covers all technical trades from planning to the installation of heating, cooling, air conditioning, ventilation and sanitary systems through to fire alarm technology. ELCO also offers medium-voltage and renewable energy services, such as the installation of photovoltaic systems and charging stations, as well as comprehensive industrial services and telecommunications network services.

The acquisition is aimed at penetrating the market in Luxembourg, enabling STRABAG to offer integrated facility management services there in the future. The deal was closed on 30 April 2024.

Additions to assets and liabilities from the first-time consolidation of the ELCO Group are comprised as follows:

T€	First-time consolidation
Assets and liabilities acquired	
Goodwill	52,574
Other non-current assets	3,768
Current assets	21,662
Non-current liabilities	-1,571
Current liabilities	-20,343
Consideration (purchase price)	**56,090**
Cash and cash equivalents acquired	-7,638
Net cash outflow from acquisition	**48,452**

The other first-time consolidations had only an insignificant impact on assets and liabilities.

All companies which were consolidated for the first time in 2024 contributed T€ 93,040 to revenue and with a profit of T€ 6,724 to net income after minorities.

Assuming a theoretical first-time consolidation on 1 January 2024 for all new acquisitions, they would contribute T€ 116,502 to consolidated revenue and a profit of T€ 8,909 to net income.

Acquisitions after the reporting period

In May 2024, STRABAG SE, acting through a joint holding company together with PORR AG, has signed an assignment agreement for parts of **VAMED Group**. The object of the acquisition are VAMED-KMB Krankenhausmanagement und Betriebsführungsges.m.b.H. (VKMB) and VAMED Standortentwicklung und Engineering GmbH (VSG), comprising the technical operations management and construction projects of Vienna General Hospital (AKH Wien), the Austrian project development business and VAMED’s spa holdings in Austria. The transaction is subject to regulatory approval, including approval by the relevant competition authorities. As of the balance sheet date, approval had not yet been granted. The acquired parts of VAMED Group generated an output volume of around € 270 million. The purchase price for 100% of the shares amounts to approximately € 90 million. Due to the ongoing review by the competition authorities, STRABAG has no access to the financial data and for this reason is unable to provide any information regarding first-time consolidation and purchase price allocation.

The agreement could not be finalised by the contractually agreed date. In March 2025, the STRABAG-PORR consortium therefore entered into supplementary negotiations with the seller in relation to the purchase agreement.

Under a purchase agreement from 30 December 2024, STRABAG acquired 100% of the shares in **Georgiou Group Pty Ltd**. The Perth-based company, a specialist in road and infrastructure construction with 875 employees, generates an annual output of around AUD 1.3 billion, the equivalent of € 787 million. The purchase price equivalent of € 126 million will be financed through existing cash and cash equivalents. To ensure a resilient position in the long term, the acquisition also forms part of the company’s push to diversify the country portfolio outside Europe. The request for approval by Australia’s Foreign Investment Review Board (FIRB) was granted on 18 December 2024. The closing of the transaction took place on 21 March 2025. On the basis of the available financial information, the transaction will result in goodwill in the high double-digit millions. Since the financial information is not yet complete, the accounting for the merger has not yet been finalised, and no detailed information on the first-time consolidation and purchase price allocation can be provided.

Disposals from the consolidated group

As at 31 December 2024, the following companies were no longer included in the consolidated group:

Disposals from the consolidated group	
F 101 Projekt GmbH & Co. KG, Cologne	Fell below material level
Krems Sunside Living Projektentwicklung GmbH, Vienna	Fell below material level
Kuhwald 55 Projekt GmbH & Co. KG, Cologne	Fell below material level
Nyugat Aszfalt Kft, Budapest	Fell below material level
STRABAG AB, Stockholm	Fell below material level
STRABAG AO, Moscow	Winding up Russia
Züblin Projektentwicklung GmbH, Stuttgart	Fell below material level

Merger/Accrual of assets[1]	
BITUNOVA spol. s r.o., Jihlava	Merger
D+B Holding und Beteiligungs GmbH, Salzburg	Merger
GITA Gunter Ingenieure TA GmbH, Nidda	Merger
HUMMEL Systemhaus GmbH & Co. KG, Frickenhausen	Accrual of assets
LIMET Beteiligungs GmbH, Cologne	Merger
SRE Zweite Vermögensverwaltung GmbH, Cologne	Merger
Wollhaus HN GmbH & Co. KG, Cologne	Accrual of assets

Equity-accounted investments	
A2 ROUTE Sp. z o.o., Pruszkow	Fell below material level

[1] The companies listed under Merger/Accrual of assets were merged with already consolidated companies or, as a result of accrual of assets, formed part of consolidated companies.

The disposals of assets and liabilities from deconsolidations are composed as follows:

T€	Disposals from the consolidated group
Assets and liabilities disposed of	
Other non-current assets	4,259
Current assets	28,148
Non-current liabilities	-1,048
Current liabilities	-27,418
Foreign currency translation reserves	38,642
Profit on deconsolidations recognised in profit or loss	-33,539
Consideration received (purchase price)	**9,044**
Non-cash effective purchase price component	-9,044
Cash and cash equivalents disposed of	2,821
Net cash outflow from deconsolidation	**2,821**

Resulting profit in the amount of T€ 1,207 (2023: T€ 7,600) and losses in the amount of T€ 34,746 (2023: T€ 7,226) are recognised in profit or loss under other operating income or other operating expense. The deconsolidation earnings of companies whose functional currency differs from the euro also includes the recycled earnings of the currency translation differences recognised directly in equity up to the date of deconsolidation.

One of the STRABAG SE Group's business fields is real estate project development. When project developments are sold as share deals, the disposal profit is not presented as a deconsolidation gain but - from an economic point of view - is recognised as revenues from the project development. No project companies were sold in 2024 and 2023.

Non-controlling interests

As at 31 December 2024, the amount of the non-controlling interests stood at T€ 22,400 (2023: T€ 18,443) in the STRABAG SE Group and is thus immaterial. The non-controlling interests comprise several smaller subsidiaries.

Besides the above-mentioned investments, the ownership interests in subsidiaries in the financial year changed only insignificantly or had insignificant impact. The changes are represented in the list of investments, which is included in the annual financial report.

Currency translation

The items contained in the financial statements of each Group entity are measured on the basis of the currency corresponding to the currency of the primary economic environment in which the entity operates (functional currency).

The functional currency of STRABAG's subsidiaries is the respective local currency, with the exception of the following companies, whose functional currency is the euro:

- AKA Zrt., Budapest
- AMFI HOLDING Kft., Budapest
- BHK KRAKÓW JOINT VENTURE Sp. z o.o., Warsaw
- EXP HOLDING Kft., Budapest

The consolidated financial statements are prepared in euro, STRABAG's reporting currency.

Foreign currency transactions are translated into the functional currency at the foreign exchange rate on the day of the transaction. On the reporting date, monetary items are translated at the closing rate, while non-monetary items are translated at the rate on the day of the transaction. Exchange differences are recognised in profit or loss.

Assets and liabilities of Group entities whose functional currency is not the euro are translated from the respective local currency into euro at the average exchange rate on the reporting date. As well as the corresponding profit for the period, the income statements of foreign Group entities whose functional currency is not the euro are translated at the average exchange rate for the reporting period. The differences resulting from the use of both rates are reported outside profit or loss.

Monetary items in form of receivables or payables which settlement is neither planned nor likely to occur in the foreseeable future are, in substance, a part of an entity's net investment in a foreign operation. Currency translation differences arising on such monetary items are initially recognised in other comprehensive income and reclassified from equity to profit and loss on disposal of the net investment.

The most important currencies, including their average exchange rates, are listed under item (36) Financial instruments. Currency translation differences of T€ 23,072 (2023: T€ 3,645) were recognised directly in equity in the financial year. Due to deconsolidations, currency differences in the amount of T€ -38,642 (2023: T€ 2,115) that had been recognised directly in equity in previous years were reclassified from equity to profit and loss (recycling).

Accounting policies

Goodwill

Goodwill from a business combination is initially measured at cost. This is calculated as the excess of the consideration transferred over the identifiable assets acquired and liabilities assumed. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised, rather, it is subjected to annual impairment testing in accordance with IAS 36. The Group conducts its annual test for goodwill impairment at year's end (31 December). Testing is also performed if events or circumstances indicate that the figure could be impaired. For the purpose of the impairment testing, goodwill is assigned to one or more of the Group's cash-generating units that should benefit from the synergy effects of the combination. The recoverability of goodwill is determined by comparing the carrying amount of the respective cash-generating unit (CGU) or units with the recoverable amount. If the goodwill is impaired, an impairment loss is recognised. A reversal of impairment losses once the reasons for the impairment no longer apply is not foreseen for goodwill.

Rights from concession arrangements

Service concession arrangements between the STRABAG SE Group and the public sector to build, operate, maintain and finance infrastructure facilities are treated in accordance with the requirements of IFRIC 12.

A right from a concession arrangement is recognised if the consideration does not represent an enforceable right to payment, but instead a right to charge a usage fee is granted.

The right from the concession arrangement is accounted for at the fair value of the consideration and subsequently recognised less depreciation over the period of the concession and impairment losses. If the reasons for the previously recognised impairment loss no longer apply, these assets are written back through profit or loss. The amount may not exceed the carrying amount that would have resulted if no impairment loss had been recognised in previous periods.

Other intangible assets

Acquired intangible assets are recognised at their initial costs less amortisation and impairment losses if applicable.

Development costs for an internally generated intangible asset are capitalised if the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for internal use or sale and if it can demonstrate the intent to complete the intangible asset and use or sell it. The Group must also demonstrate that the intangible asset will generate probable future economic benefits, that it has adequate resources to complete the asset and that it is able to reliably measure the expense attributable to the asset during its development. The construction costs for these assets comprise all construction costs directly attributable to the construction process as well as production-related overheads. Borrowing costs are capitalised for qualified assets. Research costs which do not fulfil these criteria are recognised as an expense in the period in which they are incurred. Costs that have already been recognised as an expense are not capitalised in a subsequent period.

The subsequent measurement of intangible assets with definite useful lives is performed at cost less accumulated amortisation and impairment losses. Within the Group, there are no intangible assets with indefinite useful lives.

The following useful lives were assumed for intangible assets for amortisation using the straight-line method:

Intangible assets	Useful life in years
Property rights, utilisation rights and other rights	3–50
Software	2–5
Patents and licences	3–10

Property, plant and equipment

Property, plant and equipment is initially recognised at cost. STRABAG performs subsequent measurements using the cost model – cost less accumulated depreciation and impairment losses. If the reasons for a previously recognised impairment loss no longer apply, these assets are written back through profit or loss. The amount may not exceed the carrying amount that would have resulted if no impairment loss had been recognised in the previous periods.

Subsequent acquisition costs are capitalised if it is probable that future economic benefits will flow to the Group and if the costs can be reliably determined. Repair and maintenance costs which do not constitute significant maintenance expense are recognised as expenses in the period in which they are incurred.

Depreciable property, plant and equipment is generally depreciated using the straight-line method over the expected useful life. In individual cases, output-based depreciation is applied. If there is an indication that an asset may be impaired and if the present values of the future cash inflow surpluses are below the carrying amounts, the amount is revalued to the lower recoverable amount in accordance with IAS 36.

The following useful lives were assumed for property, plant and equipment:

Property, plant and equipment	Useful life in years
Buildings	10–50
Investments in third-party buildings	5–40
Machinery	3–15
Office equipment/furniture and fixtures	3–10
Vehicles	4–9

Investment property

Investment property is property held to earn rental income or for the purpose of capital gains. Investment property is initially measured at cost. STRABAG uses the cost model for subsequent measurements, i.e. the measurement is performed at cost less accumulated depreciation and impairment losses. If the present values of the future cash inflow surpluses are below the carrying amounts, the amount is revalued to the lower recoverable amount in accordance with IAS 36. The fair value of this investment property is disclosed separately. The fair value is determined using recognised methods such as derivation from the current market price of comparable properties or the discounted cash flow method.

The useful life of investment property varies between 10 and 35 years. Investment property is depreciated using the straight-line method.

Leases

A lease is a contractual arrangement in which the lessor (owner) grants the lessee (user) the right to control an identified asset for a specified period of time in exchange for a consideration.

The STRABAG SE Group is a **lessee** of real estate properties (offices, storage spaces, etc.). A large number of the contracts are stand-alone contracts with comparatively low annual rental payments, of both limited and unlimited duration and with ordinary termination rights.

Leases are to be presented as a right-of-use asset and a corresponding lease liability in the balance sheet. The lease payments are split into a financing and a principal component. The finance costs are recognised in profit or loss over the term of the lease, resulting in a constant periodic interest rate on the remaining amount of the liability for each period. The right-of-use asset is amortised on a straight-line basis over the shorter of the two periods of useful life or term of lease.

Lease payments are made at the Group's incremental borrowing rate, i.e. the rate of interest that the Group would have to pay to borrow the funds necessary to obtain an asset of a similar value and at similar terms in a similar economic environment.

Payments for short-term leases and leases for which the underlying asset is of low value are recognised as an expense. Short-term leases are leases with a term of up to twelve months.

To a minor extent, the Group also acts as a **lessor**. This essentially involves office space, in particular the TECH GATE VIENNA in Vienna. These leases are to be classified as operating leases. Rental income from these leases is shown in other operating income.

Government grants

Government subsidies and investment grants are offset against the cost of the assets and amortised in proportion to their useful lives. A government grant is recognised when there is reasonable assurance that the grant will be received, and the Group complies with the necessary conditions for receiving the grant.

A total of T€ 3,127 (2023: T€ 3,127) of the investment promotion bonus ("Investitionsförderungprämie") was utilised, of which T€ 2,110 (2023: T€ 2,110) still remains outstanding as at the reporting date.

Additional energy cost subsidies totalling T€ 194 (2023: T€ 5,347) were granted in Austria and Germany. These are recognised in profit or loss.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition or production of a qualifying asset are recognised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time (over six months) to get ready for their intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Impairment of non financial assets

Assets that are subject to depreciation or amortisation, as well as other investments and associates, are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may no longer be recoverable. Assets that have an indefinite useful life, such as goodwill or intangible assets not yet available for use, are tested for impairment annually as such assets are not subject to depreciation or amortisation.

To identify the need for an impairment loss, the recoverable amount is determined. The recoverable amount is the higher of fair value of the asset less costs to sell and value in use. If it is not possible to determine the recoverable amount for an individual asset, then the recoverable amount is determined for the smallest identifiable group of assets (cash-generating unit) to which the asset in question can be assigned.

Considering that, as a rule, market prices are not available for individual units, the present value of net cash inflows is used to determine the fair value less costs to sell. The forecast of the cash flows is based on STRABAG's latest planning, with a planning horizon of at least four years. The last detailed planning year forms the basis for calculating the perpetuity if applicable legislation and legal requirements do not limit the usability of the cash-generating unit to a shorter period of time.

For the purpose of determining the fair value less costs to sell, the cash-generating unit is measured from the viewpoint of an independent market participant. In calculating the value in use of an asset, on the other hand, the cash flows are considered based on the previous use. For the net cash inflows beyond the detailed planning period, individual growth rates derived from market information are determined based on long-term business expectations in both methods of calculation.

Net cash inflows are discounted at the cost of capital, which is calculated as the weighted average cost of equity and debt. Consideration is given to the different yield and risk profiles of STRABAG's various areas of expertise by determining the individual costs of capital using comparison companies. The cost of equity corresponds to the required rate of return for investors, while the cost of debt is based on the long-term financing conditions available to comparison companies. Both components are derived from capital market information.

The following table shows the parameters growth rate and cost of capital for impairment testing:

%	**2024**	2023
Growth rate	0.0–0.5	0.0–0.5
Cost of capital (after tax)	8.0–11.2	8.1–11.8
Cost of capital (before tax)	10.6–13.9	9.5–13.9

The Management Board has calculated the budgeted gross margin based on past developments and on expectations for future market development.

If the recoverable amount of an asset is lower than the carrying amount, an impairment loss is recognised immediately in profit or loss. In the case of impairment losses related to cash-generating units which contain goodwill, existing goodwill is initially reduced. If the impairment loss exceeds the carrying amount of the goodwill, the difference is generally apportioned proportionally over the remaining non-current assets of the cash-generating unit.

With the exception of goodwill, non-financial assets for which an impairment loss was charged in the past are reviewed at every balance sheet date to determine whether the impairment loss should be reversed.

Financial assets

Financial assets are recognised in the consolidated balance sheet if STRABAG has a contractual right to receive cash or other financial assets from another party. Regular way purchases and sales of financial assets are recognised using settlement date; the trade date is used for derivatives.

Financial assets that are not measured at fair value through profit or loss are initially recognised at fair value plus transaction costs which are directly attributable to the acquisition.

Transaction costs which arise upon the acquisition of financial assets measured at fair value through profit or loss are immediately recognised as an expense.

Receivables bearing no interest or interest below the market rate are initially recognised at the present value of the expected future cash flows.

For purposes of subsequent measurement, financial assets are classified in one of the following categories in accordance with IFRS 9, with each category having its own measurement requirements. The classification is determined at initial recognition.

For measurement and accounting purposes, financial assets are to be assigned to one of the following categories:

- Financial assets measured at amortised cost (AC)
- Financial assets measured at fair value through profit or loss (FVPL)
- Financial assets, classified as equity instruments under IAS 32, measured at fair value through other comprehensive income (FVOCI-equity)
- Financial assets, classified as debt instruments under IAS 32, measured at fair value through other comprehensive income (FVOCI-debt)

Financial assets measured at amortised cost

Financial assets in this category are measured at amortised cost if the objective of the business model is to hold the financial asset to collect the contractual cash flows, and the contractual terms of the instrument give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. These are classified as current financial assets if they mature within twelve months after the reporting date or within the usual business cycle. Otherwise they are classified as non-current financial assets. As part of the subsequent measurement, financial assets measured at amortised cost are valued using the effective interest method. When applying the effective interest method, all directly attributable fees, fees paid or received, transaction costs and other premiums or discounts included in the calculation of the effective interest rate are amortised over the expected life of the financial instrument. Interest income from the application of the effective interest method is recognised through profit or loss under interest income from financial instruments.

Trade receivables, receivables from consortia, receivables from subsidiaries and receivables from participation companies, as well as other financial assets, are measured at amortised cost less impairment allowances for expected credit losses.

Trade receivables

Trade receivables also include receivables from consortia.

Trade receivables and receivables from consortia are recognised in the consolidated balance sheet if STRABAG has a contractual right to receive cash or other financial assets from another party. Recognition is made on the settlement date.

Receivables bearing no interest or interest below the market rate are initially recognised at the present value of the expected future cash flows.

Subsequent measurement of trade receivables and receivables from consortia is at amortised cost less impairment losses for expected credit losses (see the section “Impairment of financial assets and contract assets”).

These are classified as current financial assets if they mature within twelve months after the reporting date or within the usual business cycle. Otherwise, they are classified as non-current financial assets.

Financial assets measured at fair value through profit or loss

A financial asset that is to be classified as a debt instrument under IAS 32 is measured at fair value through profit or loss if it is held for trading purposes, the cash flow criteria are not met, or it is designated as at FVPL at initial recognition. A financial asset at STRABAG is assigned to this category if it was principally acquired with an intention to sell in the short term. Derivatives also belong to this category if they do not qualify as hedging instruments. Assets in this category are recognised as current assets if the asset is expected to be realised within twelve months. All other assets are classified as non-current. Value changes of financial assets measured at fair value through profit or loss are recognised through profit or loss.

This category includes securities reported under non-current financial assets and securities reported under cash and cash equivalents.

The fair value option may be elected for financial assets which, based on the underlying business model and the contractual cash flows, are classified as measured at amortised cost if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The fair value option is not elected at STRABAG.

Financial assets which represent equity instruments under IAS 32 are also measured at fair value through profit or loss. Value changes are recognised through profit or loss in the income statement.

This category contains mainly investments below 20% that are held under other investments.

Upon initial recognition of equity instruments measured at fair value, there exists an irrevocable option to recognise value changes in other comprehensive income rather than in the income statement, provided the equity instrument is not held for trading purposes. Equity investments recognised in the other comprehensive income may not be later reclassified to the income statement. The option is not exercised at STRABAG.

Impairment of financial assets and contract assets

For the recognition of impairment losses, STRABAG allows for expected credit losses under IFRS 9. The expected loss impairment model is used for debt instruments for which subsequent measurement is made at amortised cost. The impairment requirements under IFRS 9 are also applied to non-financial contract assets.

Equity instruments measured at fair value through profit or loss or through other comprehensive income are not within the scope of the IFRS 9 impairment requirements.

IFRS 9 outlines a three-stage model to determine the scope of the risk provision, requiring expected credit losses to be measured from initial recognition at an amount equal to the twelve-month expected credit losses or, if the credit risk has worsened significantly, the full expected credit losses over the remaining life of the financial instrument. The general impairment model (general approach) is used for receivables from concession arrangements and for current and non-current other financial assets in the Group. Besides the general impairment model, the simplified impairment model (simplified approach) is used for trade receivables and for contract assets under IFRS 15. The simplified impairment model requires a risk provision equal to the expected losses over the full remaining life of the financial instrument to be recognised for trade receivables or contract assets regardless of the respective credit quality.

Application of the 30-days-past-due criterion is not useful in the construction sector, on the one hand because of incomplete performance recognition, and on the other hand because contracts are often fulfilled for public-sector clients, whose internal processes to release payment may be lengthy but usually result in full and complete payment.

To determine the expected credit losses, trade receivables and contract assets are grouped into different portfolios with similar risk characteristics. In establishing the portfolios, STRABAG also considers the underlying country risk and the creditworthiness.

During the initial recognition of financial assets, STRABAG takes into consideration the probability of defaults and continually monitors the development of the credit risk in each reporting period, taking into account all reasonable and supportable information and forecasts. This includes especially the following indicators:

- internal estimate of creditworthiness by the client
- external information on creditworthiness based on the corresponding country risk

Macroeconomic information (such as market interest rates) and other forecasts are included in the assessment of the credit risk.

Besides the application of the general and the simplified impairment approach, financial assets are considered impaired if there is objective evidence of credit default indicators. STRABAG recognises such impairments if the debtor has significant financial difficulty; if there is a high probability that insolvency proceedings will be commenced against the debtor; if a breach of contract and payment default has occurred; or if the issuer's technological, economic, legal and market environment changes substantially.

Impairment losses lower the carrying amount of the financial assets. If the reasons for the previously recognised impairment loss no longer apply, these assets are written back through profit or loss. The impairment losses or reversals of impairment losses resulting from the application of the impairment requirements is recognised through profit or loss in the other operating expense or income.

A financial asset defaults if bankruptcy proceedings have been started or it is highly probable that there is no reasonable expectation for repayment. These financial assets are then derecognised. When derecognising financial assets, STRABAG continues to undertake enforcement measures to attempt to recover the receivables that are due.

During the reporting period, there were no changes with regard to the impairment approaches and criteria that were applied.

Derecognition of a financial asset

Financial assets are derecognised when the contractual rights to receive payment from the financial assets no longer exist or if the financial assets are transferred along with all substantial risks and rewards. An asset is also derecognised if the substantial risks and rewards of ownership of the asset are neither transferred nor retained but control is relinquished. If control is retained, such transferred financial assets are recognised to the extent of the continuing involvement.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and the settlement is on a net basis. This concerns, to a minor extent, the settlement of trade receivables and payables.

Derivative financial instruments and hedging

Derivative financial instruments are employed exclusively to mitigate risks arising from movements in currency exchange rates and interest rates. The utilisation of financial derivatives is subject to internal guidelines and controls.

Derivative financial instruments are classified as financial assets measured at fair value through profit and loss or as derivatives used for hedging purposes at the date of contract conclusion. Derivative financial instruments are initially recognised at cost and measured at fair value in subsequent periods. Unrealised gains or losses on the measurement are recognised in the income statement if the conditions for hedge accounting under IFRS 9 are not met. Derivative financial instruments are stated under other financial assets or other financial liabilities.

Derivative financial instruments are measured based on observable market data (interest and exchange rates) and non-observable market data (the counterparty's credit rating). The fair value is determined using generally accepted methods of mathematical finance.

On application of the hedge accounting requirements, the Group designates derivative financial instruments as hedging instruments to either:

- hedge the exposure to changes in the fair value of a recognised asset or liability (fair value hedge), or to
- hedge the exposure to variability in cash flows (cash flow hedge).

In the case of fair value hedge accounting, the change in the fair value of the hedged item that is attributable to the hedged risk and the change in the fair value of the hedging derivative are recognised in the income statement. Fair value hedging is not used in the STRABAG SE Group.

If, however, a derivative financial instrument is used as a hedging instrument in a cash flow hedge, the effective unrealised gains or losses from the hedging instrument are initially accounted for under other comprehensive income. They are reclassified to profit or loss when the hedged item affects profit or loss. Any changes resulting from the ineffectiveness of these financial instruments are recognised immediately in profit or loss in the income statement.

When concluding a hedging transaction, STRABAG documents the clear hedging relationship between the hedging instrument and the hedged item, the objective of its risk management, and the underlying strategy. It is also established that there exists an economic relationship between the hedged item and the hedging instrument and that credit risk does not dominate the resulting value changes. The hedging relationship's hedging ratio reflects the ratio between the designated nominal amount of the hedged item actually used by STRABAG and the designated nominal amount actually designated by STRABAG to hedge the nominal amount of the hedged item. An assessment is made at the beginning of the hedging relationship, with documentation provided continually thereafter, of whether the derivatives used in the hedge are effective or not in offsetting the changes in fair value or cash flow of the hedged item. Hedging relationships are adjusted when there are changes in the hedged item.

The critical term match method is used to determine the prospective hedge effectiveness. The retrospective determination of hedge ineffectiveness is made on the basis of the dollar offset method.

Receivables from concession arrangements

Service concession arrangements between the STRABAG SE Group and the public sector to build, operate, maintain and finance infrastructure facilities are treated in accordance with the requirements of IFRIC 12.

Service concession agreements which provide an absolute contractual right to receive payment are recognised as financial assets. All receivables from concession arrangements are accounted for under the special balance sheet item receivables from concession arrangements. The receivables are carried at the present value of the payments to be made. The accumulation amount calculated annually using the effective interest method is recognised in revenue. Impairment allowances are made for expected credit losses.

Current and deferred income taxes

The income tax payables and receivables contain mainly rights and obligations regarding domestic and foreign income taxes. These comprise the rights and obligations from the current year as well as possible rights and obligations from previous years. The receivables/payables are calculated based on the tax regulations in the respective countries.

Deferred tax is measured using the balance sheet liability method for all temporary differences between the valuation of the balance sheet items in the IFRS financial statements and the existing tax value at the individual companies. Furthermore, any realisable tax advantage from existing losses carried forward will be included in the calculation. Exceptions to this comprehensive tax deferral are balances from non-tax-deductible goodwill.

Deferred tax assets may only be recognised if the associated tax advantage is likely to be realisable. The calculation of the tax deferral is based on the usual income tax rate in the respective country at the point of the predicted reversal.

Recognition is made of deferred tax liabilities arising from temporary differences in relation to investments in subsidiaries, joint ventures and associates unless the timing of the reversal of the temporary differences in the Group can be determined and the temporary differences are unlikely to reverse in response to this influence in the foreseeable future.

Inventories

Inventory costs include cost of purchase and production and are required to be stated at the lower of cost and net realisable value.

This item mainly includes undeveloped land as well as finished and unfinished buildings sold in the course of the project development business but for which there is not yet a specific investor.

Production costs include all direct costs as well as appropriate parts of overhead arising in the production. Distribution costs, as well as costs for general administration, are not included in the production costs. Borrowing costs related to production are recognised for inventories which are to be classified as qualifying assets.

Contract assets and contract liabilities

Regarding **construction contracts with customers**, revenue is recognised over time as required by IFRS 15, as the construction projects are built on the customers' properties and the customers thus always control the assets that are created or enhanced.

Construction is performed based on stand-alone contracts. The allocation of the transaction price to each performance obligation is made on the basis of the work estimate for the respective stand-alone item. If significant integration services are provided, a separate performance obligation is assumed. Transaction prices for construction contracts in the STRABAG SE Group are determined on the basis of the contract value agreed with the customer. Contractual penalties or bonus payments during the construction period may lead to amendments of the transaction price. These are carried with the most probable value by reason and amount on the basis of the project controlling.

Revenue recognition over time is made using the output-oriented method on the basis of the work performed. The actual work performed, and the corresponding revenue are determined at the level of the individual item according to the work estimate. Because of unforeseen deviations in the budgeted costs, the best indicator here is the percentage of completion as derived directly from the actual work performed. The performance completed to date, one of the key corporate governance figures, must be directly determined by the construction site team on a monthly basis.

The contract asset represents the Group's right to consideration from construction contracts with customers. If the value of a contract asset of a construction contract exceeds the payments received for it, then this is shown on the assets side under contract assets. In the opposite case, the figure is reported on the equity and liabilities side under contract liabilities.

Payments for construction contracts are usually made parallel to the performance on the basis of regular invoicing. Payments of advance consideration before the actual performance are common practice, especially in building construction. Agreements covering extended terms of payment or staggered invoicing of performance completed are made only on a case-by-case basis with special approval by the Management Board of STRABAG SE.

If it is probable that the costs exceed the recoverable proceeds, an onerous contract provision is recognised in accordance with IAS 37. Any costs directly attributable to the contract are taken into account to determine the costs. The onerous contract provision, considered individually, is recognised at the amount that is required for the completion of the obligation from the construction contract. Up to the value of the contract asset, an impairment loss is recognised. If the value of the respective contract asset is exceeded, an onerous contract provision is recognised on the equity and liabilities side under the current provisions.

With regard to impairment losses, see the section "Impairment of financial assets and contract assets".

Inventories that have not yet been used in the construction process but are already present on the construction sites are no longer accounted for as a separate asset but are instead assigned to the respective contract and recognised as a contract asset.

Claims and variation orders in connection with construction contracts involve any modification or change (actual construction progress) to the contractually agreed scope of work (agreed specifications). Due to the existing contractual agreements, these modifications to the work to be performed cannot be invoiced until the client approves the changes or agrees to their invoiceability.

Modifications or changes to the work to be performed include agreed changes to the work to be performed as well as disputed claims for additional costs due to disruption or due to changes in the scope of work.

In the event of agreed changes to the work to be performed, the client actively intervenes in the construction process and changes the scope of work. Changes to the work to be performed are regularly commissioned by the contractor before execution. In this case, a contract modification as defined by IFRS 15.18 exists in which all parties to the contract have agreed to the change in the scope of work and/or price. As a rule, the contract modification is accounted for as part of the original contract in accordance with IFRS 15.21(b), as the changes in the work to be performed are not distinct from the order before contract modification and the contract remains a single performance obligation.

Claims for additional costs arising from disruption are incurred when adjustments must be made to the construction process due to disruptions that lie within the client's sphere of influence. Claims for additional costs also arise in the case of changes ordered by the client who believes these do not result in additional costs, due e.g. to guarantees for completeness, but which, in the opinion of the contractor, are not included in the scope of the contract. The complexity of construction contracts often leads to different legal views regarding the existence of a legal claim between the client and the contractor, which often results in protracted legal disputes.

In accordance with IFRS 15.19, the disputed claims for additional costs involve contract modifications for which the parties to the contract have not yet reached a final agreement with regard to the scope and/or price of the contract. The variable consideration from these contract modifications is therefore estimated in accordance with the provisions of IFRS 15.50–59 and recognised as revenue as part of the original contract in accordance with IFRS 15.21(b).

The estimate is based on qualitative and quantitative criteria. The large number of individual claims and variation orders in a construction project, the uncertainty over a long period of time, the individuality of the circumstances, the legal enforceability of the claim and the quality of the documentation are taken into account when estimating the variable consideration. The variable consideration is measured in such a way that there is no reversal of previously recognised revenue in subsequent periods.

The corresponding expense is recognised in profit or loss immediately when it is incurred.

The consideration for **revenue from project developments** which, on the basis of the work performed by the reporting date, are realised over time, is recorded under contract assets. The contract asset represents the Group's right to considerations from project developments.

Revenue is recognised over time if a contractual agreement excludes the possibility of any alternative use and there exists a right to payment including a profit margin on the work performed. These conditions are always met if real estate projects are already sold prior to their completion.

In these cases, the revenue is recognised pro rata based on the degree of completion of the work. If the real estate projects are only partially sold, for example, in the case of owner-occupied flats, the revenue is recognised pro rata only for those parts already sold. The project is then presented pro rata under contract assets. Unsold portions are held as inventories measured at cost.

The advances received are offset against the cost of the contract asset. If the advances received exceed the value of the contract asset, presentation is made on the equity and liabilities side under contract liabilities.

The notes on construction contracts with customers apply by analogy.

Non-financial assets

Non-financial assets are carried at cost. These primarily comprise receivables from taxes other than income tax, accruals, and advances paid to subcontractors.

Cash and cash equivalents

The cash and cash equivalents include all liquid financial assets which at the date of acquisition or investment have a remaining term of less than three months. This comprises bank deposits, time deposits and cash on hand. Cash and cash equivalents are measured at amortised cost.

Cash and cash equivalents where availability is restricted by foreign exchange restrictions or other legal constraints are not part of the cash and cash equivalents for the cash flow statement.

Provisions

The following defined benefit plans for which provisions must be recognised exist within the Group.

The company's obligation relating to defined benefit plans consists in fulfilling the promised benefits to current and former employees.

Defined contribution plans in the form of financing through third-party support funds exist for employees of Austrian subsidiaries whose employment began after 1 January 2003. The severance payments obligations are funded by the regular payment of contributions into the employee provident fund.

Provisions for severance payments

The Group is legally required to provide an one-off severance payment to employees of Austrian subsidiaries in the case of termination or at the date of retirement if their employment began before 1 January 2003. The level of this payment depends on the number of years at the company and amount due at the date of severance and comes to between two and twelve monthly salaries. A provision is made for this obligation.

Additionally, the severance payment rights in other countries in the case of termination or retirement amount from one to eleven monthly salaries. Due to the relatively insignificant amounts involved, provisions for severance payments arising from these obligations are determined using financial mathematical methods.

Pension Provisions

The provisions for pensions are formed for obligations from the right to future pension payments and current payments to present and past employees and their dependents. The Group's pension promises in **Germany, Austria, Belgium and the Netherlands** exist on the basis of individual contracts or internal labour-management agreements. The obligations are based on a number of different pension arrangements. The number of different employee benefit plans is the result of the Group's enterprise acquisitions in Germany. New agreements are not concluded within the Group.

As a rule, the pension promises foresee the granting of monthly old age, invalidity and survivors' benefits. With some promises, the pension arrangement foresees benefits to be paid in the form of a capital payment.

The benefit plans exist in various designs. The range of plan structures includes specified benefit systems (e.g. specified amount per year of employment), dynamic systems (e.g. % per year of employment) and benefit promises (e.g. specified promise). Plans also exist with or without survivors' benefits.

In **Switzerland**, the legal regulations governing pension plans require payments to be made into pension foundations. One half of the contributions are made by the employer, the other half by the employee. The employee contributions depend on the amount of insured income as well as on age and are treated as reduction of the service cost. At retirement, employees can choose to receive an one-off severance payment, regular monthly pension payments or a hybrid of the two options.

As restructuring contributions are required if the pension foundation has insufficient funds for coverage, the promises are categorised as defined benefit plans in accordance with IAS 19.

Within the STRABAG SE Group, the obligations of the pension funds are reinsured.

Measurement of severance and pension provisions

The Group's obligations relating to defined benefit plans are determined separately for each plan using actuarial principles in accordance with the projected unit credit method. The projected unit credit method is used to determine the discounted pension entitlements acquired up to the end of the accounting period. The existing plan assets measured at their fair value are subtracted from the defined benefit obligations. This yields the defined benefit liability (asset) to be recognised.

Determination of the net defined benefit liability at the end of the reporting year is based on an actuarial report from a certified actuarial analyst.

The rate used to discount severance and pension provisions is determined on the basis of market yields at the end of the respective reporting period on high-quality fixed-interest industrial bonds with a comparable term.

The assumptions relating to discounting, pay rises and fluctuation that are used to calculate the severance and pension provisions vary in proportion to the economic situation of each specific country. Life expectancy is calculated according to the respective country's mortality tables.

Actuarial gains and losses are recognised in equity outside profit or loss. The service cost is stated in employee benefits expense, while the interest component of the allocation to the provision is reported in the net interest income.

If the present value of a defined benefit obligation changes in response to plan amendments, the resulting effects are recognised in profit or loss as past service cost in the year of the amendment. Any income resulting from a settlement is also recognised directly in the income statement.

The company is exposed to various risks in relation to the defined contribution severance and pension plans. Besides the general actuarial risks such as the longevity risk and the interest rate risk, the Group is also exposed to currency risk as well as to capital market risk or investment risk.

More information concerning the risks is available in the sensitivity analysis under item (28) Provisions.

Other provisions

The other provisions take into consideration all realisable risks and uncertain obligations. They are recognised at the respective amount which, according to commercial judgement, is necessary at the balance sheet date to cover future payment obligations of the Group. Hereby the respective amount which arises as the most probable on careful examination of the facts is recognised.

Long-term provisions are, as far as they are not immaterial, entered into the accounts at their discounted discharge amount as at the balance sheet date. The discharge amount also includes the cost increases to be considered on the reporting date.

Provisions which arise from the obligation to recultivate quarries, gravel pits and landfills, as well as obligations to decommission or remove an asset located on third-party property, are recognised at the full amount to be paid, taking into account cost increases, and discounted to the value on the reporting date.

Non-financial liabilities

Non-financial liabilities are carried at the repayment amount. Contract liabilities under IFRS 15 are qualified as non-financial liabilities.

The other non-financial liabilities include payables to social security institutions and staff, liabilities from taxes other than income tax, and accruals.

Financial liabilities

The financial liabilities at STRABAG comprise non-derivative liabilities and derivatives with a negative fair value on the reporting date.

For accounting and measurement purposes, financial liabilities are to be assigned to one of the following categories:

– Financial liabilities measured at amortised cost (FlaC)
– Financial liabilities measured at fair value through profit or loss (FVPL)

Non-derivative financial liabilities are recognised in the consolidated balance sheet if STRABAG has a contractual obligation to transfer cash or other financial assets to another party. Initial recognition of non-derivative financial liabilities is made at fair value. Financial liabilities that are not measured at fair value through profit or loss are initially recognised at fair value including transaction costs, which are directly attributable to the acquisition.

A financial liability is classified as **current** provided the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

During subsequent measurement of non-derivative financial liabilities carried at amortised cost, any premiums or discounts between the amount received and the repayment amount are spread over the financing term using the effective interest method and recognised in interest expense on an accrual basis.

A financial liability is only measured at fair value through profit or loss if it is held for trading purposes or designated as such at initial recognition. Derivatives with negative market value also belong to this category if they are not designated as hedging instruments.

Transaction costs which arise upon the acquisition of financial liabilities measured at fair value through profit or loss are immediately recognised as an expense.

The **fair value option** was not exercised for financial liabilities.

Financial liabilities are derecognised if the contractual obligations are discharged, cancelled or have expired. Costs related to the issue of corporate bonds are offset over the term using the effective interest method.

Trade payables

Trade payables also include payables from consortia. For accounting and measurement purposes, these are classified as financial liabilities measured at amortised cost.

Non-derivative financial liabilities are recognised in the consolidated balance sheet if STRABAG has a contractual obligation to transfer cash or other financial assets to another party. Initial recognition of non-derivative financial liabilities is made at fair value.

Trade payables are classified as **current** provided the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period or within the normal business cycle.

Contingent liabilities

Contingent liabilities are present or possible future obligations for which an outflow of resources is not probable. They are – as long as IFRS 3 does not require recognition on acquisition – not reflected in the balance sheet.

Financial guarantees

STRABAG only provides financial guarantees for the benefit of third parties in the case of payables from its own subsidiaries or associates for which no commissions are agreed. The financial guarantees are recognised at fair value at the time of commitment and subsequently adjusted in accordance with IFRS 9.

Contingent assets

Contingent assets are assets whose actual occurrence depends on future uncertain events that are not under the company's control. These must be disclosed in the notes if an inflow of economic benefits is not unlikely. Recognition in the financial statements is not permitted as this would result in the recognition of income that may never be realised.

Revenue recognition

The revenue within the STRABAG SE Group comprises revenue from construction contracts with customers, which regularly account for more than 80% of the total revenue, revenue from project developments, revenue from construction materials, revenue from facility management and other revenue.

The **revenue from construction contracts with customers** is recognised over time as required by IFRS 15. Revenue recognition over time is made using the output-oriented method on the basis of the work performed at the reporting date.

For further information, please see the notes on contract assets.

The recognition of revenue from construction contracts performed in consortia is made over time corresponding to the actual work performed by the reporting date. Impending losses arising from further construction work are accounted for by means of appropriate depreciation.

The **revenue from project developments** is recognised at a point in time after the performance obligation is satisfied by the STRABAG SE Group and after the customer assumes control and has the opportunity to derive benefit from the project.

Alternatively, the revenue is recognised over time on the basis of the work performed by the reporting date if a contractual agreement for the STRABAG SE Group excludes the possibility of any alternative use and the contractual agreement foresees a right to payment including the profit margin on the work performed.

For real estate projects that are sold already prior to their completion, the revenue is therefore recognised pro rata and the right to payment including the profit margin is presented under the contract assets.

For further information, please see the notes on contract assets.

The **revenue from construction materials, the revenue from the facility management, and the other revenue** are recognised with satisfaction of the performance obligation upon obtainment of control by the customer.

Interest income is recognised as it accrues using the effective interest method. Interest related to concession models and default interest are part of the transaction price of contracts with customers and are therefore recognised under revenue.

Other income, such as rental income or expenses passed through, is stated on the basis of the amount accrued in accordance with the respective agreements.

The revenue from dividends and the share of profits from investments are recognised if a legal right to payment exists.

Net interest income

Net interest income includes interest income and interest expense as well as foreign exchange gains and losses on financing, as these are not part of the operating business. Changes in value as well as gains and losses on disposals of securities are also included in net interest income.

Notes on macroeconomic developments

The market environment for the construction industry will remain challenging in 2024 due to higher construction prices and persistently high energy prices and interest rates.

Viewed by segment, the markets in which the STRABAG Group operates developed along different lines. Transportation infrastructures and civil engineering both proved to be largely stable. In Germany, large-scale energy transition projects, particularly for the construction of power transmission lines, picked up speed, effectively balancing out the further cuts that were announced in motorway construction.

The building construction sector, on the other hand, saw a significant decline in residential construction in particular, which suffered a severe downturn in both Austria and Germany. The decline was particularly pronounced in Austria due to a combination of higher mortgage rates and stricter lending guidelines in comparison to other European countries.

Apart from Hungary, where the situation remains difficult due to frozen EU funds and an overall declining construction market, the Group's core markets in Eastern Europe developed positively overall. Poland in particular benefited from the release of EU funds and achieved strong growth rates. Business outside Europe also showed an overall stable development.

Impact of climate change

The climate crisis is one of the most pressing challenges of our time, bringing with it increasing economic impacts and risks for businesses in the future.

The STRABAG SE Group is heavily dependent on fossil fuels. These are used to operate the production plants (concrete plants, asphalt mixing plants, quarries and gravel pits) and construction machinery, as well as the vehicle fleet.

Stricter regulations and higher prices resulting from CO_2 pricing present the risk of volatile and higher energy and commodity prices that cannot be fully passed on to customers.

Stricter environmental protection regulations and additional expenses for climate-friendly business processes are expected to lead to cost increases and a further rise in construction prices.

The risk exists that fewer contracts will be awarded, particularly for the construction of new roads, due to a change in public investment habits and stricter zoning laws, which will have to be compensated for by contracts in other business areas.

Demand is set to increase for sustainable buildings that take life-cycle considerations into account as well as for reconstruction, conversion and refurbishment work on existing buildings and the circularity of the built environment. Public sector clients are starting to issue tenders that include sustainability as an evaluation criterion. This will lead to an increased demand for sustainable building materials, which, however, do not yet exist or are not yet available in sufficient quantities.

The increase in extreme weather events will lead to construction delays and increased insurance costs.

The property and facility services business will increasingly offer green services using sustainable cleaning agents and environmentally friendly equipment in the future. The higher average temperatures are expected to result in an increased need for refurbishment and modernisation at IT locations for telecommunications and at data centres.

In the field of project development services, more projects related to renewable energies will be put out to tender in the future.

When preparing the consolidated financial statements, possible risks from climate change must be taken into account, especially in the valuation of goodwill, property, plant and equipment, inventories and provisions.

Significant goodwill at the STRABAG SE Group is reported under item (13) Goodwill. Even if an additional risk premium is applied for possible delays or the non-awarding of individual construction projects, especially in road construction, no impairment of goodwill is required. The sensitivity analyses carried out for this purpose show that the changes to the key assumptions considered possible by management do not require an impairment to be made.

Property, plant and equipment consists largely of construction equipment, machinery and the vehicle fleet with short useful lives, which are utilised on a decentralised basis for a wide variety of construction projects. Temperature increases or severe weather will not have any significant impact on property, plant and equipment in the future. The future need for environmentally friendly technology and equipment was taken into account when determining the useful life and residual values. STRABAG is looking closely at alternative powertrain systems for its construction machinery and vehicle fleet. At present, however, it is not yet possible to equip most of the equipment and vehicle fleet with such alternatives.

Additional investments are required to convert the heating systems of asphalt mixing plants and concrete plants to renewable energy sources and to optimise the environmental performance of the Group's buildings.

In the case of inventories, particularly real estate projects without an investor, relevant environmental aspects such as energy efficiency, EU Taxonomy alignment, etc. were taken into account when determining the net sales proceeds. Risks here include but are not limited to the fact that ongoing changes to laws and regulations at the time of sale have resulted in new requirements that had not yet been foreseeable in the planning phase. These aspects are taken into account in the measurement. This also applies to the formation of provisions.

This does not, however, give rise to any risks that could jeopardise the continuation of the company as a going concern.

On the contrary, the construction sector, as a result of the construction and technology measures required to adapt to climate change, will make a significant contribution to protecting ourselves against the expected impacts.

The increasing demand for climate-resilient construction and refurbishment as well as the development of new business models for the generation and use of renewable energy sources are seen as key opportunities in this regard.

As part of the sustainability strategy adopted in the 2021 financial year, STRABAG has set itself the goal of achieving climate neutrality along the entire value chain by the year 2040. (see sustainability report) When designing and building construction projects, the company focuses on ecologically compatible, sustainable construction methods as well as on the efficient use of resources and their recycling in order to limit any negative impact of construction on the environment as far as possible.

Estimates

The preparation of financial statements in conformity with IFRS requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenue and expenses.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Recoverability of goodwill

The Group conducts an annual test to determine whether its goodwill is impaired in accordance with the accounting policies described in the section “Impairment of non-financial assets”. The recoverable amount of the CGUs was determined using fair value less costs of disposal. These calculations are based on assumptions about the expected business development and the recoverable margin. Estimates about the expected business development are based on the facts and circumstances prevailing at the time of preparation of the consolidated financial statements as well as on realistic assumptions about the future development of the global and industry-specific environment. In response to changes in these underlying conditions which deviate from the assumptions and are beyond the Management Board's control, actual values may deviate from the estimated values.

All other things remaining equal, an annual 5% decrease of the free cash flow used to calculate the recoverable amount would result in a total impairment loss of all goodwill of T€ 1,338 (2023: T€ 1,818), while an isolated increase of the cost of capital by 1 percentage point would lead to an impairment of goodwill of T€ 3,195 (2023: T€ 7,219). These two effects together would trigger an impairment loss of T€ 7,372 (2023: T€ 9,275).

An extended sensitivity analysis was performed due to the current uncertainties in the economic environment and the associated price increases and supply bottlenecks. Due to the large number of different types of orders and the fact that a large part of the work included in the planning has not yet been commissioned, a worst-case scenario was determined with regard to the achievable cash flows. An annual and sustained decrease of 15% in the recoverable free cash flows and a simultaneous increase of 3 percentage points in the weighted average cost of capital would result in an impairment loss of T€ 40,770 (2023: T€ 26,939).

The write-offs would affect Czech companies in the materials and concrete production business within the South + East segment in the amount of T€ 7,077 (2023: T€ 7,209), several German construction companies in the North + West segment in the amount of T€ 1,800 (2023: T€ 2,064), several Austrian construction companies in the South + East segment in the amount of T€ 7,737 (2023: T€ 9,436), as well as several companies in the facility management business in the International + Special Divisions segment in the amount of T€ 24,156 (2023: T€ 8,230).

(b) Other non-current financial assets / provisions

Other non-current financial assets include US dollar receivables from a Chilean project company. One part of this receivable, Lien 1, carries a fixed interest rate. The second part of this receivable, Lien 2, bears a fixed interest rate and is subject to additional variable components and a possible final conversion into shares. Lien 1 is serviced before Lien 2. Lien 1 is measured at amortised cost. Lien 2 is serviced subject to available cash. The subsequent measurement of Lien 2 is therefore at fair value.

The carrying amounts of non-current receivables, which arose from the financial restructuring of a supplier credit from a large Chilean project (power plant), were recognised at fair value on completion of the project. The measurement was made on the basis of the cash flows that can be generated in the future using planned data from the project company, taking into account generally available data on electricity price and hydrological developments as well as the current interest rate environment.

In December 2022 and in the course of the 2023 financial year, tunnel collapses were reported, the cause of which remain unclear. The incidents led to a shutdown of the power plant in 2023, why further impairments were therefore recognised on these non-current receivables.

On top of this, the project company is asserting claims against STRABAG due to the alleged failure to complete the project on time. The payment made in November 2023 on the performance bond, which STRABAG believes was drawn improperly, was recognised as an expense in 2023.

The reconnaissance drilling in preparation of the remediation measures that were made in the 2024 financial year revealed collapsed sections that were longer than had been expected. The clean-up work following the collapses could therefore not be completed in the 2024 financial year and it is still unclear when the power plant can be put back into operation.

The arbitration proceedings initiated with regard to the core issues of (i) whether substantial completion has been achieved and (ii) who is to bear the costs of the clean-up, based on the causes of the collapse, continued in the 2024 financial year. Given the complexity of the matter, the arbitral tribunal is not expected to reach a decision before mid-2025. On the basis of the statements and assessments presented by the experts, the provisions for renovation and warranty formed in the previous year were re-evaluated and adjusted in amount.

Disclosure of the amount of the impairments and provisions existing as of 31 December 2024 is not possible due to the ongoing arbitration proceedings, as this would seriously compromise STRABAG's position.

Due to the unclear cause of the damages, the complex legal circumstances and the long terms to maturity, the actual returns and the actual claim may deviate from the reported values.

(c) Recognition of revenue from construction contracts with customers and project developments

The revenue from construction contracts with customers is recognised over time. The Group estimates the work performed by the reporting date as a percentage of the total volume of the order backlog as well as the remaining contract cost to be incurred. If it is probable that the production costs will exceed the recoverable proceeds, an impairment is recognised up to the value of the contract asset; if the value of the respective contract asset is exceeded, an onerous contract provision is recognised. Technically complex and demanding projects, in particular, involve the risk that the estimate of the total cost deviates considerably from the actual cost incurred.

In the event of changes to the contract's scope and/or price that remain disputed between the parties to the contract (claims and variation orders), revenue from claims and variation orders is estimated in accordance with the provisions on variable consideration under IFRS 15.50ff for the respective project. The estimate is based on qualitative and quantitative criteria.

The following factors must be taken into account when estimating the variable consideration:

- The amount of consideration is susceptible to external factors such as the actions of third parties or court rulings.
- There are different legal views regarding the contractually agreed claims.
- The uncertainty about the amount of consideration remains over a longer period of time.
- The company's experience from similar construction projects is limited by the individual nature of the projects.
- Due to the large number of individual claims and variation orders in a construction project, a contract will have a broad range of possible consideration amounts.

The actual claims arising from claims and variation orders may therefore differ from the estimated amount, especially in the case of complex construction projects with a large number of different claims and variation orders as well as counterclaims of the client.

The above also applies to over-time recognition of revenue from project developments.

(d) Equity-accounted investments

The Group holds a 30% investment in **Holcim Cement CE Holding GmbH**. Holcim operates cement works in Austria, Hungary, the Czech Republic and Slovenia. The carrying amount of the investment amounted to T€ 198,312 on 31 December 2024 (2023: T€ 201,980). As earnings developed according to plan and because of the ongoing distributions, an impairment test was not required.

Deviations from the expected business development as well as developments in the economic environment that are beyond the Management Board's control may influence the value of the investment.

(e) Income taxes

STRABAG has to calculate the actual income tax expected for each taxable entity and must assess the temporary differences arising from the different treatment of certain balance sheet items in the IFRS consolidated financial statements and the statutory financial statements required for tax purposes. The existence of temporary differences usually results in the recognition of deferred tax assets and liabilities in the consolidated financial statements.

The management must make assessments in the calculation of current and deferred tax. Deferred tax assets are recognised to the extent that their use is probable. The use of deferred tax assets depends on the possibility of realising sufficient taxable income under the respective tax type and jurisdiction under consideration of any possible legal restrictions regarding the maximum loss carry forward period. A number of different factors are used to assess the probability of the future usability of deferred tax assets, such as the past financial performance, operational planning, loss carry forward periods and tax planning strategies. If the actual results deviate from these estimates, or if these estimates must be adjusted in future periods, this could have a negative impact on the financial position, financial performance and cash flows. In the event of a changed assessment of the recoverability of deferred tax assets, the deferred tax assets which have been recognised are written down in profit or loss or, depending on their original formation, outside profit or loss; impaired deferred tax assets are similarly recognised either in profit or loss or outside profit or loss.

(f) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using suitable valuation techniques selected from among a number of different methods. The assumptions used are mainly based on market conditions existing at the balance sheet date. The Group uses present value techniques to determine the fair value of a number of financial assets that are not traded in an active market.

(g) Rights from leases and lease liabilities

Within the STRABAG SE Group, a large number of the contracts are lease contracts with comparatively low annual rental expenses, of both limited and indefinite duration and with ordinary termination rights. The lease liability is determined by estimating the most likely duration in consideration of extension options and termination rights. All economic aspects for exercising or not exercising the options are taken into account. Deviations between the actual lease terms and these assumptions have an impact on the respective carrying amounts. The risk is reduced by the large number of stand-alone contracts, however.

(h) Severance and pension provisions

The present value of the severance and pension obligations depends on a number of different factors based on actuarial assumptions. One of the assumptions used to determine the net expenses or income for pensions is the discount rate. Any change to these assumptions will influence the carrying amount of the pension obligation.

The Group determines the appropriate discount rate at the end of every year. The discount rate is the interest rate used to determine the present value of future cash flows required to settle the obligation. For the purpose of determining the discount rate, the Group employs the interest rate of highest-grade industrial bonds in the same currency in which the benefits are paid and which have terms to maturity equivalent to those of the pension obligations.

Additional substantial assumptions relating to severance and pension obligations are based in part on market conditions. Further information and sensitivity analyses can be found in item (28) Provisions.

(i) Other provisions

Other construction-related provisions, in particular, involve the risk that in individual cases the actual costs for warranty obligations or remaining performance obligations will turn out higher or lower than expected. The balance sheet item other construction-related provisions is composed of several individual projects together, however, as a result of which the risk is reduced to the individual consideration of the projects. This also applies to provisions for recultivation and decommissioning obligations with regard to estimates of future costs and the measures prescribed by the various authorities in the individual countries that are not specified until the time of recultivation.

Group companies STRABAG AG and F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG issued an acknowledgement as part of a settlement in the antitrust proceedings against them in Austria. Subsequently, the Federal Competition Authority (BWB) in July 2021 filed an application with the Cartel Court for a fine against the two companies in the amount of € 45.37 million.

The settlement is being made against the background of a criminal and antitrust investigation that was opened in spring 2017 against STRABAG AG and F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG, along with several other construction companies, regarding allegations of anti-competitive agreements for construction projects in Austria in the period from 2002 to 2017. Both group companies cooperated fully with the Federal Competition Authority from the outset and ultimately issued an acknowledgement as part of a settlement. Their cooperation had a corresponding positive effect on the amount of the fine. In October 2021, the Cartel Court imposed the fine of € 45.37 million, thus confirming the amount requested by the Federal Competition Authority. The ruling was made public on 3 February 2022.

In July 2022, the Federal Competition Authority requested a review of the Cartel Court's final decision regarding the imposed fine. In its decision from October 2022, the Cartel Court rejected the Federal Competition Authority's application as inadmissible and upheld the view of STRABAG AG. The Federal Competition Authority appealed against this decision to the Austrian Supreme Court (OGH), which granted the appeal in a decision on 25 May 2023 on the grounds that the formal rejection of the Federal Competition Authority's application without a substantive review by the Higher Regional Court was inadmissible.

In this context, it must be pointed out that the decision does not deprive STRABAG AG of its state's witness status. Rather, the Supreme Court, referring to its previous rulings, clarified that the decision of the Federal Competition Authority to apply the state's witness rule was made autonomously by the Federal Competition Authority and that the courts have no competence to review this decision.

Now it is up to the Higher Regional Court to review the merits of the Federal Competition Authority's request. This means that the court must take the relevant evidence and consider both sides of the argument. The relevant proceedings before the Higher Regional Court are currently underway.

The Management Board is firmly convinced that the petition is unfounded. STRABAG SE cooperated fully and thoroughly with the Federal Competition Authority under the terms of the state's witness programme. This cooperation made a significant contribution to clarifying the matter. In addition, STRABAG has since enhanced its compliance system through corporate-wide certification and has implemented a new type of monitoring system.

Multiple clients have asserted claims for damages against STRABAG. Settlement negotiations for an out-of-court solution are ongoing with several key clients. Other claims are already being asserted by clients through the courts.

Corresponding provisions were made in the consolidated financial statements for damage control and possible claims resulting from the cartel violations. The provision – with the exception of the time value of money – remained largely unchanged in the 2024 financial year. The specific amount of the provision is not stated due to the ongoing proceedings, as this would seriously jeopardise STRABAG's position. Given the complexity of the matter (long period of time, large number of projects, very different clients, heterogeneous structures, etc.), it is extremely difficult to estimate the final extent to which STRABAG will be negatively impacted as a result. The actual amounts may therefore deviate from the amount provided for.

Provisions for ongoing and pending legal proceedings are formed on the basis of current assessments. The outcome of these legal proceedings cannot be determined or is subject to uncertainties. The actual claims from the legal proceedings may therefore differ from the provision amounts.

Notes on the items of the consolidated income statement

1 Revenue

Revenue is represented as follows:

Revenue 2024

T€	North + West	South + East	International + Special Divisions	Other	**Group**
Business					
Construction	**6,930,695**	**6,275,844**	**1,819,299**	**0**	**15,025,838**
Germany	6,454,798	277,717	48,618	0	6,781,133
Austria	22,558	2,119,469	77,006	0	2,219,033
Poland	0	1,486,868	69	0	1,486,937
Czech Republic	0	836,277	0	0	836,277
Great Britain	8,802	294	816,126	0	825,222
Hungary	0	374,724	-887	0	373,837
Romania	30,049	356,676	0	0	386,725
Chile	0	0	369,997	0	369,997
Other countries, each below € 300 million	414,488	823,819	508,370	0	1,746,677
Construction materials	**191,419**	**682,618**	**4,655**	**0**	**878,692**
Facility management	**0**	**0**	**892,440**	**0**	**892,440**
Project development	**0**	**0**	**226,135**	**0**	**226,135**
Other	**99,159**	**165,293**	**116,739**	**17,923**	**399,114**
Total	**7,221,273**	**7,123,755**	**3,059,268**	**17,923**	**17,422,219**

Revenue 2023

T€	North + West	South + East	International + Special Divisions	Other	Group
Business					
Construction	**6,983,509**	**6,568,486**	**1,763,042**	**38,574**	**15,353,611**
Germany	6,525,689	225,476	72,108	0	6,823,273
Austria	29,146	2,427,186	38,341	0	2,494,673
Poland	0	1,129,359	0	0	1,129,359
Czech Republic	0	801,718	0	0	801,718
Great Britain	28,793	6,924	711,797	0	747,514
Hungary	0	587,054	0	0	587,054
Romania	24,681	445,098	271	0	470,050
Chile	0	0	454,060	0	454,060
Other countries, each below € 400 million	375,200	945,671	486,465	38,574	1,845,910
Construction materials	**185,195**	**634,454**	**2,247**	**0**	**821,896**
Facility management	**0**	**0**	**735,722**	**0**	**735,722**
Project development	**0**	**0**	**377,177**	**0**	**377,177**
Other	**111,483**	**141,123**	**106,290**	**19,238**	**378,134**
Total	**7,280,187**	**7,344,063**	**2,984,478**	**57,812**	**17,666,540**

Service concession arrangements to develop, design, build, operate and finance infrastructure facilities are part of the operating business of STRABAG SE. Interest income from these concession arrangements is therefore recognised in revenue from project development amounting to T€ 108,256 (2023: T€ 63,482).

The interest income is calculated using the effective interest method.

All values presented under revenue involve revenue from contracts with customers.

In the 2024 financial year, revenue from approved claims in the amount of T€ 292,872 (2023: T€ 240,242) was recognised. The costs were already recognised in profit or loss in previous periods. The claims and variation orders relate to around 1,500 individual projects, mostly involving small amounts. Due to the complexity of construction projects, there can be numerous claims, some of which are approved during the construction process while others are negotiated only after project completion. During the execution of a construction project, therefore, new claims may arise on an ongoing basis while existing claims from previous periods may be approved. Up to 100 individual claims are quite common in a medium-sized construction project. It is therefore not possible to clearly allocate the costs to the approved claims, so that assumptions must be made when determining the value.

2 Other operating income

Other operating income includes insurance compensation and indemnification in the amount of T€ 66,345 (2023: T€ 66,749), exchange rate gains from currency fluctuations in the amount of T€ 7,816 (2023: T€ 16,452) as well as gains from the disposal of fixed assets without financial assets in the amount of T€ 71,213 (2023: T€ 59,898).

3 Construction materials, consumables and services used

T€	**2024**	2023
Construction materials, consumables	3,194,695	3,457,162
Services used	7,268,318	7,817,918
Construction materials, consumables and services used	**10,463,013**	**11,275,080**

Services used are mainly attributed to services of subcontractors and professional craftsmen as well as planning services, short-term rentals for equipment and third-party repairs. The change of provisions for onerous contracts arising from construction contracts is included in this item.

4 Employee benefits expense

T€	**2024**	2023
Wages	1,765,937	1,650,392
Salaries	2,277,854	2,095,948
Social security and related costs	783,020	721,632
Expenses for severance payments and contributions to employee provident fund	23,911	22,926
Expenses for pensions and similar obligations	5,873	6,055
Other social expense	48,902	43,942
Employee benefits expense	**4,905,497**	**4,540,895**

The expenses for severance payments and contributions to the employee provident fund and expenses for pensions and similar obligations include the expenses for service costs and indemnity claims resulting from old age part-time claims in the business year. The proportions of interest included in the expenses for severance payments as well as for pensions and similar obligations are recognised in the item net interest income.

Expenses from defined contribution plans amounted to T€ 21,326 (2023: T€ 19,734).

The average number of employees with the proportional inclusion of all participation companies is as follows:

Average number of employees (FTE)	**2024**	2023
White-collar workers	34,277	33,657
Blue-collar workers	43,897	43,479
Total	**78,174**	**77,136**

A total of 3,238 employees (FTE) are attributable to subsidiaries and associates not included in the full scope of consolidation.

The expenses for construction materials, consumables and services used as well as the employee benefits expense also include spending on research and development for specific competitive projects, for solving new types of technical problems and for the introduction of building processes to the market.

5 Other operating expense

T€	**2024**	2023
Travel costs	129,384	125,941
Administrative costs	127,524	124,652
Damages	151,392	108,886
Insurance premiums	116,035	103,301
Impairment of receivables	54,635	100,395
Legal and advisory costs	109,143	96,621
Rental and lease costs	73,298	76,116
Other taxes	60,963	71,545
Advertising costs	59,686	58,968
IT costs	61,502	58,371
Other	171,722	161,805
Other operating expense	**1,115,284**	**1,086,601**

Other operating expense includes losses from exchange rate differences from currency fluctuations in the amount of T€ 48,272 (2023: T€ 16,832).

6 Share of profit or loss of equity-accounted investments

T€	**2024**	2023
Income from equity-accounted investments	50,447	53,681
Expenses arising from equity-accounted investments	-13,314	-7,634
Profit from construction consortia	190,983	169,037
Losses from construction consortia	-79,401	-70,952
Share of profit or loss of equity-accounted investments	**148,715**	**144,132**

7 Income from investments

T€	**2024**	2023
Income from investments	79,357	63,950
Expenses arising from investments	-15,377	-21,117
Gains on the disposal of investments	27,739	5,635
Impairment losses and reversal of impairment losses on investments	-14,458	-1,993
Losses on the disposal of investments	-34	-257
Net income from investments	**77,227**	**46,218**

8 Depreciation and amortisation expense

Amortisation and depreciation, including the amortisation of rights from concession arrangements and depreciation of investment property, amounted to T€ 580,015 in the financial year (2023: T€ 543,278). In the reporting period impairments on intangible assets and on property, plant and equipment to the amount of T€ 2,277 (2023: T€ 5,884) and reversal of impairment losses in the amount of T€ 0 (2023: T€ 18,500) were made. Impairment on goodwill amounts to T€ 0 (2023: T€ 7,454). For goodwill impairments we refer to the details under item (13) Goodwill.

Depreciation and amortisation expense of intangible and tangible assets includes depreciation and amortisation of right-of-use assets for leases in the amount of T€ 74,215 (2023: T€ 68,474).

9 Net interest income

T€	2024	2023
Interest and similar income	144,845	119,194
Interest expense and similar charges	-69,429	-75,068
Net interest income	**75,416**	**44,126**

Included in interest and similar income are exchange rate gains amounting to T€ 9,247 (2023: T€ 2,259) and interest portions from the plan assets for pension provisions in the amount of T€ 3,240 (2023: T€ 3,752).

Included in interest expense and similar charges are interest components from the allocation of severance payment and pension provisions amounting to T€ 15,502 (2023: T€ 18,733) as well as currency losses of T€ 9,654 (2023: T€ 18,166).

Interest from leases in the amount of T€ 9,664 (2023: T€ 7,630) is included in the interest expense and similar charges.

10 Income tax expense

Income tax includes taxes paid in the individual companies or owed on income, as well as deferred tax and the payments of additional tax payments resulting from tax audits:

T€	2024	2023
Current tax	272,566	231,088
Deferred tax	36,407	59,841
Income tax expense	**308,973**	**290,929**

Due to the provisions of the Pillar II rules, Hungarian trade tax and innovation contributions totalling T€ 7,974 were recognised under income tax for the first time in the year under review.

The following tax components are recognised directly in equity in the statement of total comprehensive income:

T€	2024	2023
Change in hedging reserves	3,638	4,647
Actuarial gains/losses	-2,052	-3,401
Total	**1,586**	**1,246**

The reasons for the difference between the Austrian corporate income tax rate of 23% (2023: 24%) valid in 2024 and the actual consolidated tax rate are as follows:

T€	**2024**	2023
EBT	**1,137,306**	**924,323**
Theoretical tax expense 23% (2023: 24%)	261,580	221,837
Differences against foreign tax rates	21,354	2,166
Changes in tax rates	-546	-482
Non-tax-deductible expense	33,929	16,729
Tax-free income	-27,696	-39,826
Additional tax payments/tax refunds	-817	-17,708
Change in valuation allowances on deferred tax assets	10,846	105,893
Other	10,323	2,320
Recognised income tax expense	**308,973**	**290,929**

11 Earnings per share

The basic earnings per share are calculated by dividing the consolidated profit or loss by the weighted average number of ordinary shares. As there are no stock options at the STRABAG SE Group, the diluted earnings per share equal the basic earnings per share.

	2024	2023
Number of shares outstanding as at 1.1.	99,820,994	102,600,000
Number of shares bought back as at 9.2.2023	-	-2,779,006
Number of shares from the capital increase as at 21.3.2024	15,621,982	-
Number of shares outstanding as at 31.12.	**115,442,976**	**99,820,994**
Profit or loss attributable to equity holders of the parent (consolidated profit/loss) T€	823,004	630,508
Weighted number of shares outstanding during the year	111,985,652	100,125,543
Earnings per share €	**7.35**	**6.30**

Notes on the items in the consolidated balance sheet

12 Consolidated statement of changes in fixed assets

Consolidated statement of changes in fixed assets as at 31 December 2024

T€	Acquisition and production cost Balance as at 1.1.2024	Additions to the consolidated group	Disposals from the consolidated group	Currency translation	Additions	Transfers	Disposals	**Balance as at 31.12.2024**
I. Goodwill	**742,080**	**65,636**	**0**	**-961**	**0**	**0**	**0**	**806,755**
II. Rights from concession arrangements	**551,793**	**0**	**0**	**0**	**0**	**0**	**0**	**551,793**
III. Other intangible assets								
1. Concessions, software, licences, rights	147,771	183	0	-160	2,382	407	6,613	143,970
2. Advances paid	432	0	0	0	0	-407	0	25
Total	**148,203**	**183**	**0**	**-160**	**2,382**	**0**	**6,613**	**143,995**
IV. Property, plant and equipment								
1. Land and buildings	1,813,533	535	16,319	-2,518	73,679	34,958	23,971	1,879,897
2. Right-of-use assets	606,732	4,108	0	-607	111,945	0	63,160	659,018
3. Technical equipment and machinery	3,291,977	5,359	1,349	-17,347	239,657	20,084	140,419	3,397,962
4. Other facilities, furniture and fixtures and office equipment	1,565,280	4,330	2,953	-4,490	256,346	2,193	145,170	1,675,536
5. Advances paid and assets under construction	88,842	868	794	-930	72,510	-57,235	972	102,289
Total	**7,366,364**	**15,200**	**21,415**	**-25,892**	**754,137**	**0**	**373,692**	**7,714,702**

T€	Accumulated depreciation, amortisation and impairment Balance as at 1.1.2024	Additions to the consolidated group	Disposals from the consolidated group	Currency translation	Additions	Transfers	Disposals	**Balance as at 31.12.2024**	**Carrying amount as at 31.12.2024**	Carrying amount as at 31.12.2023
I.	**251,342**	**0**	**0**	**-380**	**0**	**0**	**0**	**250,962**	**555,793**	**490,738**
II.	**98,943**	**0**	**0**	**0**	**20,958**	**0**	**0**	**119,901**	**431,892**	**452,850**
III.										
1.	114,976	141	0	-187	6,490	0	6,576	114,844	29,126	32,795
2.	0	0	0	0	0	0	0	0	25	432
III.	**114,976**	**141**	**0**	**-187**	**6,490**	**0**	**6,576**	**114,844**	**29,151**	**33,227**
IV.										
1.	775,556	386	16,319	-1,117	60,550	-8	13,232	805,816	1,074,081	1,037,977
2.	227,869	0	0	-425	74,215	0	41,837	259,822	399,196	378,863
3.	2,518,544	2,450	1,203	-12,426	238,298	162	135,371	2,610,454	787,508	773,433
4.	996,958	1,876	2,644	-3,314	177,715	-154	133,118	1,037,319	638,217	568,322
5.	0	0	0	0	2,229	0	0	2,229	100,060	88,842
	4,518,927	**4,712**	**20,166**	**-17,282**	**553,007**	**0**	**323,558**	**4,715,640**	**2,999,062**	**2,847,437**

Impairment losses totalling T€ 2,277 and reversal of impairment losses of T€ 0 were recognised in 2024.

Consolidated statement of changes in fixed assets as at 31 December 2023

Acquisition and production cost

T€	Balance as at 1.1.2023	Additions to the consolidated group	Disposals from the consolidated group	Currency translation	Additions	Transfers	Disposals	Balance as at 31.12.2023
I. Goodwill	**690,200**	**53,258**	**3,316**	**1,938**	**0**	**0**	**0**	**742,080**
II. Rights from concession arrangements	**551,793**	**0**	**0**	**0**	**0**	**0**	**0**	**551,793**
III. Other intangible assets								
1. Concessions, software, licences, rights	138,733	19,481	2,629	331	1,760	-111	9,794	147,771
2. Advances paid	299	0	0	0	22	111	0	432
Total	**139,032**	**19,481**	**2,629**	**331**	**1,782**	**0**	**9,794**	**148,203**
IV. Property, plant and equipment								
1. Land and buildings	1,700,659	10,120	6,904	3,649	42,359	87,198	23,548	1,813,533
2. Right-of-use assets	537,944	7,907	412	1,613	110,371	0	50,691	606,732
3. Technical equipment and machinery	3,159,667	20,771	9,609	5,623	216,888	69,658	171,021	3,291,977
4. Other facilities, furniture and fixtures and office equipment	1,450,276	12,154	6,363	3,558	225,299	1,396	121,040	1,565,280
5. Advances paid and assets under construction	192,764	50	34	179	54,528	-158,252	393	88,842
Total	**7,041,310**	**51,002**	**23,322**	**14,622**	**649,445**	**0**	**366,693**	**7,366,364**

Accumulated depreciation, amortisation and impairment

T€	Balance as at 1.1.2023	Additions to the consolidated group	Disposals from the consolidated group	Currency translation	Additions	Transfers	Disposals	Balance as at 31.12.2023	Carrying amount as at 31.12.2023	Carrying amount as at 31.12.2022
I.	**247,804**	**0**	**3,316**	**-600**	**7,454**	**0**	**0**	**251,342**	**490,738**	**442,396**
II.	**78,638**	**0**	**0**	**0**	**20,305**	**0**	**0**	**98,943**	**452,850**	**473,155**
III.										
1.	114,185	4,859	2,627	154	6,709	0	8,304	114,976	32,795	24,548
2.	0	0	0	0	0	0	0	0	432	299
III.	**114,185**	**4,859**	**2,627**	**154**	**6,709**	**0**	**8,304**	**114,976**	**33,227**	**24,847**
IV.										
1.	748,784	1,886	2,944	827	43,356	1	16,354	775,556	1,037,977	951,875
2.	185,550	0	284	460	68,474	0	26,331	227,869	378,863	352,394
3.	2,414,425	13,628	8,796	4,118	258,326	-3	163,154	2,518,544	773,433	745,242
4.	951,921	8,544	5,413	2,207	151,878	2	112,181	996,958	568,322	498,355
5.	0	0	0	0	0	0	0	0	88,842	192,764
IV.	**4,300,680**	**24,058**	**17,437**	**7,612**	**522,034**	**0**	**318,020**	**4,518,927**	**2,847,437**	**2,740,630**

Impairment losses totalling T€ 13,338 and reversal of impairment losses of T€ 18,500 were recognised in 2023.

13 Goodwill

The composition of and changes in goodwill is shown under item (12) consolidated statement of changes in fixed assets.

The goodwill at the balance sheet date is composed as follows:

T€	**31.12.2024**	31.12.2023
STRABAG Cologne (N+W)	131,118	131,118
Czech Republic (S+E)	72,233	73,580
STRABAG Poland (S+E)	61,473	60,560
STRABAG Cologne (S+E)	61,105	61,105
ELCO Group (I+S)	52,574	0
STRABAG PFS Germany (I+S)	39,650	39,650
Bockholdt GmbH & (I+S)	29,029	29,029
STRABAG PFS International (I+S)	27,763	14,682
Germany (various CGUs; N+W)	22,679	22,679
Austria (various CGUs; S+E)	22,600	22,600
Ed. Züblin AG (N+W)	17,057	17,057
Construction materials (various CGUs; S+E)	9,077	9,209
Other	9,435	9,469
Total goodwill	**555,793**	**490,738**

The comparison of the carrying amounts with the recoverable amounts of the cash-generating units determined by the annual impairment testing showed a need to recognise an impairment loss of T€ 0 (2023: T€ 7,454) on goodwill. This figure is shown under depreciation and amortisation. The recoverable amount of the impaired cash-generating units amounts to T€ 0 (2023: T€ 13,724).

The recoverable amount of these cash-generating units (CGUs) corresponds to their fair value less cost to sell. The necessary impairments of the cash-generating units in the previous year exclusively affected goodwill; impairment was not necessary for other assets of the CGUs.

The methods of measurement are explained in the section "Accounting policies" (Impairment of non-financial assets). The method applied here is a Level 3 measurement.

Regarding the sensitivity analysis of goodwill, we refer to our notes under "Estimates - (a) Recoverability of goodwill".

The following table presents the **key assumptions** used in calculating the recoverable amount for **significant goodwill**.

There were no intangible assets with indefinite useful lives allocated to the CGUs listed below.

T€	**Carrying amount** 31.12.2024	Methodology 31.12.2024	Detailed planning period 31.12.2024	Growth rate 31.12.2024	Discount rate after tax 31.12.2024
STRABAG Cologne (N+W)	131,118	FV less cost of disposal (Level 3) [2023: FV less cost of disposal (Level 3)]	4 (2023: 4)	0 (2023: 0)	8.71% (2023: 9.25%)
Czech Republic (S+E)	72,233	FV less cost of disposal (Level 3) [2023: FV less cost of disposal (Level 3)]	4 (2023: 4)	0 (2023: 0)	9.44% (2023: 10.20%)
STRABAG Poland (S+E)	61,473	FV less cost of disposal (Level 3) [2023: FV less cost of disposal (Level 3)]	4 (2023: 4)	0 (2023: 0)	11.20% (2023: 11.01%)
STRABAG Cologne (S+E)	61,105	FV less cost of disposal (Level 3) [2023: FV less cost of disposal (Level 3)]	4 (2023: 4)	0 (2023: 0)	9.86% (2023: 9.89%)

The method used is a discounted cash flow model based on recognised valuation techniques, with the forecast of the cash flows calculated by the management on the basis of experience. The key assumptions used to determine the recoverable amount were future cash flows and the cost of capital. Management does not consider that any reasonably possible change in the key assumptions would cause the carrying amount of the CGU which contains the above-mentioned goodwill to exceed its recoverable amount.

The sensitivity analyses described in the section "Estimates – (a) Recoverability of goodwill" did not lead to an impairment loss of the above-mentioned significant goodwill in any of the analysed cases.

14 Rights from concession arrangements

STRABAG has held 100% of PANSUEVIA GmbH & Co. KG, Jettingen-Scheppach, since 28 September 2018.

The company concluded a concession arrangement with the Federal Republic of Germany to design, build and finance a section of the A8 motorway and to maintain and operate a section of the A8 motorway between Ulm and Augsburg.

In exchange, PANSUEVIA receives the right to charge trucks an uniform toll rate per kilometre on an approx. 57 km long concession section. The toll may be adapted annually. The term of the concession arrangement is set at 30 years and ends on 30 June 2041.

The development of the concession right can be found under item (12) Consolidated statement of changes in fixed assets. The concession right is amortised over the term of 30 years on the basis of the planned use of the concession section. The annual income from the toll collections is recognised as revenue.

The right from the concession arrangement is offset by variable and fixed interest rate non-recourse financing in the amount of T€ 325,617 (2023: T€ 339,847) classified either as a current or non-current liability depending on the term to maturity. The resulting interest expense is recognised under other operating expense. The interest risk based on variable interest was hedged through the conclusion of interest rate swap agreements that satisfy the requirements for presentation as a cash flow hedge. The changes in the value of the interest rate swap are therefore recognised in the other comprehensive income.

15 Other intangible assets

The composition of and changes in other intangible assets are shown under item
(12) Consolidated statement of changes in fixed assets.

No borrowing costs were capitalised for other intangible assets in the reporting period.

A total of T€ 18,960 (2023: T€ 17,135) in research and development costs incurred in the 2024 financial year were recorded as expenses.

16 Property, plant and equipment

The composition of and changes in property, plant and equipment are shown under item
(12) Consolidated statement of changes in fixed assets.

As in the previous year, no borrowing costs were capitalised for property, plant and equipment in the reporting period.

Leases

Lessee

The development of right-of-use assets from leases is shown under item
(12) Consolidated statement of changes in fixed assets.

The cash outflows from leases in the 2024 financial year break down as follows:

T€	**31.12.2024**	31.12.2023
Interest expense on lease liabilities	9,664	7,630
Repayment of lease liabilities	67,864	63,052
Variable lease payments	7,469	7,485
Payments for short-term equipment rentals	194,298	203,805
Payments for other short-term leases	6,498	7,605
Total lease payments	**285,793**	**289,577**

To a minor extent, the STRABAG SE Group also rents office space to third parties and thus acts as a **lessor**. This particularly involves the TECH GATE VIENNA in Vienna. The annual rental income amounts to T€ 2,475 (2023: T€ 2,445) and is shown in other operating income.

The carrying amount of this building as at 31 December 2024 is T€ 60,019 (2023: T€ 62,088) and is recorded under property, plant and equipment (properties and buildings). Rental income in the next year and the following five years will remain roughly constant. All leases are classified as operating leases.

Restrictions on property, plant and equipment/purchase obligations

As at the balance sheet date there was T€ 110,005 (2023: T€ 85,769) in contractual commitments for acquisition of property, plant and equipment which were not considered in the consolidated financial statements.

As in the previous year, no restrictions exist for non-current assets in the reporting period.

17. Investment property

STRABAG's range of services also includes the management of long-term, strategic real estate holdings (STRABAG Hold Estate), allowing the Group to cover the full building life cycle. The focus is on investments in the office, residential, hotel and mixed-use asset classes. The real estate portfolio is currently being built up through the purchase of new construction projects and redevelopments in Germany, Austria, Benelux and CEE with the aim to ensure the value retention and/or appreciation of the properties. ESG compliance and EU Taxonomy alignment are criteria in all purchases.

The development of investment property is as follows:

Investment property as at 31 December 2024

T€	Land and buildings	Advances paid	**Total**
Acquisition and production cost			
Balance as at 1.1.2024	**153,180**	**0**	**153,180**
Currency translation	-28	0	-28
Additions	88,919	116,643	205,562
Disposals	130,871	0	130,871
Balance as at 31.12.2024	**111,200**	**116,643**	**227,843**
Accumulated depreciation, amortisation and impairment			
Balance as at 1.1.2024	**116,226**	**0**	**116,226**
Additions	1,837	0	1,837
Disposals	112,522	0	112,522
Balance as at 31.12.2024	**5,541**	**0**	**5,541**
Carrying amount as at 31.12.2024	**105,659**	**116,643**	**222,302**

Investment property as at 31 December 2023

T€	Land and buildings	Total
Acquisition and production cost		
Balance as at 1.1.2023	**137,445**	**137,445**
Currency translation	-38	-38
Additions	15,773	15,773
Balance as at 31.12.2023	**153,180**	**153,180**
Accumulated depreciation, amortisation and impairment		
Balance as at 1.1.2023	**134,612**	**134,612**
Additions	-18,386	-18,386
Balance as at 31.12.2023	**116,226**	**116,226**
Carrying amount as at 31.12.2023	**36,954**	**36,954**

In the 2024 financial year, an office building in Romania and two hotels in Vienna and Cologne were added to the real estate portfolio. Furthermore, a purchase agreement for a rented office building in Frankfurt was concluded and the purchase price was paid. The transfer was scheduled to take effect on 1 January 2025. The purchase price is presented as a down payment.

The fair value of investment property as at 31 December 2024 amounts to T€ 238,769 (2023: T€ 45,467).

The fair value of undeveloped properties was set using market prices. For real estate projects, the fair value was determined by discounting net cash flows using recognised valuation methods. Budgeted cash flows are defined by management based on past and future developments.

The cost of capital is calculated as the weighted average cost of equity and debt, with consideration given to the different risk profiles in the individual countries where STRABAG operates. The cost of equity corresponds to the required rate of return for investors, while the cost of debt is based on the long-term financing conditions available to comparison companies. Both components are derived from capital market information.

The results of the discounted cash flow method are validated using the buying and selling factors that can be observed on the market.

The valuation methods used are considered Level 3 measurements and are not based on observable market data.

The rental income from investment property in the 2024 financial year amounted to T€ 5,464 (2023: T€ 10,700) and direct operating expenses totalled T€ 2,516 (2023: T€ 8,491). Due to the expansion of the Hold Estate portfolio, rental income will increase in the next year and in the following five years; rental income from existing projects will remain more or less constant.

In the financial year, as in the year before, no direct expenses were incurred from unlet investment property. Gains from asset disposals in the amount of T€ 0 (2023: T€ 0) and losses from asset disposals in the amount of T€ 222 (2023: T€ 0) were generated.

A reversal of impairment losses in the amount of T€ 0 was made in the 2024 financial year (2023: T€ 18,500).

18 Equity-accounted investments

T€	**2024**	2023
Carrying amount as at 1.1.	**541,026**	**411,172**
Changes in the consolidated group	0	2,104
Acquisitions/contributions	17,886	120,050
Income and expenses from equity-accounted investments	37,133	46,047
Distributions received	-49,467	-37,518
Repayments of capital	-12,511	-3,000
Share of other comprehensive income	-3,573	-2,739
Adjustment for income and expenses not covered by the equity-method carrying amount	-4,823	4,910
Carrying amount as at 31.12.	**525,671**	**541,026**

As at 31 December 2024, provisions amounting to T€ 4,000 (2023: T€ 9,044) and impairment allowances on receivables in connection with equity-accounted investments in the amount of T€ 10,477 (2023: T€ 10,256) were recognised. Changes in provisions recognised in profit or loss are reported under income or expenses from equity-accounted investments.

Notes on associates

Holcim Cement CE Holding GmbH, Vienna, is a significant associate. The group's share of the capital and voting rights amounts to 30%. The company is accounted for using the equity method. We also refer to item (39) Notes on related parties.

The following financial information concerns the consolidated financial statements prepared in accordance with IFRS.

T€	**2024**	2023
Revenue	343,369	308,075
Net income from continuing operations	38,981	42,328
Other comprehensive income	-8,077	-13,945
Total comprehensive income	**30,904**	**28,383**
attributable to: non-controlling interests	-87	-69
attributable to: equity holders of the parent	30,991	28,452
	31.12.2024	31.12.2023
Non-current assets	540,535	551,205
Current assets	143,604	128,722
Non-current liabilities	-146,545	-148,165
Current liabilities	-162,910	-144,764
Net assets	**374,684**	**386,998**
attributable to: non-controlling interests	3,922	4,008
attributable to: equity holders of the parent	370,762	382,990

The financial information presented here can be transferred to the equity carrying amount of the Holcim Cement CE Holding GmbH in the consolidated financial statements as follows:

T€	**2024**	2023
Group's share of net assets as at 1.1.	**114,896**	**114,890**
Group's share of net income from continuing operations	11,530	12,538
Group's share of other comprehensive income	-2,233	-4,003
Group's share of total comprehensive income	9,297	8,535
Dividends received	-12,965	-8,529
Group's share of net assets as at 31.12.	**111,228**	**114,896**
Goodwill	87,084	87,084
Equity-method carrying amount as at 31.12.	**198,312**	**201,980**

Another significant associate is **CMBlu Energy AG**, Alzenau. STRABAG SE acquired a further 16.92% of the shares in the 2024 financial year, bringing the Group’s total equity interest to 31.21% as of the reporting date. In addition, STRABAG has the right to appoint a member to the company’s Supervisory Board.

In the course of the share purchase, the other shareholders were granted call options. At the beginning of 2025, STRABAG therefore resold 5.85% of the shares at cost.

The following financial information concerns the preliminary consolidated financial statements prepared in accordance with IFRS.

T€	**2024**	2023
Net income from continuing operations	-33,240	-31,795
Other comprehensive income	-69	24
Total comprehensive income	**-33,309**	**-31,771**
attributable to: non-controlling interests	0	0
attributable to: equity holders of the parent	-33,333	-31,771

	31.12.2024	31.12.2023
Non-current assets	18,082	9,674
Current assets	66,059	106,809
Non-current liabilities	-7,413	-8,747
Current liabilities	-7,500	-4,473
Net assets	**69,228**	**103,263**
attributable to: non-controlling interests	0	0
attributable to: equity holders of the parent	69,228	103,263

The financial information presented here can be transferred to the equity carrying amount of CMBlu Energy AG in the consolidated financial statements as follows:

T€	**2024**	2023
Group's share of net assets as at 1.1.	**15,190**	**0**
Group's share of net income from continuing operations	-5,259	-779
Group's share of other comprehensive income	-21	0
Group's share of total comprehensive income	-5,280	-779
Dilution of shares	-432	0
Acquisition of shares	12,127	15,969
Group's share of net assets as at 31.12.	**21,605**	**15,190**
Goodwill	90,221	84,030
Equity-method carrying amount as at 31.12.	**111,826**	**99,220**

The following table arranges in aggregate form the carrying amount and the group’s share of the profit and other comprehensive income from associates that would be immaterial by themselves:

T€	**2024**	2023
Total of equity-method carrying amounts as at 31.12.	97,907	104,566
Group's share of net income from continuing operations	11,655	30,602
Group's share of other comprehensive income	250	1,837
Group's share of total comprehensive income	11,905	32,439

Notes on joint ventures

The following table arranges in aggregate form the carrying amount and the group’s share of the profit and other comprehensive income from joint ventures that would be immaterial by themselves:

T€	**2024**	2023
Total of equity-method carrying amounts as at 31.12.	117,626	135,260
Group's share of net income from continuing operations	19,207	3,686
Group's share of other comprehensive income	-1,569	-573
Group's share of total comprehensive income	17,638	3,113

Notes on accumulated losses from equity-accounted investments

Proportionate losses from equity-accounted investments in the amount of T€ 3,914 (2023: T€ 4,845) were not recognised in profit or loss, as the carrying amounts of these investments already are T€ 0.

Notes on consortia

The group classifies construction consortia as joint ventures and records their earnings under share of profit or loss of equity-accounted investments. The following table shows the group’s ten most important consortia with regard to the output volume in the 2024 financial year.

Construction consortia	Stake in %
ARGE A1 DAMMER BERGE, the Netherlands (DAM)	50.00
ARGE ALLIANZ CAMPUS STUTTGART VAIHINGEN, Germany (CAMP)	50.00
ARGE FLUGHAFENTUNNEL, Germany (FHT)	65.00
ARGE TUNNEL IBBENBÜREN, Germany (IBBE)	50.00
ARGE U2 17-21, Austria (U2)	50.00
ARGE U5 OST LOS 1, Germany (U5L1)	50.00
ARGE U5-OST HAMBURG LOS2, Germany (U5L2)	70.00
ARGE US-KLINIK WEILERBACH, Germany (WEIL)	75.00
BAU-ARGE ÖPP BAB A49 SLW, Germany (A49)	50.00
COMBINATIE HEREPOORT VOF, the Netherlands (HER)	42.10

The financial information in the 2024 financial year on these consortia is presented 100% and before consolidation and valuation approaches deviating from the consortia balance sheet if applicable.

T€	Revenue	Non-current assets	Current assets	thereof cash and cash equivalents	Current liabilities
WEIL	181,091	38	70,754	38,185	70,792
A49	188,679	3,294	787,106	51,011	790,400
CAMP	150,042	0	45,312	32,594	45,312
U5L2	82,722	5,840	39,214	38,902	45,054
DAM	120,391	2,326	670	153	2,996
FHT	89,932	2,832	526,343	47,567	529,175
U2	111,593	17,358	37,183	2,081	54,541
U5L1	93,445	90	43,412	15,038	43,502
IBBE	67,303	15,678	7,143	5,947	22,821
HER	67,195	69	7,811	1,624	7,880

In the 2024 financial year, the share of profit or loss of equity-accounted investments recorded for the above-mentioned consortia included T€ 76,172 in profits from consortia and T€ 17,274 in losses from consortia including impending losses.

The financial information in the 2023 financial year on these consortia is presented 100% and before consolidation and valuation approaches deviating from the consortia balance sheet if applicable.

T€	Revenue	Non-current assets	Current assets	thereof cash and cash equivalents	Current liabilities
WEIL	130,743	41	35,568	7,148	35,609
A49	199,983	5,229	645,654	90,479	650,883
CAMP	127,944	0	39,043	27,125	39,043
U5L2	3,980	41	15,457	8,888	15,498
DAM	125,986	2,666	431	20	3,097
FHT	94,537	6,602	382,733	18,316	389,335
U2	98,831	12,604	23,867	1,184	36,471
U5L1	25,439	1	15,056	2,983	15,057
IBBE	49,759	14,084	7,835	54	21,919
HER	81,529	187	833	3,114	1,020

In the 2023 financial year, the share of profit or loss of equity-accounted investments recorded for the above-mentioned consortia included T€ 36,601 in profits from consortia and T€ 37,623 in losses from consortia including impending losses.

The business transactions with the consortia in the financial year can be presented as follows:

T€	**2024**	2023
Work and services performed	947,783	1,025,947
Work and services received	35,286	31,441
Receivables as at 31.12.	455,494	389,333
Liabilities as at 31.12.	400,047	325,912

19 Other investments

The other investments in companies include investments in subsidiaries, associated companies, joint ventures and other investments which, being immaterial, are reported as not consolidated and are not included at equity in the consolidated financial statements. Detailed information on the group's investments (shares of more than 20%) can be found in the list of investments, which is included in the annual financial report.

The development of the other investments in the financial year was as follows:

T€	Balance as at 1.1.2024	Currency translation	Changes in the consoli-dated group	Additions	Transfers	Disposals	Impair-ment losses/ Reversal of impairment losses	**Balance as at 31.12.2024**
Investments in subsidiaries	96,430	-138	4,033	15,614	97	-2,657	-8,170	105,209
Investments	122,150	-188	11	14,887	-97	-3,918	-6,288	126,557
Other investments	**218,580**	**-326**	**4,044**	**30,501**	**0**	**-6,575**	**-14,458**	**231,766**

The development of the other investments in the previous financial year was as follows:

T€	Balance as at 1.1.2023	Currency translation	Changes in the consoli-dated group	Additions	Transfers	Disposals	Impair-ment losses/ Reversal of impair-ment losses	Balance as at 31.12.2023
Investments in subsidiaries	92,929	-827	11,605	6,380	0	-10,274	-3,383	96,430
Investments	105,072	498	4,118	11,771	0	-699	1,390	122,150
Other investments	**198,001**	**-329**	**15,723**	**18,151**	**0**	**-10,973**	**-1,993**	**218,580**

20 Deferred tax

Tax accruals and deferrals recognised in the balance sheet on temporary differences between the amounts stated in the IFRS financial statements and the respective tax amounts as well as on losses carried forward developed as follows:

T€	Balance as at 1.1.2024	Currency translation	Changes in the consolidated group	Other changes	**Balance as at 31.12.2024**
Intangible assets and property, plant and equipment	77,076	23	-24	-7,989	69,086
Financial assets	13,408	-1	0	-3,134	10,273
Inventories	38,981	-233	-163	3,339	41,924
Receivables and other assets	100,486	-768	-510	-48,171	51,037
Provisions	220,450	-19	-524	26,276	246,183
Liabilities	16,419	-2,992	-114	3,445	16,758
Austria - investment impairments (Siebentelabschreibung)	52,469	0	0	10,135	62,604
Tax loss carryforwards	10,416	0	0	394	10,810
Deferred tax assets	**529,705**	**-3,990**	**-1,335**	**-15,705**	**508,675**
Offsetting of deferred tax assets and liabilities relating to the same taxation authority	-419,975	0	0	31,431	-388,544
Deferred tax assets offset	**109,730**	**-3,990**	**-1,335**	**15,726**	**120,131**
Intangible assets and property, plant and equipment	-101,952	476	35	2,457	-98,984
Financial assets	-14,302	0	0	-5,189	-19,491
Inventories	-50,816	-123	0	18,974	-31,965
Receivables and other assets	-419,950	2,669	550	-23,210	-439,941
Provisions	-5,569	98	0	-12,610	-18,081
Liabilities	-64,052	124	20	1,482	-62,426
Deferred tax liabilities	**-656,641**	**3,244**	**605**	**-18,096**	**-670,888**
Offsetting of deferred tax assets and liabilities relating to the same taxation authority	419,975	0	0	-31,431	388,544
Deferred tax liabilities offset	**-236,666**	**3,244**	**605**	**-49,527**	**-282,344**

Deferred tax on losses carried forward was capitalised as these can probably be offset with future taxable profits. The planning period is limited to five years.

No deferred tax on losses carried forward of the STRABAG SE Group was recognized as the unused portions of investment impairment must be used primarily. The Austrian Corporate Income Tax (Körperschaftsteuergesetz, KStG) stipulates that impairment on investments can only be deducted for tax purposes over seven years (“ Siebentelabschreibung”).

The tax planning for the STRABAG SE tax group for the next five years documents the usability of the “Siebentelabschreibung”.

As at 31 December 2024, there were differences of T€ 1,099,276 (2023: T€ 1,086,560) between the carrying amount and the equity of subsidiaries recognised in the Group. No deferred taxes were recognised as STRABAG determines the disposal and dividend policy of the subsidiaries. STRABAG can therefore control the timing of the reversal of the temporary differences. The Management Board assumes that there will be no reversals in the foreseeable future.

Based on the rules developed by the OECD for the introduction of a global minimum tax, the EU on 22 December 2022 adopted a directive on a global minimum level of taxation. In Austria, implementation into national law was carried out with the

Minimum Tax Act, which became applicable for the first time for the 2024 financial year. The new law requires STRABAG SE to pay additional taxes for its subsidiaries in jurisdictions in which the effective tax rate determined in accordance with Pillar II is below 15%, insofar as an additional tax is not levied in the respective jurisdiction itself.

With Hungary, Bulgaria, Montenegro, Bosnia and the United Arab Emirates, the STRABAG SE Group operates in countries with a nominal tax rate below 15%. With the exception of Montenegro and Bosnia, these countries have introduced a national top-up tax, which has resulted in only minor top-up tax amounts that have been recognised in the local financial statements. The majority of the operating business, however, is conducted in countries with higher tax rates (in particular Germany and Austria). Based on a preliminary analysis of the tax expenses and earnings of the Group companies, no provision for tax expenses under the Pillar II rules had to be recognised in the consolidated financial statements for the 2024 financial year.

In accordance with the provisions of IAS 12, the exemption from recognising deferred taxes due to Pillar II is applied.

With regard to deferred taxes, these can only be taken into account for Pillar II purposes provided that the deferred tax assets and liabilities in the financial accounts of all business entities in a tax jurisdiction for the transition year have been demonstrably recognised or disclosed in financial statements.

The following table therefore shows all unrecognised deferred taxes on losses carried forward and temporary differences. In the absence of a reversal of deferred taxes in the next five years, an impairment was made with regard to these losses carried forward and temporary differences in the consolidated financial statements. Determination of the impairment took into account the fact that losses carried forward exist in project companies with only limited business activities in subsequent years and that losses carried forward are recognised multiple times in the investment chain due to tax-effective investment write-downs and that their use would lead to tax-effective write-ups.

Of the non-capitalised losses carried forward, T€ 2,919,592 (2023: T€ 2,632,108) have unrestricted use. Non-capitalised losses carried forward in the amount of T€ 189,843 (2023: T€ 260,625) can theoretically be used for up to 20 years (2023: 20 years).

The unrecognised deferred taxes are as follows:

	31.12.2024					31.12.2023				
	not recognised in the future due to lack of usability									
T€	**Losses carried forward**	**Deferred tax**	**Temporary differences**	**Deferred tax**	**Deferred tax total**	Losses carried forward	Deferred tax	Temporary differences	Deferred tax	Deferred tax total
Austria	1,365,471	314,043	0	0	314,043	1,231,924	283,342	0	0	283,342
Austria - investment impairments (Siebentelabschreibung)	272,097	62,582	0	0	62,582	372,542	85,685	0	0	85,685
Chile	463,365	125,109	190,083	51,322	176,431	424,840	114,706	119,642	32,304	147,010
Netherlands	216,879	55,955	2,611	674	56,629	211,760	54,633	26,878	6,934	61,567
Canada	168,593	44,677	16,402	4,347	49,024	84,388	22,363	55,873	14,806	37,169
Sweden	149,563	30,810	0	0	30,810	159,562	32,870	6,267	1,291	34,161
Denmark	146,217	32,168	52,251	11,495	43,663	138,226	30,410	53,001	11,660	42,070
Germany	115,760	38,569	30,447	9,385	47,954	113,751	18,001	34,828	10,736	28,737
Germany - German trade tax (Gewerbesteuer)	95,171	14,276	0	0	14,276	87,333	13,100	0	0	13,100
Hungary	108,353	9,752	7,135	642	10,394	103,732	9,336	104,141	9,373	18,709
Switzerland	74,780	13,460	0	0	13,460	80,241	14,443	0	0	14,443
Slovakia	71,473	17,124	19,906	4,566	21,690	68,550	14,396	20,434	4,291	18,687
Italy	51,333	12,320	57,269	13,745	26,065	53,996	12,959	71,668	17,200	30,159
Belgium	50,951	12,738	3,216	804	13,542	50,311	12,578	5,590	1,398	13,976
Russia	0	0	0	0	0	39,863	7,973	16,791	3,358	11,331
Great Britain	0	0	0	0	0	15,505	3,876	0	0	3,876
Other	31,527	5,803	380,670	72,794	78,597	28,751	5,307	350,627	67,982	73,289
	3,381,533	**789,386**	**759,990**	**169,774**	**959,160**	**3,265,275**	**735,978**	**865,740**	**181,333**	**917,311**

21 Inventories

T€	**31.12.2024**	31.12.2023
Construction materials, auxiliary supplies and fuel	270,691	264,494
Finished buildings	363,660	167,644
Unfinished buildings	424,423	341,019
Undeveloped land	405,447	421,005
Finished goods and work in progress	26,806	27,643
Advances paid	61,043	34,234
Inventories	**1,552,070**	**1,256,039**

For qualifying assets, interest on borrowings was recognised in the amount of T€ 986 (2023: T€ 694).

22 Receivables from concession arrangements

STRABAG has a 100% interest in the Hungarian M5 motorway concession company, AKA Alföld Koncessziós Autópálya Zrt., Budapest (AKA).

In the concession arrangement with the Hungarian state, AKA committed to develop, plan and finance and to build and operate the M5 motorway. The motorway itself is the property of the state; all vehicles and equipment necessary for motorway operation are to be transferred to the state free of charge following the end of the concession period.

In exchange, AKA will regularly receive an availability fee, independent of transit volume, from the Hungarian state for making the motorway available to the public. AKA bears the operator's risk of motorway closure and non-compliance of contractually agreed roadway criteria.

The route totals 156.5 km and was built in three phases. The concession period runs until 2031. A one-time extension for up to 17.5 years is possible.

All services provided under this concession arrangement are accounted for under the separate balance sheet item receivables from concession arrangements. The receivables are carried at the present value of the payment to be made by the state. The annual accumulation amount is recognised in revenue.

The contract also includes interest adjustment payments to be made by the Hungarian state. As a result, the state bears the interest risk from the financing of AKA. These interest adjustment payments represent a separate hedging transaction. Presentation is made as a cash flow hedge; as a result, changes in the fair value of the interest rate swap are recognised in other comprehensive income.

The financing was repaid in full in June 2024, thereby eliminating the interest adjustment payment obligations and allowing the interest rate swap to expire.

The interest expense is recognised in other operating expense.

23 Contract assets and contract liabilities

The contract assets comprise the right to payment from construction contracts with customers as well as from project developments for the work performed by the reporting date. If the advances received exceed the payment rights, presentation is made under contract liabilities.

The **contractual balances** are comprised as follows:

T€	**31.12.2024**	31.12.2023
Contract assets (gross)	7,098,423	7,643,852
Advances received	-5,861,328	-6,360,348
Contract assets	**1,237,095**	**1,283,504**
Contract liabilities (gross)	-8,976,428	-8,379,871
Advances received	10,516,159	9,715,708
Contract liabilities	**1,539,731**	**1,335,837**

In the 2024 financial year, revenue was recognised in the amount of T€ 1,161,336 (2023: T€ 1,101,805) that had been included under contract liabilities at the beginning of the financial year.

As at 31 December 2024, there are unsatisfied performance obligations from construction contracts with customers and project developments (order backlog) in the amount of T€ 20,671,871 (2023: T€ 18,938,369). The recognition of revenue from these performance obligations is expected with T€ 10,185,926 (2023: T€ 9,968,076) in the following financial year and with T€ 10,485,946 (2023: T€ 8,970,293) in the next four financial years.

In the reporting period, no costs of contract initiation or contract satisfaction were capitalised as separate assets.

As is customary in the industry, the customer has the contractual right to retain part of the total amount of the invoice. As a rule, however, these retentions are redeemed by collateral (bank or group guarantees).

With regard to the contract assets and liabilities, we refer to our notes in the section "Estimates - (c) Recognition of revenue from construction contracts with customers and project developments".

24 Trade receivables

Trade receivables are comprised as follows:

		31.12.2024		31.12.2023
T€	**Total**	**thereof current**	Total	thereof current
Trade receivables	1,420,252	1,420,252	1,365,315	1,365,315
Receivables from consortia	325,025	325,025	255,712	255,712
Advances paid to subcontractors	0	0	72,274	72,274
Trade receivables	**1,745,277**	**1,745,277**	**1,693,301**	**1,693,301**

Starting with the 2024 financial year, advances paid to subcontractors are recognised under current non-financial assets.

25 Other financial assets

Other financial assets are comprised as follows:

			31.12.2024			31.12.2023
T€	**Total**	**thereof current**	**thereof non-current**	Total	thereof current	thereof non-current
Securities	28,433	10	28,423	27,359	0	27,359
Receivables from subsidiaries	108,861	106,728	2,133	110,663	107,343	3,320
Receivables from participation companies	150,894	80,260	70,634	135,099	71,095	64,004
Other financial assets	313,934	78,853	235,081	306,804	82,335	224,469
Other financial assets	**602,122**	**265,851**	**336,271**	**579,925**	**260,773**	**319,152**

The other non-current financial assets mainly include financing receivables related to construction projects and concession arrangements, derivatives held for hedging purposes, and the surplus of plan assets over the pension obligations in Switzerland.

26 Cash and cash equivalents

T€	**31.12.2024**	31.12.2023
Securities	0	26
Cash on hand	644	945
Bank deposits	3,723,051	3,449,651
Cash and cash equivalents	**3,723,695**	**3,450,622**

27 Equity

Details as to the development of the equity of STRABAG SE are represented in the statement of changes in equity.

The fully paid-in share capital as at 31 December 2024 amounts to € 118,221,982.00 and is divided into 118,221,979 no-par bearer shares and three registered shares. STRABAG SE held 2,779,006 treasury shares as at 31 December 2024.

Various capital measures were adopted by the **Annual General Meeting of STRABAG SE held on 16 June 2023** to reduce the stake of minority shareholder MKAO "Rasperia Trading Limited" from 27.8% to below 25%. The full text of the resolutions is available on the website of STRABAG SE at www.strabag.com.

The capital measures are summarised below:

Capital increase (capital adjustment) from company funds

The share capital of the Company of € 102,600,000.00 was increased by € 1,900,000,000.00 to € 2,002,600,000.00 from company funds without the issue of new shares.

Ordinary capital reduction for the purpose of allocation to non-committed capital reserves

The share capital of the Company after the capital adjustment in the amount of € 2,002,600,000.00 was reduced by € 996,620,004.30 to € 1,005,979,995.70 for the purpose of allocation to non-committed reserves of the Company ("Capital reduction for the purpose of allocation to non-committed reserves").

Ordinary capital reduction with the option of subscribing for new shares against a non-cash contribution of the distribution entitlements

The share capital of the Company was reduced from € 1,005,979,995.70 by € 903,379,995.70 to € 102,600,000.00 for the purpose of repaying the reduction amount to the shareholders of the Company ("capital reduction for the purpose of distribution"). The distribution entitlement resulting from the capital reduction in the amount of € 9.05 per no-par share entitled to distribution ("distribution entitlement") was paid in cash or, at the option of each shareholder, in new shares of the Company issued in connection with the non-cash capital increase.

Ordinary non-cash increase of the share capital of the Company

The share capital of the Company was increased by up to € 24,955,248.00 through the issue of up to 24,955,248 new no-par bearer shares (ordinary shares), each with a pro-rata amount of the share capital of € 1.00 (hereinafter "new shares"), against non-cash contributions through the waiver of distribution entitlements.

The shareholders were granted the legal subscription rights. The subscription ratio was set at 1:4 (1 new share for 4 existing shares) ("subscription ratio") and the subscription price per new share at € 36.20 ("subscription price"). The contribution in kind to be made for the subscription of each new share therefore comprised 4 distribution entitlements in the nominal amount of € 9.05 per share entitled to distribution.

The minority shareholder MKAO "Rasperia Trading Limited" is controlled by Russian businessman Oleg Deripaska. Due to the EU sanctions against Oleg Deripaska, the shares of MKAO "Rasperia Trading Limited" in STRABAG SE and all rights associated with these shares, including voting rights and dividend entitlements, are frozen. Consequently, MKAO "Rasperia Trading Limited" was not entitled to a rights offer for new shares in respect of its 28,500,001 ordinary shares.

The subscription period for choosing the share option ended on 29 September 2023. As contractually agreed in advance, the core shareholders – the Haselsteiner family, UNIQA and Raiffeisen – chose to exercise the share-based option. Additionally, 26.4% of STRABAG SE's free float shareholders also opted to receive new shares. As a result, shareholders representing 87.6% of the eligible shares chose the share-based option. This corresponds to 60.9% of the company's share capital.

Consequently, only the capital reduction amount of T€ 337,864 attributable to the distribution option was represented as a decrease in equity and other current financial liabilities in the consolidated financial statements as at 31 December 2023.

15,621,982 new shares were issued as part of the ordinary non-cash capital increase in March 2024, increasing the share capital by 15.2% from € 102,600,000.00 to € 118,221,982.00. The share capital increase was entered into the commercial register on 21 March 2024. With this date, the increase in share capital can be recognised in the balance sheet. The stake held by minority shareholder MKAO "Rasperia Trading Limited" was thus reduced from 27.8% to 24.1%.

Payment of the dividend from the capital reduction to the free float, which had opted against the share option, was completed on 3 December 2024.

The T€ 257,925 attributable to minority shareholder MKAO "Rasperia Trading Limited" remains frozen due to the sanctions provisions and therefore continues to be recognised under other current financial liabilities.

All of the capital measures adopted by the Annual General Meeting on 16 June 2023 are now legally effective. MKAO "Rasperia Trading Limited" (Rasperia) had contested the resolutions on the capital measures. Following dismissal of the appeal by the Higher Regional Court of Graz, Rasperia ultimately decided not to file a challenge with the Supreme Court of Justice. As a result, the legal proceedings have been conclusively brought to an end.

The following resolutions were passed at the **Annual General Meeting of STRABAG SE held on 14 June 2024:**

Resolution concerning the authorisation of the Management Board to increase capital pursuant to Section 169 of the Austrian Stock Corporation Act (AktG) (authorised capital) against cash contributions and/or contributions in kind, including authorisation of the Management Board to exclude subscription rights, and amendment of Article 4 (1) of the Articles of Association

For a period of five years after entry of the corresponding amendment to the Articles of Association in the Commercial Register pursuant to Section 169 of the Austrian Stock Corporation Act (AktG), the Management Board is authorised, subject to the approval of the Supervisory Board, to increase the share capital by up to € 59,110,991.00 by issuing up to 59,110,991 new bearer shares in the company against cash contributions and/or contributions in kind, including in multiple tranches, and, by agreement with the Supervisory Board, to determine the issue price, which may not be less than the proportionate amount of the share capital, the issue terms and the further details of the implementation of the capital increase and, if necessary, to offer the new shares to shareholders for subscription by way of an indirect subscription right pursuant to Section 153 (6) AktG.

The Management Board is authorised, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights in full or in part (i) if the capital increase is made against a cash contribution, (ii) if the capital increase is made against a contribution in kind, (iii) to service an over-allotment option (greenshoe), or (iv) to balance out fractional amounts. The total shares issued against cash contributions in accordance with this authorisation, excluding shareholders' subscription rights, may not arithmetically correspond to a share of the capital exceeding the total amount of € 11,822,198.00, which corresponds to around 10% (ten percent) of the company's share capital. The Supervisory Board is authorised to adopt amendments to the Articles of Association resulting from the issue of shares from authorised capital.

Resolution concerning cancellation of the existing and unused conditional capital (Section 159 (2) no. 1 AktG) for the issue of shares to creditors of financial instruments in accordance with the resolution of the Annual General Meeting of 15 June 2012 and the amendment of Article 4 (7) of the Articles of Association

The conditional increase of the share capital of the company pursuant to Section 159 (2) no. 1 of the Austrian Stock Corporation Act (AktG) by up to € 50,000,000.00 through the issue of up to 50,000,000 new shares for issue of financial instruments as approved by the Annual General Meeting from 15 June 2012 has been cancelled.

Resolution to authorise the Management Board

a) to acquire own shares, pursuant to Section 65 (1) no. 8 as well as subsections 1a and 1b AktG, on the stock exchange, by public tender or in any other manner, to the extent of up to 10% of the share capital, excluding any proportionate selling rights that may accompany such an acquisition (reverse exclusion of subscription rights),

b) to reduce the share capital by withdrawing own shares acquired without a further resolution by the General Meeting, and

c) to sell or assign own shares pursuant to Section 65 (1b) AktG in a manner other than on the stock market or through public tender

(1) The authorisation of the Management Board granted at the 18th Annual General Meeting on 24 June 2022 to acquire own shares shall be cancelled to the extent not utilised and the Management Board shall be authorised simultaneously, pursuant to Section 65 (1) no. 8 as well as subsections 1a and 1b AktG, to acquire no-par value bearer or registered shares of the company on the stock exchange, by public tender or in any other manner to the extent of up to 10% of the share capital during a period of 30 months from the date of this resolution at a minimum price of € 1.00 per share (= calculated value of one share in proportion to the share capital) and a maximum price of no more than € 43.00 per share. The purpose of the acquisition may not be to trade with own shares. This authorisation may be exercised in full or in part or in several partial amounts, and in pursuit of one or several purposes by the company, by a subsidiary (Section 189a no. 7 of the Austrian Commercial Code (UGB)) or by third parties acting on behalf of the company. The authorisation may be exercised once or several times. The authorisation shall be exercised by the Management Board in such a way that the proportion of the share capital associated with the shares acquired by the company on the basis of this authorisation or otherwise may not exceed 10% of the share capital at any time. An acquisition may be decided by the Management Board; the Supervisory Board must be subsequently informed of this decision.

(2) The Management Board shall be authorised, with regard to the acquisition of no-par value bearer or registered shares of the company in accordance with resolution item 1, to exclude the shareholders' proportionate selling rights that may accompany such an acquisition (reverse exclusion of subscription rights). An acquisition with exclusion of the proportionate selling rights (reverse exclusion of subscription rights) is subject to the prior approval of the Supervisory Board.

(3) The authorisation of the Management Board granted at the 18th Annual General Meeting on 24 June 2022 to withdraw own shares shall be cancelled to the extent not utilised and the Management Board shall be authorised to withdraw, with the approval of the Supervisory Board, all or part of the own shares acquired by the company without a further resolution by the General Meeting.

(4) The authorisation of the Management Board granted at the 18th Annual General Meeting on 24 June 2022 to sell own shares shall be cancelled to the extent not utilised and the Management Board shall be authorised, for a period of five years from this resolution, to sell or assign its own shares, with approval by the Supervisory Board, pursuant to Section 65 (1b) AktG in a manner other than on the stock market or through public tender, to the exclusion of the shareholders' buyback rights (subscription rights), and to determine the conditions of sale. This authorisation may be exercised once or several times, in full or in part or in several partial amounts, and in pursuit of one or several purposes by the company, by a subsidiary (Section 189a no. 7 of the Austrian Commercial Code (UGB)) or by third parties acting on behalf of the company.

The complete resolutions are available on the website of STRABAG SE at www.strabag.com.

Mandatory offer by core shareholders

On 18 August 2022 Haselsteiner Familien-Privatstiftung, RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung and UNIQA Österreich Versicherungen AG informed STRABAG SE of their intention, as bidders, to make a mandatory (anticipatory) public offer pursuant to Section 22 et seq of the Austrian Takeover Act (ÜbG) for the acquisition of all outstanding no-par value bearer shares of STRABAG SE (ISIN AT0000STR1) not held by the bidders or by legal entities acting in concert with the bidders, with an offer price of € 38.94 per STRABAG share.

The offer was also intended to remove the restriction on voting rights of the bidders (and the legal entities acting jointly with them) that existed at the time to a total of 26%, which arose due to a passive acquisition of control because of the European sanction restrictions on MKAO "Rasperia Trading Limited".

STRABAG SE agreed with the bidders of the mandatory offer to acquire, as own shares, up to 10,260,000 of the shares tendered into the offer, representing up to 10% of the share capital, at the same price as the offer price (€ 38.94). This required a current financial liability in the amount of the maximum theoretical purchase obligation of T€ 399,524 to be deducted directly from retained earnings effective 31 December 2022.

With the share purchase agreement dated 9 February 2023, STRABAG SE acquired 2,779,006 own shares (2.7% of the share capital) in the amount of T€ 108,214 on the basis of this arrangement. The theoretical purchase obligation of T€ 291,310 deducted directly from equity effective 31 December 2022 was therefore reversed with no effect on profit or loss.

Other Notes

Long-term economic success, within the context of responsibility to our shareholders, customers, employees, suppliers, subcontractors and the company itself, is the primary entrepreneurial objective of the STRABAG SE Group. Working to pursue these goals, recognising opportunities and risks before and as they arise, and responsibly taking these into consideration safeguards the continuity of the Group and protects the interests of the shareholders.

To guarantee the continuity of the company, the management and responsible employees assure that there is a balanced relationship between opportunities and risks during the selection of projects and assess the individual risks against the background of the overall company risk.

The group equity ratio target was defined at between 20% and 25% during the IPO of STRABAG SE in October 2007. The equity ratio is calculated from the carrying amount of the equity as at 31 December divided by the balance sheet total as at 31 December. The equity contains all parts of the equity according to the balance sheet: share capital, capital reserves, retained earnings and other reserves and non-controlling interests.

The group equity ratio as at 31 December 2024 amounted to 34.1% (2023: 32.2%). With this equity base, the STRABAG SE Group will be able to participate increasingly in tenders for Public-Private Partnership (PPP) projects. This means that the necessary funds for a participation in equity capital are available and that the related change in the balance sheet total will be manageable.

If the Group is awarded the tender for large-scale projects, or if a strategically suitable acquisition is made, the equity ratio could briefly fall below the set minimum. In this case, the company reserves the right to adjust the dividend payments to the shareholders or to issue new shares.

28 Provisions

T€	Balance as at 1.1.2024	Currency translation	Changes in the consolidated group	Added	Used	**Balance as at 31.12.2024**
Provisions for severance payments	98,268	-59	0	1,129	0	99,338
Provisions for pensions	319,854	847	0	0	16,297	304,404
Construction-related provisions	547,376	-5,374	0	99,896	52,119	589,779
Personnel-related provisions	7,153	0	-1,048	2,578	242	8,441
Other provisions	364,146	-449	0	14,507	41,425	336,779
Non-current provisions	**1,336,797**	**-5,035**	**-1,048**	**118,110**	**110,083**	**1,338,741**
Construction-related provisions	693,241	-6,583	-532	856,282	690,027	852,381
Personnel-related provisions	223,119	-1,274	74	253,473	222,230	253,162
Other provisions	240,542	-196	-3,074	207,690	237,231	207,731
Current provisions	**1,156,902**	**-8,053**	**-3,532**	**1,317,445**	**1,149,488**	**1,313,274**
Total	**2,493,699**	**-13,088**	**-4,580**	**1,435,555**	**1,259,571**	**2,652,015**

The actuarial assumptions as at 31 December 2024 used to calculate provisions for severance payments and pensions are represented as follows:

	Severance payments	Pension obligation Germany/Austria	Pension obligation Switzerland	Pension obligation Netherlands	Pension obligation Belgium
Biometric tables	AVÖ 2018-P	Dr. Klaus Heubeck 2018G/ AVÖ 2018-P	BVG 2020G	Prognosetafel AG2024	Standard Belgium MR/FR -5year correction 1992
Discount rate (%)	3.33	3.33	0.97	3.33	3.33
	(2023: 3.20)	(2023: 3.20)	(2023: 1.52)	(2023: 3.20)	(2023: 3.36)
Salary increase (%)	3.00	-	1.50	-	3.50
	(2023: 3.00)	(2023: -)	(2023: 2.00)	(2023: -)	(2023: 3.50)
Future pension increase (%)		3.00	0.00	1.30	2.00
	-	(2023: 3.00)	(2023: 0.25)	(2023: 3.00)	(2023: 2.00)
Retirement age for men	65	63–67	65	65	65
	(2023: 62)	(2023: 63–67)	(2023: 65)	(2023: 65)	(2023: 65)
Retirement age for women	60–65	60–67	65	65	65
	(2023: 62)	(2023: 60–67)	(2023: 65)	(2023: 65)	(2023: 65)

Sensitivity analysis

All other parameters remaining equal, a change in the discount rate by +/- 0.5 percentage points, a change in the salary increase by + 1.0 percentage points as well as a change in the pension increase by + 1.0 percentage points would have the following impact on the amount of the provisions for severance payments and pension obligations as at 31 December 2024:

T€		Change in discount rate	Change in salary increase	Change in future pension increase
Change[1]	-0.5 %-points	+0.5 %-points	+1.0 %-points	+1.0 %-points
Severance payments	-3,800	3,564	-7,802	-
Pension obligations	-28,555	25,737	-1,787	-38,809

[1] Sign: - increase in obligation, + decrease in obligation

Provisions for severance payments show the following development:

T€	**2024**	2023
Present value of the defined benefit obligation as at 1.1.	**98,268**	**91,382**
Changes in the consolidated group/currency translation	-59	612
Current service cost	3,502	2,629
Interest cost	2,626	2,786
Severance payments	-5,017	-6,259
Actuarial gains/losses arising from experience adjustments	-1,639	3,897
Actuarial gains/losses arising from change in the discount rate	975	3,221
Actuarial gains/losses arising from demographic changes	682	0
Present value of the defined benefit obligation as at 31.12.	**99,338**	**98,268**

The **development of the provisions for pensions** is shown below:

T€	**2024**	2023
Present value of the defined benefit obligation as at 1.1.	**497,405**	**488,793**
Changes in the consolidated group/currency translation	2,945	10,590
Current service cost	7,536	4,770
Interest cost	12,876	15,947
Pension payments	-31,726	-34,702
Actuarial gains/losses arising from experience adjustments	5,008	670
Actuarial gains/losses arising from change in the discount rate	2,956	10,142
Actuarial gains/losses arising from demographic changes	-22	1,195
Present value of the defined benefit obligation as at 31.12.	**496,978**	**497,405**

The **plan assets for pension provisions** developed as follows in the reporting period:

T€	**2024**	2023
Fair value of the plan assets as at 1.1.	**177,551**	**155,246**
Changes in the consolidated group/currency translation	2,098	8,632
Return on plan assets	3,240	3,752
Contributions	7,805	7,195
Pension payments	-9,146	-12,141
Actuarial gains/losses	2,454	6,364
Assets not included according to IFRIC 14	15,329	30,030
Reclassification assets	-6,757	-21,527
Fair value of the plan assets as at 31.12.	**192,574**	**177,551**

The **plan assets** consist of the following risk groups:

T€	**31.12.2024**	31.12.2023
Shares[1]	30,780	30,294
Bonds[1]	45,262	44,678
Cash	7,660	6,454
Investment funds	11,241	11,515
Real estate	18,918	19,525
Liability insurance	65,194	67,774
Other assets	41,803	34,186
Assets not included according to IFRIC 14	0	-15,348
thereof reclassified assets	-28,284	-21,527
Total	**192,574**	**177,551**

[1] All shares and bonds are traded in an active market.

The plan assets involve almost exclusively the assets of the pension foundation of STRABAG AG, Switzerland. Any investments in this regard are subject to the applicable laws and regulations governing the supervision of foundations. Capital investments are to be chosen by trained experts in such a way as to guarantee the investment goal of revenue-generating and risk-minimising asset management while taking into consideration security, risk distribution, returns and the liquidity to fulfil the pension purposes. The investment strategy can be adjusted on an annual basis in order to reflect market changes. Currently the split is 40% in nominal value assets and 60% in tangible assets.

In the 2024 financial year, STRABAG AG, Switzerland, had a surplus of plan assets over the pension liability in the amount of T€ 28,284 (2023: T€ 21,527). This surplus is reported under other non-current financial assets.

The expected contributions to pension foundations in the following year will amount to T€ 3,916 (2023: T€ 3,767).

The actual income from plan assets amounted to T€ 5,359 in the 2024 financial year (2023: T€ 9,471).

Asset-liability matching strategy

Pension payments in Switzerland are provided by pension foundations with funds dedicated to this purpose, while payments in Austria and in Germany are covered by readily available cash and cash equivalents as well as securities.

The following amounts for pension and severance provisions were recognised in the **income statement**:

T€	**2024**	2023
Current service cost	11,038	7,399
Interest cost	15,502	18,733
Return on plan assets	3,240	3,752

The **development of the net defined benefit obligation** for pension and severance provisions was as follows:

T€	**31.12.2024**	31.12.2023
Net obligation for severance provisions	99,338	98,268
Present value of the defined benefit obligation (pension provisions)	496,978	497,405
Fair value of plan assets (pension provisions)	-192,574	-177,551
Net obligation for pension provisions	304,404	319,854
Net obligation total	**403,742**	**418,122**

The **maturity profile** of the benefit payments from the net defined benefit liability as at 31 December 2024 was as follows:

T€	< 1 year	1–5 years	6–10 years	11–20 years	> 20 years
Provisions for severance payments	3,107	31,737	36,812	41,356	3,896
Provisions for pensions	30,001	121,747	98,636	128,392	86,914

The **maturity profile** of the benefit payments from the net defined benefit liability as at 31 December 2023 was as follows:

T€	< 1 year	1–5 years	6–10 years	11–20 years	> 20 years
Provisions for severance payments	10,105	36,058	32,332	31,091	842
Provisions for pensions	29,090	120,691	99,556	131,743	91,143

The **durations** (weighted average term) are shown in the following table.

Years	**31.12.2024**	31.12.2023
Severance payments Austria	7.35	7.55
Pension obligations Austria	5.24	5.56
Pension obligations Germany	9.42	9.79
Pension obligations Switzerland	14.20	13.60
Pension obligations the Netherlands	12.60	14.92
Pension obligations Belgium	6.60	6.80

Other provisions

The construction-related provisions include warranty obligations, costs of the contract execution and subsequent costs of invoiced contracts, as well as impending losses from projects pending which are not accounted for elsewhere. The personnel-related provisions essentially include bonus obligations and premiums, service anniversary bonuses, contributions to occupational funds as well as costs of the old age part-time scheme and expenses for personnel downsizing measures. Other provisions especially include provisions for damages and litigations.

29 Financial liabilities

			31.12.2024			31.12.2023
T€	**Total**	**thereof current**	**thereof non-current**	Total	thereof current	thereof non-current
Bank borrowings	536,394	228,609	307,785	534,707	209,032	325,675
Lease liabilities	390,874	65,969	324,905	364,223	63,690	300,533
Financial liabilities	**927,268**	**294,578**	**632,690**	**898,930**	**272,722**	**626,208**

Physical securities (mainly mortgages) were established to cover liabilities to banks in the amount of T€ 20,046 (2023: T€ 18,042).

The bank borrowings involve non-recourse liabilities in the amount of T€ 512,571 (thereof non-current: T€ 307,753). This value amounted to T€ 509,668 (thereof non-current: T€ 325,628) in the previous year.

The lease liabilities are presented less the rental deposits of T€ 19,717 (2023: T€ 23,970).

30 Trade payables

		31.12.2024		31.12.2023
T€	**Total**	**thereof current**	Total	thereof current
Trade payables	2,453,549	2,453,549	2,528,944	2,528,944
Liabilities from construction consortia	337,271	337,271	261,817	261,817
Trade payables	**2,790,820**	**2,790,820**	**2,790,761**	**2,790,761**

31 Other financial liabilities

		31.12.2024			31.12.2023	
T€	**Total**	**thereof current**	**thereof non-current**	Total	thereof current	thereof non-current
Payables to subsidiaries	121,905	121,905	0	114,109	114,109	0
Payables to participation companies	20,320	20,320	0	17,388	17,388	0
Other financial liabilities	600,903	567,108	33,795	684,378	656,304	28,074
Other financial liabilities	**743,128**	**709,333**	**33,795**	**815,875**	**787,801**	**28,074**

The dividend entitlements, as well as the payment entitlements from the capital reduction of MKAO “Rasperia Trading Limited” that were frozen due to the sanctions, are recognised in other current financial liabilities in the amount of T€ 386,033 (2023: T€ 340,575). See also the comments under item (38) Notes on shareholder structure.

32 Contingent assets

STRABAG SE, together with its German subsidiaries Erste Nordsee-Offshore-Holding GmbH and Zweite Nordsee-Offshore-Holding GmbH, has filed an **arbitration claim against the Federal Republic of Germany**. The plaintiffs claim that the regulatory measures adopted by the Federal Republic of Germany have restricted their right to develop offshore wind turbines in certain areas of the North Sea to such an extent as to result in the loss of the investment. The claim asserts that the Federal Republic of Germany has thus violated the investment protection provisions of the Energy Charter Treaty.

On 18 December 2024, the arbitral tribunal ruled that the subsidiaries Erste Nordsee-Offshore-Holding GmbH and Zweite Nordsee-Offshore-Holding GmbH are entitled to damages totalling € 241 million plus interest at 3% p.a. STRABAG holds a 51% stake in each of the subsidiaries.

The Federal Republic of Germany has submitted a rectification request to the court of arbitration to amend individual passages of the ruling. No final decision on the request had been made by the date of preparation of these financial statements. The Federal Republic of Germany then has four months to file for annulment proceedings, including a temporary suspension of enforceability. The estimated duration of such proceedings is approximately three years. The arbitral award will probably only be final after these proceedings have been concluded and can then be enforced after further national court proceedings to establish enforceability in the respective country.

In this respect, no receivable can be recognised yet.

On 29 June 2020, the tribunal in STRABAG SE v Libya (ICSID Case No. ARB (AF)/15/1) issued its award holding Libya in breach of the agreement between the Republic of Austria and the State of Libya for the promotion and protection of investments. The tribunal consequently awarded STRABAG SE damages of € 75 million plus interest, and ordered Libya to reimburse STRABAG 75% of its legal costs and expenses, and to bear 75% of the costs of the arbitration.

STRABAG commenced its activities in Libya – the construction of infrastructure – in 2006. The operations were interrupted in 2011 by the conflict in the country. In the arbitration proceedings, STRABAG claimed compensation for losses and damages suffered during the conflict and for work it had already performed on the various construction projects.

A motion filed by Libya with the competent courts in the United States to set aside the arbitration award was dismissed by final decision after passing through several instances.

It remains uncertain whether Libya will honour the award. STRABAG is examining all possibilities of enforcing the arbitration award and has initiated recognition and enforcement proceedings. These proceedings are moving along very slowly and have not yet led to any additional findings. Because of the existing uncertainties no receivable was recognised.

In November 2024, STRABAG learned that Libya had filed a suit against STRABAG SE, STRABAG International GmbH and the Libyan project company, Al Hani Inc., in a Libyan court. Libya is seeking damages and repayment of the advance payments not used because Al Hani Inc. failed to properly fulfil the construction contracts at the time. According to an initial assessment, the prospects of success are considered to be low. It is assumed that Libya will raise this claim in possible settlement negotiations.

33 Contingent liabilities

The company has accepted the following **guarantees**:

T€	**31.12.2024**	31.12.2023
Guarantees without financial guarantees	20	20

34 Off balance sheet transactions

In the construction industry, it is customary and necessary to provide various types of guarantees to secure the contractual obligations. These guarantees are usually issued by banks or credit insurers and most commonly comprise bid, contract performance, prepayment and warranty guarantees. In the event these guarantees are called upon, the relevant banks have a contractual right of recourse against the Group. The risk that such guarantees are utilised and that a right of recourse arises materialises only if the primary contractual obligations are not properly performed.

Obligations and possible risks from such guarantees are recognised in the balance sheet as liabilities or provisions.

Not included in the balance sheet or the contingent liabilities as at 31 December 2024 are performance bonds in the amount of € 2.9 billion (2023: € 2.8 billion) of which an outflow of resources is unlikely.

Contract fulfilment guarantees issued by the Group for nonconsolidated subsidiaries or investees are to be classified as insurance contracts in accordance with IFRS 17. No fee is charged for these guarantees. As at 31 December 2024, guarantees amounting to T€ 12,873 (2023: T€ 9,945) had been issued.

As is customary in the industry, STRABAG SE shares liability with the other partners of consortia in which companies of the STRABAG SE Group hold a share interest.

35 Notes to the consolidated cash flow statement

The representation of the cash flow statement was made according to the indirect method and separated into the cash flows classified by operating, investing and financing activities. The cash and cash equivalents include exclusively cash on hand, bank deposits and short-term securities. Any effects from changes in the consolidated group were eliminated and represented in the cash flow from investing activities.

The **cash and cash equivalents** are composed as follows:

T€	**31.12.2024**	31.12.2023
Securities	0	26
Cash on hand	644	945
Bank deposits	3,723,051	3,449,651
Pledged cash and cash equivalents	-150	-150
Cash and cash equivalents	**3,723,545**	**3,450,472**

Moreover, in construction projects executed through consortia there are cash and cash equivalents whose use can only be determined jointly with other partner companies.

The **cash flow from financing activities** for the financial year 2024 can be derived from the balance sheet items as follows:

T€	Bank borrowings	Other financial liabilities[1]	Lease liabilities	**Total**
Balance as at 1.1.2024	**534,707**	**438,539**	**364,223**	**1,337,469**
Proceeds	56,169	0	0	56,169
Repayments	-52,183	0	0	-52,183
Increase (+)/decrease (-) in financing	0	-80,213	-67,864	-148,077
Total cash flows from financing activities	**3,986**	**-80,213**	**-67,864**	**-144,091**
Currency translation	-3,037	-50	-548	-3,635
Changes in the consolidated group	738	0	4,108	4,846
Other changes	0	38,905	90,955	129,860
Total non-cash changes	**-2,299**	**38,855**	**94,515**	**131,071**
Balance as at 31.12.2024	**536,394**	**397,181**	**390,874**	**1,324,449**

[1] The recognition in the balance sheet was made under current and non-current other financial liabilities.

The cash changes in other financing liabilities relate to the payment of the capital reduction to the free float shareholders in the amount of T€ 79,939 (see under item (27) Equity).

The other changes relate mainly to non-cash changes in other financial liabilities (see under item (31) Other financial liabilities).

The cash flow from financing activities can be derived as follows:

T€	**Inflow (+) Outflow (-)**
Cash flows from financing activities	-144,091
Distribution of dividends	-209,595
Cash flow from financing activities	**-353,686**

The **cash flow from financing activities** for the financial year 2023 can be derived from the balance sheet items as follows:

T€	Bank borrowings	Other financial liabilities[1]	Lease liabilities	Total
Balance as at 1.1.2023	**624,763**	**65,471**	**332,438**	**1,022,672**
Proceeds	12,631	0	0	12,631
Repayments	-96,630	0	0	-96,630
Increase (+)/decrease (-) in financing	0	-13,504	-63,052	-76,556
Total cash flows from financing activities	**-83,999**	**-13,504**	**-63,052**	**-160,555**
Currency translation	-2,152	39	972	-1,141
Changes in the consolidated group	-3,905	0	7,786	3,881
Other changes	0	386,533	86,079	472,612
Total non-cash changes	**-6,057**	**386,572**	**94,837**	**475,352**
Balance as at 31.12.2023	**534,707**	**438,539**	**364,223**	**1,337,469**

[1] The recognition in the balance sheet was made under current and non-current other financial liabilities.

The cash flow from financing activities can be derived as follows:

T€	Inflow (+) Outflow (-)
Cash flows from financing activities	-160,555
Acquisition of own shares	-108,214
Distribution of dividends	-161,812
Cash flow from financing activities	**-430,581**

Notes on financial instruments

36 Financial instruments

A financial instrument is a contract that results in a financial asset at one enterprise and a financial liability or equity instrument at another. Financial assets include especially cash and cash equivalents, trade receivables and other receivables and derivatives. Financial liabilities are obligations to pay cash or other financial assets on a regular basis. These include especially financial liabilities such as bank borrowings, bonds, lease liabilities and trade payables.

Financial instruments overview

The **financial instruments** as at the balance sheet date were as follows:

T€	Measurement category according to IFRS 9	Carrying amount 31.12.2024	Fair value 31.12.2024	Measurement category according to IFRS 9	Carrying amount 31.12.2023	Fair value 31.12.2023
Assets						
Investments below 20% (other investments)	FVPL	59,565	59,565	FVPL	56,147	56,147
Trade receivables	AC	1,745,277	1,745,277	AC	1,621,027	1,621,027
Receivables from concession arrangements	AC	427,630	429,497	AC	481,311	474,487
Other non-current financial assets	AC	99,318	105,919	AC	102,954	97,435
Other non-current financial assets	FVPL	157,505	157,505	FVPL	134,107	134,107
Other current financial assets	AC	265,842	265,842	AC	260,773	260,773
Cash and cash equivalents	AC	3,723,695	3,723,695	AC	3,450,596	3,450,596
Securities	FVPL	28,432	28,432	FVPL	27,359	27,359
Cash and cash equivalents (securities)	FVPL	0	0	FVPL	26	26
Derivatives held for hedging purposes (receivables from concession arrangements)	Derivatives	0	0	Derivatives	174	174
Derivatives held for hedging purposes (other financial assets)	Derivatives	22,776	22,776	Derivatives	33,231	33,231
Liabilities						
Financial liabilities	FLaC	-927,268	-913,023	FLaC	-898,930	-883,666
Trade payables	FLaC	-2,790,820	-2,790,820	FLaC	-2,790,761	-2,790,761
Other non-current financial liabilities	FLaC	-31,933	-31,933	FLaC	-28,074	-28,074
Other current financial liabilities	FLaC	-709,333	-709,333	FLaC	-780,666	-780,666
Derivatives held for hedging purposes (other financial liabilities)	Derivatives	-1,863	-1,863	Derivatives	0	0
Derivatives other (other financial liabilities)	FVPL	0	0	FVPL	-7,135	-7,135
	Measurement category according to IFRS 9			Measurement category according to IFRS 9		
	AC	6,261,762	6,270,230	AC	5,916,661	5,904,318
	FVPL	245,502	245,502	FVPL	210,504	210,504
	FLaC	-4,459,354	-4,445,109	FLaC	-4,498,431	-4,483,167
	Derivatives	20,913	20,913	Derivatives	33,405	33,405
	Total	**2,068,823**	**2,091,536**	**Total**	**1,662,139**	**1,665,060**

Cash and cash equivalents, trade receivables and other current financial assets have for the most part short remaining terms. Accordingly, their carrying amounts on the balance sheet date approximate their fair value. The fair value of non-current financial assets corresponds to the present value of the related payments under consideration of the prevailing market parameters to the extent that market values were not available.

Trade payables and other financial liabilities typically have short terms; their carrying amounts approximate the fair value. The fair value of bank borrowings and lease liabilities are measured at the present value of the payments associated with them and under consideration of the relevant applicable market parameters to the extent that market values were not available. The fair value of the financial liabilities would qualify entirely as a Level 2 measurement at T€ 913,023 (2023: T€ 883,666).

T€ 150 (2023: T€ 150) of cash and cash equivalents, T€ 840 (2023: T€ 815) of securities and T€ 2,222 (2023: T€ 2,097) of other financial instruments were pledged as collateral for liabilities.

The non-recourse liabilities in the amount of T€ 512,571 (2023: T€ 509,668) are secured with the return flows from the respective project.

There was no reclassification between the valuation categories in the 2024 financial year.

The **net income effects of the financial instruments** according to valuation categories are as follows:

				2024				2023
T€	**AC**	**FVPL**	**FLaC**	**Derivatives (Hedge accounting)**	AC	FVPL	FLaC	Derivatives (Hedge accounting)
Interest	130,902	0	-36,421	0	110,420	0	-32,102	0
Interest from concession arrangements	69,163	39,094	-7,933	-720	41,082	22,400	-10,985	-1,854
Result from securities and investments	0	29,800	0	0	0	10,380	0	0
Credit losses, impairment losses and reversal of impairment losses	-28,605	0	0	0	-85,226	0	0	0
Payments of derecognised receivables and income from derecognition of liabilities	2,449	0	9,651	0	495	0	56,379	0
Net income from other derivatives	0	7,135	0	0	0	11,621	0	0
Net income recognised in profit or loss	**173,909**	**76,029**	**-34,703**	**-720**	**66,771**	**44,401**	**13,292**	**-1,854**
Value changes recognised directly in equity	0	0	0	-12,953	0	0	0	-15,762
Net income	**173,909**	**76,029**	**-34,703**	**-13,673**	**66,771**	**44,401**	**13,292**	**-17,616**

Interest from financial assets and financial liabilities is reported in net interest income, with the exception of interest from concession arrangements. Concession arrangements are part of the operating business, which is why interest income from concession arrangements is recognised in revenue and interest expense from concession arrangements is recognised in other operating expense.

Impairments, credit losses and reversals of impairment losses on financial assets and liabilities – excluding investments of less than 20% as well as securities – are reported under other operating expense or other operating income. Gains and losses on the disposal of financial receivables and liabilities are also recognised in other operating income or other operating expense.

Income from the derecognition of liabilities as well as payments received on derecognised receivables are reported under other operating income.

Income, expenses, impairment losses and reversals of impairment losses as well as disposal gains and losses on investments of less than 20% are recognised in net income from investments.

Income, expenses, impairment losses and reversals of impairment losses as well as disposal gains and losses on securities are recognised in net interest income.

Changes in other derivatives measured through profit or loss are recognised in net interest income.

Financial instruments measured at fair value

The fair values as at 31 December 2024 for financial instruments measured at fair value in the balance sheet were determined as follows:

T€	Level 1	Level 2	Level 3	**Total**
Assets				
Other non-current financial assets			157,505	157,505
Investments below 20% (other investments)			59,565	59,565
Securities	28,432			28,432
Derivatives held for hedging purposes		22,776		22,776
Total	**28,432**	**22,776**	**217,070**	**268,278**
Liabilities				
Derivatives held for hedging purposes		-1,863		-1,863
Total	**0**	**-1,863**	**0**	**-1,863**

The fair values as at 31 December 2023 for financial instruments measured at fair value in the balance sheet were determined as follows:

T€	Level 1	Level 2	Level 3	Total
Assets				
Other non-current financial assets			134,107	134,107
Investments below 20% (other investments)			56,147	56,147
Securities	27,359			27,359
Cash and cash equivalents (securities)	26			26
Derivatives held for hedging purposes		33,405		33,405
Total	**27,385**	**33,405**	**190,254**	**251,044**
Liabilities				
Derivatives other		-7,135		-7,135
Total	**0**	**-7,135**	**0**	**-7,135**

STRABAG records regroupings between the different fair-value-hierarchy levels at the end of the reporting period in which the regrouping took place.

During the financial years 2024 and 2023, there were no transfers between the levels.

Financial instruments in Level 1

The fair value is determined on the basis of quoted prices in an active market. An active market exists if the prices are regularly established and readily available to the market participants. The quoted market price for the financial instruments presented in Level 1 corresponds to the bid price at the balance sheet date.

Financial instruments in Level 2

These financial instruments are not traded in an active market. They involve exclusively derivatives held for hedging purposes and other derivatives. The fair value expresses the expected realisable value of the transaction on the balance sheet date. It is determined using recognised and standard financial methods of measurement on the basis of observable market data. Specifically, measurement is made using interest yield and currency curves in proportion to the term of the derivative. The methods of measurement used also take into account fees, market risk, credit risk, ratings and exchange rate risks.

Financial instruments in Level 3

The non-current financial assets recognised at fair value through profit or loss (FVPL) relate exclusively to an interest-bearing financing receivable in connection with the construction of a concession project. Measurement is carried out by discounting future cash flows to the value on the reporting date.

The carrying amount of other non-current financial assets developed as follows:

	2024	2023
Carrying amount as at 1.1.	**134,107**	**103,470**
Additions	0	22,419
Interest	16,675	14,034
Changes in fair value	22,393	8,218
Payments	-15,670	-14,034
Carrying amount as at 31.12.	**157,505**	**134,107**

FVPL measurement is required under IFRS as the debtor was granted an early repayment option.

This category also includes a number of smaller shareholdings of less than 20% that are not traded on an active market. Their fair value is determined on the basis of simplified company valuations.

The carrying amount of investments below 20% developed as follows:

	2024	2023
Carrying amount as at 1.1.	**56,147**	**48,351**
Currency translation/Transfers	-108	397
Changes in the consolidated group	0	36
Additions	7,065	5,502
Disposals	-2,402	-146
Depreciation	-3,109	-138
Changes in fair value	1,972	2,145
Carrying amount as at 31.12.	**59,565**	**56,147**

Due to the broad diversification of the investments, no major fluctuations in value are expected in the future.

The **derivatives** are comprised as follows:

T€			**31.12.2024**			31.12.2023
Bank	**Assets**	**Liabilities**	**Total**	Assets	Liabilities	Total
Republic of Hungary	0	0	0	174	0	174
SMBC Capital Markets	0	0	0	2,864	0	2,864
National Bank of Canada	0	-935	-935	2,889	0	2,889
Bank of Montreal	0	-928	-928	0	0	0
KfW IPEX-Bank	5,763	0	5,763	7,116	0	7,116
Norddeutsche Landesbank	5,679	0	5,679	6,652	0	6,652
SEB AG	5,772	0	5,772	6,902	0	6,902
Société Générale	5,562	0	5,562	6,808	0	6,808
Total derivatives held for hedging purposes	**22,776**	**-1,863**	**20,913**	**33,405**	**0**	**33,405**
Bayerische Landesbank	0	0	0	0	-1,883	-1,883
Raiffeisenbank International AG[1]	0	0	0	0	-1,679	-1,679
UniCredit Bank Austria AG	0	0	0	0	-3,573	-3,573
Total other derivatives	**0**	**0**	**0**	**0**	**-7,135**	**-7,135**
Total	**22,776**	**-1,863**	**20,913**	**33,405**	**-7,135**	**26,270**

1 Can be offset in the event of insolvency.

Principles of risk management

The STRABAG SE Group is subject to credit, market and liquidity risks related to its financial assets, financial liabilities and planned transactions. The goal of financial risk management is to minimise these risks through ongoing financially-oriented activities.

The basics of the financial policy are set by the Management Board and monitored by the Supervisory Board. The implementation of the financial policy and responsibility for the risk management are the domain of the group treasury. Certain transactions require prior approval by the Management Board, which is regularly informed as to the scope and amount of the current risk exposure.

The Group assesses concentrations of risk with regard to interest rate risk, currency risk and credit risk as low because customers are located in different countries, belong to different industries and operate in largely independent markets.

The Group's business activities are subject to market price risks that are customary in the industry. These risks are not hedged through derivatives or financial instruments but through other hedging activities including but not limited to contractual agreements.

Further explanations on risk management can be found in the Group management report from 31 December 2024.

Interest rate risk

The receivables from concession arrangements in the amount of T€ 427,630 (2023: T€ 481,311) and the non-current other financial assets in the amount of T€ 336,271 (2023: T€ 319,152) are mostly at fixed interest rates. Bank deposits, on the other hand, are mainly at variable interest rates. Investments with fixed interest rates are concluded for a maximum of three months. The risk of financial instruments on the assets side consists of falling interest rates. The persistently high interest rates in the main countries in which the Group operates are having a positive effect on net interest income due to the Group's net cash position.

The most important bank borrowings involve non-recourse financing from projects in the amount of T€ 512,571 (2023: T€ 509,668), which are either at fixed interest rates or hedged against interest rate changes by means of interest rate swaps. The risk of the variable interest-bearing financial instruments on the liabilities side consists of rising interest rates on expenses resulting from an unfavourable change in market interest rates.

The interest rate risk is managed by concluding fixed interest rate agreements or through hedging with interest rate swaps for significant financing liabilities. In the case of bank deposits, investments are constantly adjusted to the changed market conditions by continuously monitoring the interest rate environment.

The amount of bank deposits and bank borrowings according to currency – giving the average interest rate at the balance sheet date – is represented as follows:

Bank deposits

Currency	**Carrying amount 31.12.2024 T€**	**Weighted average interest rate 2024 %**
EUR	2,688,639	2.68
PLN	275,251	4.54
CZK	251,791	2.58
GBP	137,470	4.27
HUF	132,986	5.92
Other	236,914	1.83
Total	**3,723,051**	**2.93**

Currency	Carrying amount 31.12.2023 T€	Weighted average interest rate 2023 %
EUR	2,203,359	3.58
PLN	488,568	3.62
CZK	279,730	4.65
HUF	181,854	6.53
GBP	48,874	1.01
Other	247,266	3.15
Total	**3,449,651**	**3.77**

Bank borrowings

Currency	**Carrying amount 31.12.2024 T€**	**Weighted average interest rate 2024 %**
EUR	349,439	3.33
CAD	186,955	5.18
Total	**536,394**	**3.98**

Currency	Carrying amount 31.12.2023 T€	Weighted average interest rate 2023 %
EUR	393,387	4.04
CAD	136,939	6.41
Other	4,381	1.29
Total	**534,707**	**4.62**

Had the interest rate level at 31 December 2024 been higher by 100 basis points, then the EBT would have been higher by T€ 30,520 (2023: T€ 28,110) and the equity at 31 December 2024 would have been higher by T€ 48,082 (2023: T€ 47,567). Had the interest rate level been lower by 100 basis points, this would have meant a correspondingly lower equity and EBT. The calculation is made based on the level of interest-bearing financial assets and liabilities as at 31 December. Tax effects from interest rate changes were not considered.

Currency risk

Due to the decentralised structure of the Group, characterised by local companies in the respective countries, mainly closed currency positions appear in the balance sheet. Receivables and liabilities from business activities mainly offset each other in the same currency.

Internal hedging is performed for construction contracts where there are no closed currency positions (e.g. construction contracts that are not concluded in functional currency). As part of corporate-wide treasury management, these positions are then combined, and external hedging is performed if necessary.

The internal financing of companies within the Group using different functional currencies resulted in an earnings-relevant currency risk. Derivative financial instruments are transacted to limit this risk. The market values of these hedging transactions in the amount of T€ 0 (2023: T€ -7,135) are recognised in profit or loss in the income statement. The hedging transactions are reported under other financial assets or other financial liabilities.

In addition to the bank deposits and bank borrowings in foreign currencies (see “Interest rate risk”), the other non-current financial assets still include carrying amounts of T€ 38,917 (2023: T€ 43,081) in foreign currencies.

Development of the important **currencies in the Group:**

Currency	**Closing rate 31.12.2024: 1 € =**	**Average rate 2024: 1 € =**	Closing rate 31.12.2023: 1 € =	Average rate 2023: 1 € =
HUF	411.3500	395.9708	382.8000	382.1354
CZK	25.1850	25.1228	24.7240	23.9821
PLN	4.2750	4.3050	4.3395	4.5355
CHF	0.9412	0.9513	0.9260	0.9727
CLP	1,033.5700	1,021.8108	979.4000	911.9477
USD	1.0389	1.0826	1.1050	1.0816
GBP	0.8292	0.8469	0.8691	0.8702
RON	4.9743	4.9753	4.9756	4.9513
CAD	1.4948	1.4820	1.4642	1.4606

The following table shows the hypothetical changes in EBT and equity if the euro had been appreciated or depreciated by 10% in relation to another currency in the year **2024**:

	Appreciation of the euro by 10%		**Depreciation of the euro by 10%**	
T€ Currency	**Change in EBT**	**Change in equity**	**Change in EBT**	**Change in equity**
PLN	10,906	3,633	-13,329	-4,440
HUF	-2,044	5,375	2,498	-6,569
CHF	-1,490	-10,183	1,821	12,446
CZK	2,071	3,889	-2,531	-4,753
GBP	14,770	14,770	-18,052	-18,052
USD	-53	-53	65	65
Other	-23,530	-23,530	28,759	28,759

The following table shows the hypothetical changes in EBT and equity if the euro had been appreciated or depreciated by 10% in relation to another currency in the year **2023**:

	Appreciation of the euro by 10%		Depreciation of the euro by 10%	
T€ Currency	Change in EBT	Change in equity	Change in EBT	Change in equity
PLN	4,127	-4,055	-5,044	4,956
HUF	-2,671	12,254	3,265	-14,978
CHF	-323	-9,159	395	11,194
CZK	755	2,573	-922	-3,145
GBP	23,231	23,231	-28,393	-28,393
USD	-1,715	-1,715	2,096	2,096
Other	-32,964	-32,964	40,290	40,290

The calculation is based on original and derivative foreign currency holdings in non-functional currency as at 31 December as well as underlying transactions for the next twelve months. The effect on tax resulting from changes in currency exchange rates was not taken into consideration. Currency effects from net investments in foreign operations are recognised in the change in equity. Currency differences recognised directly in equity from the translation of the different functional currencies into euros are not taken into account.

Cash flow hedges

Currency risks in the Group result when the currency of the order differs from the functional currency of the company. The planned proceeds are received in the currency of the order (for example, euro or US dollar), while a substantial part of the associated costs is incurred in the local currency.

The Group uses foreign exchange forwards to hedge against this risk. These contracts are classified as hedges against future payments and are presented as cash flow hedges. As in the previous year, there were no currency hedging instruments to be recognised as cash flow hedges in the 2024 financial year.

To **hedge against variable interest rate obligations**, interest rate swaps are used especially with financing obligations from concession arrangements. This serves to hedge the variability of future cash flows from variable interest rate payments. Interest rate swaps are presented as cash flow hedges. These involve derivatives that are settled net.

The Group determines the existence of an economic relationship between the hedging instrument and the hedged item for the purpose of assessing the effectiveness of the hedge based on the interest rate benchmarks, terms, repricing dates and maturities of the nominal amounts.

The amounts of the hedged items as at 31 December 2024 are as follows:

T€ Hedged item	**Value changes in the basis for effectiveness measurement**	**Hedging reserves**
Interest rate risk		
Interest EGLINTON	1,473	-1,863
Interest PANSUEVIA	-2,193	16,538
Total	**-720**	**14,675**

The amounts of the hedged items as at 31 December 2023 are as follows:

T€ Hedged item	Value changes in the basis for effectiveness measurement	Hedging reserves
Interest rate risk		
Interest AKA	25	-116
Interest PANSUEVIA	6,992	20,809
Interest Scarborough	-5,413	6,935
Total	**1,604**	**27,628**

The hedging instruments as at 31 December 2024 were comprised as follows:

T€ Hedge	**Nominal value**	**Carrying amount**	Balance sheet item where the hedge is presented	**OCI change in value of the hedge**	**Recycling amount from hedging reserves**	P&L item where the recycling amount is recognised
Interest rate risk						
Interest rate swap AKA	0	0	Receivables from concession arrangements	0	116	Other operating expense
Interest rate swaps EGLINTON	37,558	-1,863	Other financial liabilities	-1,473	-390	Interest expense
Interest rate swaps PANSUEVIA	218,453	22,776	Other financial assets	2,193	-6,465	Other operating expense
Interest rate swaps Scarborough	0	0	Other financial assets	0	-6,934	Interest expense
Total	**256,011**	**20,913**		**720**	**-13,673**	

Possible sources of ineffectiveness in these hedging relationships include:

- the effect of counterparty and own credit risk on the fair value of derivatives, which is not reflected in the change in the fair value of the hedged cash flows, and is attributable to interest rates changes
- differences in the repricing dates of the hedging instrument and the underlying transactions
- changes in the expected value of the cash flows from the underlying transaction being hedged and from the hedging instrument

The hedging instruments as at 31 December 2023 were made up as follows:

T€ Hedge	Nominal value	Carrying amount	Balance sheet item where the hedge is presented	OCI change in value of the hedge	Recycling amount from hedging reserves	P&L item where the recycling amount is recognised
Interest rate risk						
Interest rate swap AKA	32,933	174	Receivables from concession arrangements	-25	-353	Other operating expense
Interest rate swaps PANSUEVIA	228,002	27,478	Other financial assets	-6,992	-5,411	Other operating expense
Interest rate swaps Scarborough	175,445	5,753	Other financial assets	5,413	-8,394	Interest expense
Total	**436,380**	**33,405**		**-1,604**	**-14,158**	

In the 2023 financial year, a total of T€ 1,721 was recognised in the income statement under interest and similar income for the Scarborough interest rate swap due to ineffectiveness.

On 31 December 2024, the Group held the following instruments for the purpose of hedging interest rate fluctuation:

			Maturity
	1–6 months	**6–12 months**	**> 1 year**
Interest rate swap			
Nominal amount in T€	5,145	5,285	245,581
Average fixed interest rate (%)	0.90	0.90	1.34

On 31 December 2023, the Group held the following instruments for the purpose of hedging interest rate fluctuation:

			Maturity
	1–6 months	6–12 months	> 1 year
Interest rate swap			
Nominal amount in T€	37,750	180,177	218,453
Average fixed interest rate (%)	2.56	1.19	0.90

The reconciliation of the equity components as at 31 December 2024 is as follows:

T€	**Hedging reserves**
As at 1.1.	**-115**
Fair value changes	
Interest rate risk	720
Recycling	**0**
Interest rate risk	-13,673
Deferred tax	**0**
Interest rate risk	3,638
Change in hedging reserves from equity-accounted investments	**773**
As at 31.12.	**-8,657**

The reconciliation of the equity components as at 31 December 2023 is as follows:

T€	Hedging reserves
As at 1.1.	**18,260**
Fair value changes	
Interest rate risk	-1,604
Recycling	
Interest rate risk	-14,158
Deferred tax	
Interest rate risk	4,647
Change in hedging reserves from equity-accounted investments	**-7,260**
As at 31.12.	**-115**

Credit risk

Credit risks arise when contractual parties do not meet their payment obligations by the date of settlement. Such risks exist with regard to payments of receivables from the operating business. To manage the credit risk from the operating business, STRABAG established a credit risk management system in line with the market conditions and customers. In particular, due to the economic uncertainties, loans to and receivables from private clients are being monitored even more closely than in the past.

The maximum credit risk of trade receivables, contract assets and other financial assets corresponds to the carrying amounts presented in the balance sheet.

The risk for receivables from clients can be rated as low due to the wide dispersion, a constant creditworthiness check and the presence of the public sector as an important client. The performance of work for private customers is largely secured by ongoing partial payments.

The risk of default for other primary financial instruments shown on the assets side can also be regarded as low, as the contract partners are mainly financial institutions with the highest level of creditworthiness or the public sector and/or there is wide dispersion. In the case of other non-current financial assets, ongoing creditworthiness checks are also carried out individually on the basis of expected future cash flows.

STRABAG SE holds no non-financial assets as security collateral. Financial collateral is only of minor importance, as the large number of public-sector customers presents hardly any payment risk.

Impairments on trade receivables and on contract assets are determined using the simplified approach. The impairments are determined taking into consideration the country-specific risks and the creditworthiness of the customers. For public clients, the probability of default for any country is based on Moody's national scale ratings for that country, while for private clients in the country in question, the probability of default is assumed to be two rating levels higher.

Impairments, considered individually, are also made on financial assets if the carrying amount of the financial asset is higher than the present value of the future cash flows. This can be triggered by financial difficulties, insolvency of the client, breach of contract or significant default of payment. These impairments are composed of many individual items.

The risk provision as at 31 December 2024 for trade receivables and for contract assets developed as follows during the financial year:

T€	Trade receivables	Contract assets
Gross carrying amount as at 31.12.2024	**1,812,424**	**1,242,468**
Lifetime ECL as at 1.1.	8,699	6,008
Exchange differences/changes in the consolidated group	-20	72
Change due to change in volumes	878	-139
Change due to change in ratings	-470	-568
Lifetime ECL as at 31.12.	**9,087**	**5,373**
Impairment as at 1.1.	**46,418**	**0**
Exchange differences/changes in the consolidated group	-270	0
Added/used	11,912	0
Impairment as at 31.12.	**58,060**	**0**
Net carrying amount as at 31.12.2024	**1,745,277**	**1,237,095**

In addition, ECL impairments on other financial assets amounting to T€ 3,675 (2023: T€ 4,056) exist as at 31 December 2024, as well as individual impairments amounting to T€ 234,087 (2023: T€ 260,451) for other non-current financial assets.

The risk provision as at 31 December 2023 for trade receivables and for contract assets developed as follows during the financial year:

T€	Trade receivables	Contract assets
Gross carrying amount as at 31.12.2023	**1,676,144**	**1,289,512**
Lifetime ECL as at 1.1.	8,733	7,506
Exchange differences/changes in the consolidated group	-193	-55
Change due to change in volumes	213	-942
Change due to change in ratings	-54	-501
Lifetime ECL as at 31.12.	**8,699**	**6,008**
Impairment as at 1.1.	**50,270**	**0**
Exchange differences/changes in the consolidated group	-1,470	0
Added/used	-2,382	0
Impairment as at 31.12.	**46,418**	**0**
Net carrying amount as at 31.12.2023	**1,621,027**	**1,283,504**

The following shows the gross carrying amounts of the financial assets by risk class for which the expected losses were recognised over the entire remaining term.

The risk classes were determined according to the probabilities of default depending on country risk and creditworthiness of the debtors. Below 0.55% is assumed to be low risk, between 0.55% and 1.2% medium risk and above 1.2% high risk.

The gross carrying amounts for the 2024 financial year are as follows:

T€	**Trade receivables**	**Contract assets**
Low risk	1,044,006	942,150
Medium risk	730,572	280,388
High risk	37,846	19,930
Gross carrying amount as at 31.12.2024	**1,812,424**	**1,242,468**

The gross carrying amounts for the 2023 financial year are as follows:

T€	Trade receivables	Contract assets
Low risk	1,055,012	931,616
Medium risk	595,812	303,406
High risk	25,320	54,490
Gross carrying amount as at 31.12.2023	**1,676,144**	**1,289,512**

Liquidity risk

Liquidity for the STRABAG SE Group means not only solvency in the strict sense but also the availability of the necessary financial margin for mainstay business through sufficient aval lines.

To guarantee financial flexibility, liquidity reserves are kept in the form of cash and credit lines for cash and aval loans. The STRABAG SE Group keeps bilateral credit lines with banks and syndicated cash and aval credit lines in the amount of € 0.4 billion (2023: € 0.4 billion) and € 2.0 billion (2023: € 2.0 billion) respectively. The overall line for cash and aval loan amounts to € 8.8 billion (2023: € 8.5 billion). The syndicated surety credit line contains covenants which were clearly fulfilled at the reporting date due to the Group's current financial and liquidity situation.

The STRABAG SE Group has sufficient liquidity reserves. Despite the uncertain economic situation, no significant changes in customers' payment behaviour could be detected. An increase in liquidity risk could not be identified in the 2024 financial year.

In addition to continuous monitoring of the liquidity situation by the Group Treasury, a corporate-wide cash pooling system and strict working capital management at project level are used to manage liquidity risk. Internal allowances and charges as well as regular reporting obligations ensure efficient receivables and accounts payable management at project level. Another liquidity management tool is the regular financial planning based on output, earnings and investment plans.

The following payment obligations arise from the **financial liabilities** (interest payments based on interest rate as at 31 December and redemption) for the subsequent years:

Payment obligations as at 31 December 2024

The **payment obligations from financial liabilities as at 31 December 2024** are comprised as follows:

T€	**Carrying amount 31.12.2024**	Cash flows 2025	Cash flows 2026–2029	Cash flows after 2029
Bank borrowings	536,394	204,959	158,185	286,470
Lease liabilities	390,874	83,978	256,101	195,174
Financial liabilities	**927,268**	**288,937**	**414,286**	**481,644**

The trade payables and the other liabilities without derivatives essentially lead to cash outflows in line with the maturity at the amount of the carrying amounts.

The payment obligations from leasing liabilities amount to T€ 77,532 for 2026, T€ 66,525 for 2027, T€ 58,473 for 2028 and T€ 53,571 for 2029.

The **payment obligations from derivatives as at 31 December 2024** are comprised as follows:

T€	**Carrying amount 31.12.2024**	Cash flows 2025	Cash flows 2026–2029
Derivatives held for hedging purposes	-20,913	0	1,863
Derivatives	**-20,913**	**0**	**1,863**

The derivatives held for hedging purposes showed a positive market value in the amount of T€ 22,776 as at the reporting date, which is why no payment obligations arise for them.

Payment obligations as at 31 December 2023

The **payment obligations from financial liabilities as at 31 December 2023** are comprised as follows:

T€	Carrying amount 31.12.2023	Cash flows 2024	Cash flows 2025–2028	Cash flows after 2028
Bank borrowings	534,707	237,286	114,748	324,436
Lease liabilities	364,223	78,272	233,540	173,650
Financial liabilities	**898,930**	**315,558**	**348,288**	**498,086**

The trade payables and the other liabilities without derivatives essentially lead to cash outflows in line with the maturity at the amount of the carrying amounts.

The payment obligations from leasing liabilities amount to T€ 72,134 for 2025, T€ 61,355 for 2026, T€ 51,862 for 2027 and T€ 48,189 for 2028.

The **payment obligations from derivatives as at 31 December 2023** are comprised as follows:

T€	Carrying amount 31.12.2023	Cash flows 2024	Cash flows 2025–2028
Derivatives held for hedging purposes	-33,405	0	0
Derivatives other	7,135	7,135	0
Derivatives	**-26,270**	**7,135**	**0**

The derivatives held for hedging purposes showed a positive market value as at the reporting date, which is why no payment obligations arise for them.

Financial guarantees

STRABAG has issued financial guarantees to banks for the benefit of its own subsidiaries or associates. Based on the loan amount outstanding as at 31 December 2023, the maximum guarantee amount is T€ 42,738 (2023: T€ 74,557). Theoretically, these abstract guarantees can be utilised at any time, which would lead to a short-term outflow of liquidity.

Segment report

37 Segment reporting

The rules of IFRS 8 Operating Segments apply to the segment reporting. IFRS 8 prescribes defining the segments and reporting the earnings on the basis of the internal reporting (management approach). Segment assets are not disclosed as these do not form part of the regular internal reporting.

The internal reporting in the STRABAG SE Group is based on Management Board areas, which also represent the segments. The settlement between the single segments is made at arm's length prices.

The segment North + West bundles the construction activities in Germany, Switzerland, Benelux and Scandinavia as well as the ground engineering activities.

The segment South + East comprises the construction activities in Austria, Poland, Hungary, Czech Republic, Slovakia, Adriatic and Rest of Europe and the environmental engineering business. The construction materials business has been assigned to this segment as well.

The segment International + Special Divisions includes the international construction activities, tunnelling, services, real estate development and infrastructure development.

In addition, there are the Central Divisions and Central Staff Divisions, which handle services in the areas of accounting, group financing, technical development, digitalisation and innovation, machine management, quality management, logistics, legal affairs, contract management, etc. These services are included in the segment Other.

Segment reporting for the financial year 2024

T€	North + West	South + East	International + Special Divisions	Other	Reconciliation to IFRS financial statements	**Group**
Revenue	**7,221,273**	**7,123,755**	**3,059,268**	**17,923**	**0**	**17,422,219**
Inter-segment revenue	128,962	158,480	0	1,153,044		
EBIT	**692,666**	**387,988**	**-2,275**	**737**	**-17,226**	**1,061,890**
thereof share of profit or loss of equity-accounted investments	109,267	18,576	24,781	-3,909	0	148,715
thereof construction materials, consumables and services used	-4,094,165	-4,832,210	-1,136,317	-400,321	0	-10,463,013
thereof employee benefits expense	-1,921,977	-1,432,927	-1,226,267	-324,326	0	-4,905,497
Interest and similar income	0	0	0	144,845	0	144,845
Interest expense and similar charges	0	0	0	-69,429	0	-69,429
EBT	**692,666**	**387,988**	**-2,275**	**76,153**	**-17,226**	**1,137,306**
Investments in property, plant and equipment and intangible assets	0	0	0	756,519	0	756,519
Investments in Investment property	0	0	205,562	0	0	205,562
Depreciation, amortisation and impairment losses, reversals of impairment losses	0	0	20,958	561,334	0	582,292
thereof impairment losses and reversals of impairment losses	0	0	0	2,277	0	2,277

Segment reporting for the financial year 2023

T€	North + West	South + East	International + Special Divisions	Other	Reconciliation to IFRS financial statements	Group
Revenue	**7,280,187**	**7,344,063**	**2,984,478**	**57,812**	**0**	**17,666,540**
Inter-segment revenue	139,732	189,488	0	1,081,165		
EBIT	**644,823**	**392,570**	**-132,104**	**3,300**	**-28,392**	**880,197**
thereof share of profit or loss of equity-accounted investments	135,671	24,960	-16,466	-33	0	144,132
thereof construction materials, consumables and services used	-4,417,050	-5,214,747	-1,236,148	-407,135	0	-11,275,080
thereof employee benefits expense	-1,805,065	-1,297,103	-1,135,818	-302,909	0	-4,540,895
Interest and similar income	0	0	0	119,194	0	119,194
Interest expense and similar charges	0	0	0	-75,068	0	-75,068
EBT	**644,823**	**392,570**	**-132,104**	**47,426**	**-28,392**	**924,323**
Investments in property, plant and equipment and intangible assets	0	0	0	667,000	0	667,000
Depreciation, amortisation and impairment losses, reversals of impairment losses	7,454	0	20,305	510,357	0	538,116
thereof impairment losses	7,454	0	0	-12,616	0	-5,162

Reconciliation of the sum of the segment earnings to EBT according to IFRS financial statements

Income and expense in the internal reporting are essentially shown in accordance with IFRS. An exception is income taxes, including those applicable to deferred tax, which are not considered in the internal reporting.

The basis for the internal reporting is formed by all subsidiaries and participation companies. In the IFRS financial statements, earnings from companies which were not fully consolidated or reported using the equity method are only recognised in conformity with dividends, transfer of earnings and/or depreciation and amortisation. For this reason, the internal reporting does not conform with EBIT and EBT in the consolidated financial statements in terms of net income from investments.

Other minor differences result from entries in other consolidations.

Reconciliation of the internal reporting to IFRS financial statements is allocated as follows:

T€	**2024**	2023
Net income from investments	-9,598	-25,513
Other consolidation adjustments	-7,628	-2,879
Total	**-17,226**	**-28,392**

Breakdown of revenue by geographic region

T€	**2024**	2023
Germany	7,997,178	8,005,923
Austria	2,556,203	2,848,802
Rest of Europe	6,022,859	5,879,026
Rest of world	845,979	932,789
Revenue	**17,422,219**	**17,666,540**

Other notes

38 Notes on shareholder structure

The core shareholders of STRABAG SE are the Haselsteiner Group as well as the Raiffeisen Holding NÖ-Wien Group and the UNIQA Group. A syndicate agreement was concluded between the core shareholders on 18 August 2022.

The minority shareholder MKAO “Rasperia Trading Limited” (Rasperia) was – at least until 22 March 2024 – controlled by Russian businessman Oleg Deripaska. As a result of the EU sanctions against Oleg Deripaska, there has been no significant influence since 8 April 2022, so that Rasperia no longer constitutes a related party. The stake held by Rasperia currently amounts to 24.1%.

On 19 December 2023, the Management Board of STRABAG SE was informed by the Russian joint stock corporation Iliadis JSC and Oleg Deripaska, by means of a major holdings notification pursuant to Sections 130ff of the Austrian Stock Exchange Act (BörseG), that Iliadis JSC on 14 December 2023 had concluded a purchase agreement for 100% of the shares in Rasperia, although this transaction had not yet been carried out.

On 26 March 2024, the company was informed by means of major holdings notifications pursuant to Sections 130ff of the Austrian Stock Exchange Act (BörseG) that the transaction in Russia that had been announced in December 2023 had been completed and that Rasperia had been transferred to Iliadis JSC. According to these notifications, Rasperia, with its 24.1% stake in STRABAG SE, is now controlled by Iliadis JSC, and Oleg Deripaska has relinquished his previous (indirect) control.

Rasperia (and Iliadis JSC) was (were) added to the U.S. sanctions list by the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) in May 2024 and to the EU sanctions list by Council Implementing Regulation (EU) 2024/1842. Rasperia’s 24.1% stake in STRABAG SE remains frozen.

A dividend of € 2.20 per share was approved at the Annual General Meeting of 14 June 2024. As the dividend claims from the shares held by Rasperia are frozen due to the sanctions imposed, the dividend attributable to Rasperia less capital gains tax in the amount of T€ 45,458 was, as in previous years, not paid out. As at 31 December 2024, unpaid dividend claims amounting to T€ 128,108 (31 December 2023: T€ 82,650) are therefore reported as other current financial liabilities.

The distribution entitlement attributable to Rasperia from the capital reduction, amounting to T€ 257,925, is recognised as other current financial liabilities and will also continue to be withheld due to the existing sanctions.

In the 2024 financial year, as in the previous year, there were no business relationships with companies attributable to Oleg Deripaska.

In close coordination with STRABAG SE, the Austrian core shareholders in October 2024 filed a claim against Rasperia with a court of arbitration in Amsterdam concerning the rights of first refusal laid out in the 2007 syndicate agreement. The court must now clarify the following questions, among others:

– the validity of the rights of first refusal beyond termination of the 2007 syndicate agreement
– the triggering of first refusal rights through change of control
– the possibility to transfer shares under compliance with sanctions regimes

In 2007, the Austrian core shareholders and Rasperia concluded a syndicate agreement which, among other things, provided for the nomination of Supervisory Board members and the coordination of voting results at the Annual General Meeting. In the event of a change of control affecting one shareholder, the agreement also granted rights of first refusal to the other syndicate partners. The court of arbitration in Amsterdam specified in the syndicate agreement must now clarify whether the right of first refusal remains valid following termination of the syndicate agreement on 31 December 2022. The court must also determine whether the sale of Rasperia to Iliadis JSC has resulted in a change of control and whether Rasperia would therefore be required to tender its shares in STRABAG to the core shareholders or transfer these accordingly.

According to the major holdings notification from 26 March 2024, Oleg Deripaska has relinquished his control of Rasperia – i.e. from STRABAG’s point of view, and presumably also from the point of view of Rasperia and Oleg Deripaska himself, a change of control has taken place. STRABAG expects a ruling from the court of arbitration in 2026.

Several questions must still be clarified before a ruling can be enforced, however. Among other things, clarification is required with the relevant national and international authorities as to whether and how the right of first refusal can be implemented in compliance with the sanctions regimes. STRABAG, confident that it must take an active role in answering these questions, will take all necessary steps to achieve this important goal for our company and ultimately for all of our shareholders.

STRABAG SE on 16 December 2024 received and published major holdings notifications from Iliadis JSC and MKAO Valtoura Holdings Limited (Valtoura). According to these notifications, the STRABAG shareholder Rasperia was transferred back from Iliadis JSC to its former parent company Valtoura. STRABAG does not expect the renewed change of ownership to have any immediate impact on STRABAG SE, as Rasperia itself is subject to sanctions by both the EU and the US and the STRABAG shares held by Rasperia will remain frozen in any case.

39 Notes on related parties

Raiffeisen Holding NÖ-Wien / UNIQA Group

Arm’s-length finance and insurance transactions exist with the Raiffeisen Holding NÖ-Wien Group and the UNIQA Group. The receivables on 31 December 2024 to the Raiffeisen Group relating to current accounts and investments amounted to T€ 466,276 (2023: T€ 446,904), the payables on 31 December 2024 to the Raiffeisen Group relating to financing and current accounts amounted to T€ 0 (2023: T€ 1,507). The interest income in the 2024 financial year amounted to T€ 18,421 (2023: T€ 15,046), and the interest expense amounted to T€ 11 (2023: T€ 173).

Premiums for insurance contracts with the UNIQA Group were recognised as an expense in the amount of T€ 1,703 (2023: T€ 837).

Haselsteiner Group

The Haselsteiner Group holds 5.1% of STRABAG Real Estate GmbH, Cologne. The earnings from this company is reported under income attributable to non-controlling interests with an amount of T€ 855 (2023: T€ -5).

The business relations between STRABAG SE and the companies of the Haselsteiner Group during the financial year, including joint investments, mainly relate to construction services and are presented as below.

T€	2024	2023
Work and services performed	23,095	24,001
Work and services received	4,817	8,224
Receivables as at 31.12.	14,018	23,092
Liabilities as at 31.12.	1,332	1,355

IDAG

IDAG Immobilienbeteiligung u. -Development GmbH is entirely held by private foundations whose beneficiaries are the Haselsteiner Group and the Raiffeisen-Holding NÖ-Wien Group. It is the business purpose of IDAG Immobilienbeteiligung u. -Development GmbH to develop property and to participate in property projects.

STRABAG's headquarters in Vienna and office buildings in Graz are held in the real estate portfolio of subsidiaries of IDAG Immobilienbeteiligung u. -Development GmbH. The buildings are let to the STRABAG SE Group at the usual market conditions. Rental costs arising from both buildings in the 2024 financial year amounted to T€ 10,279 (2023: T€ 9,761). Under IFRS 16, these leases are recognised as right-of-use assets and lease liabilities. The consolidated financial statements as at 31 December 2024 show right-of-use assets of T€ 48,432 (2023: T€ 56,506) and lease liabilities of T€ 31,142 (2023: T€ 34,842). The lease liabilities are presented less the rental deposits of T€ 19,717 (2023: T€ 23,970). Other services in the amount of T€ 41 (2023: T€ 116) were obtained from the IDAG Group.

Furthermore, revenues of T€ 1,454 (2023: T€ 1,574) were made with the IDAG Group in the 2024 financial year. In the 2024 financial year, a dividend from an investment of the IDAG Group, in which the STRABAG SE Group holds a minority interest, in the amount of T€ 2,000 (2023: T€ 102) was recognised as investment income.

Investments in equity-accounted investments

Holcim Cement CE Holding GmbH bundles the cement activities of Holcim, a market leader in construction materials manufacturing, and STRABAG in the countries of Central Europe. The joint activities aim at maintaining a commensurate cement supply in the Group's core countries. In 2024, STRABAG procured cement services worth T€ 36,963 (2023: T€ 41,667). At the balance sheet date, there were liabilities to Holcim Cement CE Holding GmbH Group in the amount of T€ 955 (2023: T€ 842).

The business transactions with the other equity-accounted investments can be presented as follows:

T€	2024	2023
Work and services performed	103,780	148,936
Work and services received	65,087	77,259
Receivables as at 31.12.	16,520	21,496
Liabilities as at 31.12.	13,989	14,272
Financing receivables as at 31.12.	98,380	109,821

For information about consortia we refer to item (18) Notes on consortia.

Management

Concerning business transactions with the Management Board members and employees of the first management level (management in key positions) and with their family members and companies which are controlled by the management in key positions or decisively influenced by them in the reporting period, services worth T€ 7 (2023: T€ 452) were provided and services worth T€ 57 (2023: T€ 34) were procured. At the balance sheet dates, there were receivables in the amount of T€ 0 (2023: T€ 0) and liabilities in the amount of T€ 0 (2023: T€ 0) out of these business relations.

The total remuneration including any severance and pension payments, as well as other long-term payments for employees of the first management level, amounted to T€ 23,687 (2023: T€ 25,118) in the reporting period. Of this amount, T€ 23,488 (2023: T€ 24,867) is attributable to the current remuneration, which includes fixed and variable remuneration for the previous financial year, and T€ 199 (2023: T€ 251) to severance and pension payments. As at 31 December 2024, obligations from variable remuneration amounted to T€ 23,118 (2023: T€ 18,000). These include the provisions for profit-sharing for the financial year as well as retentions from variable remuneration.

40 Notes on the management and supervisory boards

Management Board

Klemens Haselsteiner, BBA, BF (CEO until 17 January 2025)

Dipl.-Ing. Stefan Kratochwill (CEO since 19 February 2025)

Mag. Christian Harder

Dipl.-Ing. (FH) Jörg Rösler

Dipl.-Ing. Siegfried Wanker

Dipl.-Ing. (FH) Alfred Watzl

Supervisory Board

Mag. Kerstin Gelbmann (Chairman since 1 January 2024)

Mag. Erwin Hameseder (Vice Chairman)

Dr. Andreas Brandstetter

Dr. Valerie Hackl (since 25 January 2024)

Mag. Gabriele Schallegger

Dipl.-Ing. Andreas Batke (works council)

Magdolna P. Gyulainé (works council)

Georg Hinterschuster (works council)

Wolfgang Kreis (works council) (until 31 July 2024)

Karl Gerdes (works council) (since 1 August 2024)

The total salaries of the Management Board members in the financial year amount to T€ 9,953 (2023: T€ 9,953). The severance payments for Management Board members amount to T€ 127 (2023: T€ 166). As at 31 December 2024, obligations exist from variable remuneration amounted to T€ 8,428 (2023: T€ 6,687). These include the provisions for profit-sharing for the financial year as well as retentions from variable remuneration.

The remunerations for the Supervisory Board members in 2024 amounted to T€ 238 (2023: T€ 240). Neither the Management Board members nor the Supervisory Board members of STRABAG SE received advances or loans.

41 Expenses for the auditor

The expenses for the auditor, PwC Wirtschaftsprüfung GmbH and its network partners, incurred in the financial year amount to T€ 2,158, of which T€ 1,607 were for the audit of the consolidated financial statements (including the audit of separate financial statements of group companies) and T€ 551 for other services.

In the previous year, the expenses incurred for the auditor, KPMG Austria GmbH, amounted to T€ 1,826, of which T€ 1,653 were for the audit of the consolidated financial statements (including the audit of separate financial statements of group companies) and T€ 173 for other services.

42 Events after the balance sheet date

Klemens Haselsteiner, the CEO of STRABAG SE, passed away suddenly and unexpectedly on 17 January 2025.

On 27 January 2025, the Management Board of STRABAG SE, with the approval of the Supervisory Board, granted Dr. Hans Peter Haselsteiner general power of attorney for STRABAG SE. On behalf of the Management Board and in consultation with the syndicate partners, Dr. Hans Peter Haselsteiner will support the company in continuing the ongoing transformation process while making his experience available to Klemens Haselsteiner's successor. In keeping with Klemens Haselsteiner's vision, the Management Board will continue the far-reaching transformation process initiated under the title "Work On Progress".

On 19 February 2025, the Supervisory Board of STRABAG SE appointed Dipl.-Ing. Stefan Kratochwill as CEO with immediate effect.

43 Appropriation of net

The Management Board proposes to pay out a dividend in the amount of € 2.50 per dividend-bearing share for the 2024 financial year.

44 Date of authorisation for issue

In Austrian companies organised as corporations limited by shares, the consolidated financial statements prepared by the Management Board are approved by the Supervisory Board. The STRABAG SE Supervisory Board meeting for the approval of the consolidated financial statements for the year ended 31 December 2024 will take place on 23 April 2025.

Villach, 4 April 2025

The Management Board

Dipl.-Ing. Stefan Kratochwill
CEO
Central Staff Divisions and
Central Divisions BMTI, CML, SID, TPA, ZT

Mag. Christian Harder
CFO
Central Division BRVZ

Dipl.-Ing. (FH) Jörg Rösler
Member of the Management Board
Segment North + West

Dipl.-Ing. Siegfried Wanker
Member of the Management Board
Segment International + Special Divisions

Dipl.-Ing. (FH) Alfred Watzl
Member of the Management Board
Segment South + East

Group companies and investments

The following list shows the consolidated companies included in the consolidated financial statements:

Company Consolidated companies	Residence	Country	Direct stake %
“A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH”	Spittal an der Drau	Austria	100.00
“SBS Strabag Bau Holding Service GmbH”	Spittal an der Drau	Austria	100.00
“Wiener Heim” Wohnbaugesellschaft m.b.H.	Vienna	Austria	100.00
ABR Abfall Behandlung und Recycling GmbH	Schwadorf	Austria	100.00
Aspern Manufactory Projektentwicklung GmbH	Vienna	Austria	100.00
Aspern Manufactory Projektentwicklung GmbH & Co KG	Vienna	Austria	100.00
Asphalt & Beton GmbH	Spittal an der Drau	Austria	100.00
AUSTRIA ASPHALT GmbH & Co OG	Spittal an der Drau	Austria	100.00
Bau Holding Beteiligungs GmbH	Spittal an der Drau	Austria	100.00
Bitumen Handelsgesellschaft m.b.H. & Co KG	St. Pölten	Austria	100.00
BITUNOVA Baustofftechnik Gesellschaft m.b.H.	Spittal an der Drau	Austria	100.00
Böhm BiB GmbH	Vienna	Austria	100.00
BrennerRast GmbH	Vienna	Austria	100.00
CCG Projektentwicklung GmbH	Vienna	Austria	100.00
CCG Projektentwicklung GmbH & Co KG	Vienna	Austria	100.00
CCH Hotelprojekt GmbH	Vienna	Austria	100.00
CCH Hotelprojekt GmbH & Co KG	Vienna	Austria	100.00
CCW Projektentwicklung GmbH	Vienna	Austria	100.00
CCW Projektentwicklung GmbH & Co KG	Vienna	Austria	100.00
DC1 Immo GmbH	Vienna	Austria	100.00
Diabaswerk Saalfelden Gesellschaft m.b.H.	Saalfelden	Austria	100.00
EFKON GmbH	Raaba	Austria	100.00
Erdberger Mais GmbH & Co KG	Vienna	Austria	100.00
F. Lang u. K. Menhofer Baugesellschaft m.b.H. & Co. KG	Wiener Neustadt	Austria	100.00
Goldeck Bergbahnen GmbH	Spittal an der Drau	Austria	100.00
Hotelprojekt am Tabor GmbH & Co KG	Vienna	Austria	100.00
Hotelprojekt am Tabor Komplementär GmbH	Vienna	Austria	100.00
Ilbau Liegenschaftsverwaltung GmbH	Spittal an der Drau	Austria	100.00
KAB Straßensanierung GmbH & Co KG	Spittal an der Drau	Austria	50.60
Kanzelsteinbruch Gratkorn GmbH	Gratkorn	Austria	100.00
Leystraße 122-126 Komplementär GmbH	Vienna	Austria	100.00
Leystraße 122-126 Projektentwicklung GmbH & Co KG	Vienna	Austria	100.00
Lohr Gebäudetechnik GmbH	Vienna	Austria	100.00
M5 Beteiligungs GmbH	Vienna	Austria	100.00
M5 Holding GmbH	Vienna	Austria	100.00
Meischlgasse 28-32 Komplementär GmbH	Vienna	Austria	100.00
Meischlgasse 28-32 Projektentwicklung GmbH & Co KG	Vienna	Austria	100.00
Metallica Stahl- und Fassadentechnik GmbH	Vienna	Austria	100.00

Company Consolidated companies	Residence	Country	Direct stake %
Mineral Abbau GmbH	Spittal an der Drau	Austria	100.00
Mischek Bauträger Service GmbH	Vienna	Austria	100.00
Mischek Systembau GmbH	Vienna	Austria	100.00
MOBIL Baustoffe GmbH	Spittal an der Drau	Austria	100.00
MUSCORUM GmbH & Co KG	Vienna	Austria	100.00
Nottendorfer Gasse 13 Kom GmbH	Vienna	Austria	100.00
OAT - Bohr- und Fugentechnik Gesellschaft m.b.H.	Spittal an der Drau	Austria	51.00
Obermayr Holzkonstruktionen Gesellschaft m.b.H.	Schwanenstadt	Austria	100.00
Osttiroler Asphalt Hoch- und Tiefbauunternehmung GmbH	Lavant i. Osttirol	Austria	80.00
PASCUORUM GmbH & Co KG	Vienna	Austria	100.00
Q4a Immobilien GmbH	Graz	Austria	60.00
Raststation A 3 GmbH	Vienna	Austria	100.00
RBS Rohrbau-Schweißtechnik Gesellschaft m.b.H.	Marchtrenk	Austria	100.00
RE Beteiligungsholding GmbH	Vienna	Austria	100.00
RE Wohnraum GmbH	Vienna	Austria	100.00
RE Wohnungseigentumserrichtungs GmbH	Vienna	Austria	100.00
SF Bau vier GmbH	Vienna	Austria	100.00
SILO DREI Beteiligungsverwaltungs GmbH & Co KG	Vienna	Austria	100.00
SILO DREI next LBG 57 Liegenschaftsverwertung GmbH & Co KG	Vienna	Austria	100.00
SITEC Verkehrstechnik GmbH	Liebenfels	Austria	100.00
STRABAG AG	Spittal an der Drau	Austria	100.00
STRABAG Beteiligungen GmbH	Spittal an der Drau	Austria	100.00
STRABAG BMTI GmbH	Vienna	Austria	100.00
STRABAG BRVZ GmbH	Spittal an der Drau	Austria	100.00
STRABAG Holding GmbH	Vienna	Austria	100.00
STRABAG Infrastructure & Safety Solutions GmbH	Vienna	Austria	100.00
STRABAG Invest HoldCo GmbH	Vienna	Austria	100.00
Strabag Liegenschaftsverwaltung GmbH	Linz	Austria	100.00
STRABAG Property and Facility Services GmbH	Vienna	Austria	100.00
STRABAG Real Estate GmbH	Vienna	Austria	100.00
STRABAG SE	Villach	Austria	100.00
STRABAG Vorrat Siebzehn GmbH	Vienna	Austria	100.00
STRABAG Vorrat Siebzehn GmbH & Co KG	Vienna	Austria	100.00
TECH GATE VIENNA Wissenschafts- und Technologiepark GmbH	Vienna	Austria	100.00
TPA Gesellschaft für Qualitätssicherung und Innovation GmbH	Trumau	Austria	100.00
Wieser Verkehrssicherheit GmbH	Wals-Siezenheim	Austria	100.00
Wohnquartier Reininghausstraße GmbH	Graz	Austria	60.00
Züblin Spezialtiefbau Ges.m.b.H.	Vienna	Austria	100.00
Adolf List Bauunternehmung GmbH	Reutlingen	Germany	100.00 [1]
Alpines Hartschotterwerk GmbH	Leinfelden-Echterdingen	Germany	100.00 [1]
Baumann & Burmeister GmbH	Halle/Saale	Germany	100.00 [1]
BHG Bitumenhandelsgesellschaft mbH	Hamburg	Germany	100.00 [1]
BITUNOVA GmbH	Duesseldorf	Germany	100.00 [1]

Company Consolidated companies	Residence	Country	Direct stake %
Blees-Kölling-Bau GmbH	Cologne	Germany	100.00 [1]
Blutenburg Projekt GmbH	Cologne	Germany	100.00 [1]
Bockholdt GmbH	Lübeck	Germany	100.00 [1]
Climtech GmbH	Berlin	Germany	100.00 [1]
CML Construction Services GmbH	Cologne	Germany	100.00
Deutsche Asphalt GmbH	Cologne	Germany	100.00 [1]
DYWIDAG International GmbH	Cologne	Germany	100.00 [1]
DYWIDAG-Holding GmbH	Cologne	Germany	100.00 [1]
Ed. Züblin AG	Stuttgart	Germany	100.00 [1]
Eraproject GmbH	Cologne	Germany	100.00 [1]
F. Kirchhoff GmbH	Leinfelden-Echterdingen	Germany	100.00 [1]
F.K. SYSTEMBAU GmbH	Münsingen	Germany	100.00 [1]
Fahrleitungsbau GmbH	Essen	Germany	100.00 [1]
Gaul GmbH	Sprendlingen	Germany	100.00
GBS Gesellschaft für Bau und Sanierung mbH	Leuna	Germany	100.00
Hexagon Projekt GmbH & Co. KG	Cologne	Germany	100.00 [1]
HUMMEL Systemhaus GmbH	Frickenhausen	Germany	100.00 [1]
Ilbau GmbH Deutschland	Berlin	Germany	100.00
MAV Kelheim GmbH	Kelheim	Germany	100.00
MAV Krefeld GmbH	Krefeld	Germany	50.00 [3]
MAV Lünen GmbH	Lünen	Germany	100.00
Metallica Stahl- und Fassadentechnik GmbH	Stuttgart	Germany	100.00 [1]
Mineral Baustoff GmbH	Cologne	Germany	100.00 [1]
MOBIL Baustoffe GmbH	Munich	Germany	100.00 [1]
NE Sander Immobilien GmbH	Sande	Germany	100.00 [1]
PANSUEVIA GmbH & Co. KG	Jettingen-Scheppach	Germany	100.00 [1]
Pyhrn Concession Holding GmbH	Cologne	Germany	100.00 [1]
REPASS-SANIERUNGSTECHNIK GMBH Korrosionsschutz und Betoninstandsetzung	Munderkingen	Germany	100.00 [1]
RM Asphalt GmbH & Co. KG	Sprendlingen	Germany	80.00 [1]
ROBA Transportbeton GmbH	Berlin	Germany	100.00 [1]
SAT Straßensanierung GmbH	Cologne	Germany	100.00 [1]
SF-Ausbau GmbH	Freiberg	Germany	100.00 [1]
STRABAG AG	Cologne	Germany	100.00 [1]
STRABAG Aircraft Services GmbH	Stuttgart	Germany	100.00 [1]
STRABAG BMTI GmbH & Co. KG	Cologne	Germany	100.00 [1]
STRABAG BRVZ GmbH & Co. KG	Cologne	Germany	100.00 [1]
STRABAG Facility Management GmbH	Berlin	Germany	100.00 [1]
STRABAG GmbH	Bad Hersfeld	Germany	100.00 [1]
STRABAG Großprojekte GmbH	Munich	Germany	100.00 [1]
STRABAG Hold Estate Frankfurt Gateway GmbH & Co. KG	Cologne	Germany	100.00 [1]
STRABAG Hold Estate Köln-Mülheim GmbH & Co. KG	Cologne	Germany	100.00 [1]
STRABAG Infrastructure & Safety Solutions GmbH	Cologne	Germany	100.00 [1]

Company Consolidated companies	Residence	Country	Direct stake %	
STRABAG Infrastrukturprojekt GmbH	Bad Hersfeld	Germany	100.00	[1]
STRABAG International GmbH	Cologne	Germany	100.00	[1]
STRABAG Kieserling Flooring Systems GmbH	Hamburg	Germany	100.00	[1]
STRABAG Mechanical Engineering GmbH	Stuttgart	Germany	100.00	[1]
STRABAG Projektentwicklung GmbH	Cologne	Germany	100.00	[1]
STRABAG Property and Facility Services GmbH	Frankfurt am Main	Germany	100.00	[1]
STRABAG Rail Fahrleitungen GmbH	Berlin	Germany	100.00	[1]
STRABAG Rail GmbH	Lauda-Königshofen	Germany	100.00	[1]
STRABAG Real Estate GmbH	Cologne	Germany	94.90	
STRABAG Real Estate Invest GmbH	Cologne	Germany	100.00	[1]
STRABAG Sportstättenbau GmbH	Dortmund	Germany	100.00	[1]
STRABAG Umwelttechnik GmbH	Duesseldorf	Germany	100.00	[1]
STRABAG Wasserbau GmbH	Hamburg	Germany	100.00	
Torkret GmbH	Stuttgart	Germany	100.00	[1]
TPA GmbH	Cologne	Germany	100.00	
Turm am Mailänder Platz GmbH & Co. KG	Stuttgart	Germany	100.00	[1]
Wolfer & Goebel Bau GmbH	Stuttgart	Germany	100.00	[1]
ZDE Sechste Vermögensverwaltung GmbH	Cologne	Germany	100.00	
Züblin Chimney and Refractory GmbH	Bremen	Germany	100.00	[1]
ZÜBLIN Haustechnik Mainz GmbH	Mainz	Germany	100.00	[1]
Züblin Hoch- und Brückenbau GmbH	Bad Hersfeld	Germany	100.00	[1]
Züblin International GmbH	Cologne	Germany	100.00	[1]
Züblin Spezialtiefbau GmbH	Stuttgart	Germany	100.00	[1]
Züblin Stahlbau GmbH	Hosena	Germany	100.00	[1]
ZÜBLIN Timber Gaildorf GmbH	Gaildorf	Germany	100.00	[1]
ZÜBLIN Timber GmbH	Aichach	Germany	100.00	[1]
Züblin Umwelttechnik GmbH	Stuttgart	Germany	100.00	[1]
STRABAG SHPK	Tirana	Albania	100.00	
N.V. STRABAG Belgium S.A.	Antwerpen	Belgium	100.00	
STRABAG d.o.o. Sarajevo	Sarajevo	Bosnia and Herzegovina	100.00	
STRABAG EAD	Sofia	Bulgaria	100.00	
Strabag SpA	Santiago de Chile	Chile	100.00	
STRABAG-EDILMAC Desarrollos Verticales SpA	Santiago de Chile	Chile	80.00	
Züblin International GmbH Chile SpA	Santiago de Chile	Chile	100.00	
KMG - KLIPLEV MOTORWAY GROUP A/S	Aarhus	Denmark	100.00	
Züblin A/S	Aarhus	Denmark	100.00	
STRABAG UK LIMITED	London	Great Britain	100.00	
EFKON INDIA Pvt. Ltd.	Haryana	India	100.00	
STRABAG S.p.A.	Bozen	Italy	100.00	
STRABAG EGLINTON PROJECT INC.	Mississauga, Ontario	Canada	100.00	
STRABAG INC.	Toronto	Canada	100.00	
STRABAG SCARBOROUGH PROJECT INC.	Mississauga, Ontario	Canada	100.00	
STRABAG S.A.S.	Bogotá, D.C.	Colombia	100.00	

Company Consolidated companies	Residence	Country	Direct stake %
MINERAL IGM d.o.o.	Zapuzane	Croatia	100.00
POMGRAD INZENJERING d.o.o.	Split	Croatia	100.00
STRABAG BRVZ d.o.o.	Zagreb	Croatia	100.00
STRABAG d.o.o.	Zagreb	Croatia	100.00
TPA odrzavanje kvaliteta i inovacija d.o.o.	Zagreb	Croatia	100.00
ELCO S.A.	Kehlen	Luxembourg	100.00
ELCO SERVITEC S.A.	Kehlen	Luxembourg	100.00
SRE Lux 1 S.à r.l.	Belvaux	Luxembourg	100.00
SRE Lux Projekt SQM 27E S.à r.l.	Belvaux	Luxembourg	100.00
SRE Real Estate Luxembourg S.à r.l.	Belvaux	Luxembourg	100.00
ZUBLIN PRECAST INDUSTRIES SDN. BHD.	Johor	Malaysia	100.00
“Crnagoraput” AD, Podgorica	Podgorica	Montenegro	95.32
“Strabag” d.o.o. Podgorica	Podgorica	Montenegro	100.00
STRABAG B.V.	Breda	The Netherlands	100.00
Züblin Nederland B.V.	Breda	The Netherlands	100.00
STRABAG OMAN L.L.C.	Maskat	Oman	100.00
BHG Sp. z o.o.	Pruszkow	Poland	100.00
BHK KRAKÓW JOINT VENTURE Sp. z o.o.	Warsaw	Poland	100.00
Mineral Polska Sp. z o.o.	Czarny Bor	Poland	100.00
POLSKI ASFALT Sp. z o.o.	Krakow	Poland	100.00
SAT Sp. z o.o.	Warsaw	Poland	100.00
STRABAG BMTI Sp. z o.o.	Pruszkow	Poland	100.00
STRABAG BRVZ Sp. z o.o.	Pruszkow	Poland	100.00
STRABAG INFRASTRUKTURA POLUDNIE Sp. z o.o.	Wroclaw	Poland	100.00
STRABAG PFS Sp. z o.o.	Warsaw	Poland	100.00
STRABAG Sp. z o.o.	Pruszkow	Poland	100.00
TPA Sp. z o.o.	Pruszkow	Poland	100.00
ANTREPRIZA DE REPARATII SI LUCRARI A R L CLUJ SA	Cluj-Napoca	Romania	98.59
CENTRUM BUCHAREST DEVELOPMENT SRL	Bucharest	Romania	100.00
DISTRICT DEVELOPMENT SRL	Bucharest	Romania	100.00
MINERAL ROM SRL	Brasov	Romania	100.00
SAT REABILITARE RECICLARE SRL	Cluj-Napoca	Romania	100.00
STRABAG CONSTRUCT S.R.L.	Bucharest	Romania	100.00
STRABAG SRL	Bucharest	Romania	100.00
ZUBLIN ROMANIA SRL	Bucharest	Romania	100.00
Nimab Entreprenad AB	Sjöbo	Sweden	100.00
STRABAG BRVZ AB	Örebro	Sweden	100.00
STRABAG Sverige AB	Stockholm	Sweden	100.00
Züblin Scandinavia AB	Stockholm	Sweden	100.00
STRABAG AG	Schlieren	Switzerland	100.00
STRABAG BMTI GmbH	Erstfeld	Switzerland	100.00
STRABAG BRVZ AG	Erstfeld	Switzerland	100.00
STRABAG d.o.o.	Novi Beograd	Serbia	100.00

Company Consolidated companies	Residence	Country	Direct stake %
TPA za obezbedenje kvaliteta i inovacije d.o.o. Beograd	Novi Beograd	Serbia	100.00
BITUNOVA spol. s r.o.	Zvolen	Slovakia	100.00
ERRICHTUNGSGESELLSCHAFT STRABAG SLOVENSKO s.r.o.	Bratislava	Slovakia	100.00
KSR - Kamenolomy SR, s.r.o.	Zvolen	Slovakia	100.00
STRABAG BRVZ s.r.o.	Bratislava	Slovakia	100.00
STRABAG Pozemne a inzinierske stavitel'stvo s. r. o.	Bratislava	Slovakia	100.00
STRABAG PS s.r.o.	Bratislava	Slovakia	100.00
STRABAG Real Estate s.r.o.	Bratislava	Slovakia	100.00
STRABAG s.r.o.	Bratislava	Slovakia	100.00
TPA Spolocnost pre zabezpecenie kvality a inovacie s.r.o.	Bratislava	Slovakia	100.00
STRABAG BRVZ d.o.o.	Ljubljana	Slovenia	100.00
STRABAG gradbene storitve d.o.o.	Ljubljana	Slovenia	100.00
BHG CZ s.r.o.	Ceske Budejovice	Czech Republic	100.00
FRISCHBETON s.r.o.	Prague	Czech Republic	100.00
KAMENOLOMY CR s.r.o.	Ostrava	Czech Republic	100.00
Rezidence Herálecká s.r.o.	Prague	Czech Republic	100.00
SAT s.r.o.	Prague	Czech Republic	100.00
STRABAG a.s.	Prague	Czech Republic	100.00
STRABAG Asfalt s.r.o.	Sobeslav	Czech Republic	100.00
STRABAG BMTI s.r.o.	Brno	Czech Republic	100.00
STRABAG BRVZ s.r.o.	Prague	Czech Republic	100.00
STRABAG Pozemnì a inzenyrskè stavitelstvì s.r.o.	Prague	Czech Republic	100.00
STRABAG Property and Facility Services a.s.	Prague	Czech Republic	100.00
STRABAG Rail a.s.	Usti nad Labem	Czech Republic	100.00
STRABAG SIS a.s.	Prague	Czech Republic	100.00
STRABAG Water s.r.o.	Prague	Czech Republic	100.00
TPA CR, s.r.o.	Ceske Budejovice	Czech Republic	100.00
AKA Zrt.	Budapest	Hungary	100.00
AMFI HOLDING Kft.	Budapest	Hungary	100.00
ASIA Center Kft.	Budapest	Hungary	100.00
Bitunova Kft.	Budapest	Hungary	100.00
EXP HOLDING Kft.	Budapest	Hungary	100.00 [2]
First-Immo Hungary Kft.	Budapest	Hungary	100.00
Frissbeton Kft.	Budapest	Hungary	100.00
Generál Mély- és Magasépitö Zrt.	Budapest	Hungary	100.00
KÖKA Kft.	Budapest	Hungary	100.00
STR Holding Generál Kft.	Budapest	Hungary	100.00
STR Holding MML Kft.	Budapest	Hungary	100.00
STR Mély- és Magasépítö Kft	Budapest	Hungary	100.00
STRABAG Általános Építö Kft.	Budapest	Hungary	100.00
STRABAG Aszfalt Kft.	Budapest	Hungary	100.00
STRABAG BMTI Kft.	Budapest	Hungary	100.00
STRABAG BRVZ Kft.	Budapest	Hungary	100.00

Company Consolidated companies	Residence	Country	Direct stake %	
STRABAG Épitö Kft.	Budapest	Hungary	100.00	
STRABAG Épitöipari Zrt.	Budapest	Hungary	100.00	
STRABAG Generálépitö Kft.	Budapest	Hungary	100.00	
STRABAG Rail Kft.	Budapest	Hungary	100.00	
STRABAG Vasútépítö Kft.	Budapest	Hungary	100.00	
STRABAG-MML Kft.	Budapest	Hungary	100.00	
TPA HU Kft.	Budapest	Hungary	100.00	
Treuhandbeteiligung H		Hungary	100.00	2
Züblin Kft.	Budapest	Hungary	100.00	
STRABAG Dubai LLC	Dubai	United Arab Emirates	100.00	
Zublin Construction L.L.C.	Abu Dhabi	United Arab Emirates	100.00	
BONDENO INVESTMENTS LTD	Limassol	Cyprus	100.00	

1 For these companies, the option allowed by Sec 264 Para 3 or by Sec 264b of the German Commercial Code (HGB) was exercised.

2 The presentation of interest is done using the economic approach, the interest as defined by civil law may deviate from this presentation.

3 The voting rights according to the contract of association amount to 50% plus one vote.

The following list shows the equity accounted associates included in the consolidated financial statement:

Company Equity accounted associate	Residence	Country	Direct stake %
Holcim Cement CE Holding GmbH	Vienna	Austria	30.00
Bayerische Asphaltmischwerke GmbH & Co. Kommanditgesellschaft für Straßenbaustoffe	Hofolding	Germany	48.33
Bodensee - Moränekies Gesellschaft mit beschränkter Haftung & Co. Kommanditgesellschaft Tettnang	Tettnang	Germany	33.33
CMBlu Energy AG	Alzenau	Germany	31.21
Natursteinwerke im Nordschwarzwald NSN GmbH & Co. KG	Mühlacker	Germany	25.00
DESARROLLO VIAL AL MAR S.A.S.	Medellín	Colombia	37.50
A-Lanes A15 Holding B.V.	Nieuwegein	The Netherlands	24.00
Züblin International Qatar LLC	Doha	Qatar	49.00
SOCIETATEA COMPANIILOR HOTELIERE GRAND SRL	Bucharest	Romania	35.32
MAK Mecsek Autopalya Koncesszios Zrt.	Budapest	Hungary	50.00

The following list shows the equity accounted joint ventures included in the consolidated financial statement:

Company Equity accounted joint venture	Residence	Country	Direct stake %	
Innsbrucker Nordkettenbahnen Betriebs GmbH	Innsbruck	Austria	51.00	4
A 49 Autobahngesellschaft mbH & Co. KG	Schwalmstadt	Germany	50.00	
AMB Asphaltmischwerke Bodensee GmbH & Co. KG	Waldshut-Tiengen	Germany	50.00	
FLARE Living GmbH & Co. KG	Cologne	Germany	50.00	
Kieswerke Schray GmbH & Co. KG	Steißlingen	Germany	50.00	
Messe City Köln GmbH & Co. KG	Hamburg	Germany	50.00	

NWM Nordwestdeutsche Mischwerke GmbH & Co. KG	Großenkneten	Germany	50.00
PANSUEVIA Service GmbH & Co. KG	Jettingen-Scheppach	Germany	50.00
Silenos Energy Geothermie Garching a.d. Alz GmbH & Co. KG	Garching a.d.Alz	Germany	50.00
SRE-ECE-JV Generalübernehmer GmbH & Co. KG	Oststeinbek	Germany	50.00
Thüringer Straßenwartungs- und Instandhaltungsgesellschaft mbH & Co. KG	Apfelstädt	Germany	50.00
Autocesta Zagreb-Macelj d.o.o.	Zagreb	Croatia	51.00 [4]

[4] There are deviating contractual provisions concerning this joint venture.

The following list shows the not consolidated subsidiaries:

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
"DOMIZIL" Bauträger GmbH	Vienna	Austria	100.00
A.S.T. Bauschuttverwertung GmbH	Klagenfurt	Austria	66.67
A.S.T. Bauschuttverwertung GmbH & Co KG	Klagenfurt	Austria	66.67
Asphaltmischwerk Rieder Vomperbach GmbH	Zirl	Austria	60.00
Asphaltmischwerk Rieder Vomperbach GmbH & Co KG	Zirl	Austria	60.00
Asphaltmischwerk Roppen GmbH	Roppen	Austria	70.00
Asphaltmischwerk Roppen GmbH & Co KG	Roppen	Austria	70.00
Asphaltmischwerk Zeltweg Gesellschaft m.b.H.	Steyr	Austria	100.00
AUSTRIA ASPHALT GmbH	Spittal an der Drau	Austria	100.00
Baugesellschaft "Negrelli" Ges.m.b.H.	Vienna	Austria	100.00
Bitumen Handelsgesellschaft m.b.H.	Vienna	Austria	100.00
BLUMENFELD Liegenschaftsverwaltungs GmbH	Vienna	Austria	100.00
BrennerWasser GmbH	Vienna	Austria	100.00
Bug-AluTechnic GmbH	Vienna	Austria	100.00
Campus Eggenberg Immobilienprojekt GmbH in Liqu.	Graz	Austria	60.00
CML Construction Services GmbH	Vienna	Austria	100.00
Die Haustechniker Technisches Büro GmbH	Jennersdorf	Austria	100.00
Eckstein Holding GmbH	Spittal an der Drau	Austria	100.00
Erlaaer Straße Liegenschaftsverwertungs-GmbH	Vienna	Austria	100.00
Erste Nordsee-Offshore-Holding GmbH	Vienna	Austria	51.00
Fanny von Lehnert Straße 4 Komplementär GmbH	Vienna	Austria	100.00
Fanny von Lehnert Straße 4 Projektentwicklung GmbH & Co KG	Vienna	Austria	100.00
FUSSENEGGER Hochbau und Holzindustrie GmbH	Dornbirn	Austria	100.00
GBZ - Baurestmassen GmbH	Graz	Austria	100.00
grünraum GmbH	Schwanenstadt	Austria	100.00
GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H.	Vienna	Austria	61.00
GTE-Gebäude-Technik-Energie-Betriebs- und Verwaltungsgesellschaft m.b.H. & Co. KG	Vienna	Austria	62.00
H. Triburuzek Installationen GesmbH.	Vienna	Austria	100.00
H.Triburuzek Installationen GesmbH + Co. KG	Vienna	Austria	100.00
InfoSys Informationssysteme GmbH	Spittal an der Drau	Austria	100.00
KAB Straßensanierung GmbH	Spittal an der Drau	Austria	50.60

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
Kirchner Baugesellschaft m.b.H. in Liqu.	Spittal an der Drau	Austria	100.00
Krems Sunside Living Projektentwicklung GmbH	Vienna	Austria	100.00
Lieferasphalt Gesellschaft m.b.H. & Co OG, Viecht	Viecht	Austria	66.50
Lieferasphalt Gesellschaft m.b.H. & Co. OG	Maria Gail	Austria	60.00
MHA Projekt GmbH	Vienna	Austria	100.00
Mischek Leasing eins Gesellschaft m.b.H.	Vienna	Austria	100.00
MSO Mischanlagen GmbH Ilz & Co KG	Ilz	Austria	52.81
MSO Mischanlagen GmbH Pinkafeld & Co KG	Pinkafeld	Austria	52.67
MÜCK HAUSTECHNIK GesmbH	Vienna	Austria	100.00
NAPORO Klima Dämmstoff GmbH	Haugsdorf	Austria	100.00
Nottendorfer Gasse 13 GmbH	Vienna	Austria	100.00
Obermayr Dach+Fassade GmbH	Schwanenstadt	Austria	100.00
OBZ Oberkärntner Baurestmassenzentrum GmbH	Spittal an der Drau	Austria	100.00
Passivhaus Kammelweg Bauträger GmbH	Vienna	Austria	100.00
RE Klitschgasse Errichtungs GmbH	Vienna	Austria	67.00
Rößlergasse Bauteil Sechs GmbH	Vienna	Austria	100.00
S.U.S. Abflussdienst Gesellschaft m.b.H.	Vienna	Austria	100.00
Sakela Beteiligungsverwaltungs GmbH	Vienna	Austria	100.00
SCHOTTERWERK EDLING GESELLSCHAFT M.B.H.	Spittal an der Drau	Austria	74.00
SILO DREI Komplementärgesellschaft m.b.H.	Vienna	Austria	100.00
SILO II Komplementärgesellschaft m.b.H.	Vienna	Austria	51.00
SILO ZWEI Beteiligungsverwaltungs GmbH & Co KG	Vienna	Austria	100.00
SPK - Errichtungs- und Betriebsges.m.b.H.	Spittal an der Drau	Austria	100.00
STRABAG Anlagentechnik GmbH	Thalgau	Austria	100.00
STRABAG BahnLogistik GmbH	Gerasdorf bei Wien	Austria	100.00
STRABAG Bau GmbH	Vienna	Austria	100.00
STRABAG Bedachungsgesellschaft m.b.H. in Liqu.	Salzburg	Austria	100.00
STRABAG Krankenhaus Errichtungs- und BetriebsgmbH	Vienna	Austria	99.00
STRABAG Motorway GmbH	Spittal an der Drau	Austria	100.00
STRABAG Vorrat Achtzehn GmbH	Vienna	Austria	100.00
STRABAG Vorrat Achtzehn GmbH & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Dreiundzwanzig GmbH	Vienna	Austria	100.00
STRABAG Vorrat Dreiundzwanzig GmbH & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Dreizehn GmbH	Vienna	Austria	100.00
STRABAG VORRAT Dreizehn GMBH & CO KG	Vienna	Austria	100.00
STRABAG Vorrat Einundzwanzig GmbH	Vienna	Austria	100.00
STRABAG Vorrat Einundzwanzig GmbH & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Elf GmbH	Vienna	Austria	100.00
STRABAG Vorrat Elf Gmbh & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Neun GmbH	Vienna	Austria	100.00
STRABAG Vorrat Neun GmbH & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Neunzehn GmbH	Vienna	Austria	100.00
STRABAG Vorrat Neunzehn GmbH & Co KG	Vienna	Austria	100.00

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
STRABAG Vorrat Sieben GmbH	Vienna	Austria	100.00
STRABAG Vorrat Sieben GmbH & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Zwanzig GmbH	Vienna	Austria	100.00
STRABAG Vorrat Zwanzig GmbH & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Zweiundzwanzig GmbH	Vienna	Austria	100.00
STRABAG Vorrat Zweiundzwanzig GmbH & Co KG	Vienna	Austria	100.00
STRABAG Vorrat Zwölf GmbH	Vienna	Austria	100.00
STRABAG Vorrat Zwölf GmbH & Co KG	Vienna	Austria	100.00
Treuhandbeteiligung B	Vienna	Austria	100.00
Universitätszentrum Althanstraße Erweiterungsgesellschaft m.b.H.	Vienna	Austria	100.00
Unterstützungseinrichtung für die Angestellten der ehemaligen Bau-Aktiengesellschaft “Negrelli” Gesellschaft m.b.H.	Vienna	Austria	55.00
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H.	Linz	Austria	75.00
VAM-Valentiner Asphaltmischwerk Gesellschaft m.b.H. & Co.KG	Linz	Austria	75.00
VIOLA PARK Immobilienprojekt GmbH	Vienna	Austria	75.00
Wohnen am Krautgarten Bauträger GmbH	Vienna	Austria	100.00
Züblin Holding GesmbH	Vienna	Austria	100.00
Zweite Nordsee-Offshore-Holding GmbH	Vienna	Austria	51.00
A 1 Autobahn Verwaltungsgesellschaft mbH	Bad Hersfeld	Germany	100.00
A 1 Autobahngesellschaft mbH & Co. KG	Bad Hersfeld	Germany	100.00
ADOMUS Facility-Management GmbH	Frankfurt am Main	Germany	100.00
A-Modell Ulm-Augsburg Verwaltungsgesellschaft mbH	Jettingen-Scheppach	Germany	100.00
AMW Westsachsen Verwaltung GmbH	Cologne	Germany	100.00
Arriba GmbH	Stuttgart	Germany	100.00
Asphaltmischwerk Westsachsen GmbH & Co. KG	Oberwiera	Germany	100.00
Asphaltmischwerke Gesellschaft mit beschränkter Haftung	Nehren	Germany	100.00
AWN Asphaltmischwerke GmbH & Co. KG	Nehren	Germany	52.00
AWN Beteiligungs GbR	Nehren	Germany	52.00
B+R Köln GmbH	Cologne	Germany	100.00
BBS Baustoffbetriebe Sachsen GmbH	Hartmannsdorf	Germany	100.00
Bockholdt Verwaltungs GmbH	Lübeck	Germany	100.00
Center Systems Deutschland GmbH	Berlin	Germany	100.00
DYWIDAG Schlüsselfertig und Ingenieurbau GmbH	Munich	Germany	100.00
EBERHARDT Baugesellschaft mbH Deutschland	Berlin	Germany	100.00
ECS European Construction Services GmbH i.L.	Mörfelden-Walldorf	Germany	100.00
F 101 Projekt GmbH & Co. KG	Cologne	Germany	100.00
F 101 Verwaltungs GmbH	Cologne	Germany	100.00
Fachmarktzentrum Kielce Projekt GmbH	Berlin	Germany	100.00
Forum Mittelrhein Beteiligungsgesellschaft mbH	Hamburg	Germany	51.00
Forum Mittelrhein Koblenz Generalübernehmergesellschaft mbH & Co.KG	Oststeinbek	Germany	51.00
Freo Projektentwicklung Berlin GmbH i.L.	Berlin	Germany	50.10
gwd system GmbH	Illingen	Germany	100.00

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
IBV - Immobilien Besitz- und Verwaltungsgesellschaft mbH Werder i. L.	Cologne	Germany	99.00
iCOR INTELLIGENT CORROSION CONTROL GmbH	Mönchengladbach	Germany	100.00
IQ Plan Beteiligung GmbH	Oststeinbek	Germany	75.00
IQ Plan GmbH & Co. KG	Hamburg	Germany	75.00
Kieswerk Diersheim GmbH	Rheinau/Baden	Germany	60.00
Kieswerk Ohr GmbH	Cologne	Germany	100.00
Kieswerk Ziegelheim GmbH	Nobitz	Germany	100.00
Kirchner PPP Service GmbH	Bad Hersfeld	Germany	100.00
Koch GmbH	Kreuztal	Germany	100.00
Koscheinz & Partner Ingenieurgesellschaft mbH	Ruhstorf a.d. Rott	Germany	100.00
Kuhwald 55 Projekt GmbH & Co. KG	Cologne	Germany	100.00
Leonhard Moll Tiefbau GmbH	Munich	Germany	100.00
Lift-Off GmbH & Co. KG	Cologne	Germany	100.00
List Bau- und Verwaltungsgesellschaft mit beschränkter Haftung	Reutlingen	Germany	100.00
Ludwig Voss GmbH	Cuxhaven	Germany	100.00
Mitterhofer Projekt GmbH & Co. KG	Cologne	Germany	100.00
Northern Energy GAIA I. GmbH	Aurich	Germany	100.00
Northern Energy GAIA II. GmbH	Aurich	Germany	100.00
Northern Energy GAIA III. GmbH	Aurich	Germany	100.00
Northern Energy GAIA IV. GmbH	Aurich	Germany	100.00
Northern Energy GAIA V. GmbH	Aurich	Germany	100.00
Northern Energy SeaStorm I. GmbH	Aurich	Germany	100.00
Northern Energy SeaStorm II. GmbH	Aurich	Germany	100.00
Northern Energy SeaWind I. GmbH	Aurich	Germany	100.00
Northern Energy SeaWind II. GmbH	Aurich	Germany	100.00
Northern Energy SeaWind III GmbH	Aurich	Germany	100.00
Northern Energy SeaWind IV. GmbH	Aurich	Germany	100.00
NR Bau- u. Immobilienverwertung GmbH	Berlin	Germany	100.00
OBIT GmbH	Berlin	Germany	100.00
PGA Projekt GmbH	Cologne	Germany	100.00
PH Bau Erfurt GmbH	Erfurt	Germany	100.00
PPP Management GmbH	Cologne	Germany	100.00
PPP Schulen Monheim am Rhein GmbH	Bad Hersfeld	Germany	100.00
PPP SchulManagement Witten GmbH & Co. KG	Cologne	Germany	100.00
PPP SeeCampus Niederlausitz GmbH	Bad Hersfeld	Germany	100.00
Projekt Lohsepark Beteiligungsgesellschaft mbH	Hamburg	Germany	100.00
Projekt Lohsepark GmbH & Co. KG	Hamburg	Germany	100.00
PVA Bruck GmbH & Co. KG	Cologne	Germany	75.13
ReDirect GmbH	Stuttgart	Germany	100.00
RGL Rekultivierungsgesellschaft Langentrog mbH	Langenargen	Germany	80.00
RM Asphalt Verwaltungs GmbH	Sprendlingen	Germany	100.00
RST Rail Systems and Technologies GmbH	Barleben	Germany	82.00

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
Schotter- und Kies-Union GmbH & Co. KG	Leipzig	Germany	57.90
Schotter- und Kies-Union Verwaltungsgesellschaft mbH	Leipzig	Germany	100.00
SENSOR Dichtungs-Kontroll-Systeme GmbH	Bremen	Germany	100.00
SF-BAU-Grundstücksgesellschaft “ABC-Bogen” mbH	Cologne	Germany	100.00
Silenos Energy Geothermie Gauting Interkommunal GmbH & Co. KG	Cologne	Germany	100.00
Silenos Energy GmbH & Co. KG	Cologne	Germany	100.00
Silenos Energy Verwaltungs GmbH	Cologne	Germany	100.00
STRABAG Baustoffaufbereitung und Recycling GmbH	Duesseldorf	Germany	51.00
STRABAG BMTI Rail Service GmbH	Berlin	Germany	100.00
STRABAG BMTI Verwaltung GmbH	Cologne	Germany	100.00
STRABAG BRVZ Verwaltung GmbH	Cologne	Germany	100.00
STRABAG Hold Estate GmbH	Cologne	Germany	100.00
STRABAG Hold Estate Itzehoe GmbH & Co. KG	Cologne	Germany	100.00
STRABAG Hold Estate Schwarzenbek GmbH & Co. KG	Cologne	Germany	100.00
STRABAG PPP Hochbau GmbH	Bad Hersfeld	Germany	100.00
STRABAG Rail Operations GmbH	Berlin	Germany	100.00
STRABAG Residential Property Services GmbH	Berlin	Germany	99.51
STRABAG Versicherungsvermittlung GmbH	Cologne	Germany	100.00
STRABAG Wertstoff und Recycling GmbH	Cologne	Germany	100.00
STRABIL STRABAG Bildung im Lauenburgischen GmbH	Cologne	Germany	100.00
Südprojekt A-Modell GmbH & Co. KG	Bad Hersfeld	Germany	100.00
Südprojekt A-Modell Verwaltung GmbH	Bad Hersfeld	Germany	100.00
Verwaltung Forum Mittelrhein Koblenz Generalübernehmergesellschaft mbH	Oststeinbek	Germany	51.00
Wertstoff und Recycling Gablenz GmbH & Co. KG	Crimmitschau	Germany	100.00
Wertstoff und Recycling Gablenz Verwaltungs GmbH	Crimmitschau	Germany	100.00
Wohnbauträgergesellschaft Objekt “Freising - Westlich der Jagdstraße” mbH	Cologne	Germany	100.00
Z.P.C. Deutschland GmbH	Stuttgart	Germany	100.00
Z-Bau GmbH i.L.	Magdeburg	Germany	100.00
ZDE Siebte Vermögensverwaltung GmbH	Cologne	Germany	100.00
ZTI Zentrale Technik International GmbH	Stuttgart	Germany	100.00
Züblin Projektentwicklung GmbH	Stuttgart	Germany	94.88
Züblin Egypt LLC	Cairo	Egypt	100.00
EURL STRABAG ALGERIE	Algier	Algeria	100.00
EUROTEC ANGOLA, LDA	Luanda	Angola	99.00
STRABAG AUSTRALIA PTY LTD	Brisbane	Australia	100.00
Züblin Australia Pty Ltd	Perth	Australia	100.00
CML Construction Services	Antwerpen	Belgium	100.00
EFKON Belgium BV	Antwerpen	Belgium	100.00
STRABAG BMTI BV	Antwerpen	Belgium	100.00
STRABAG BRVZ BV	Antwerpen	Belgium	100.00
STRABAG Development Belgium NV	Antwerpen	Belgium	100.00

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
Strabag RS d.o.o.	Banja Luka	Bosnia and Herzegovina	100.00
“Mineral 2000” EOOD	Sofia	Bulgaria	100.00
“STRABAG REAL ESTATE” EOOD	Sofia	Bulgaria	100.00
CML Construction Services EOOD	Sofia	Bulgaria	100.00
STRABAG BRVZ EOOD	Sofia	Bulgaria	100.00
TPA EOOD	Sofia	Bulgaria	100.00
Z-Design EOOD	Sofia	Bulgaria	100.00
Züblin Bulgaria EOOD	Sofia	Bulgaria	100.00
CML CHILE SPA	Vitacura	Chile	100.00
Beijing Züblin Equipment Production Co., Ltd.	Beijing	China	100.00
CML Construction Services A/S	Trige	Denmark	100.00
STRABAG BRVZ A/S	Trige	Denmark	100.00
STRABAG Oy	Helsinki	Finland	100.00
CML CONSTRUCTION SERVICES LIMITED	London	Great Britain	100.00
STRABABG INFRASTRUCTURE AND SAFETY SOLUTIONS Pvt. Ltd.	Mumbai	India	100.00
STRABAG India Private Limited	Mumbai	India	100.00
EFKON IRELAND LIMITED	Dublin	Ireland	100.00
CML CONSTRUCTION SERVICES S.R.L.	Bologna	Italy	100.00
STRABAG BRVZ SRL	Bologna	Italy	100.00
CML CONSTRUCTION SERVICES LIMITED	Mississauga, Ontario	Canada	100.00
Züblin Inc.	Saint John/New Brunswick	Canada	100.00
Infraestructura y Prosperidad S.A.S.	Bogotá, D.C.	Colombia	100.00
STRABAG ENERGY S.A.S.	Bogotà D.C.	Colombia	100.00
Trema Engineering 2 Sh.p.k.	Pristina	Kosovo	100.00
BHG Bitumen Adria d.o.o.	Zagreb	Croatia	100.00
CML CONSTRUCTION SERVICES d.o.o.	Zagreb	Croatia	100.00
SAT saniranje cesta d.o.o.	Zagreb	Croatia	100.00
STRABAG BMTI d.o.o.	Zagreb	Croatia	100.00
STRABAG Property and Facility Services d.o.o.	Zagreb	Croatia	100.00
STRABAG SIA i.L.	Milzkalne	Latvia	100.00
E.F.G. S.A.	Kehlen	Luxembourg	100.00
Al-Hani General Construction Inc.	Tripolis	Libya	60.00
EFKON ASIA SDN. BHD.	Kuala Lumpur	Malaysia	100.00
Züblin International Malaysia Sdn. Bhd.	Kuala Lumpur	Malaysia	100.00
I.C.S. “STRABAG” S.R.L.	Chisinau	Moldavia	100.00
STRABAG DOOEL Skopje	Skopje	North Macedonia	100.00
TolLink Pakistan (Private) Limited	Islamabad	Pakistan	60.00
“Granite Mining Industries” Sp. z o.o.	Breslau	Poland	100.00
“RE PROJECT DEVELOPMENT” Sp. z o.o.	Warsaw	Poland	100.00
Asfalt Slaski Wprinz Sp.z o.o.	Warsaw	Poland	100.00
CML CONSTRUCTION SERVICES Sp. z o.o.	Pruszkow	Poland	100.00

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
EVOLUTION GAMMA Sp. z o.o.	Warsaw	Poland	100.00
EVOLUTION ONE Sp. z o.o.	Warsaw	Poland	100.00
EVOLUTION TWO Sp. z o.o.	Warsaw	Poland	100.00
Mazowieckie Asfalty Sp.z o.o.	Pruszkow	Poland	100.00
PRZEDSIEBIORSTWO ROBOT DROGOWYCH Sp.z o.o. W LIKWIDACJI	Choszczno	Poland	100.00
STRABAG DROGI WOJEWODZKIE Sp. z o.o.	Pruszkow	Poland	100.00
STRABAG-PROJEKT 2 Sp.z o.o.	Pruszkow	Poland	100.00
STRABAG-PROJEKT Sp.z o.o.	Pruszkow	Poland	100.00
SZYBKI TRAMWAY Sp. z o.o.	Pruszkow	Poland	100.00
WMB Drogbud Sp. z o.o.	Lubojenka	Poland	51.00
Constrovia Construcao Civil e Obras Publicas Lda.	Lissabon	Portugal	95.00
Z.P.C. Lda	Amadora	Portugal	100.00
Strabag Qatar W.L.L.	Doha	Qatar	100.00
BHG COMERCIALIZARE BITUM SRL	Bucharest	Romania	100.00
BITUNOVA Romania SRL	Bucharest	Romania	100.00
DYWIDAG ROMANIA SRL	Bucharest	Romania	100.00
FLOWER CITY SRL	Bucharest	Romania	100.00
CML OOO	Moscow	Russia	100.00
OOO STRASTROI	Moscow	Russia	100.00
Ranita OOO	Moscow	Russia	100.00
STRABAG AO	Moscow	Russia	100.00
STRABAG BRVZ OOO	Moscow	Russia	100.00
STRABAG Infrastruktur Development OOO	Moscow	Russia	100.00
TPA OOO	Moscow	Russia	100.00
Dywidag Saudi Arabia Co. Ltd.	Jubail	Saudi Arabia	100.00
Strabag Saudi Arabia	Dhahran	Saudi Arabia	100.00
Zublin Saudi Arabia LLC	Riyadh	Saudi Arabia	100.00
CML Construction Services AB	Stockholm	Sweden	100.00
Nimab Support AB	Sjöbo	Sweden	100.00
STRABAG AB	Stockholm	Sweden	100.00
STRABAG Projektutveckling AB	Stockholm	Sweden	100.00
STRABAG Rail AB	Kumla	Sweden	100.00
AZP Aushubzentrum Pfaffnau GmbH	Pfaffnau	Switzerland	100.00
Beton AG Bürglen	Bürglen TG	Switzerland	67.63
CML Construction Services GmbH	Schlieren	Switzerland	100.00
STRABAG Infrastructure & Safety Solutions GmbH	Erstfeld	Switzerland	100.00
TPA Gesellschaft für Qualitätssicherung und Innovation GmbH	Erstfeld	Switzerland	100.00
CML Construction Services d.o.o. Beograd	Belgrad	Serbia	100.00
MINERAL RS d.o.o. BEOGRAD	Novi Beograd	Serbia	100.00
STRABAG BMTI D.O.O. BEOGRAD	Novi Beograd	Serbia	100.00
STRABAG BRVZ d.o.o. BEOGRAD	Novi Beograd	Serbia	100.00
BHG SK s.r.o.	Bratislava	Slovakia	100.00

Company Subsidiaries not consolidated	Residence	Country	Direct stake %
CML CONSTRUCTION SERVICES s. r. o.	Bratislava	Slovakia	100.00
OAT spol. s r.o.	Bratislava	Slovakia	100.00
Rezidencie Machnac, s.r.o.	Bratislava	Slovakia	100.00
SAT SLOVENSKO s.r.o.	Bratislava	Slovakia	100.00
STRABAG BMTI s.r.o.	Bratislava	Slovakia	100.00
STRABAG Property and Facility Services s.r.o.	Bratislava	Slovakia	55.00
Viedenska brana s.r.o.	Bratislava	Slovakia	100.00
CML CONSTRUCTION SERVICES d.o.o.	Ljubljana	Slovenia	100.00
DRP, d.o.o.	Ljubljana	Slovenia	100.00
STHOI Co., Ltd.	Bangkok	Thailand	100.00
STRABAG Construction Co., Ltd.	Bangkok	Thailand	100.00
STRABAG Industries (Thailand) Co.,Ltd. i.L.	Bangkok	Thailand	100.00
Züblin (Thailand) Co. Ltd. i.L.	Bangkok	Thailand	100.00
Züblin Holding (Thailand) Co. Ltd.	Bangkok	Thailand	79.35
B2 Assets s.r.o.	Prague	Czech Republic	100.00
CML CONSTRUCTION SERVICES s.r.o.	Prague	Czech Republic	100.00
Hotel Na Belidle s.r.o.	Prague	Czech Republic	100.00
Hrusecka obalovna, s.r.o.	Hrusky	Czech Republic	80.00
Na Belidle s.r.o.	Prague	Czech Republic	100.00
OAT,s.r.o.	Prague	Czech Republic	100.00
Obalovna Sokolov s.r.o.	Sobeslav	Czech Republic	51.00
STRABAG PROLAN, s.r.o.	Prague	Czech Republic	100.00
Strabag Kiew TOW	Kiew	Ukraine	100.00
A-WAY Zrt.	Újhartyán	Hungary	100.00
BHG Bitumen Kft.	Budapest	Hungary	100.00
Centrum Aszfalt Kft.	Budapest	Hungary	100.00
CML Construction Services Zrt.	Budapest	Hungary	100.00
E.S.T.M. KFT	Budapest	Hungary	100.00
Frisspumpa Kft.	Budapest	Hungary	100.00
Kelet Aszfalt Kft.	Budapest	Hungary	100.00
Nyugat Aszfalt Kft.	Budapest	Hungary	100.00
OAT Kft.	Budapest	Hungary	100.00
SAT Útjavító Kft.	Budapest	Hungary	100.00
STRABAG Logisztika Kft.	Budapest	Hungary	100.00
STRABAG Sportlétesítmények Kft.	Budapest	Hungary	100.00
STRABAG Vízépítö Kft.	Budapest	Hungary	100.00
Treuhandbeteiligung Q	Budapest	Hungary	100.00
STRABAG ABU DHABI LLC	Abu Dhabi	United Arab Emirates	60.00
Züblin Ground and Civil Engineering LLC	Dubai	United Arab Emirates	100.00
IVERUS ENTERPRISES LTD	Limassol	Cyprus	100.00

The following list shows the not consolidated investee companies:

Company Investee companies not consolidated	Residence	Country	Direct stake %
“kabelwerk” bauträger gmbh	Vienna	Austria	25.00
ABO Asphalt-Bau Oeynhausen GmbH.	Oeynhausen	Austria	22.50
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.	Zistersdorf	Austria	40.00
AMB Asphalt-Mischanlagen Betriebsgesellschaft m.b.H.& Co.KG	Zistersdorf	Austria	40.00
AMG - Asphaltmischwerk Gunskirchen Gesellschaft m.b.H.	Linz	Austria	33.33
AMG-Asphaltmischwerk Gunskirchen Gesellschaft m.b.H. & Co.KG	Linz	Austria	33.33
AMS-Asphaltmischwerk Süd Gesellschaft m.b.H.	Linz	Austria	35.00
Anton Beirer Hartsteinwerke GmbH & Co KG	Pinswang	Austria	50.00
ASF Frästechnik GmbH	Kematen	Austria	40.00
ASF Frästechnik GmbH & Co KG	Kematen	Austria	40.00
Asphaltmischwerk Betriebsgesellschaft m.b.H.	Rauchenwarth	Austria	20.00
Asphaltmischwerk Betriebsgesellschaft m.b.H. & Co KG	Rauchenwarth	Austria	20.00
Asphaltmischwerk Greinsfurth GmbH	Amstetten	Austria	33.33
Asphaltmischwerk Greinsfurth GmbH & Co OG	Amstetten	Austria	33.33
Asphaltmischwerk Kundl GmbH	Kundl	Austria	50.00
Asphaltmischwerk Kundl GmbH & Co KG	Kundl	Austria	50.00
ASTRA - BAU Gesellschaft m.b.H. Nfg. OG	Bergheim	Austria	50.00
AWM Asphaltwerk Mötschendorf Gesellschaft m.b.H.	Graz	Austria	50.00
AWM Asphaltwerk Mötschendorf GmbH & Co.KG	Graz	Austria	50.00
CAPE 10 Errichtung & Betrieb GmbH	Vienna	Austria	26.00
DC Waterline GmbH	Vienna	Austria	50.00
Donau City Residential GmbH	Vienna	Austria	50.00
Eisen Blasy Reutte GmbH	Pflach	Austria	50.00
EPM PSO GMBH & CO KG	Spittal an der Drau	Austria	20.00
Franck4tel Komplementär Acht GmbH	Vienna	Austria	50.00
Franck4tel Komplementär Drei GmbH	Vienna	Austria	50.00
Franck4tel Komplementär Eins GmbH	Vienna	Austria	50.00
Franck4tel Komplementär Fünf GmbH	Vienna	Austria	50.00
Franck4tel Komplementär Sechs GmbH	Vienna	Austria	50.00
Franck4tel Komplementär Sieben GmbH	Vienna	Austria	50.00
Franck4tel Komplementär Vier GmbH	Vienna	Austria	50.00
Franck4tel Komplementär Zwei GmbH	Vienna	Austria	50.00
Franck4tel Projektabwicklung GmbH & Co KG	Vienna	Austria	50.00
Franck4tel Projektentwicklung Drei GmbH & Co KG	Vienna	Austria	50.00
Franck4tel Projektentwicklung Eins GmbH & Co KG	Vienna	Austria	50.00
Franck4tel Projektentwicklung Fünf GmbH & Co KG	Vienna	Austria	50.00
Franck4tel Projektentwicklung Sechs GmbH & Co KG	Vienna	Austria	50.00
Franck4tel Projektentwicklung Sieben GmbH & Co KG	Vienna	Austria	50.00
Franck4tel Projektentwicklung Vier GmbH & Co KG	Vienna	Austria	50.00
Franck4tel Projektentwicklung Zwei GmbH & Co KG	Vienna	Austria	50.00
GDK Flight Management GmbH	Spittal an der Drau	Austria	20.00
H S Hartsteinwerke GmbH	Pinswang	Austria	50.00

Company Investee companies not consolidated	Residence	Country	Direct stake %
KAB Kärntner Abfallbewirtschaftung GmbH	Klagenfurt	Austria	36.25
Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH	Spittal an der Drau	Austria	30.00
KSH Kalkstein Heiterwang GmbH	Pinswang	Austria	30.00
KSH Kalkstein Heiterwang GmbH & Co KG	Pinswang	Austria	30.00
Lieferasphalt Gesellschaft m.b.H.	Vienna	Austria	50.00
Lieferasphalt Gesellschaft m.b.H. & Co. OG, Zirl	Vienna	Austria	50.00
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	Linz	Austria	33.33
LISAG Linzer Splitt- und Asphaltwerk GmbH.	Linz	Austria	50.00
LISAG Linzer Splitt- und Asphaltwerk GmbH. & CO KG	Linz	Austria	50.00
MIGU-Asphalt-Baugesellschaft m.b.H.	Lustenau	Austria	50.00
MSO Mischanlagen GmbH	Ilz	Austria	33.33
PAM Pongauer Asphaltmischanlagen GmbH	St. Johann im Pongau	Austria	50.00
PAM Pongauer Asphaltmischanlagen GmbH & Co KG	St. Johann im Pongau	Austria	50.00
PPP Campus AM + SEEA GmbH	St. Pölten	Austria	50.00
PPP Campus AM + SEEA GmbH & Co KG	St. Pölten	Austria	50.00
PPP Campus RAP + LGG GmbH	St. Pölten	Austria	45.00
PPP Campus RAP + LGG GmbH & Co KG	St. Pölten	Austria	45.00
Prottelith Produktionsgesellschaft mbH	Liebenfels	Austria	24.00
RFM Asphaltmischwerk GmbH & Co KG	Traiskirchen	Austria	46.00
RFM Asphaltmischwerk GmbH.	Traiskirchen	Austria	46.00
Rieder Asphaltgesellschaft m.b.H.	Ried im Zillertal	Austria	50.00
Rieder Asphaltgesellschaft m.b.H. & Co. KG.	Ried im Zillertal	Austria	50.00
Salzburger Lieferasphalt GmbH & Co OG	Sulzau	Austria	20.00
Sappho dreiundneunzigste Holding GmbH	Vienna	Austria	40.00
SG Kies GmbH	Vienna	Austria	50.00
SG Kies GmbH & Co KG	Vienna	Austria	50.00
SHKK-Rehabilitations GmbH	Baden	Austria	50.00
SRK Kliniken Beteiligungs GmbH	Baden	Austria	50.00
Syrena Immobilien Holding Aktiengesellschaft	Spittal an der Drau	Austria	50.00
Triplus Beton GmbH	Zell am See	Austria	50.00
Triplus Beton GmbH & Co KG	Zell am See	Austria	50.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H.	Spittal an der Drau	Austria	50.00
Vereinigte Asphaltmischwerke Gesellschaft m.b.H. & Co KG	Spittal an der Drau	Austria	50.00
VIANOVA - Bitumenemulsionen GmbH	Fürnitz	Austria	24.90
VKG-Valentiner Kieswerk Gesellschaft m.b.H.	Linz	Austria	50.00
WMW Weinviertler Mischwerk Gesellschaft m.b.H.	Zistersdorf	Austria	33.33
WMW Weinviertler Mischwerk Gesellschaft m.b.H. & Co KG	Zistersdorf	Austria	33.33
A 1 Lohne-Bramsche GmbH & Co. KG	Neuenkirchen-Vörden	Germany	50.00
AGS Asphaltgesellschaft Stuttgart GmbH & Co. - Kommanditgesellschaft -	Stuttgart	Germany	40.00
AGS Asphaltgesellschaft Stuttgart Verwaltungs-GmbH	Stuttgart	Germany	40.00
AMH Asphaltmischwerk Hauneck GmbH & Co. KG	Hauneck	Germany	50.00
AMH Asphaltmischwerk Hauneck Verwaltungs GmbH	Hauneck	Germany	50.00

Company Investee companies not consolidated	Residence	Country	Direct stake %
AMSS Asphaltmischwerke Sächsische Schweiz GmbH & Co. KG	Dresden	Germany	24.00
AMSS Asphaltmischwerke Sächsische Schweiz Verwaltungs GmbH	Dresden	Germany	24.00
ASB Transportbeton GmbH & Co. KG	Sülzetal	Germany	50.00
Asphaltmischwerke Bodensee Verwaltungs-GmbH	Singen Hohentwiel	Germany	50.00
AUT Grundstücksverwaltungsgesellschaft mbH	Stuttgart	Germany	40.00
Bayerische Asphaltmischwerke Gesellschaft mit beschränkter Haftung	Hofolding	Germany	48.29
BBO Bauschuttaufbereitung Verwaltungsgesellschaft mbH	Steißlingen	Germany	33.33
BBO Bodensee/Hegau Bauschuttaufbereitung GmbH & Co. KG	Steißlingen	Germany	22.22
BBO Bodenseekreis Bauschuttaufbereitung GmbH & Co. KG	Steißlingen	Germany	25.00
BLU Beteiligungs-GmbH	Karlsruhe	Germany	50.00
BLU GmbH & Co. KG	Karlsruhe	Germany	50.00
Catchup Connect GmbH	Hamburg	Germany	50.00
CSE Centrum-Stadtentwicklung GmbH i.L.	Cologne	Germany	50.00
DAM Deutzer Asphaltmischwerke GmbH & Co. KG	Cologne	Germany	40.44
DAM Deutzer Asphaltmischwerke Verwaltungs-GmbH	Cologne	Germany	40.44
Deponie Westküste GmbH & Co. KG	Nindorf	Germany	50.00
Deponie Westküste Verwaltungs-GmbH	Nindorf	Germany	50.00
Diabaswerk Nesselgrund GmbH & Co. KG	Floh-Seligenthal	Germany	20.00
Diabaswerk Nesselgrund Verwaltungs-GmbH	Floh-Seligenthal	Germany	20.00
Entwicklung Quartier am Mailänder Platz Beteiligungsgesellschaft mbH i.L.	Hamburg	Germany	50.00
Entwicklung Quartier am Mailänder Platz Management GmbH i.L.	Hamburg	Germany	50.00
FBW Frischbetonwerk GmbH & Co. KG	Reutlingen	Germany	42.39
FLARE Grundstück Verwaltungs GmbH	Berlin	Germany	50.00
Frischbetonwerk-Beteiligungs GbR	Reutlingen	Germany	42.39
Geothermie Gräfelfing GmbH & Co. KG	Gräfelfing	Germany	49.00
Geothermie Gräfelfing Verwaltungs GmbH	Gräfelfing	Germany	49.00
GFR remex Baustoffaufbereitung Verwaltungs-GmbH Krefeld i.L.	Krefeld	Germany	50.00
Glasklar Glas- und Gebäudereinigung GmbH	Bad Segeberg	Germany	25.00
GuS Gußasphaltwerk GmbH & Co. KG	Stuttgart	Germany	50.00
GuS Gußasphaltwerk-Verwaltungsgesellschaft mbH	Stuttgart	Germany	50.00
Heideasphalt GmbH & Co. KG	Wittingen	Germany	50.00
HK-Rohstoff & Umwelttechnik GmbH & Co. KG	Hildesheim	Germany	50.00
IQ Office Beteiligungsgesellschaft mbH	Hamburg	Germany	49.00
IQ Office GmbH & Co. KG	Hamburg	Germany	49.00
IQ Residential Beteiligungsgesellschaft mbH	Hamburg	Germany	49.00
IQ Residential GmbH & Co. KG	Hamburg	Germany	49.00
IQ Tower Beteiligungsgesellschaft mbH	Hamburg	Germany	49.00
IQ Tower GmbH & Co. KG	Hamburg	Germany	49.00
Kiesabbau Gämmerler-Hütwohl GmbH & Co. Aug Kommanditgesellschaft	Königsdorf	Germany	50.00
Kiesabbau Gämmerler-Hütwohl GmbH & Co. Grube Grafing KG	Königsdorf-Wiesen	Germany	50.00

Company Investee companies not consolidated	Residence	Country	Direct stake %
Kiesabbau Gämmerler-Hütwohl GmbH&Co. Grube Leitzinger Au KG	Königsdorf	Germany	50.00
Kiesabbau Gämmerler-Hütwohl Verwaltungs- GmbH	Königsdorf	Germany	50.00
Kiesgesellschaft Karsee Beteiligungs-GmbH	Immenstaad am Bodensee	Germany	50.00
Kiesgesellschaft Karsee GmbH & Co. KG	Immenstaad am Bodensee	Germany	50.00
Kieswerk Rheinbach Gesellschaft mit beschränkter Haftung	Cologne	Germany	50.00
Kieswerk Rheinbach GmbH & Co. KG	Rheinbach	Germany	50.00
Kieswerke Schray Verwaltungs GmbH	Steißlingen	Germany	50.00
Koch Carbon Consulting GmbH	Kreuztal	Germany	49.00
Main-Aurach-Autobahngesellschaft mbH & Co. KG i.L.	Berlin	Germany	50.00
Messe City Köln Beteiligungsgesellschaft mbH	Hamburg	Germany	50.00
Milet Ditzingen Beteiligungsgesellschaft mbH	Heidelberg	Germany	49.00
MLT Maschinen Logistik Technik GmbH & Co. KG	Nesse-Apfelstädt	Germany	50.00
MLT Verwaltungs GmbH	Nesse-Apfelstädt	Germany	50.00
Müritz-Klinikum Service GmbH	Waren (Müritz)	Germany	49.00
Natursteinwerke im Nordschwarzwald NSN Verwaltungsgesellschaft mit beschränkter Haftung	Mühlacker	Germany	25.00
novoRock GmbH & Co. KG	Kupferzell	Germany	50.00
QMP Generalübernehmer GmbH & Co. KG	Oststeinbek	Germany	50.00
REMEX Coesfeld GmbH	Dülmen-Buldern	Germany	50.00
ROBA-Neuland Beton GmbH & Co. KG	Hamburg	Germany	50.00
Rohstoff & Umwelttechnik Verwaltungs GmbH	Hildesheim	Germany	50.00
Ronald Brockmann Glas- und Gebäudereinigung GmbH	Güstrow	Germany	25.47
RSV Rheinische Schlacke Verwertungs GmbH	Leverkusen	Germany	50.00
SAT Spezialbau GmbH	Cologne	Germany	50.00
SAV Südniedersächsische Aufbereitung und Verwertung GmbH & Co. KG	Hildesheim	Germany	50.00
SAV Südniedersächsische Aufbereitung und Verwertung Verwaltungs GmbH	Hildesheim	Germany	50.00
Schlackenkontor Bremen GmbH	Bremen	Germany	33.35
SeniVita Social Estate AG	Bayreuth	Germany	50.00
SMB Construction International GmbH	Sengenthal	Germany	50.00
STA Asphaltmischwerk Strahlungen GmbH	Strahlungen	Germany	24.90
stahl + verbundbau gesellschaft für industrielles bauen m.b.H.	Dreieich	Germany	30.00
Steinbruch Spittergrund GmbH	Erfurt	Germany	50.00
Stephan Beratungs-GmbH	Linz am Rhein	Germany	30.00
TDE Mitteldeutsche Bergbau Service GmbH	Espenhain	Germany	50.00
TSI VERWALTUNGS GMBH	Nesse-Apfelstädt	Germany	50.00
Verwaltung QMP Generalübernehmer GmbH	Oststeinbek	Germany	50.00
Verwaltungsgesellschaft ROBA-Neuland Beton m.b.H.	Hamburg	Germany	50.00
SHUSHICA HYDROPOWER sh p.k.	Tirana	Albania	33.00
ASG INVEST N.V.	Genk	Belgium	25.00
Ontwikkelingscombinatie Maasmechelen N.V.	Antwerpen	Belgium	50.00

Company Investee companies not consolidated	Residence	Country	Direct stake %
Satellic NV	Groot-Bijgaarden	Belgium	24.00
Tierra Chuquicamata SpA	Santiago de Chile	Chile	50.00
Straktor Bau Aktien Gesellschaft	Kifisia	Greece	50.00
A-WAY LAGAN INFRASTRUCTURE SERVICES LIMITED	Kilcloony, Ballinasloe, Galway	Ireland	50.00
DIRECTROUTE (FERMOY) CONSTRUCTION LIMITED	Dublin	Ireland	25.00
DIRECTROUTE (LIMERICK) CONSTRUCTION LIMITED	Dublin	Ireland	40.00
DIRECTROUTE (TUAM) CONSTRUCTION LIMITED	Dublin	Ireland	25.00
TORONTO TUNNEL PARTNERS 401 RER INC.	London, Ontario	Canada	50.00
Z.I.P.O.S. d.o.o.	Antunovac	Croatia	50.00
Industrial Engineering and Contracting Co. S.A.R.L. (INDECO) i.L.	Beirut	Lebanon	50.00
STRABAG ARCHIRODON LTD.	Port Louis	Mauritius	50.00
A-Lanes Management Services B.V.	Utrecht	The Netherlands	25.00
Philman Holdings Co.	Manila	Philippines	20.00
Walter Group International Philippines, Inc.	Manila	Philippines	26.00
A2 ROUTE Sp. z o.o.	Pruszkow	Poland	50.00
ODRA-ASFALT Sp. z o.o.	Szczecin	Poland	33.33
STRABAG Gorzów Wielkopolski Sp. z o.o.	Gorzów Wielkopolski	Poland	49.00
AL SRAIYA - STRABAG Road & Infrastructure WLL	Doha	Qatar	49.00
Grandemar SA	Cluj-Napoca	Romania	41.27
SIFEE TERRA HEAT SRL	Selimbar	Romania	25.00
Betun Cadi SA	Trun	Switzerland	35.00
Kies- und Betonwerk AG Sedrun	Sedrun	Switzerland	35.00
Obal'ovna Bratislava s.r.o.	Bratislava	Slovakia	50.00
VIANOVA SLOVENIJA d.o.o.	Logatec	Slovenia	50.00
Beton Pisek spol. s.r.o.	Pisek	Czech Republic	50.00
Brnenska obalovna, s.r.o.	Brno	Czech Republic	50.00
JCO s.r.o.	Plana	Czech Republic	50.00
Liberecka Obalovna s.r.o.	Liberec	Czech Republic	50.00
Obalovna Bÿchovice s.r.o.	Praha 10	Czech Republic	25.00
Obalovna Slovice s.r.o.	Sobÿslav	Czech Republic	50.00
TBG Ceske Budejovice spol. s.r.o.	Budweis	Czech Republic	50.00
VCO - Vychodoceska obalovna, s r.o	Hradec Kralove	Czech Republic	33.33
BASALT-KÖZÉPKÖ Kft	Uzsa	Hungary	25.14
Mecsek Autopalya-üzemeltetö Zrt.	Budapest	Hungary	25.00
MAC ZT Vietnam Co. Ltd.	Ho Chi Minh City	Vietnam	50.00

Group Management Report

2024

Events and environment

2024

Important events

STRABAG's CDP score raised to "B"

February 2024 | STRABAG SE

The international non-profit organisation CDP awarded STRABAG SE its first "B" score for its sustainability initiatives in the category of Climate Change. A score of "B" corresponds to Management level on CDP's rating scale. The cross-sector assessment underscores the improvement in the company's sustainability performance in the category of Environment. STRABAG has set itself the ambitious goal in the energy- and resource-intensive construction industry of becoming climate neutral along the entire value chain by 2040. Sustainability is firmly anchored in the corporate strategy until 2030.

STRABAG wins contract for rapid transit line in Toronto

February 2024 | Segment International + Special Divisions

Tunnelling expertise on the Canadian market
© STRABAG

The Canadian subsidiary of STRABAG was commissioned to design and build the eastern underground segment of the Eglinton Crosstown West Extension in Toronto, which will add 9.2 kilometres and seven new stations to the Light Rail Transit (LRT) line. The project will create a continuous rapid transit line that will run from Toronto's east end, through the heart of the city, and west to the neighbouring community of Mississauga. The approximately € 175 million contract is being executed under a design-build-finance model.

ZÜBLIN building new lock at Kriegenbrunn in Bavaria

March 2024 | Segment North + West

New lock construction during ongoing shipping operations
© ARGE Schleuse Kriegenbrunn

STRABAG subsidiary ZÜBLIN was awarded a contract worth around € 450 million by the Waterway Construction Office Aschaffenburg to replace a lock at Kriegenbrunn in the German state of Bavaria. The new shipping lock will be built during ongoing operations in the immediate vicinity of the old lock. In addition to the extensive ground and civil engineering services, the overall contract also includes the steel hydraulics works and the operating technology. Work by the consortium, consisting of Ed. Züblin AG, Züblin Spezialtiefbau GmbH and Bauer Spezialtiefbau GmbH, is scheduled to last until spring 2032.

STRABAG focuses on sustainable building materials

April 2024 | STRABAG SE

A construction material for the future: climate-friendly insulation
© Synthesa Group

With the acquisition of Naporo Klima Dämmstoff GmbH from Synthesa Group, STRABAG is expanding its product portfolio to include insulation boards made of sustainable materials such as hemp, flax and PET fibres. Together with Naporo, STRABAG aims to exploit the potential that is currently developing in the field of sustainable building materials while taking another important step towards becoming climate neutral in 2040.

STRABAG pools its expertise in M&E and facility management

February–May 2024 | STRABAG SE

Expanded expertise in M&E
© STRABAG

The STRABAG Group is pooling its expertise in mechanical and electrical building engineering (M&E) within STRABAG Property and Facility Services (PFS). The move serves to position STRABAG as a full-service provider for the decarbonisation of existing properties and for climate-neutral new builds – from consulting, design and construction to operation over the entire building life cycle. These services cover key areas of a building such as heating, ventilation and air conditioning (HVAC), plumbing, electrical engineering, instrumentation and control engineering, and energy management.

To strengthen its strategic position in this field and to continue to drive forward growth, STRABAG is seeking to expand the services it provides in these areas. The acquisition of the Triburuzek Group in Austria and Climtech in Germany represent important milestones along this path, while the purchase of multi-technology provider ELCO marks the Group's successful entry into the market in Luxembourg. These acquisitions added a total of around 620 employees to the STRABAG Group. In May, STRABAG and PORR also signed a purchase agreement for parts of VAMED Group with a total purchase price of € 90 million. The main focus of the transaction is on the technical facility management of Vienna General Hospital (AKH Wien). The agreement could not be finalised by the contractually agreed date. In March 2025, the STRABAG-PORR consortium therefore entered into supplementary negotiations with the seller in relation to the purchase agreement.

STRABAG awarded contract to expand F.D. Roosevelt University Hospital in Banská Bystrica, Slovakia

June 2024 | Segment South + East

Energy-efficient architecture for university hospital
© F.D. Roosevelt University Hospital

Through its Slovakian subsidiary, STRABAG is acting as general contractor for the reconstruction and extension of the F.D. Roosevelt University Hospital in Banská Bystrica, Slovakia. The EU-funded project is one of the most significant investments in Slovakia's healthcare infrastructure in recent decades. The works, with a contract value of around € 297 million, comprise the demolition of aging buildings and the subsequent restructuring of the site with modern new buildings as well as outdoor facilities and green spaces. The project leaders are aiming for BREEAM certification for the building complex. Overall completion is expected in late 2029.

STRABAG building new headquarters for Czech subsidiary of Erste Group in Prague

June 2024 | Segment South + East

Construction technology combined with sustainability and ecology
© Česká spořitelna

STRABAG is leading the consortium building the new headquarters of Česká spořitelna, the largest commercial bank in the Czech Republic. The contract includes the construction of four buildings with a total usable area of 75,000 m^2 as well as a passageway with shops, cafés and a multifunctional auditorium. Upon completion, the four buildings are to receive the highest certification in BREEAM Outstanding and WELL Platinum. The project also meets the EU Taxonomy requirements. The operation of the building complex will be energy-neutral thanks to heat pumps and photovoltaics. The use of concrete with a reduced carbon footprint during construction represents a savings of at least 25% in CO_2 emissions compared to standard concrete.

Progress becomes reality: STRABAG drives forward innovation projects

September–November 2024 | STRABAG SE

TU Wien and STRABAG are joining forces in research and development
© STRABAG

In September 2024, STRABAG and TU Wien, Austria's largest research and educational institution for technology and natural sciences, signed a new five-year partnership agreement. The aim of the science–industry innovation ecosystem is to develop innovative solutions in joint, interdisciplinary R&D projects in support of a sustainable and digital future in construction. The project is also dedicated to the systematic promotion of talent and early-career professionals.

At its Innovation Day in Cologne, under the banner of “Progress Becomes Reality”, STRABAG presented 50 of its roughly 250 innovation projects – from construction site training using virtual reality (VR) to MOLENO® WOHNEN, a modular construction system for sustainable and efficient residential construction that combines generative design with serial construction processes, to the use of low-emission powertrains and fuel cells in wheel loaders. The winners of the adASTRA intrapreneurship programme were also honoured.

STRABAG paves the way to the future

September–October 2024 | STRABAG SE

STRABAG is testing fully autonomous asphalt paving and the use of smart traffic cones
© STRABAG

STRABAG's TPA competence centre and its partners successfully tested several novel automation techniques in Austria. The EU-wide InfraROB project involved an autonomous paver system laying down asphalt while smart robots cordoned off and marked the area, with sensors placed in the asphalt to measure road loads for maintenance purposes. The innovative solutions are designed to improve the safety, efficiency and cost-effectiveness of road construction and maintenance in the long term.

STRABAG and Liebherr also tested a hydrogen-powered wheel loader in the presence of the then Austrian Minister for Climate Action, Leonore Gewessler. The pilot project is expected to reduce carbon emissions by up to 100 tonnes annually. Other projects include the replacement of diesel-powered mobile machines with electric conveyor belts that generate their own electricity through the weight of the transported stones as well as the use of self-driving, battery-operated electric tippers.

S&P raises corporate credit rating to BBB+, outlook stable

September 2024 | STRABAG SE

STRABAG had maintained a solid S&P rating of BBB since 2015. Now this rating has been raised one notch to BBB+ with a stable outlook. The new rating places STRABAG among the top tier of Europe's construction companies. S&P based its decision on the company's sustained strong performance, high order backlog, strong market positions in its core markets, diversified and vertically integrated business model, and consistent risk management. Given this robust foundation, STRABAG continues to expect to maintain a solid net cash position.

Contract worth over € 250 million to build new residential development in Abu Dhabi awarded to STRABAG

October 2024 | Segment International + Special Divisions

STRABAG is building the Sea la Vie development on Yas Island
© Nine Yards

STRABAG, through its subsidiary Züblin Construction LLC, has been chosen to build the Sea La Vie residential project on Yas Island on behalf of client Nine Yards Real Estate Development. The project, with an investment volume of more than € 250 million, includes four residential towers with 16 to 18 floors, 30 townhouses and a three-storey underground car park with over 1,000 parking spaces. The project stands out for its modern design and innovative architecture, complemented by a spacious lagoon, suitable for swimming, as a central element of the complex. Completion is scheduled for the second quarter of 2027.

STRABAG commits to science-based climate targets

October 2024 | STRABAG SE

PV park built by STRABAG in Ratten/Austria
© STRABAG

STRABAG has signed up to the Science Based Targets initiative (SBTi). The global initiative is a collaboration of several NGOs that has been joined by more than 1,000 companies to set science-based climate targets. By joining the initiative, STRABAG commits to reducing its CO_2e emissions to limit global warming to 1.5 °C in line with the goal of the Paris Agreement. STRABAG has 24 months to submit for validation a near-term target that must be realised by 2030.

STRABAG expands to Australia

November 2024 | STRABAG SE

Georgiou's recent contracts include the new Fitzroy River Bridge in Western Australia
© Georgiou Group

In line with its Strategy 2030, STRABAG is continuing its expansion plans in the English-speaking world with the acquisition of 100% of Australian-based Georgiou Group Pty Ltd. The company, a specialist in road and infrastructure construction with 875 employees, generates an annual revenue of around A$ 1.3 billion, the equivalent of € 787 million. This makes the Georgiou Group an excellent fit for the STRABAG Group. Georgiou's experienced management team, with extensive expertise and in-depth market knowledge in Australia, will remain with the company after the acquisition. The move serves to further diversify STRABAG's geographic portfolio and will nearly double its non-European business. The final purchase agreement was signed on 30 December 2024. Approval from Australia's Foreign Investment Review Board (FIRB) followed on 18 December 2024. The closing of the transaction took place on 21 March 2025.

STRABAG significantly expands its water infrastructure portfolio with acquisition of WTE Group

December 2024 | STRABAG SE

Virovitica wastewater treatment plant
© STRABAG

With the planned acquisition of WTE Group, a leading provider of municipal and industrial water management services, STRABAG is set to become a full-service provider for water infrastructure. The WTE Group plans, finances, builds and operates projects in the fields of wastewater management, water supply, sewage sludge treatment, and energy recovery in Europe and the Middle East. The WTE business to be acquired by STRABAG is expected to generate an annual output of around € 300 million.

Population growth and climate change require well-functioning water supply and wastewater disposal solutions. These challenges can be met by combining WTE's innovative solutions with STRABAG's construction and project expertise along with its existing water technology business. In line with its Strategy 2030, the acquisition will further increase the depth of value creation across the Group in the energy and water sectors. At the time this report was being prepared, the negotiations over the acquisition had not yet been concluded, and the acquisition schedule was revised. The transaction is pending a final agreement with the current owner, EVN, along with official approval or consent from relevant third parties.

STRABAG supports grid expansion for energy transition in Germany

December 2024 | Segment North + West

Civil engineering services for SuedOstLink transmission corridor in Thuringia
© STRABAG AG

STRABAG AG has been awarded another major contract in the three-digit-million-euro range to build a 34.5 km section of the SuedLink power transmission line from Gerstungen to Breitungen in Thuringia. This brings the total value of contracts acquired by STRABAG AG for SuedLink and SuedOstLink in 2024 to over € 1.1 billion. The two electricity corridors represent key infrastructure projects for the energy transition in Germany and will transport wind power from north and east of the country to the south.

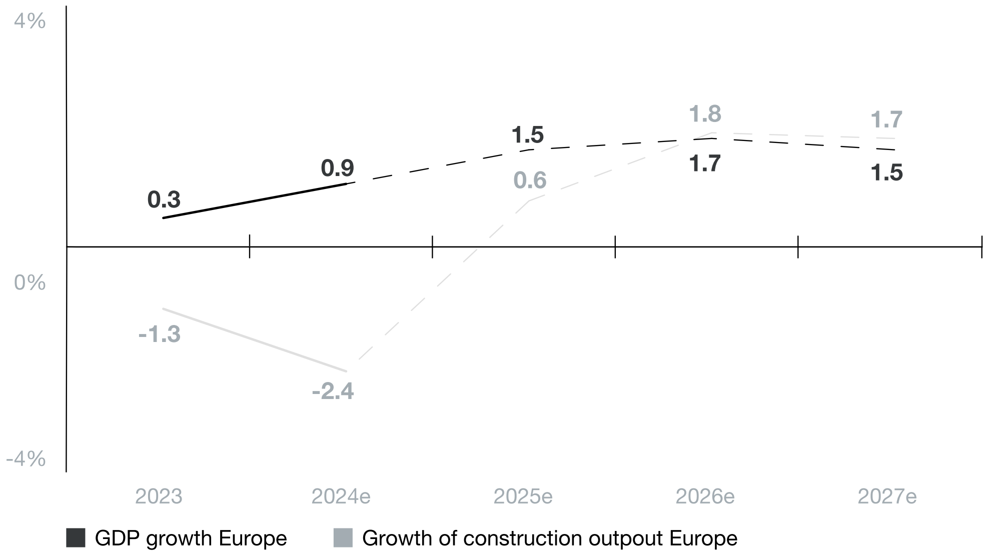
STRABAG is realising a total of around 205 km for SuedLink and about 120 km for SuedOstLink. The works include extensive cut-and-cover and earthworks as well as the use of trenchless techniques to cross obstacles. The projects support Germany's transition to renewable energies and underscore STRABAG's commitment, in line with its Strategy 2030, to increase its activities in the energy sector and to make an active contribution to the energy transition.

Country report

STRABAG sees itself as a European technology group for construction services with a strong focus on Central and Eastern Europe. To diversify the country risk even further, however, and to profit from market opportunities, STRABAG operates on other continents as well. On the one hand, it is a tradition for the company to follow its clients into new markets; on the other hand, the existing country network and established organisational structures make it easier to export and use the technology in new regions with little expense.

Global economy

Growth comparison construction vs. GDP Europe



Reduced recession risk

Despite a tight and synchronised monetary policy, the global economy has proven to be resilient and has avoided a recession. Inflation rates declined as a result of waning pandemic-related supply chain issues and an effective monetary policy, which helped to stabilise inflation expectations. The return of inflation to target levels now creates opportunities for monetary easing as a way to stimulate economic growth. Still, inflation remains high, particularly in the service sector, and external shocks such as the war against Ukraine or the conflict in the Middle East endanger price stability. Significant risks also exist due to high real interest rates and insufficient fiscal adjustments in major economies such as the US and China. Moreover, far-reaching reforms are needed to meet the challenges of demographic change, climate change and social inequality. There is broad consensus that measures to promote the energy transition, with a shift towards renewable energies and away from fossil fuels, are indispensable and that the corresponding investments are urgently needed.

The World Bank expects the global economy to have grown by 3.2% in 2024, with growth of 3.3% forecast for 2025. Global measures against inflation have been largely successful, although price pressure persists in some countries. After peaking at 9.4% in the third quarter of 2022, inflation in 2024 is expected to have fallen to 3.5% in 2024.

For the EU, the OECD calculated economic growth of 0.7% in 2024, whereas GDP stagnated in Germany and fell slightly in Austria. The gross domestic product of the 19 Euroconstruct countries (EC-19) grew by 0.9% in 2024. The national rates differ only slightly, ranging between -0.6% and +2.8%. GDP growth of 1.5% is expected for the EC-19 area in 2025, with 1.7% in 2026 and 1.5% in 2027.

All growth forecasts and construction volumes at the individual national level were taken from the winter 2024 reports of Euroconstruct and EECFA (Eastern European Construction Forecasting Association). The market share data given are based on the data from 2024 and on the Euroconstruct and EECFA estimates for 2024.

The construction industry

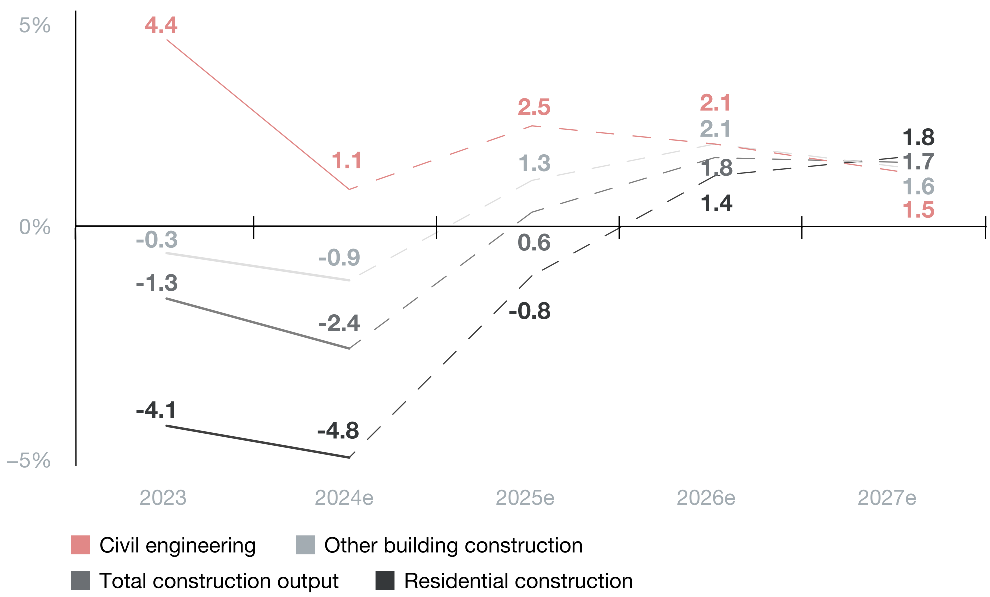
Diverging trends in the construction sector

The construction industry in the EC-19 countries recorded a decline of 2.4% in 2024 (2023: -1.3%). This significant downturn is the result of the cumulative negative effects of the Covid-19 pandemic and Russia's war against Ukraine, primarily in the form of inflation and higher key interest rates. Additional challenges included labour shortages, tighter regulatory requirements and unresolved budget issues at the national level. However, a recovery is expected as key interest rates are gradually reduced, price pressures subside and real wages increase. In addition, public funding measures, particularly for the climate-related renovation and refurbishment of existing buildings, should provide positive stimuli as well.

Broken down by sector, civil engineering proved resilient in 2024, posting the best performance of all with a plus of 1.1%. Other building construction fell slightly by 0.9%, while residential construction, given the negative market environment, suffered significant losses of -4.8%. The Spanish construction industry saw the strongest growth, with an increase of 2.0%, followed by Portugal with +1.5% and Ireland with +1.4%. Slovakia brought up the rear with a decline of -6.5%, followed by Finland (-5.4%) and Sweden (-5.3%). Construction growth in the 19 Euroconstruct countries is expected to turn positive again in 2025 with +0.6%, to be followed by 1.8% in 2026 and 1.7% in 2027. In STRABAG SE's core markets in Central and Eastern Europe, the construction industry fell by 2.6% in 2024, with growth of 1.4% and 2.3% forecast for 2025 and 2026.

Construction sectors

Growth comparison of construction sectors in Europe



Civil engineering resilient, residential construction in sharp decline

Residential construction, which still accounts for nearly half of Europe's total construction output, declined by 4.8% to € 1,059.9 billion in 2024. In absolute figures, Germany achieved the highest residential construction volume, followed by France, Italy and the United Kingdom. Poland, Spain and Portugal recorded positive growth as well. The sharpest declines in residential construction were seen in Finland and Italy, followed by Sweden and Norway. Euroconstruct is forecasting a slight decline in construction output of 0.8% in 2025. In 2026, the trend will turn positive again at 1.4%, with a further increase of 1.8% forecast for 2027.

Other building construction, which accounts for 30% of the European construction volume, recorded a slight decline of 0.9% in 2024. Germany is the largest market in this segment, followed by France, the United Kingdom and Italy. The highest growth rates were recorded in Italy and Ireland, followed by Portugal and Switzerland, while the weakest growth was seen in Sweden, Poland, Hungary and Denmark. Euroconstruct forecasts a recovery for the segment in 2025, with an increase of 1.3%. For 2026 and 2027, growth of 2.1% and 1.6%, respectively, is expected.

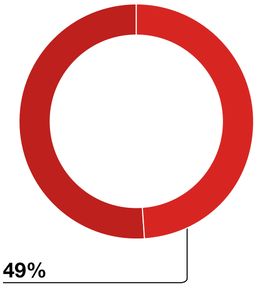
Civil engineering, which accounts for around 20% of European construction output, was the most resilient segment in 2024, with growth of 1.1%. Developments in the individual countries varied greatly. In absolute figures, Germany was ahead of Italy, the United Kingdom and France. The strongest growth rates, meanwhile, were seen in Italy, Belgium, Denmark and Spain, while the most pronounced declines were in Slovakia, Poland, Finland and Hungary. Growth in Europe's civil engineering segment is expected to reach +2.5% in 2025, +2.1% in 2026 and 1.5% in 2027.

STRABAG delivers the majority of its output in the infrastructure sector, primarily in transportation infrastructures. More than 60% of our customers are in the public sector. Public-sector demand for infrastructure has a particularly stabilising effect. Residential construction accounts for less than 10% of the Group's total output.

Developments in the core markets of STRABAG SE

Below we present the development of the national economies and of the respective construction industries in STRABAG SE's eight core markets during the past year. These countries accounted for 86% of Group output in 2024 and their development is therefore of particular importance to STRABAG.

Germany



49%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Germany	49	479.8	0.0	0.5	-2.8	-1.0

The German economy stagnated in 2024, weighed down by external crises such as the Ukraine conflict, technological change and competition from China. At the same time, high energy costs and tight regulations are having a negative impact. From 2025 onwards, falling interest rates and gains in purchasing power should help to bring some momentum back to the economy. Euroconstruct is forecasting growth of +0.5% for 2025, with an increase of 1.5% expected for 2026 and 1.0% for 2027.

The German construction industry recorded a decline in construction output of 2.8% in 2024, with residential construction particularly affected. Construction investments remained below expectations due to the more than 40% increase in construction prices over the last four years. To some extent, this also affected civil engineering, where projects were slowed down by tight public finances despite the high demand for infrastructure works. At the same time, however, opportunities arose in relation to the energy transition. The call for new elections in Germany following the collapse of the coalition government could further delay investment decisions. Euroconstruct is forecasting a further 4% decline in construction volume for 2024–2026, with stabilisation expected starting in 2027.

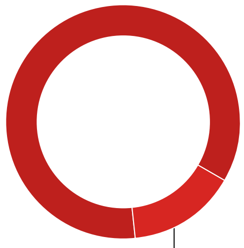
In **residential construction**, the construction volume fell by 4.6% in 2024. Despite the ongoing high demand for housing, both private clients as well as residential construction companies were discouraged from pursing new construction projects by high interest rates, limited public funding and increased construction costs. The decline in residential construction was cushioned somewhat by a more stable market for renovation work, which shrank by only 1% thanks to thermal modernisation works and other energy-efficient investments. Euroconstruct predicts that the -4.6% in 2024 will mark the low point in the residential construction sector. A more moderate downward trend is expected for 2025 and 2026, with declines of 1.9% and 1.0%, respectively.

Other building construction, which shrank by 1.7% in 2024, was affected by economic uncertainty and the reluctance among some companies and the public sector, particularly at the municipal level, to make investments. Euroconstruct expects the sector to contract minimally by 0.1% in 2025, with the trend turning positive again (+0.7%) in 2026.

The **civil engineering** sector recorded growth of 1.0% in 2024. Long-term state investment programmes in rail, water and road infrastructure continue to have a positive impact. Investments in energy transition projects also indicate further market growth in the energy sector in the medium and long term. By contrast, municipal authorities remained hesitant to invest in road and water engineering projects. Slight growth of 0.2% and 0.3% p.a. is expected in 2025 and 2026, respectively.

The STRABAG Group is the leading construction company in Germany, with a market share of 2.0% of the total construction market. With € 9,361.43 million, around 49% of STRABAG's total Group output volume was generated in Germany in 2024 (2023: 47%). Most of the output is allocated to the North + West segment, while the building soltutions business (previously property and facility services) provided in Germany are allocated to International + Special Divisions.

Austria



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Austria	15	49.9	-0.6	1.0	-4.4	0.4

The mild recession of 2023 continued into 2024, with the country's GDP falling by 0.6%. Declining inflation, rising real wages and lower European Central Bank (ECB) interest rates, combined with government stimulus packages, can be expected to have a positive effect on GDP in subsequent years, albeit with a slight delay. On the other hand, Austria faces economic uncertainty, lower corporate investments, a rising unemployment rate and a growing national budget deficit. Nevertheless, Euroconstruct is forecasting that growth will reach 1.0% in 2025 before increasing to 1.5% in 2026 and remaining stable at this level in 2027.

The Austrian construction industry recorded a decline of 4.4% in 2024, particularly in building construction. The dampening effects that were already noticeable in 2023 – persistently high interest rates, strict lending guidelines and increased construction costs – continued into 2024. A trend reversal began to emerge, however. Euroconstruct expects slight growth of 0.4% in 2025 with increases of 1.6% and 0.9% in 2026 and 2027, respectively.

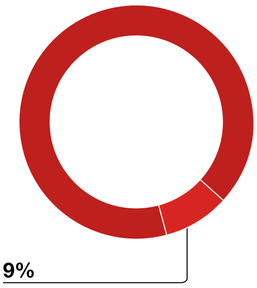
As expected, **residential construction** saw the sharpest decline, falling by 6.3% in 2024. This was due to a combination of higher inflation and mortgage rates, as well as strict lending guidelines, resulting in a sharper decline in Austria compared to the European average. However, the corresponding regulation will expire in mid-2025. The market for renovations, which grew by 3.8% thanks to high demand for energy efficiency and thermal modernisation projects, had a stabilising effect. Overall, the decline will slow to 0.5% in 2025 before the trend turns positive again in 2026 with growth of 1.5%.

The volume of **other building construction** work in 2024 was negatively impacted by the combination of a weak economy, higher construction costs and persistently high interest rates, falling by 4.1% as a result. In the commercial sector in particular, numerous investments in new builds and renovation projects were postponed for the time being, although a recovery in this segment is foreseeable. According to Euroconstruct, the other building construction segment will see growth of 0.8% in 2025 and a moderate increase of 2.6% in 2026.

Civil engineering recorded growth of 1.7% in 2024 due to continued strong government investments in infrastructure programmes. The expansion of the road and, in particular, the rail network was firmly anchored in the Austrian budget. Investments in the energy sector for the expansion of renewable energy sources and in the telecommunications sector for a nationwide broadband network are gaining in importance. Significant growth of 2.6% is expected for 2025. Based on current investment planning, however, the civil engineering segment is expected to decline by 0.3% in 2026.

The STRABAG Group generated 15% of the total Group output volume in its home market of Austria in 2024 (2023: 16%). Austria thus continues to be one of the Group's top three markets along with Germany and Poland. The output reached a volume of € 2,855.94 million in 2023. This gives STRABAG a 5.7% share of the construction volume in the overall market in Austria.

Poland



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Poland	9	71.7	2.7	3.4	-2.5	4.9

After stagnating in 2023, Poland's economy grew strongly in 2024, with GDP rising by 2.7%. The main drivers of this growth were a recovery of domestic demand, higher private consumption, lower inflation and rising real wages. Delays in EU funding and in the National Recovery Plan prevented higher investments. These could provide more momentum from 2025 onwards. Euroconstruct expects GDP growth of 3.4% in 2025, to be followed by +2.8% and +3.1% in 2026 and 2027, respectively.

The Polish construction industry shrank by 2.5% in 2024 due to high construction and energy costs, a shortage of skilled workers and the policy realignment by the new government. This was exacerbated by the transition between EU funding periods and the more cautious municipal investment spending in an election year. Positive momentum, however, was provided by rising real wages, stable prices and more relaxed lending policies. From 2025 onwards, new EU funding from the National Recovery Plan and the high level of investments needed at the national level should invigorate the construction industry, with growth rates forecast at +4.9% in 2025, +6.1% in 2026 and +4.0% in 2027.

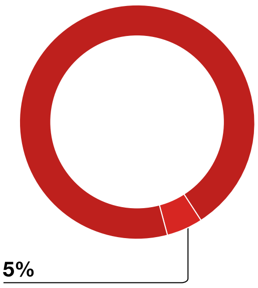
Bucking the European trend, Poland's **residential construction** sector saw significant growth of +4.6% in 2024. High returns on residential construction projects and solid demand encouraged property developers to launch new projects, which led to an increase in building permits. This development was supported by more stable prices, relaxed lending guidelines, falling interest rates, lower inflation and government subsidy programmes for residential construction financing. The renovation sector also benefited from the high modernisation demand for existing buildings in accordance with EU requirements. This positive trend is expected to continue, with projected growth of 3.8% in 2025 and 5.3% in 2026.

Other building construction recorded a decline of 5.9% in 2024, largely due to a lack of public investments and delayed EU funding. Rising costs for wages, fuel and electricity also fuelled uncertainty among investors. Starting in 2025, government investments under the National Recovery Plan, particularly in public buildings, military facilities and energy efficiency and thermal modernisation projects for existing buildings, are expected to provide new momentum. Euroconstruct predicts growth in the other building construction segment to reach 2.7% in 2025 and 4.5% in 2026.

Following an exceptionally strong performance in 2023, Poland's **civil engineering** segment recorded a decline of 4.7% in 2024. The previously high demand, driven by the accelerated implementation of national and local programmes in the road, energy and water infrastructure sectors, fell significantly as a result of a slowdown in public investment. With the release of EU funding for the National Recovery Plan and for urgently needed repairs following flooding in the country's southwest, Euroconstruct expects strong growth of 8.2% in 2025 and a further increase of 8.4% in 2026.

As the number two in the construction sector in Poland, STRABAG realised a construction volume of € 1,696.65 million here in 2024, representing 9% of the Group's total output volume (2023: 7%). Poland thus represents the third-largest market of the STRABAG Group. Its market share in the entire Polish construction market was 2.4%.

Czech Republic



Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Czech Republic	5	39.6	1.1	2.7	-1.0	1.3

The Czech economy achieved moderate GDP growth of 1.1% in 2024. High government spending and extensive investments by the Czech government and the EU contributed significantly to the positive development. Additional momentum came from a decline in inflation, falling interest rates and a comparatively low unemployment rate. In 2025 stable GDP growth of 2.7% is expected, followed by 2.5% in 2026 and 2.7% in 2027.

The Czech construction industry recorded a moderate decline of 1.0% in 2024. The sector was burdened by a persistent shortage of skilled workers and rising prices for construction materials and energy but benefited from funding under various EU programmes, which generated a significant amount of momentum. Euroconstruct forecasts growth of 1.3% for 2025. Further acceleration is expected in subsequent years, with growth of 2.7% in 2026 and 3.6% in 2027.

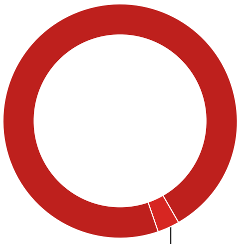
Residential construction recorded a decline of 1.4% in 2024, particularly in the new builds sector, due to continued high lending rates and the inflation of previous years. At the same time, the rising demand for rental housing is likely to lead to increased investment by property developers and the government in the future. The renovation market proved robust, growing by 2.7% in 2024. Euroconstruct is forecasting a recovery in residential construction from 2025 onwards, with growth of 3.1% in 2025 and 4.1% in 2026.

Other building construction in the Czech Republic showed moderate growth of 0.8% in 2024. Investments were concentrated primarily on healthcare and educational facilities, while the construction of industrial and logistics buildings declined in importance. The boom in e-commerce triggered by the Covid-19 pandemic, which had strongly driven the construction of logistics buildings, is now showing a downward trend. The other building construction segment is expected to grow by 1.6% in 2025, with an increase to 3.0% in 2026.

The Czech **civil engineering** segment recorded a decline of 1.6% in 2024, with the renovation market (-4.8%) weakening in particular. By contrast, new projects are emerging as a growth area, supported by funding from the government, local authorities and EU programmes. The focus is on large projects such as the expansion of transport infrastructure, high-speed rail lines and planned nuclear power plants. A further decline of 2.0% is expected for 2025, followed by stagnation in the segment at 0.0% in 2026.

STRABAG is the number three on the market in the Czech Republic. With an output volume of € 1,016.84 million in 2024, around 5% of the Group's total output (2023: 5%) was generated in the country. The market share in the entire construction market is 2.6%.

Hungary



3%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Hungary	3	22	1.4	3.2	-4.3	2.8

The Hungarian economy recorded GDP growth of 1.4% in 2024. Real wage increases, stable employment figures and a normalisation of inflation helped to overcome the stagnation of the previous year. At the same time, however, higher interest rates and reduced investment spending as a result of tighter budget discipline continued to have the opposite effect. The GDP is forecast to grow by 3.2% in 2025, followed by 4.0% in 2026 and 3.0% in 2027.

The Hungarian construction industry recorded a decline of 4.3% in 2024. The government's investment freeze is being lifted only gradually, and the positive effects of released EU funds and other financing will not be felt until the coming years. Euroconstruct therefore expects the Hungarian construction industry to grow by 2.8% in 2025, followed by 4.3% in 2026 and 4.6% in 2027.

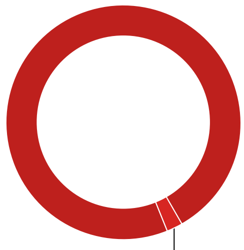
Following the significant contraction of 14.2% in 2023, **residential construction** shrank by a further 4.0% in 2024. In particular, the new builds sector continued to be weighed down by the government's investment freeze as well as by high construction costs, increased interest rates and low selling prices. A recovery is expected from 2025 onwards, however, supported by government measures such as financing from pension funds, renovation grants for rural houses, interest rate caps, lower down payments and a reduced VAT rate for certain regions and for the purchase of new homes. This is expected to lead to strong growth of 9.9% in 2025 and a further 6.2% in 2026.

Other building construction in Hungary fell by 5.3% in the reporting year. The segment suffered from the hesitant relaxation of the government's investment freeze and the completion of many large projects, including in the field of electric mobility and public administration buildings. Positive momentum could come from the partial release of EU funds and growing government activity in the run-up to the 2026 parliamentary elections. Euroconstruct is forecasting a further decline of 2.1% in 2025, before the sector returns to growth in 2026 with an increase of 1.5%.

The Hungarian **civil engineering** segment recorded a decline of 3.2% in 2024, with the weak renovation sector in particular, which shrank by 9.2%, weighing heavily on the overall result. Positive impulses could come from loans of € 1 billion each from the European Investment Bank (EIB) and from China, which will partially compensate for the lack of EU funds for the time being. Large road construction projects are due to start thanks to an exemption from the investment freeze. The construction of a large nuclear power plant and an extensive maintenance programme for the rail network are also likely to get underway. According to Euroconstruct, this will lead to noticeable growth of 4.1% in 2025 and 6.3% in 2026.

The STRABAG Group generated € 619.52 million, or 3% of its output, in Hungary in 2024 (2023: 4%). This puts STRABAG in third place in the Hungarian construction market. Its share of the total market reached 2.8%.

Romania



2%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Romania	2	36.8	2.8	3.5	-3.9	-1.0

The Romanian economy grew by 2.8% in 2024 but remained slightly below expectations. Consumer prices fell more slowly than assumed, and interest rates persisted at a high level. Nevertheless, high employment figures and faster increases in real wages gave rise to confidence that both consumption and investment will pick up in the coming years. For 2025 and 2026, EECFA expects a noticeable increase in GDP of 3.5% and 3.7%, respectively.

In contrast to the development of the overall economy, the output of the Romanian construction industry fell by 3.9% in the year under report. Persistently high construction costs and interest rates affected all segments. Another factor was the significant increase in minimum wage, which pushed up construction costs further. EECFA expects interest rates to fall in 2025, which should lead to higher investments. Construction output in Romania will fall by another 1.0% in 2025 before recovering slightly by +1.1% in 2026.

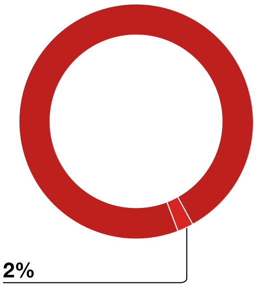
Residential construction, as expected, recorded the largest decline with a minus of 11.6%, due mainly to the new builds sector. High construction costs and persistently high interest rates had a negative impact on growth. At the same time, developers and buyers are increasingly hoping for a recovery in the property market, based on expectations of falling interest rates, better financing conditions and rising real wages. EECFA believes the low point was reached in 2024 and expects a slight decline of 0.7% in 2025 before the market turns positive again in 2026 with a growth rate of 0.7%.

Other building construction in Romania recorded a decline of 3.9% in 2024. The renovation market, which grew by 8.9%, had a stabilising effect here. The main reason for the decline was the weak new office construction market, which was unable to recover from the effects of the Covid-19 pandemic and the increased shift towards remote working. In the coming years, EU co-financing is expected to boost investments in educational and healthcare facilities. In addition, growth in the commercial building sector is forecast as rising real wages should boost consumption and retailers push ahead with their expansion plans. For 2025 and 2026, EECFA forecasts moderate growth of 1.2% and 1.3%, respectively.

With growth of 4.9%, **civil engineering** proved to be the strongest segment of the Romanian construction industry in 2024, to which the renovation market contributed in particular with an increase of 15.5%. Support came in the form of investments in road and rail construction, funds from the National Recovery and Resilience Plan (NRRP), and EU funding. The switch to the new EU programme, which requires higher own resources, and possible cuts to the NRRP budget could have a negative impact in the future. EECFA is forecasting a short-term decline of -2.7% in 2025, due to the election of a new government, but expects a recovery of 1.4% in 2026.

With an output of € 467.13 million in 2024, the STRABAG Group holds a 1.3% share in the entire Romanian construction market, securing 4th place in the market.

Slovakia



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Slovakia	2	10.2	2.3	2.2	-6.5	2.7

The Slovak economy grew by 2.3% in 2024. Rising real wages and falling inflation bolstered private consumption, which offset the decline in EU funding. The labour shortage had a slightly dampening effect, but the hurdles for work permits for third-country nationals were gradually lowered. Investments from the Recovery and Resilience Plan (RRP) and increased military imports should keep the GDP firmly in positive territory in the years to come. Euroconstruct expects growth of 2.2% in 2025, 2.4% in 2026 and 1.0% in 2027.

Slovakia’s construction industry recorded a significant decline of 6.5% across all segments in 2024, as the change of government in 2023 led to delays in various construction projects. The resulting austerity measures also had an adverse effect, as did the aftereffects of increased costs for materials, energy and construction services. In the coming years, investments from the RRP, EU funds and increased private and foreign investments could revive the construction industry. Euroconstruct expects growth of 2.7% in 2025 and 2.8% in 2026, followed by stagnant growth of +0.1% in 2027.

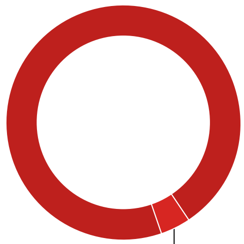
Residential construction recorded a decline of 6.8% in 2024, mainly attributable to the new builds sector. While the segment is suffering from persistently high construction costs and lending rates, positive impulses are expected from increased real wages and investments in energy-efficient residential buildings. According to Euroconstruct, residential construction should grow by 1.7% in 2025, with stronger growth of 5.6% forecast for 2026.

With a decline of 1.2%, **other building construction** was down slightly in 2024. The new government’s austerity policy led to lower investments, while continued high costs slowed growth. Impulses are expected primarily from funding for projects in the health and education sectors, while the automotive industry is still considered the most important private investor. Euroconstruct forecasts growth of 3.0% in 2025 and a further increase of 2.2% in 2026.

Following the unusually strong growth of 11.2% in 2023, the civil engineering segment fell sharply by 13.4% in 2024. This was due to increased material costs, long procurement procedures and delays in the completion of large projects. Investments in key infrastructure projects, such as road and rail lines, were postponed due to limited state and EU funds. With the growing demand for modern infrastructure, particularly in the electrification and modernisation of railway lines and the expansion of road and energy networks, a recovery is expected in 2025. Euroconstruct forecasts growth of 4.0% in 2025 and a decline of 1.3% in 2026.

With a market share of 3.0% and an output volume of € 305.43 million in 2024, STRABAG is the leader in Slovakia. In 2024, Slovakia contributed 2% to the Group’s total output volume (2023: 2%).

Croatia



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Croatia	1	8.2	3.6	3.3	4.3	0.8

The Croatian economy grew by 3.6% in 2024, continuing to reap the benefits of joining the Schengen Area and the Eurozone the previous year. The tourism sector again delivered strong results. Real wages increased significantly, and both the unemployment rate and inflation gradually declined. In view of these positive developments, EECFA forecasts stable GDP growth of 3.3% in 2025 and 2.9% in 2026.

The country's construction industry achieved growth of 4.3% in 2024, supported primarily by a strong residential construction market and continued high investments in major civil engineering projects. The first signs of a decline in the building construction segment in the short to medium term are emerging, but these are likely to be offset by a strong civil engineering market. For 2024 and 2025, EECFA is forecasting a slight increase in construction output of 0.8% and 0.4%, respectively.

The Croatian **residential construction** segment grew by 7.5% in 2024, mainly due to sustained high demand. However, noticeable price increases and new government measures aimed at utilising vacant apartments could lead to a weakening of demand in the years to come. Positive stimuli are provided by falling home loan costs, rising real wages and the continued high demand from foreign buyers. In addition, the National Housing Plan is designed to promote affordable and sustainable housing and to facilitate energy-efficient renovations. For 2025 and 2026, EECFA expects declines of 0.6% and 2.7%, respectively.

Following an exceptionally strong performance in 2023, the **other building construction** segment recorded only a slight increase of 0.4% in 2024. The markets for offices and for educational and healthcare buildings, which were supported by EU funding, developed positively. By contrast, the market for industrial and logistics buildings declined as the order backlog was largely worked off. The retail and wholesale trade and the hotel market also developed rather cautiously in view of the inflation. In the long term, however, strong tourism and Croatia's growing importance as a place of industry could ensure a recovery in these segments. EECFA expects declines of 2.0% and 2.3% for 2025 and 2026, respectively.

The Croatian **civil engineering** segment grew by 3.8% in the reporting year, thanks in particular to investments in communication and electricity networks and the major TEN-T project, which involves the extension of two core network corridors into Croatia. Rail and road construction grew more slowly than expected but should catch up in the next few years. The speed at which the existing order backlog involving complex large construction sites is being worked off will slow things down in the short term, but further large projects are planned from 2026 onwards. Additional momentum is likely to come from investments in the power grid and the expansion of renewable energies. The EECFA forecasts are correspondingly optimistic: growth of 5.3% in 2025 and of 6.7% in 2026.

With an output of € 222.72 million in 2024, the STRABAG Group holds a 2.7% share in the entire Croatian construction market, securing 2nd place.

Further countries and regions

	Contribution to the Group output volume (%)	Overall construction volume (€ billion)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
United Kingdom	4	279.7	0.9	1.7	-0.8	2.9
Switzerland	1	73.1	1.5	1.2	0.9	2.6
Sweden	< 1	51.7	0.7	1.8	-5.3	5.3
Italy	< 1	288.1	0.5	0.9	-3.3	-4.8
Serbia	< 1	7.3	3.8	4.0	7.5	-2.1
Slovenia	< 1	5.1	1.5	2.4	-8.4	0.7
Bulgaria	< 1	14.0	2.4	2.9	3.3	3.1
Denmark	< 1	44.9	2.1	2.3	-2.3	2.4

STRABAG is also active in the Americas, the Middle East, Africa and Asia as well as in Benelux and other European countries. These regions account for 7% of Group revenue (2023: 7%).

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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List of disclosure requirements		Page reference
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E5-2	Actions and resources related to resource use and circular economy	Circular economy
E5-3	Targets related to resource use and circular economy	Circular economy
E5-4	Resource inflows	Circular economy
E5-5	Resource outflows	Circular economy
ESRS S1 Own workforce		
SBM-2	Interests and views of stakeholders	Sustainability management
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Own workforce
S1-1	Policies related to own workforce	Own workforce; Our social responsibility
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Own workforce
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Own workforce
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Own workforce
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own workforce
S1-6	Characteristics of the undertaking's employees	Own workforce
S1-8	Collective bargaining coverage and social dialogue	Own workforce
S1-9	Diversity metrics	Own workforce
S1-10	Adequate wages	Own workforce
S1-13	Training and skills development metrics	Own workforce
S1-14	Health and safety metrics	Own workforce
S1-16	Compensation metrics (pay gap and total compensation)	Own workforce
S1-17	Incidents, complaints and severe human rights impacts	Own workforce
ESRS S2 Workers in the value chain		
SBM-2	Interests and views of stakeholders	Sustainability management
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Workers in the value chain
S2-1	Policies related to value chain workers	Workers in the value chain; Our social responsibility
S2-2	Processes for engaging with value chain workers about impacts	Workers in the value chain
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Workers in the value chain
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Workers in the value chain
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Workers in the value chain
ESRS S3 Affected communities		
SBM-2	Interests and views of stakeholders	Sustainability management
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Affected communities

List of disclosure requirements		Page reference
S3-1	Policies related to affected communities	Affected communities; Our social responsibility
S3-2	Processes for engaging with affected communities about impacts	Affected communities
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Affected communities
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
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Affected communities
ESRS G1 Business conduct		
GOV-1	The role of the administrative, supervisory and management bodies	Sustainability management
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Impacts, risks and opportunities
G1-1	Corporate culture and business conduct policies and corporate culture	Business conduct
G1-2	Management of relationships with suppliers	Business conduct
G1-3	Prevention and detection of corruption and bribery	Business conduct
G1-4	Confirmed incidents of corruption or bribery	Business conduct
G1-5	Political influence and lobbying activities	Business conduct
G1-6	Payment practices	Business conduct

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)	Proportion 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

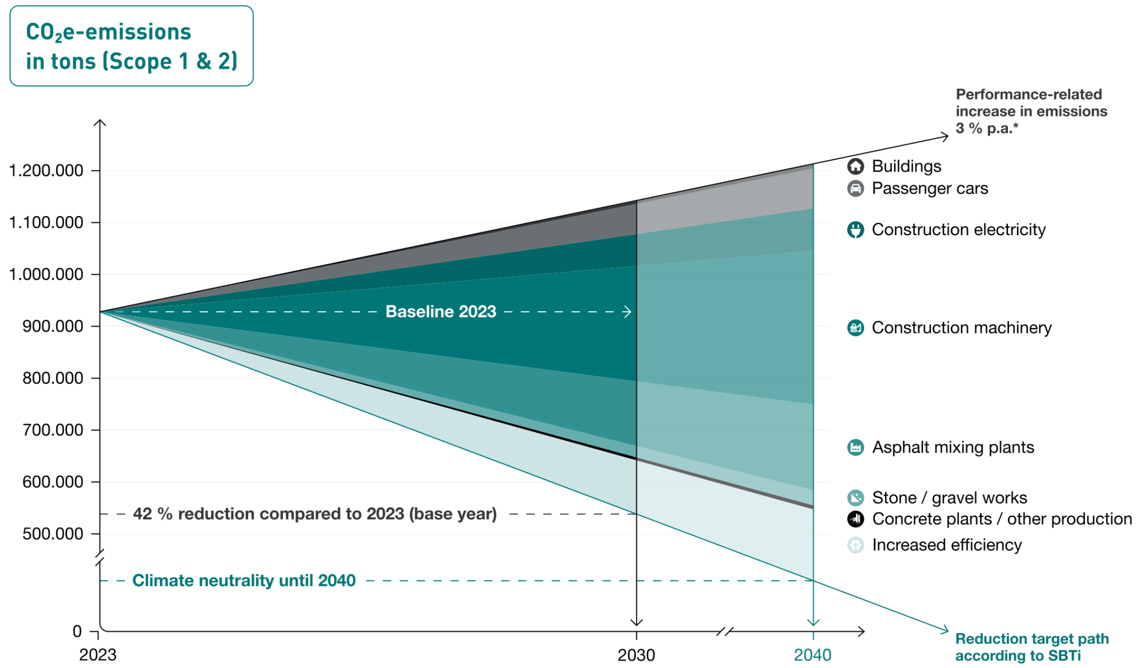
In 2024, the Management Board of STRABAG SE approved a climate transition plan centred on a greenhouse gas reduction pathway with science-based targets and corresponding monitoring tools. As the transition plan influences the strategic direction of the Group, the Supervisory Board was also informed of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

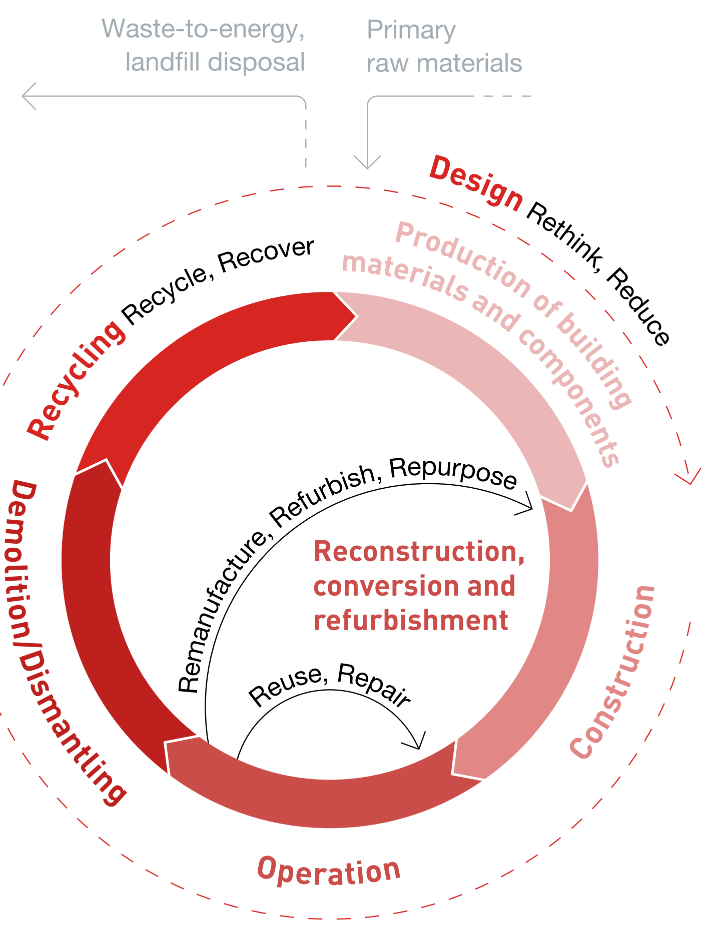
The high demand for raw materials in construction and the large amounts of waste generated through demolition make the building industry one of the most **resource-intensive sectors of the economy**. Due to the finite availability of resources, the linear economic system – consisting of raw material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

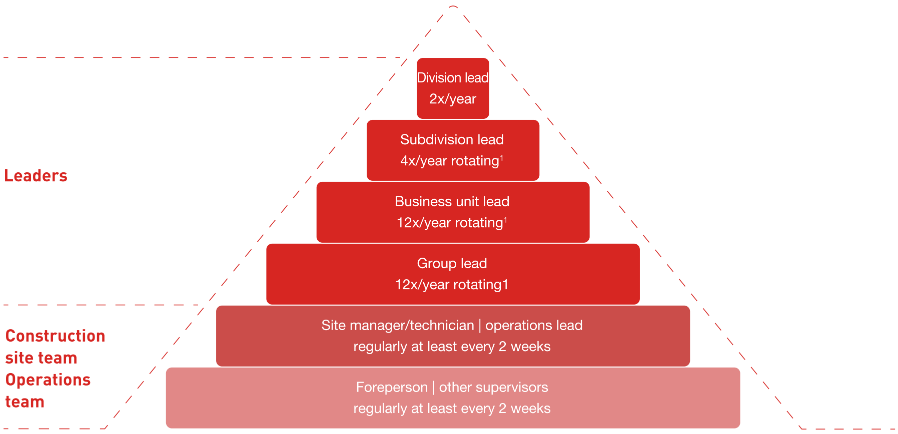
To better reflect the STRABAG Group's broad positioning, an accident frequency rate (number of work-related accidents per million hours worked) below 35 has been defined as an absolute limit for all subdivisions and corporate entities. This benchmark was introduced across all countries with the HSW country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

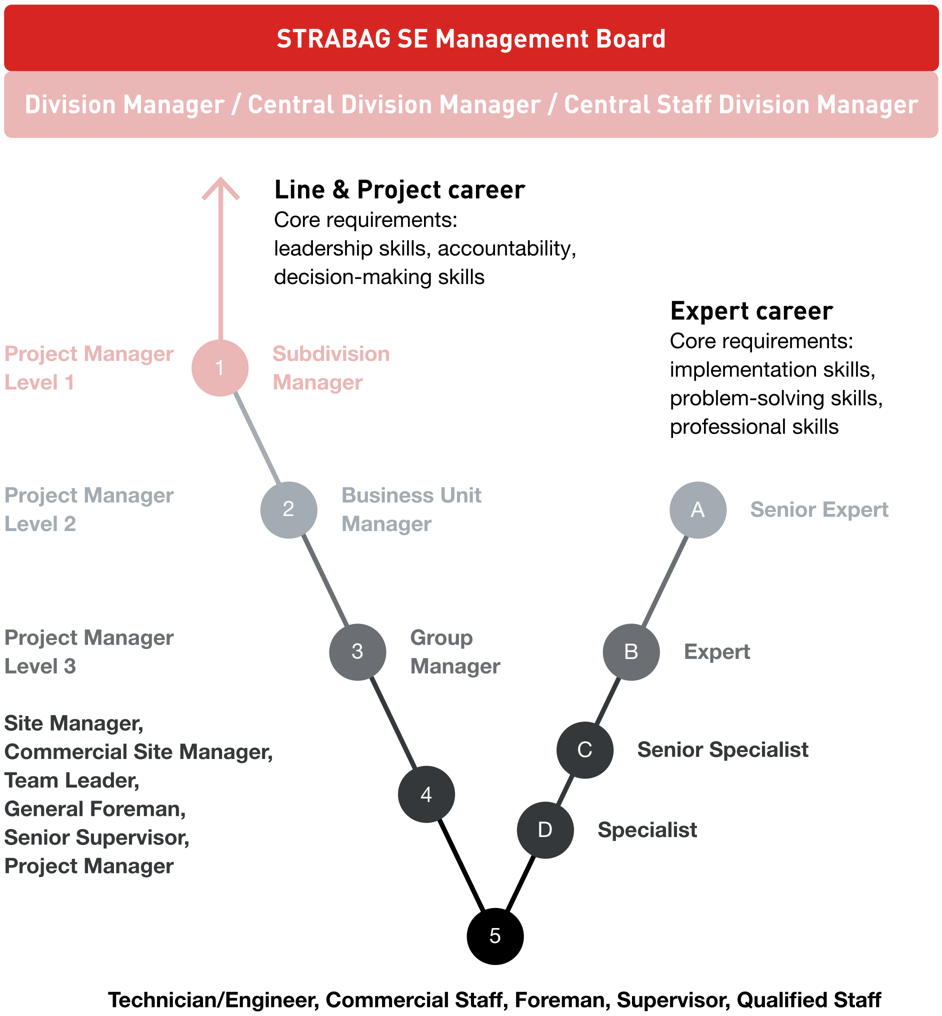
Strategic human resource development

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 and documents for download

Find out more

Policies

ESRS S3-1

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.

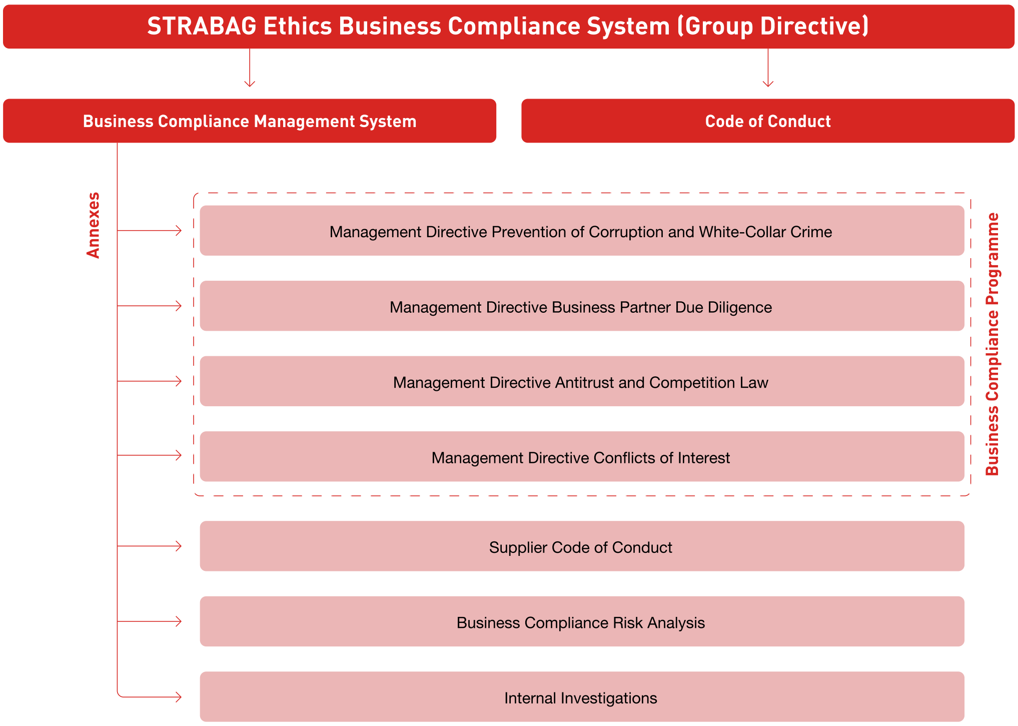
Policies

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
Attn. chairman of the Management Board
Triglavstraße 9
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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual and Sustainability Report, but does not include the “Sustainability Report“, “Environment”, “Social”, “Governance” and “Appendix B” and our independent assurance report.

Our conclusion on the consolidated sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our limited assurance engagement of the consolidated sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” or our knowledge obtained in the limited assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management

Management is responsible for the preparation of the sustainability statement including developing and performing the Materiality Assessment Process pursuant to the applicable requirements and standards. This responsibility includes

– identifying actual and potential impacts as well as risks and opportunities related to sustainability aspects and assessing the materiality of these impacts, risks and opportunities
– preparing the sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” complying with the requirements of Article 29a of the Directive 2013/34/EU, including compliance with the ESRS,
– including disclosures in the sustainability statement in accordance with the EU Taxonomy Regulation as well as
– designing, implementing and maintaining such internal controls as management determines is relevant to enable the preparation of sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” that is free from material misstatements, whether due to fraud or error, and performing the Materiality Assessment Process pursuant to the requirements of the ESRS.

Furthermore, this responsibility includes the selection and application of appropriate methods regarding sustainability reporting as well as making assumptions and estimates on the individual sustainability disclosures appropriate under the given circumstances.

Inherent Limitations for the Preparation of the Sustainability Reporting

When reporting on future-oriented information, the Company is required to prepare this future-oriented information based on disclosed assumptions about events that may occur in the future as well as possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

When determining disclosures pursuant to the EU Taxonomy Regulation, management faces the challenge of interpreting undefined legal terms, in particular in connection with the fulfilment of the DNSH criteria and the execution of the climate risk and vulnerability assessment according to Appendix A of the Delegated Regulation (EU) 2021/2139. The interpretation of these requirements can vary, especially since the European Commission has not provided a clear stipulation regarding necessity of implementing a robust climate risk assessment in its communications. These uncertainties can lead to different interpretations regarding the legal compliance of the decisions made and therefore present inherent limitations in the preparation of the sustainability report.

Auditor's Responsibilities for the Assurance Engagement of the Consolidated Sustainability Reporting

Our responsibility is to plan and perform a limited assurance engagement to obtain limited assurance about whether the consolidated sustainability reporting included in the sections "Sustainability Report", "Environment", "Social", "Governance" and "Appendix B" including the comprised Materiality Assessment Process and the reporting pursuant to the EU Taxonomy Regulation is free from material misstatement, whether due to fraud or error, and to issue an independent assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the sustainability statement.

We exercise professional judgment and maintain professional skepticism throughout the limited assurance engagement.

Our responsibilities include:

- performing risk-based procedures comprising obtaining an understanding of internal controls relevant to this engagement in order to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of expressing a conclusion on the effectiveness of the Group's internal controls, and
- developing and performing procedures regarding disclosures in the sustainability reporting, where material misstatements are likely to arise.

The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of Performed Work

A limited assurance engagement requires performing procedures to gain evidence on the sustainability reporting included in the sections "Sustainability Report", "Environment", "Social", "Governance" and "Appendix B". The nature, timing and scope of the selected procedures depend on professional judgement including identifying disclosures in the sustainability reporting where material misstatements are likely to arise, whether due to fraud or error.

In our limited assurance engagement regarding the sustainability reporting in the sections "Sustainability Report", "Environment", "Social", "Governance" and "Appendix B" we proceed as follows

- We obtain an understanding on the Materiality Assessment Process, especially through 1) interviews, to understand the information sources used by management; and 2) reviewing the internal process documentation; and
- We evaluate whether the Materiality Assessment Process complies with the ESRS requirements and the process presentation in disclosure "Double Materiality Assessment", based on the evidence obtained from our procedures performed.
- We evaluate whether all relevant information identified in the Materiality Assessment Process were included in the sustainability statement.
- We obtain an understanding of the Company's procedures relevant for the preparation of the sustainability statement.
- We evaluate whether the structure and presentation of the consolidated sustainability reporting included in the sustainability statement comply with the ESRS.
- Regarding the linkage with other parts of the corporate reporting and connected information, we compare selected disclosures in the sustainability statement with the corresponding disclosures in the management report for the Group and the other sections of the management report for the Group.

- We interview relevant employees and perform analytical audit procedures regarding selected disclosures in the sustainability statement.
- We perform sample-based, result-oriented procedures regarding selected disclosures in the sustainability statement.
- We obtain evidence on the presented methods regarding the development of estimates and future-oriented information.
- We obtain an understanding of the procedure to identify taxonomy-eligible and taxonomy-aligned economic activities and of the preparation of the corresponding disclosures in the sustainability statement.

Limited Liability

The limited assurance engagement of the sustainability statement is voluntary. According to the agreement, in the event of liability, any contributory negligence on the part of the company subject to a limited assurance engagement, its legal representatives and vicarious agents must be taken into account. Because our report is prepared solely for and on behalf of the client, it does not constitute a basis for any reliance on its contents by third parties. Therefore, no claims of third parties can be derived from it.

Our independent assurance report is issued based on the engagement letter agreed with the Company and is governed by the General Conditions of Contract for the Public Accounting Professions (AAB 2018) enclosed to this report, which also apply towards third parties.

Deviating from item 7 para. 2 AAB 2018, our liability for gross negligence to the Company is limited to half of the liability limit, thus to EUR 6 million, pursuant to section 275 para. 2 UGB corresponding to the Company’s size criteria based on the size criteria pursuant to section 221 UGB.

Responsible Engagement Partner

Responsible for the proper performance of the limited assurance engagement of the sustainability reporting is Mr. Gabor Krüpl, Austrian Certified Public Accountant.

Vienna
4 April 2025

PwC Wirtschaftsprüfung GmbH
Gabor Krüpl
Austrian Certified Public Accountant

signed

This report is a translation of the original report in German, which is solely valid. Publication and sharing with third parties of the sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” together with our independent assurance report is only allowed if the sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” is identical with the German audited version. This independent assurance report is only applicable to the German and complete sustainability statement. For deviating versions, the provisions of section 281 para. 2 UGB apply.

Performance and outlook

2024

Output volume

Output volume by country

€ mn	**2024**	**% of total output volume 2024**	2023	% of total output volume 2023	Δ %	Δ absolute
Germany	9,361	49	9,045	47	3	316
Austria	2,856	15	3,070	16	-7	-214
Poland	1,697	9	1,329	7	28	368
Czech Republic	1,017	5	999	5	2	18
United Kingdom	698	4	672	4	4	26
Hungary	620	3	808	4	-23	-188
Americas	517	3	564	3	-8	-47
Romania	467	2	519	3	-10	-52
Slovakia	305	2	410	2	-26	-105
Middle East	257	1	219	1	17	38
Switzerland	229	1	226	1	1	3
Croatia	223	1	242	1	-8	-19
Benelux	216	1	190	1	14	26
Rest of Europe	151	1	155	1	-3	-4
Sweden	120	1	106	1	13	14
Italy	111	1	62	0	79	49
Asia	104	1	150	1	-31	-46
Serbia	94	0	139	1	-32	-45
Slovenia	92	0	118	1	-22	-26
Bulgaria	55	0	65	0	-15	-10
Africa	29	0	31	0	-6	-2
Denmark	20	0	20	0	0	0
Total	**19,239**	**100**	**19,139**	**100**	**1**	**100**

€ 19.2 billion

Output volume

The STRABAG SE Group generated an **output volume** of € 19,238.80 million in the 2024 financial year, representing a slight increase of 1% or € 100 million. Strong growth was recorded in Poland and in the infrastructure and building solutions business in Germany. Significant output gains were also achieved in Italy and the Middle East. In Austria and Hungary, output volume declined as expected.

Order backlog

Order backlog by country and segment as at 31 December 2024

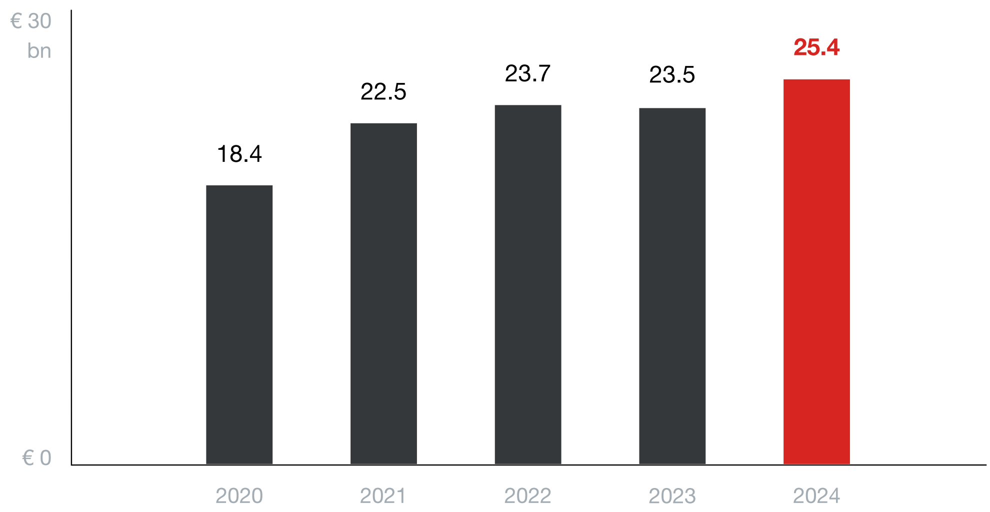
€ mn	Total 2024	North + West	South + East	International + Special Divisions	Other	Total 2023	Δ Total %	Δ Total absolute
Germany	13,653	11,596	384	1,649	24	12,544	9	1,109
Austria	2,565	38	2,036	488	3	2,360	9	205
Poland	2,235	1	1,902	332	0	1,944	15	291
United Kingdom	1,259	4	3	1,252	0	1,794	-30	-535
Czech Republic	1,030	2	1,014	10	4	939	10	91
Americas	695	0	0	695	0	614	13	81
Romania	653	21	599	33	0	496	32	157
Middle East	479	0	24	455	0	462	4	17
Croatia	450	0	440	10	0	323	39	127
Slovakia	425	0	418	7	0	232	83	193
Hungary	417	0	416	1	0	348	20	69
Italy	411	0	11	400	0	459	-10	-48
Benelux	213	180	1	32	0	158	35	55
Slovenia	204	0	199	5	0	59	> 100	145
Rest of Europe	133	0	125	8	0	192	-31	-59
Switzerland	130	124	4	2	0	111	17	19
Sweden	129	98	31	0	0	108	19	21
Asia	125	0	3	122	0	175	-29	-50
Serbia	66	0	66	0	0	49	35	17
Bulgaria	39	0	39	0	0	17	> 100	22
Africa	27	0	23	4	0	53	-49	-26
Denmark	24	24	0	0	0	29	-17	-5
Total	**25,362**	**12,088**	**7,738**	**5,505**	**31**	**23,466**	**8**	**1,896**

€ 25.4 billion

Order backlog

After exceeding the € 25 billion mark for the first time in the first half of the year, the **order backlog** was increased further to € 25,362.47 million by the end of 2024, which corresponds to an increase of € 1.9 billion or 8% compared to the previous year. The order backlog in Germany rose particularly sharply, especially in infrastructure and civil engineering. Significant increases were also recorded in Poland, Austria, Slovakia and Romania. Encouragingly, the first signs of a turnaround in residential construction in Austria were confirmed in the fourth quarter of 2024. In the United Kingdom, the order backlog has been on the decline as major projects are being worked off.

Development of order backlog



The most significant **additions to the order backlog** in Germany include network expansion projects for the energy transition worth more than € 1.1 billion, the general overhaul of the Hamburg–Berlin railway line and the replacement of the Kriegenbrunn shipping lock in Bavaria. In Slovakia, STRABAG was awarded the contract for the conversion and expansion of the F.D. Roosevelt Clinic, and in the Czech Republic for the construction of the new headquarters of the local subsidiary of Erste Group, which will be realised to the highest sustainability standards. Internationally, contracts were acquired for a rapid transit line in Toronto and for the construction of a residential district in Abu Dhabi, among other things.

Construction sites included in the order backlog as at 31 December 2024

Category	Number of construction sites	Number of construction sites as % of total	Order backlog € mn	Order backlog as % of total
Very small orders (€ 0–1 mn)	10,786	79	2,267	9
Small orders (€ 1–15 mn)	2,215	16	3,838	15
Medium-sized orders (€ 15–70 mn)	373	3	6,116	24
Large orders (€ 70–150 mn)	64	1	3,225	13
Very large orders (>€ 150 mn)	57	1	9,916	39
Total	**13,495**	**100**	**25,362**	**100**

The total order backlog is comprised of **13,495 individual projects**. Approximately 13,000 of these, or 95%, involve very small or small orders with a volume of up to € 15 million each; the remaining proportion of 5% covers medium-sized to very large orders with contract volumes of € 15 million and up. A total of merely 57 projects have a volume above € 150 million. The high number of individual contracts guarantees that the risk involved with one project does not, as far as possible, threaten the Group success as a whole. The ten largest projects in the order backlog as at 31 December 2024 added up to 17% of the order backlog.

Selected large projects in the order backlog as at 31 December 2024

Country	Project	Order backlog € mn	As % of total Group order backlog
United Kingdom	HS2 high-speed rail line	961	3.8
Germany	Bayerische Versorgungskammer	543	2.1
Germany	U5 East, Hamburg	521	2.1
Germany	US hospital, Weilerbach	520	2.1
Germany	Lock Kriegenbrunn	356	1.4
Germany	Central Business Tower	351	1.4
United Arab Emirates	Residential towers, Sea La Vie	292	1.2
United Kingdom	Woodsmith Project	282	1.1
Germany	Replacement building, Ruhr University Bochum	271	1.1
Canada	Scarborough Subway Extension Line 2	251	1.0
Total		**4,348**	**17.3**

Financial performance

The consolidated **Group revenue** for the 2024 financial year amounted to € 17,422.22 million. As an increasing number of large-scale projects acquired in the past reporting periods are being carried out under joint venture agreements, the output increased by 1% and revenue fell slightly by 1% in a year-on-year comparison. This effect is also reflected in the slight decline of the ratio of revenue to output from 92% to 91%. The operating segments North + West contributed 41%, South + East 41% and International + Special Divisions 18% to the revenue.

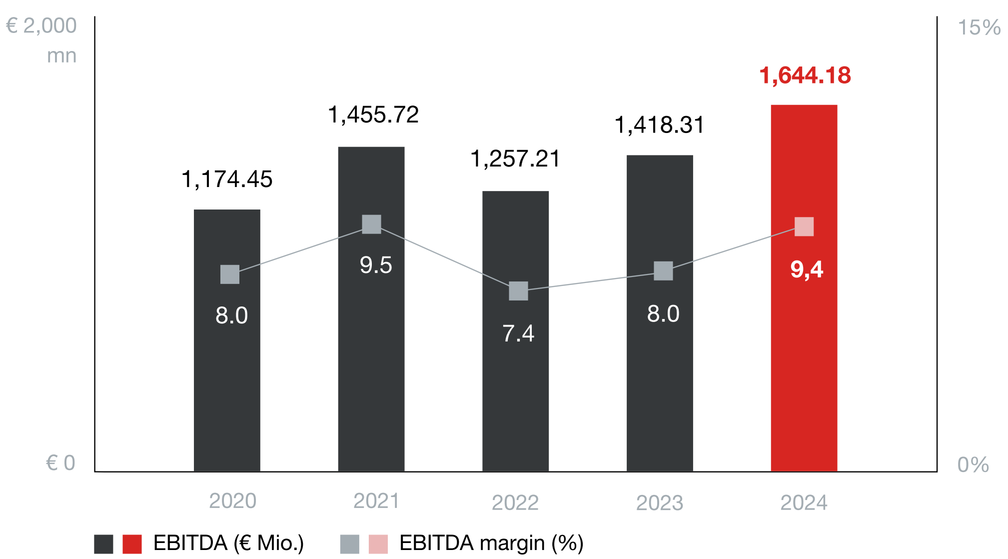
The **changes in inventories** mainly involve real estate project developments. New project developments more than compensated for successful sales in the reporting period. The **own work capitalised** relates to the construction of Group locations and remained nearly unchanged year-on-year. The total of **expenses for construction materials, consumables and services used** and **employee benefits expense**, expressed in relation to revenue, fell from 90% to 88%.

Expenses

€ mn	**2024**	2023	Δ %
Construction materials, consumables and services used	10,463.01	11,275.08	-7
Employee benefits expense	4,905.50	4,540.90	8
Other operating expenses	1,115.28	1,086.60	3
Depreciation	582.29	538.12	8

The **earnings from equity-accounted investments** rose moderately to € 148.72 million in the reporting period due to higher earnings from joint ventures. The **net income from investments**, which comprises the dividends and expenses of many smaller companies and financial investments, increased compared to the previous year. This is partly due to positive earnings from the sale of investments.

Development of EBITDA and EBITDA margin



In total, the **earnings before interest, taxes, depreciation and amortisation (EBITDA)** increased by 16% to € 1,644.18 million. In a year-on-year comparison, this corresponds to a noticeable increase in the **EBITDA margin** from 8.0% to 9.4%. In line with the higher investments as part of the Strategy 2030, depreciation and amortisation expense increased as expected by 8% to € 582.29 million.

The **earnings before interest and taxes (EBIT)** exceeded the € 1.0 billion mark for the first time in 2024, amounting to € 1,061.89 million. This resulted in a significant increase in the **EBIT margin** from 5.0% to 6.1%. The EBIT margin in the 2024 financial year was considerably higher than originally projected, mainly due to positive earnings effects in the North + West segment and – compared to the previous year – lower negative effects on earnings in the volatile international project business.

The **net interest income** again rose sharply year-on-year, increasing from € 44.13 million to € 75.42 million. This growth was primarily due to the higher interest income, caused by the continued high interest rates in 2024 and STRABAG SE's high net cash position. The exchange rate result included in this figure tended towards zero in 2024 at € -0.4 million (2023: € -15.90 million).

27.2%

Effective tax rate

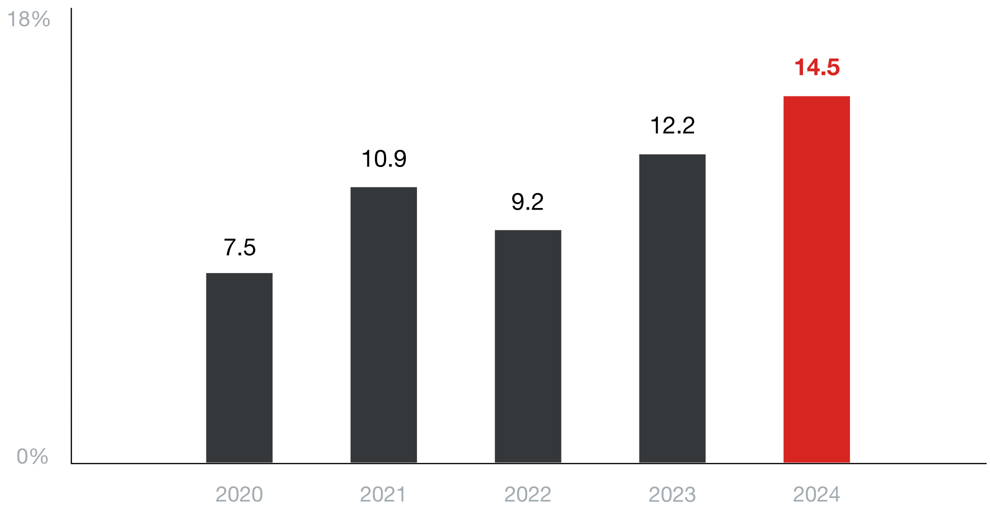
On balance, the **earnings before taxes** amounted to € 1,137.31 million. The **income tax rate** was 27.2%, considerably lower than in the previous year. This was due to a lower shortfall in tax relief on large-scale projects. The **net income** totalled € 828.33 million, up 31% from the previous year's level.

€ 7.35

Earnings per share

The earnings owed to minority shareholders totalled € 5.33 million, compared to € 2.89 million in the previous year. The **net income after minorities** increased by 31% to € 823.00 million, the highest figure since the company's inception. The earnings per share amounted to € 7.35 (2023: € 6.30).

Development of ROCE



The **return on capital employed (ROCE)** saw another significant increase, growing from 12.2% in the previous year to 14.5%. This is the highest value in the history of STRABAG SE.

Financial position and cash flows

Balance sheet

€ mn	**31.12.2024**	**% of balance sheet total**	31.12.2023	% of balance sheet total
Non-current assets	5,822	40	5,477	40
Current assets	8,853	60	8,229	60
Equity	5,000	34	4,409	32
Non-current liabilities	2,288	16	2,228	16
Current liabilities	7,387	50	7,069	52
Total	**14,675**	**100**	**13,706**	**100**

The **total of assets and liabilities** grew by 7% year on year to € 14,674.58 million. On the assets side, the increase was mainly due to higher inventories and cash and cash equivalents. Growth was also seen in the Group's investment property, attributable to the establishment of the STRABAG Hold Estate portfolio for the purpose of managing long-term, strategic real estate holdings.

34.1%

Equity ratio

The **equity** at the end of 2024 amounted to € 5,000.37 million, marking the first time that this figure has reached the € 5.0 billion mark. The final step of the capital measures to reduce the stake held by MKAO "Rasperia Trading Limited" was carried out in March 2024 with entry of the ordinary non-cash capital increase in the commercial register. As a result, the share capital of STRABAG SE increased from € 102.6 million to € 118.2 million, while the capital reserves decreased by the same amount. The **equity ratio** rose to 34.1% (31 December 2023: 32.2%) due to the exceptionally high earnings in the reporting year and so remains comfortably above the Group's minimum target of 25%.

Key balance sheet figures

	31.12.2020	31.12.2021	31.12.2022	31.12.2023	**31.12.2024**
Equity ratio (%)	33.9	33.3	31.7	32.2	34.1
Net debt (€ mn)	-1,747.23	-1,937.18	-1,927.70	-2,643.24	-2,905.25
Gearing ratio (%)	-42.5	-47.6	-47.9	-59.9	-58.1
Capital employed (€ mn)	5,815.14	5,750.63	5,407.37	5,726.41	6,331.38

€ 2.9 billion

Net cash position

STRABAG SE reported another **net cash position** as at 31 December 2024, with a noticeable increase to € 2,905.25 million due to higher cash and cash equivalents.

Calculation of net debt[1]

€ mn	31.12.2020	31.12.2021	31.12.2022	31.12.2023	**31.12.2024**
Financial liabilities	1,156.01	1,193.62	957.20	898.93	927.27
Severance provisions	122.55	108.36	91.38	98.27	99.34
Pension provisions	428.36	376.83	333.55	319.85	304.40
Non-recourse debt	-597.20	-652.74	-607.97	-509.67	-512.57
Cash and cash equivalents	-2,856.95	-2,963.25	-2,701.85	-3,450.62	-3,723.70
Total	**-1,747.23**	**-1,937.18**	**-1,927.70**	**-2,643.24**	**-2,905.25**

1 The non-recourse liabilities that were considered are related to three major projects. Non-recourse liabilities from other PPP projects had, based on their amount, only an immaterial impact and are therefore not subtracted in the calculation of net debt.

The **cash flow from operating activities** decreased to € 1,387.21 million in the year under review (2023: € 1,816.51 million); this figure is still at the upper end of the multi-year average, however. While cash flow from earnings increased year-on-year, working capital remained largely unchanged following the unexpected reduction in the previous year. A reduction in advance payments has not yet materialised.

The **cash flow from investing activities** was, as expected, more negative due to higher investments in line with the Group Strategy 2030 and amounted to € -749.54 million (2023: € -654.87 million). An increase in investment property was recorded due to the establishment of the STRABAG Hold Estate portfolio and in property, plant and equipment.

The **cash flow from financing activities** was less negative at € -353.69 million (2023: € -430.58 million). The previous year's figure included the cash outflow from the acquisition of own shares tendered as part of an anticipatory mandatory takeover offer by the Austrian core shareholders. The absence of this effect more than offset the higher dividend distribution in the past financial year

Report on own shares

As at 31 December 2024, the company held 2,779,006 own shares (2.4% of the share capital), which it acquired under a share purchase agreement concluded with Haselsteiner Familien-Privatstiftung, RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H. and UNIQA Österreich Versicherungen AG on the occasion of their mandatory takeover bid on the basis of the authorisation granted by the Annual General Meeting on 24 June 2022 pursuant to Section 65 Para 1 No 8 AktG. The rights arising from these 2,779,006 no-par value shares are therefore now suspended in accordance with Section 65 Para 5 AktG.

Further details can be found in the management report under Disclosures under Sec 243a Para 1 UGB.

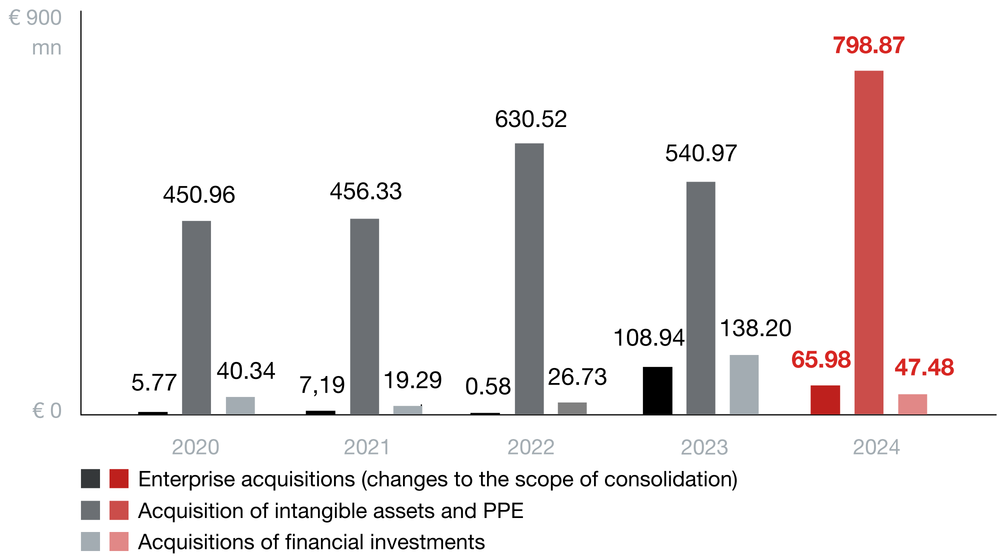
Capital expenditures

€ 750 million

Net investments

STRABAG had forecast **net investments** (cash flow from investing activities) of up to € 800 million for the 2024 financial year. In the end, they amounted to € 749.54 million.

Composition of CapEx



The **gross investments (CapEx)** before subtraction of proceeds from asset disposals amounted to € 912.33 million. This figure includes investments in intangible assets, in property, plant and equipment and in investment property, excluding the non-cash additions to right-of-use assets in the amount of € 798.87 million, the purchase of financial assets in the amount of € 47.48 million and € 65.98 million from changes in the scope of consolidation.

Particularly significant **investments** include maintenance expenditures at our permanent operations in Germany, Austria, Switzerland, the Czech Republic and Poland. Additional investments were made in the building materials network in various countries, with a continued focus on the decarbonisation of asphalt and concrete mixing plants. Investments were also made in tunnelling as part of several large-scale projects currently underway in the Americas.

Investments in intangible assets and in property, plant and equipment were offset by depreciation and amortisation amounting to € 582.29 million in the reporting year. No goodwill impairment (2023: € 7.45 million) or write-ups of investment property (2023: € 18.5 million) were recognised during the year under review.

Financing and treasury

Key figures treasury

	2020	2021	2022	2023	**2024**
Interest and other income (€ mn)	27.89	26.96	50.74	119.19	144.85
Interest and other expense (€ mn)	-48.49	-39.53	-40.07	-75.07	-69.43
EBIT/net interest income (x)	-30.6	-71.3	66.2	19.9	14.1
Net debt/EBITDA (x)	-1.5	-1.3	-1.5	-1.9	-1.8

The number one objective for the treasury management of STRABAG SE is assuring the continued existence of the company through the maintenance of constant solvency. This objective is to be reached through the provision of sufficient short-term, medium-term and long-term liquidity. Liquidity for STRABAG SE means not only solvency in the strict sense but also the availability of guarantees. The activity of building requires the constant availability of bid, contract fulfilment, advance payment and warranty guarantees and/or sureties. The financial scope of action is thus defined by sufficient cash and cash credit lines, on the one hand, and by sufficient surety credit lines on the other.

The management of **liquidity risks** has become a central element of the corporate management at STRABAG. In practice, liquidity risks come in various forms:

- In the short term, all daily payment obligations must be covered in time and/or in their entirety.
- In the medium term, liquidity levels must be sufficient so that no transactions or projects become impossible due to a lack of sufficient financial means or guarantees or that they cannot be executed at the desired pace.
- In the long term, there should be sufficient financial means available to be able to pursue the strategic development targets.

In the past, STRABAG has always oriented its financing decisions according to the risk aspects outlined above and has organised the maturity structure of the financial liabilities in such a way as to avoid a refinancing risk. In this way, the company has been able to maintain a great scope for action, which is of particular importance in a difficult market environment. The respective liquidity needed is determined by targeted liquidity planning. Based on this, liquidity assurance measures are made, and a liquidity reserve is defined for the entire Group. The liquidity situation is continuously monitored by treasury management, managed via a corporate-wide cash pooling system and supported at project level by strict working capital management.

€ 3.7 billion

Cash and cash equivalents

The existing **liquidity** of € 3.7 billion sufficiently covers the Group's liquidity needs. STRABAG SE has access to a total of € 8.8 billion in cash and surety credit facilities. This includes a syndicated surety credit line of € 2.0 billion and a revolving syndicated cash credit line of € 0.4 billion, both maturing in 2026. Bilateral credit lines with banks also exist. The high level of diversification of its cash and surety facilities gives STRABAG a balanced risk spread regarding the provision of credit and secures the Group's comfortable liquidity position.

BBB+, stable

S&P corporate credit rating

In September 2024, the investment grade rating was raised one notch by Standard & Poor's (S&P) to BBB+, outlook stable. The decision was based on STRABAG's sustained strong performance, supported by a high order backlog. The company's diversified, vertically integrated business model, combined with consistent risk management and strong market positions in the core markets, were identified as key drivers. Given this robust foundation, the company continues to expect a solid net cash position.

Payment obligations

€ mn	**Book value 31.12.2024**	Book value 31.12.2023
Bank borrowings	536.39	534.71
Lease liabilities	390.88	364.22
Total	**927.27**	**898.93**

Segment report

Overview of the four segments within the group

The business of STRABAG SE was divided into four segments in 2024, of which there are three operating segments, North + West, South + East and International + Special Divisions, and the segment Other, which encompasses the Group's central divisions and central staff divisions. Klemens Haselsteiner passed away on 17 January 2025. The remaining board members temporarily took over his responsibilities until Stefan Kratochwill was appointed CEO of STRABAG SE on 19 February 2025, with immediate effect. The segments were comprised as follows in 2024 and in the current year of 2025:

North + West

Management Board responsibility: Jörg Rösler
Germany, Switzerland, Scandinavia, Benelux (as of 17 January 2025), Ground Engineering

Management Board responsibility: Klemens Haselsteiner
Benelux (until 17 January 2025)

South + East

Management Board responsibility: Alfred Watzl
Austria, Poland, Czech Republic, Slovakia, Hungary, Romania, South-East Europe, Environmental Technology, Construction Materials

International + Special Divisions

Management Board responsibility: Siegfried Wanker
Tunnelling, International, United Kingdom, Infrastructure Development, Real Estate Development, Building Solutions (previously property and facility services), Energy Infrastructure, Hold Estate

Other

Management Board responsibility: Klemens Haselsteiner (until 17 January 2025), Stefan Kratochwill (as of 19 February 2025) and Christian Harder
Central Divisions, Central Staff Divisions

Construction projects are assigned to one of the segments (see chart below). Of course, projects may also be assigned to more than one segment. This is the case, for example, with PPP projects in which the construction part is assigned to its respective geographic segment, but the concession part is assigned to the concessions unit of International + Special Divisions. In projects which span more than one segment, the commercial and technical responsibility is generally assigned to that segment which has the higher share of the overall project value.

Segments are primarily categorised according to geographical aspects. Specialities in particular – e.g. tunnelling – are naturally in demand worldwide. Such business fields are shown in the International + Special Divisions segment. At the same time, the North + West and South + East segments sometimes include international business fields such as environmental technology. These are predominantly organised from a country within the respective geographic segment.

Certain services may be performed in more than one segment. The activities below have been assigned to those segments in which the most significant portion of the services was provided. Details are available in the table.

With only a few exceptions, STRABAG offers its services in all areas of the construction industry in the individual European markets in which it operates and covers the entire construction value chain.

Range of services offered

	North + West	South + East	International + Special Divisions
Residential Construction	√	√	√
Commercial and Industrial Facilities	√	√	√
Public Buildings	√	√	√
Engineering Ground Works	√	√	√
Bridge Construction	√	√	√
Power Plants	√	√	√
Roads, Earthworks	√	√	√
Protective Structures	√	√	√
Sewerage Systems	√	√	√
Production of Construction Materials	√	√	
Railway Construction	√	√	
Waterway Construction, Embankments	√	√	√
Landscape Architecture and Development, Paving, Large-Area Works	√	√	
Sports and Recreation Facilities	√	√	
Ground Engineering	√		
Environmental Technology	√	√	√
Production of Prefabricated Elements	√	√	
Tunnelling			√
Real Estate Development			√
Infrastructure Development			√
Renewable Energy Development			√
Operation/Maintenance/Marketing of PPP and Renewable Energy Projects			√
Property and Facility Services			√

Segment North + West

The North + West segment delivers construction services of nearly any kind and size with a focus on Germany, Switzerland, the Benelux countries and Scandinavia. Ground engineering can also be found in this segment.

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	8,239.86	8,216.66	0	23
Revenue	7,221.27	7,280.19	-1	-59
Order backlog	12,088.14	11,207.13	8	881
EBIT	692.67	644.82	7	48
EBIT margin (% of revenue)	9.6	8.9		
Employees (FTE)	22,392	22,136	1	256

Output volume – North + West segment

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Germany	7,655	7,614	1	41
Switzerland	223	216	3	7
Benelux	139	172	-19	-33
Sweden	117	95	23	22
Austria	35	36	-3	-1
Romania	31	26	19	5
Denmark	19	20	-5	-1
United Kingdom	13	29	-55	-16
Poland	5	1	> 100	4
Czech Republic	2	0	n.a.	2
Rest of Europe	1	6	-83	-5
Hungary	0	1	-100	-1
Middle East	0	1	-100	-1
Total	**8,240**	**8,217**	**0**	**23**

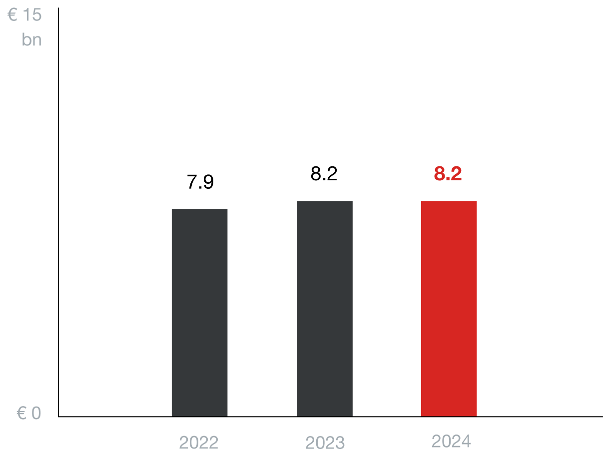
Output, revenue and EBIT

North + West with stable output

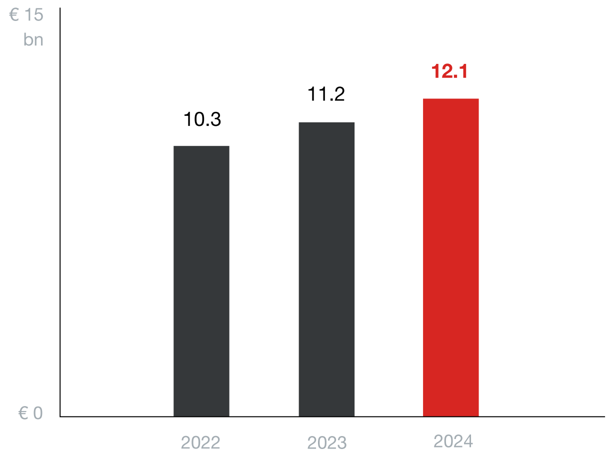
The **output volume** of the North + West segment remained virtually unchanged in the 2024 financial year, matching the high level of the previous year with a total of € 8,239.86 million. In the home market of Germany, growth was recorded in transportation infrastructures and civil engineering, while building construction continued to be affected by the ongoing sluggishness in residential construction. With the exception of the expected decline in the Benelux countries, attributable to a more selective approach to the market, output volume remained largely stable in the segment's other markets.

Revenue fell by just under 1% and so remained at a high level of € 7,221.27 million. The **EBIT** grew by 7% to € 692.67 million, resulting in a year-on-year increase in the EBIT margin from 8.9% to a very high 9.6%. In the year under review, performance exceeded expectations in Germany in particular. This was due in part to the milder weather conditions, which led to higher capacity utilisation in December, but is also a result of agreements reached towards the end of the year on supplementary claims from major projects.

Output volume



Order backlog



Order backlog

Order backlog expanded at high level

The **order backlog** as at 31 December 2024 was further increased by 8% to € 12,088.14 million. This positive development is being driven primarily by transportation infrastructures and civil engineering in the home market of Germany. Notable additions to the order backlog are the construction of the Kriegenbrunn shipping lock in Bavaria, the replacement of the Uttrichshausen viaduct on the A7 motorway in Hesse, and civil engineering works as part of the SuedLink and SuedOstLink power line projects.

Employees

The **number of employees** grew slightly by 1% to 22,392 FTEs, with increases in Germany and Switzerland. There were no significant changes in the segment's other markets.

Outlook

Solid output growth expected

Based on the continued high order backlog, STRABAG expects solid growth of its output volume in the North + West segment in 2025 despite the challenging conditions.

In **Germany**, material prices have returned to normal and remain stable, while energy prices persist at a relatively high level. The declining demand for residential and office construction to date has so far been offset by projects in infrastructure and industrial construction. A slight shift is evident from private to public clients here, with a moderate easing expected in residential construction towards the end of 2025.

In the German transportation infrastructures business, the volume of orders on hand provides a very solid basis for 2025. Increased demand and a growing number of projects are being observed relating to the energy transition. Especially at the municipal level, infrastructure expansion remains a challenge due to the ongoing price competition. Civil engineering is benefiting from Deutsche Bahn's ongoing investment offensive and from cable construction projects for new power transmission lines. The relevant budgets are to be developed and adopted after the federal election, so that 2025 can be expected to be a transitional year.

Predatory pricing remains a serious concern in the **Benelux** countries. Here the Group will continue to pursue its chosen path of consolidation and stabilisation, in line with a highly selective bidding strategy. In the Netherlands and Belgium, the company is seizing initial opportunities in industrial construction, particularly in projects relating to the energy transition. A slight increase in demand is also expected in residential construction.

The consolidation and stabilisation that was initiated in **Scandinavia** will be continued here as well. The focus is on medium-sized projects, primarily in commercial and industrial construction. An increasing demand for larger projects is being observed in the infrastructure construction segment.

The demand for construction services in **Switzerland** remains stable. Following a period of successful initial consolidation, we are now continuing on our growth path. The necessary investments have already been made and are currently in the process of being implemented.

Selected projects – North + West segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
Germany	Bayerische Versorgungskammer	528	2.1
Germany	US hospital, Weilerbach	520	2.1
Germany	U5 East, Hamburg	365	1.4
Germany	Lock Kriegenbrunn	356	1.4
Germany	Central Business Tower	350	1.4

Segment South + East

The geographic focus of the South + East segment is on Austria, Poland, the Czech Republic, Slovakia, Hungary, Romania and South-East Europe. The environmental technology and construction materials activities are also handled within this segment.

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	7,502.30	7,741.90	-3	-240
Revenue	7,123.76	7,344.06	-3	-220
Order backlog	7,738.49	7,074.25	9	664
EBIT	387.99	392.57	-1	-5
EBIT margin (% of revenue)	5.4	5.3		
Employees (FTE)	26,852	27,057	-1	-205

Output volume – South + East segment

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Austria	2,479	2,722	-9	-243
Poland	1,571	1,262	24	309
Czech Republic	995	981	1	14
Hungary	577	784	-26	-207
Germany	540	423	28	117
Romania	428	486	-12	-58
Slovakia	292	398	-27	-106
Croatia	222	241	-8	-19
Rest of Europe	131	93	41	38
Serbia	92	137	-33	-45
Slovenia	89	117	-24	-28
Bulgaria	48	59	-19	-11
Africa	21	16	31	5
Middle East	5	6	-17	-1
Italy	4	9	-56	-5
United Kingdom	2	7	-71	-5
Switzerland	2	3	-33	-1
Sweden	2	0	n.a.	2
Benelux	1	0	n.a.	1
Asia	1	-2	n.a.	3
Total	**7,502**	**7,742**	**-3**	**-240**

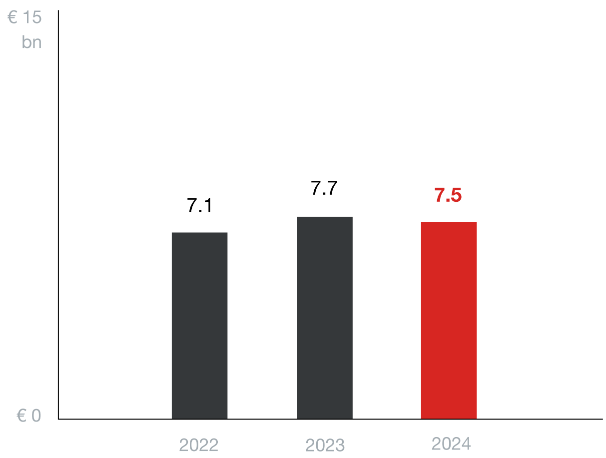
Output, revenue and EBIT

Declining figures in Austria and Hungary

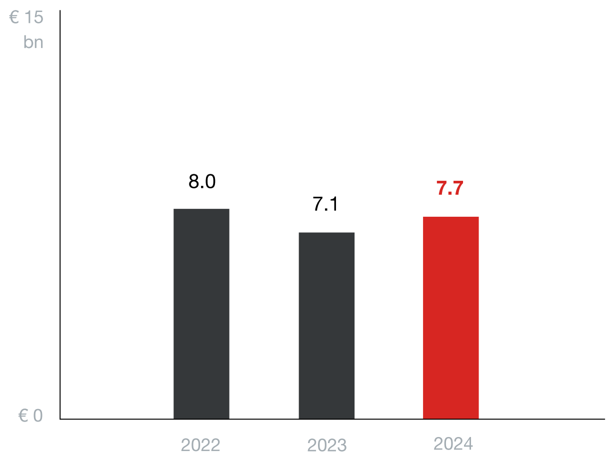
The South + East segment recorded a 3% lower **output volume** of € 7,502.30 million in the 2024 financial year. This development is mainly attributable to the expected declines in Austria and Hungary. In Austria, this is due to the weak residential construction market, while the decline in Hungary was caused by the government-imposed investment stop and the withholding of EU funds. By contrast, strong output growth was recorded in transportation infrastructures in Poland.

Revenue, in line with output, decreased by 3% to € 7,123.76 million. The **EBIT** fell slightly by 1% to € 387.99 million in the reporting year, while the EBIT margin remained stable at a high level of 5.4% (2023: 5.3%). Further earnings improvements were achieved in the markets of South-East Europe; the high earnings of the previous year in Austria could not be repeated, however.

Output volume



Order backlog



Order backlog

Positive developments in core markets

The **order backlog** increased significantly year on year, gaining 9% to reach € 7,738.49 million. Substantial increases were recorded in almost all of the segment's core markets. In absolute terms, the largest increases were seen in Slovakia, followed by Slovenia, Romania and Croatia. Austria and Poland recorded stable development. Noteworthy new orders include the expansion of the F.D. Roosevelt Clinic in Banská Bystrica (Slovakia), several building construction projects in Slovenia, and the construction of the new headquarters of the Czech subsidiary of Erste Group in Prague.

Employees

The **number of employees** in 2024 fell by 1% to 26,852 FTEs. Declining trends were observed in Austria and Slovakia, among other places. In contrast, employee numbers in Poland increased in line with the higher output.

Outlook

Output growth on high order backlog

On the basis of a high order backlog, a noticeable increase in output volume is expected in the South + East segment for 2025.

In **Austria**, the weak residential construction market of the past few years continues to put pressure on the building construction segment. A lasting recovery could set in during the second half of 2025, supported by a more stable inflation rate, further interest rate cuts and more relaxed lending guidelines. Despite a stable tendering situation, growing price pressure is being observed in the transportation infrastructures segment, with additional burdens on public tenders expected due to the savings required to address the national budget deficit. The order situation in the future-oriented sector of construction in existing buildings, on the other hand, including reconstruction, conversion and refurbishment, is developing positively.

The order backlog in **Poland** has been developing positively, and a revival of public-sector investment is expected with the release of EU financing from the Covid-19 Recovery Fund. In the coming years, significant major projects in the areas of infrastructure, mobility and the energy transition will also shape market developments. Momentum in building construction is expected from the end of 2025 at the latest, driven by public- and private-sector investment.

The situation in **Hungary** continues to be viewed as challenging. The withholding of EU funds and the lack of public investment are reflected in a significant decline in the construction volume. On a positive note, however, orders from the automotive manufacturing industry and its suppliers are on the rise. A planned state economic stimulus package should also help to boost private consumption and strengthen the economy.

Increasing tender volumes are being seen in the **Czech transportation infrastructures** sector, especially in railway construction, although predatory pricing remains a factor in some larger projects. Significant orders were secured in railway station construction, road construction and building construction in 2024, leading to an increase in the order backlog. With interest rates falling, investments by private investors are expected to pick up once again as well. Additional projects involve the optimisation of structures in tunnelling, ground engineering and hydraulic engineering.

In **Slovakia**, the volume of tendered projects in transportation infrastructures is on the rise following the appointment of a new government and several major railway construction projects are expected to be awarded this year. A recovery and an increased level of tenders are also anticipated in the building construction sector in 2025. In May, for example, STRABAG was awarded the contract for the expansion of the F.D. Roosevelt Clinic in Banská Bystrica.

Demand in the markets of **South-East Europe** is developing positively. In Croatia, the focus is currently on transportation infrastructures and industrial construction, supported by EU investments. In Slovenia, the order volume has recently increased noticeably as a result of several project acquisitions. Romania is considered a promising market with a high demand for infrastructure, partly due to EU-funded investments.

The **building materials and environmental technology** activities that are bundled in the South + East segment are showing a satisfactory trend overall. These activities are of key importance for the action areas of circularity and expertise in the energy sector in our Strategy 2030.

Selected projects – South + East segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
Slovakia	F.D. Roosevelt Hospital	272	1.1
Romania	Mihail Kogălniceanu Airport	138	0.5
Austria	Medical rehabilitation centre, Vienna	119	0.5
Czech Republic	Modernisation of Masaryk Railway Station, Prague	114	0.5
Czech Republic	Pankrác–Olbrachtova underground line	103	0.4

Segment International + Special Divisions

The International + Special Divisions segment comprises the majority of STRABAG SE's non-European business in addition to its global tunnelling activities. The segment also encompasses infrastructure development, real estate development and building solutions (previously property and facility services), irrespective of where these are performed. The segment also includes the group divisions United Kingdom, Energy Infrastructure, and STRABAG Hold Estate (real estate portfolio management).

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	3,268.68	2,957.27	11	311
Revenue	3,059.27	2,984.48	3	75
Order backlog	5,505.02	5,159.42	7	346
EBIT	-2.28	-132.10	n.a.	130
EBIT margin (% of revenue)	-0.1	-4.4		
Employees (FTE)	21,255	20,360	4	895

Output volume – International + Special Divisions segment

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Germany	1,094	953	15	141
United Kingdom	681	635	7	46
Americas	514	562	-9	-48
Austria	280	262	7	18
Middle East	252	211	19	41
Italy	107	53	> 100	54
Poland	106	51	> 100	55
Asia	103	152	-32	-49
Benelux	76	17	> 100	59
Rest of Europe	13	11	18	2
Slovakia	10	11	-9	-1
Africa	8	15	-47	-7
Hungary	8	0	n.a.	8
Czech Republic	6	6	0	0
Romania	5	4	25	1
Switzerland	3	3	0	0
Slovenia	3	1	> 100	2
Sweden	0	10	-100	-10
Total	**3,269**	**2,957**	**11**	**312**

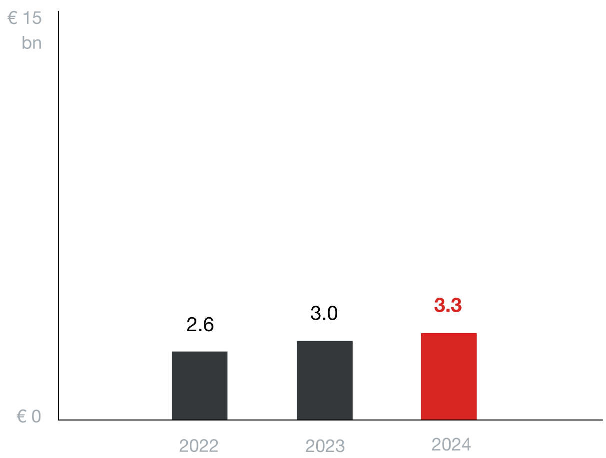
Output, revenue and EBIT

Significant output growth

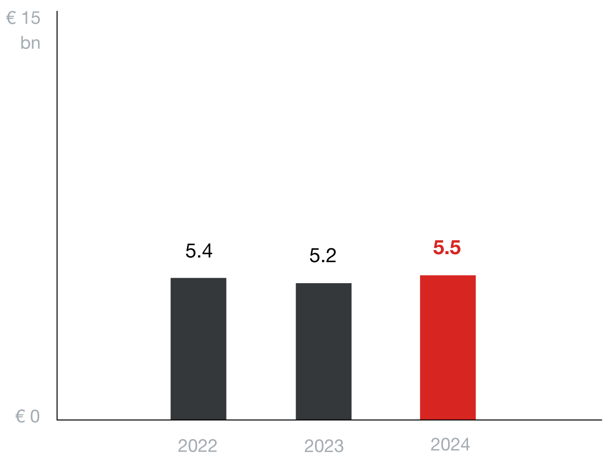
The International + Special Divisions segment generated a significant increase in output volume of 11% to € 3,268.68 million in 2024. The strongest growth was recorded in Germany, attributable to the building solutions business (previously property and facility services) and tunnelling projects there. In the Benelux region, output volume increased primarily as the result of an acquisition in building solutions, while the higher output in Poland was due to the infrastructure project development business.

Revenue grew less strongly than output, gaining 3% to € 3,059.27 million. The ratio of revenue to output volume changed accordingly, slipping from 101% to 94%. The segment is subject to regular fluctuations due to its many large and mega projects. In the 2024 financial year, the volatile international project business recorded lower negative impacts on earnings than in the previous year, with the result that **EBIT** improved to € -2.28 million, compared to € -132.10 million in the year before.

Output volume



Order backlog



Order backlog

Significantly higher order backlog

The **order backlog** at the end of 2024 was up to € 5,505.02 million, a plus of 7% compared to the previous year, with the largest growth observed in Germany, Poland and Austria. Orders for tunnelling and tunnel fit-out works contributed to the higher order backlog in Austria, while the growth in Poland is mainly due to real estate development projects. In Germany, an acquisition in building solutions – to expand the depth of added value in M&E and energy management – had a positive effect on the order backlog. A downward trend was observed in the United Kingdom as a result of the gradual completion of large and mega projects.

Employees

The **number of employees** in the International + Special Divisions segment grew by 4% to 21,255 FTEs. In line with the development of output and due to acquisitions, the workforce grew most significantly in Germany and the Benelux region. Staff numbers were also ramped up in the Middle East to help execute large-scale projects acquired in the region.

Outlook

Significant output growth expected

For the full year 2025, the International + Special Divisions segment is expected to achieve a significantly higher output than in the previous year, supported primarily by the existing order backlog.

Due to the size of the projects, the **tunnelling** business is subject to constant volatility. Several large-scale projects are currently being executed in Canada and the United Kingdom, where significant new orders and order extensions have been secured. Smaller orders in the German-speaking region, in Italy and in the Czech Republic, along with the larger contracts, form a stable foundation here, while the mining business in Chile should continue to show stable development.

The **international business**, with its focus on established markets in the Middle East, India and South America, is showing significant output growth. Decarbonisation and the energy transition are helping to open up new opportunities here as well.

The **building solutions** business (previously property and facility services) expects to see stable development in 2025. In addition to the integration of companies acquired in 2024, the focus remains on inorganic growth through acquisitions in Austria, Germany and Central and Eastern Europe. By further developing its M&E and energy management expertise, the business is evolving into a full-service provider for the decarbonisation of existing buildings.

On 1 January 2025, in line with the Strategy 2030, an **energy infrastructure** segment was established within the Group. The business comprises the design, construction, operation and maintenance of network infrastructures and industrial facilities in the areas of electrical infrastructure, water and wastewater, security technology, smart cities and pipeline construction. The new business field, which was created by combining existing expertise, will be further strengthened through acquisitions. The aim is to offer end-to-end energy infrastructure solutions for grid operators, municipal utilities, municipalities and industrial clients.

In **infrastructure development**, the company is currently developing concession projects in Eastern Europe and South America. One focus is on the Haweswater Aqueduct Resilience Programme (HARP), for which STRABAG was selected as preferred bidder. Renewable energy projects are also being developed in the European core markets and in South America as part of the Group’s Strategy 2030.

The **real estate development** sector is being particularly affected by the bleak economic environment and political uncertainties. A significant recovery in commercial and private demand in the real estate markets is not expected until 2026 with a more favourable economic environment. At the same time, there are signs of a growing supply gap, especially for sustainable properties, along with a consolidation among developers. The strong development and implementation competence with regard to sophisticated sustainability and new work concepts could give STRABAG a competitive edge in the future.

STRABAG Hold Estate expands the STRABAG Group’s range of services to include the long-term, strategic management of real estate assets. The focus is on investments in the asset classes office, residential, hotel and mixed-use district properties. To date, five properties have been acquired; the focus is now on consolidating these investments by expanding both technical and commercial asset management.

Selected projects – International + Special Divisions segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
United Kingdom	HS2 high-speed rail line	961	3.8
United Arab Emirates	Residential towers, Sea La Vie	292	1.2
United Kingdom	Woodsmith Project	280	1.1
Canada	Scarborough Subway Extension Line 2	251	1.0
Germany	U5 East, Hamburg	156	0.6

Segment Other

Service companies and central staff divisions

This segment encompasses the Group's internal central divisions and central staff divisions.

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	227.96	223.31	2	5
Revenue	17.92	57.81	-69	-40
Order backlog	30.82	25.33	22	5
EBIT	0.74	3.30	-78	-3
EBIT margin (% of revenue)	4.1	5.7		
Employees (FTE)	7,675	7,583	1	92

Risk management

The STRABAG Group encounters many different risks and opportunities in the course of its business activities. These risks are systematically identified and assessed using a proactive risk management system and managed in a consistent and goal-oriented manner through an appropriate risk management policy. This risk management policy is an integral part of the management system and describes a set of fixed principles and responsibilities for risk management and how to deal with the material risk categories.

Risk management as a core management task

Risk management is a **core task of the management**. Risk identification and risk assessment are the responsibility of the respective management level. Our risk management process involves our integrated management system, supporting central divisions and central staff divisions with technical, legal and administrative service and consulting activities and the internal audit department as a neutral and independent auditing entity.

Responsibility for implementation of the **project risk management system** in the divisions has been assigned to the commercial division managers. The central division Project Risk Management System/System Development/International BRVZ Coordination handles the continuous improvement and development of the risk management system for the procurement and execution of construction projects.

All STRABAG leadership employees, within the scope of their duties and responsibilities, and in accordance with the Rules of Procedure and relevant **company regulations**, are obliged to

- work with the employees to set risk identification measures,
- monitor the risks,
- introduce countermeasures, and
- pass on relevant information about risks to other units or levels within the company. This requirement especially applies to all employees of the STRABAG Group.

The STRABAG SE Management Board prohibits engaging in business transactions whose realisation could endanger the company’s existence.

Risk categories

The Group’s internal risk reporting defines the following central risk categories:

Risk management using defined risk groups

- External risks
- Operating and technical risks
- Financial risks
- Ethical risks
- Human resource risks
- IT risks
- Investment risks
- Legal risks
- Political risks

Additional risks exist with regard to work safety, environmental protection, quality, business continuity and supply chain.

Following ISO 31000 and the Committee of Sponsoring Organisations of the Treadway Commission (COSO), our risk management system forms part of our integrated management system. We deal with the risks identified by us as follows:

External risks

External risks countered through diversification

The entire construction industry is subject to **cyclical fluctuations** and reacts to varying degrees depending on region and sector. Overall economic growth, development of the construction markets, the competitive situation, the conditions on the capital markets and technological changes in construction can all result in risks. These risks are continually observed and monitored by the central departments and operating units. Changes in external risks lead to adjustments in STRABAG's organisation, its market presence and its range of services and to the adaptation of its strategic and operational planning. STRABAG further counters market risk through geographic and product- related diversification in order to minimise the influence of an individual market or the demand for certain services on the success of the company.

Operating and technical risks

Operating and technical risks reduced through binding minimum standards

These risks primarily include the complex risks associated with project selection and execution along with the technical risks that need to be assessed for each project, such as subsoil, geology, construction methods, technology, building materials, equipment, design, work planning, etc. An integral part of the project risk management system are minimum standards with corporate-wide validity for the procurement and execution of construction projects (common project standards). These comprise clearly defined criteria for the evaluation of new projects, a standardised process for the preparation and submission of bids, and integrated internal control systems serving as a filter to avoid loss-making projects. Business transactions requiring approval are reviewed and approved in accordance with the internal rules of procedure.

Depending on the risk profile, bids must be analysed by **internal commissions** and reviewed for their technical and economic feasibility. The construction and project teams can contact the experts at the central divisions BMTI, TPA, ZT and SID for assistance in assessing the technical risks and working out innovative solutions to technical problems. Project execution, monitored by **monthly target/performance comparisons**, is managed by the construction or project team on-site using documented procedures. At the same time, our central controlling department provides constant back-office support for the project, ensuring that risks of individual projects do not jeopardise the continued existence of the company.

Financial risks

Active liquidity and receivables management

Under financial risks, STRABAG understands risks in financial matters and in accounting, including instances of manipulation. Special attention is paid to the **liquidity and receivables management**, which is secured through continuous financial planning and daily status reports. Compliance with internal commercial guidelines is ensured by the central accounting and controlling departments, which are also responsible for internal reporting and the periodic planning process.

Risks from possible instances of manipulation (acceptance of advantages, fraud, deception or other infringements of the law) are monitored by the central divisions in general and the **internal audit department** in particular.

STRABAG is subject to interest, currency, credit and liquidity risks with regard to its assets, liabilities and planned transactions. The goal of financial risk management is to minimise these risks through ongoing financial activities. The basic principles of the financial policy are determined by the Management Board and monitored by the Supervisory Board. The implementation of the financial policy and responsibility for the ongoing risk management are the domain of the Group's treasury department. Detailed information can be found in the Notes under Item 36 Financial Instruments.

Ethical risks

Ethical risks countered with an ethics and business compliance system

Given the risk of corruption and anti-competitive behaviour in the construction industry, STRABAG has implemented a set of tools that have proven effective in combating these problems. The rules for proper business behaviour are conveyed by the **STRABAG Ethics and Business Compliance System**. These have corporate-wide validity. The STRABAG business compliance model is based on the Business Compliance Management System (BCMS) along with supplementary management directives and the Code of Conduct. Implementation is carried out by the Chief Compliance Officer, the Business Compliance Officers, the internal ombudspersons and the STRABAG whistleblower platform.

Human resource risks

Countermeasures with strategic human resource planning, needs-oriented human resource development and central human resource management

Material human resource risks, such as recruiting bottlenecks, skilled labour shortages, fluctuation and labour law risks, are countered with **strategic human resource planning**, **sustainable and needs-oriented human resource development** and **central human resource management**. Human resource risks are to be reduced to a large extent through targeted recruiting of qualified specialists and leaders, extensive training activities, performance-based remuneration under compliance with labour law, and early succession planning. Additionally, systematic potential management is in place to ensure the development and career planning of company employees. Complementary initiatives to promote employee health, improve employment conditions and raise employee satisfaction further contribute to the company's appeal and prestige. Details on the human resource risks are available in the sustainability report pursuant to Section 267a UGB.

IT risks

IT usage guidelines and continuous review of security concepts to counter cybercrime

With the increasing threat of IT risks, different measures are being implemented in the form of multistep security and anti-virus concepts, user access rights, password-controlled access, expedient data backups and independent power supply. The Group is also working together with professional **specialty service providers** to ensure an effective defence against cybercrime and is constantly reviewing its security concepts.

By issuing IT usage guidelines and repeatedly informing on the necessity of risk awareness when working with information and communication technologies, we aim to ensure the security, availability, performance and compliance of the IT systems. Project ideas to improve and develop IT-related processes and control systems are evaluated and prepared through cooperation between the central divisions SID and BRVZ Information Technology.

Investment risks

Strategic minority holdings

The shares in mixing companies typically involve **sector-typical minority interests**. With these companies, economies of scope are at the fore.

As part of the Group Strategy 2030, STRABAG intends to build more in the energy sector, among other things. The focus is on renewable energy and heat generation and storage. Against this backdrop, STRABAG has held a minority stake in the battery storage manufacturer CMBlu Energy AG since 2023.

Legal risks

Legal risks avoided through extensive risk analysis

The central division CML Construction Services supports the risk management of the operating entities in matters of construction management and construction operation in all project phases (**Contract Management**) and provides, organises and coordinates legal advice (**Legal Services**) in this regard. Its most important tasks include comprehensive reviews and consultation in project acquisition – e.g., analysis and clarification of tender conditions, performance specifications, pre-contract agreements, tender documents, draft contracts and framework conditions – as well as support in project management.

Political risks

Interruptions and expropriations conceivable

The Group also operates in countries experiencing political instability. Interruptions of construction activity, restrictions on ownership by foreign investors, and even expropriations are among the possible consequences of political changes which could have an impact on the Group's financial structure. These risks are analysed during the tendering phase and assessed by **internal commissions**.

Occupational safety

Management system for occupational safety and health protection

In order to control the risks related to employee safety and health, STRABAG has implemented a work safety and health management system in accordance with **ISO 45001** and/or **Safety Certificate Contractors (SCC)**. Moreover, the company works to maintain this system and ensures a suitable emergency organisation. Specially appointed officers and representatives ensure that the corporate-wide work safety standards are followed. These topics were recently centralised. All safety officers are now part of a separate central staff division, Health Safety Wellbeing, which reports directly to the CEO. The aspects of work safety and health also form part of the evaluation of subcontractors and suppliers. Details on the risks related to employee safety and health are available in the sustainability report pursuant to Section 267a UGB.

Environmental protection

Certified environmental and energy management system desired

STRABAG undertakes to avoid negative environmental impacts as far as possible within its own sphere of influence – insofar as this is technically feasible and economically justifiable. It also does its part to reduce negative impacts along the supply chain. STRABAG operates an effective environmental and energy management system based on **ISO 14001** or **Eco-Management and Audit Scheme (EMAS), ISO 50001** or equivalent and seeks – wherever possible – to minimise the use of natural resources, avoid waste and promote recycling. Details on the environmental risks are available in the sustainability report pursuant to Section 267a UGB. Risks from the effects of climate change are presented in the Notes.

Quality

Quality management as a component of the integrated management system

In accordance with its vision and values, it is the Group's aim to **realise construction projects on schedule, of the best quality and at the best price**. This quality of the company's processes, services and products must therefore be ensured at all times. To achieve this goal, quality management forms an integral component of an integrated management system. This system is documented in the Management Manual, in Group Directives and in subordinated provisions.

Business continuity

Rigorous inclusion of central divisions

The failure of equipment and production facilities, subcontractors and suppliers, human resources, the IT system or office buildings and accommodation must not be allowed to jeopardise the continued existence of the company. For this reason, precautions are taken under a business continuity management system to ensure that incidents or **disasters only temporarily interrupt business activity** – if at all. This includes the consistent involvement of the Group's own specialised central divisions, which can, for example, procure equipment, accommodation, IT systems or staff on short notice, build up long-term strategic partnerships with selected subcontractors and suppliers, and arrange for the audit of emergency scenarios in IT.

Supply chain

More on the supply chain in our sustainability report

Find out more

In the interest of quality and efficiency, STRABAG not only taps its own skills and resources to work off its orders but also relies on the support of proven subcontractors and suppliers. The company focuses on long-term partnerships, a clear, transparent and complete description of the services and products to be procured, and an agreement on acceptance criteria for the products and services. Our supplier management also involves the analysis and management of human rights risks at our suppliers. STRABAG also systematically **evaluates subcontractors, service providers and suppliers** as part of its **decision-making foundation** for **future orders**.

Evaluation of partner companies to reduce risks in the supply chain

A review of the current risk situation reveals that there were no risks which jeopardised the company's existence, nor were there any visible future risks.

Report on key features of the internal control and risk management system in relation to the financial reporting process

Introduction

The control structure as defined by COSO (Committee of Sponsoring Organisations of the Treadway Commission) provides the basis for describing the key features of the internal control and risk management systems with regard to the financial reporting process in the management report. The COSO framework consists of five interrelated components: control environment, risk assessment, information and communication, control activities and monitoring activities. On this basis, the STRABAG Group has set up a corporate-wide risk management system in accordance with generally accepted principles. The aim of the internal control system is to support the management in such a way that it is able to ensure internal controls with regard to financial reporting which are effective and which are improved on an ongoing basis. The system is geared to the compliance with rules and regulations and to creating conditions which are conducive to performing specific controls in key accounting processes.

Control environment

Internal audit report

Find out more

The corporate culture determines the control environment in which management and employees operate. STRABAG is constantly working to improve its communication and to convey its corporate values as defined in its Code of Conduct and its Business Compliance Management System (BCMS) in order to ensure moral standards, ethics and integrity within the company and in its dealings with others. The implementation of the internal control system with regard to the financial reporting process is based on internal rules and regulations. Responsibilities for internal control have been adapted to fit the corporate organisation. The internal audit department carries out periodic reviews – announced as well as unannounced – of all relevant business units as part of its responsibility for monitoring compliance with the law and corporate guidelines in the technical and commercial areas. The internal audit department also monitors the effectiveness of business compliance. During these reviews, the internal audit department analyses the legality and correctness of individual actions. The department also conducts regular, independent reviews of compliance with internal guidelines in the area of accounting. The head of the internal audit department reports directly to the CEO. The effectiveness of the work of the internal audit department is reviewed periodically by the financial auditor. The last review was carried out at the end of the 2023 financial year.

Risk assessment

The management identifies and monitors risks relating to the financial reporting process, with a focus on those risks that are typically considered to be material.

The preparation of the financial statements requires regular forecasts, with the inherent risk that the actual future development will deviate from the expectation. This especially affects the following matters/items of the Consolidated Financial Statements: assessment of unfinished construction projects, recognition and measurement of provisions (including social capital), the outcome of legal disputes, the collectability of receivables as well as the recoverability of investments and goodwill. In individual cases, external experts are called in or publicly available sources are considered in order to minimise the risk of a false assessment.

Control activities

All control activities are applied in the ongoing business process to ensure that errors or deviations in financial reporting are avoided or detected and subsequently corrected. The control activities range from a review of the period results to the specific monitoring of accounts and cost centres to the analysis of ongoing accounting processes. It is the responsibility of the Management Board to design the levels of hierarchy in such a way that an activity and the control of that activity are not performed by the same person (**four-eyes principle**). This separation of functions encompasses a separation between decision-making, implementation, review and reporting. The organisational units of the BRZV central division support the Management Board in this task.

Processes which are relevant to financial reporting are increasingly automated. IT security control activities therefore represent a cornerstone of the internal control system. The separation of sensitive activities, for example, is supported by a restrictive allocation of IT authorisations. For its accounting and financial reporting, the company mainly uses self-developed software which reflects the unique features of the construction sector. The effectiveness of the financial reporting system is further assured through automated IT controls included in the system.

Information and communication

The management regularly updates the rules and regulations for financial reporting and communicates them to all employees concerned. In addition, regular discussions regarding the financial reporting and the rules and regulations in this context take place in various committees. These committees are composed of the corporate **management** as well as the **department head** and **senior staff from the accounting department**. The committees' work aims, among other things, to ensure compliance with accounting rules and regulations and to identify and communicate weak points and potential areas for improvement in the financial reporting process. Furthermore, accounting employees receive regular training with regard to innovations in national and international financial reporting in order to identify risks of unintended misreporting at an early stage.

Monitoring

The Management and Supervisory Boards bear responsibility for the ongoing company-wide monitoring. Additionally, the remaining management levels are responsible for the monitoring of their respective areas of responsibility. Controls and plausibility checks are carried out at regular intervals. The internal audit department is also involved in the monitoring process. The top management receives monthly summarised financial reports on the development of the output volume and earnings of the respective segments and countries and of the liquidity. Financial statements to be published are reviewed internally by several instances within management, receiving a final appraisal by the senior accounting staff and the Chief Financial Officer before being passed on to the Audit Committee of the Supervisory Board.

Research and development

Technology leadership is is a central component of STRABAG SE's Strategy 2030. Besides using new technologies, the Group initiates forward-looking projects, brings its inhouse innovations to market maturity and pursues research partnerships, thereby consolidating its expertise across the entire Group. In the 2024 financial year, STRABAG implemented some 74 development projects and spent a total of around € 19 million on research, development and innovation activities (2023: approx. € 17 million).

Innovation and digitalisation concentrated in SID

Digitalisation and sustainability are the overriding themes these days in all segments of the construction industry. On the way to becoming a data-driven organisation, STRABAG is therefore focusing on cloud-based data storage, breaking down data silos and training its employees in topics related to data and Artificial Intelligence (AI). The Group is committed to the ongoing advancement of the BIM 5D® digital working method, construction-specific project platforms, the Internet of Things (IoT) and AI. It is also helping to drive the advance of automation through robotic applications and semi-autonomous machines. At the same time, STRABAG is putting enormous effort into strategic innovation projects in the area of environmental sustainability. Central topics here are the circular economy and sustainable thinking with regard to energy, engineering and materials development.

Since 2020, **STRABAG Innovation & Digitalisation (SID)** – with around 470 employees at 22 locations – has taken the lead in initiating developments and providing expert support while maintaining a full overview of corporate-wide innovation activities and their measurable results. Numerous research and development projects are realised in close collaboration between the various operating divisions and the central divisions BMTI, TPA and Zentrale Technik. A large portion of the development work is triggered by the construction projects themselves. Certain issues also require medium-term collaboration with research institutions and partner companies.

Projects in Transportation Infrastructures

EFKON, STRABAG's specialist for traffic telematics systems, in 2024 focused on the development of a new generation of components for dedicated short-range communications (DSRC). DSRC technology is used in electronic toll collection systems to ensure the efficient exchange of relevant toll data between the toll box installed in the vehicle and the roadside communications infrastructure. The new DSRC components developed by EFKON offer enhanced communications performance and allow the precise positioning of the toll box within the communications zone.

The first major milestone in **Project EMili**, designed to test inductive charging technologies in road construction, was reached in 2024. Initial practical tests demonstrated charging capacities of up to 20 kW at 85% efficiency. Follow-up projects are planned for 2025 to further explore the technology.

Projects in Building Construction & Civil Engineering

The **RTTS research project for the development of a resource-efficient tunnel support system**, funded by the German Federal Ministry for Economic Affairs and Climate Action, was launched in 2024 with partners from science and industry to develop a tunnel support system made of environmentally friendly concrete with a reduced cement clinker content. Using new AI-based control engineering, a large proportion of the excavated tunnel material is to be recycled for the production of tunnel segments and annular gap filling.

The **CaPreFloor project**, also funded by the Federal Ministry for Economic Affairs and Climate Action, aims to replace solid reinforced concrete floors in building construction with light, rigid, carbon-stressed floor systems. These carbon-concrete floors should reduce the usual 30-centimetre-thick concrete floors to a maximum of **10 centimetres**, which would make a significant contribution to lowering carbon emissions.

After three years of development, the publicly funded **R&D project BIMpact**, sponsored by the Federal Ministry for Economic Affairs and Climate Action, was successfully completed at the end of 2024. The project involved the development of an AI-controlled, cloud- and BIM-based building automation process in collaboration with partners from the IT industry and the University of Stuttgart. The functionality of the process was initially demonstrated on a portable mock-up that represented a fully functional supply air system with ventilated rooms on a small scale. The entire system was then installed and successfully tested on one floor of the Group's Z3 building in Stuttgart.

Projects in Artificial Intelligence (AI)

STRABAG also made further progress in the **field of AI** in 2024. Besides the use of machine learning and language models and the data-driven risk analysis of construction projects, additional AI solutions were piloted for their applicability and benefit for the Group.

Generative design (GD), tested and integrated into the Group's operations in previous years, was expanded in 2024 to include the process of serial construction. This involved combining the strengths of **MOLENO® Wohnen and generative design** to develop an AI-based planning tool. The resulting MOLENO® Wohnen configurator will enable the flexible and individual creation of data-based building designs, which will automate the planning processes and significantly reduce costly and time-consuming decision-making.

Innovation Day and adASTRA Innovation Programme

Over 50 innovation projects were presented to an audience of around 1,300 STRABAG Group employees at our **2024 Innovation Day** in Cologne. A new funding model and the expanded **adASTRA innovation programme** will provide even more robust support for in-house development work in the future. The funding model ensures that research and development projects with internal and external partners receive the best possible financing through both corporate resources and public funding. At the same time, the new adASTRA innovation programmes are optimising our existing innovation management to further strengthen the entire innovation process and to promote the implementation of promising projects in a targeted manner.

Outlook

The Management Board expects a significant increase in **output volume** to approximately € 21 billion in the 2025 financial year. This forecast is based on the high order backlog and on the expected contributions from recent acquisitions. An increase in output volume is forecast for all operating segments in 2025.

While several positive earnings effects coincided in 2024, the **EBIT margin** is expected to normalise again in 2025. In light of the first tangible effects of the Group Strategy, the Management Board is raising the EBIT margin target for 2025 to ≥ 4.5%.

Net investments (cash flow from investing activities) are not expected to exceed € 1,100 million in 2025. The increase compared to the previous year is mainly due to planned acquisitions as part of STRABAG's Strategy 2030.

Other disclosures

2024

Website Corporate Governance Report

The consolidated corporate governance report is available on the STRABAG SE website.

Consolidated Corporate Governance Report

Find out more

Disclosures under Section 243a Para 1 UGB

One Share – One Vote

1. The share capital of STRABAG SE as at 31 December 2023 amounted to € 118,221,982 and consisted of 118,221,982 fully paid-in, no-par value shares with a pro rata value of € 1 per share of the share capital. 118,221,979 shares were bearer shares and were traded in the Prime Market segment of the Vienna Stock Exchange. Three shares were and are registered shares. Each bearer share and each registered share accounts for one vote (one share – one vote). The nomination rights associated with registered shares No. 1 and No. 2 are described in more detail under item 9.

2. The following resolutions on capital measures were passed at the company's Annual General Meeting on 16 June 2023:

   a. resolution concerning the increase of the share capital of the company from company funds through conversion of a portion of the committed reserves in the amount of € 1,900,000,000.00 shown in the annual financial statements as at 31 December 2022 into share capital without the issue of new shares (capital adjustment pursuant to Section 1 et seq. of the Austrian Capital Adjustment Act (Kapitalberichtigungsgesetz, or "KapBG");
   b. resolution concerning the ordinary reduction of the share capital of the company by € 996,620,004.30 pursuant to Section 175 et seq. of the Austrian Stock Corporation Act (Aktiengesetz, or "AktG") for the purpose of allocation to noncommitted reserves with reduction of the pro rata amount of the share capital attributable to each no-par value share (without consolidation of shares);
   c. resolution concerning the reduction of the share capital of the company by € 903,379,995.70 in accordance with the provisions on ordinary capital reductions pursuant to Section 175 et seq. AktG for the purpose of repayment of part of the share capital with reduction of the pro rata amount of the share capital attributable to each no-par value share (without consolidation of shares);
   d. resolution concerning the ordinary increase of the share capital of the company pursuant to Section 150 et seq. AktG by up to € 24,995,248.00 through the issue of up to 24,995,248 new no-par value bearer shares with contributions in kind to be raised by way of shareholder waiver of distribution claims from the capital reduction (item c).

   The aforementioned resolutions were subject to certain conditions. To begin with, the resolutions on items a, b and c and the resolution on the ordinary non-cash capital increase under item d were entered in the commercial register. The shareholders entitled to dividends were therefore granted the right to choose whether they wish to receive the dividend entitlement under item c in cash or in the form of new shares as part of a subscription offer. Shareholders of 62,487,931 shares, corresponding to 60.90% of the share capital, opted for the distribution in the form of new shares.

   The implementation of the ordinary non-cash capital increase was entered in the commercial register on 21 March 2024. As a consequence, 15,621,982 new shares were issued. The share capital of STRABAG SE was thus increased from € 102,600,000.00 by € 15,621,982.00 to € 118,221,982.00.

3. Oleg Deripaska was added to the EU sanctions list on 8 April 2022 and is subject to Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (EU Sanctions Regulation). As a consequence, all funds and economic resources belonging to, owned, held or controlled by Oleg Deripaska or by natural or legal persons associated with him are to be frozen ("asset freeze"). This asset freeze must also be ensured with regard to the STRABAG SE shares held by MKAO "Rasperia Trading Limited", which was controlled by Oleg Deripaska at this time. MKAO "Rasperia Trading Limited" has therefore since 8 April 2022 been excluded from exercising control (voting rights, right to information, right to participate, right to propose resolutions) and asset rights (e.g. dividend distribution) in connection with the shares of

STRABAG SE until the sanctions cease to apply. MKAO “Rasperia Trading Limited” was placed on the U.S. sanctions list by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) on 15 April 2024. On 28 June 2024, the Council of the European Union included MKAO “Rasperia Trading Limited” on the EU sanctions list (no. 477) by means of Council Implementing Regulation (EU) 2024/1842.

4. The syndicate agreement concluded in 2007 between Haselsteiner Group (Haselsteiner Familien-Privatstiftung, Dr. Hans Peter Haselsteiner, Klemens Peter Haselsteiner (deceased 17 January 2025)), the Raiffeisen Group (RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H., BLR-Baubeteiligungs GmbH), the UNIQA Group (UNIQA Insurance Group AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Österreich Versicherungen AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H.) and MKAO “Rasperia Trading Limited” was terminated with effect from 31 December 2022. Despite termination of the syndicate established in 2007, the right of first refusal of the Haselsteiner Group, the Raiffeisen Group, the UNIQA Group and MKAO “Rasperia Trading Limited” remains valid as long as each holds at least 8.5% of the share capital of STRABAG SE. Since – as explained – the EU Sanctions Regulation applies to MKAO “Rasperia Trading Limited”, the restrictions of the EU Sanctions Regulation apply to the right of first refusal as well.

5. Haselsteiner Familien-Privatstiftung, Dr. Hans Peter Haselsteiner and Klemens Peter Haselsteiner (deceased 17 January 2025), RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung and Group company, and UNIQA Insurance Group AG and Group companies on 18 August 2022 concluded a new syndicate agreement that requires them to exercise their voting rights from syndicated shares unanimously at the Annual General Meeting of STRABAG SE. This syndicate agreement governs rights of first refusal and recourse, a minimum shareholding obligation, and nomination rights regarding the Supervisory Board. According to the agreement, the Haselsteiner Group has the right to nominate two members of the Supervisory Board, while the Raiffeisen Group and UNIQA Group each have the right to nominate one member of the Supervisory Board. With the new syndicate agreement, the parties continue their controlling interest in STRABAG SE.

6. As at 31 December 2024, the company held 2,779,006 own shares (2.4% of the share capital), which it acquired as part of a share purchase agreement concluded with Haselsteiner Familien Privatstiftung, RAIFFEISEN-HOLDING NIEDERÖSTERREICHWIEN reg. Gen.m.b.H. and UNIQA Österreich Versicherungen AG on the occasion of their mandatory takeover bid on the basis of the authorisation granted by the Annual General Meeting on 24 June 2022 pursuant to Section 65 Para 1 No 8 AktG (see item 12). The rights from these 2,779,006 no-par value shares are therefore now suspended in accordance with Section 65 Para 5 AktG.

7. To the knowledge of STRABAG SE, the following shareholders held a direct or indirect interest of at least 10.0% of the share capital of STRABAG SE on 31 December 2024:
   – Haselsteiner Group: 30.7%
   – Raiffeisen Group: 15.4%
   – UNIQA Group: 16.6%
   – MKAO “Rasperia Trading Limited”: 24.1%

   On 24 March 2025, a major holdings notification was submitted pursuant to Section 130 of the Austrian Stock Exchange Act (BörseG) stating that the Haselsteiner Group (Haselsteiner Familien-Privatstiftung) had sold 2,000,000 of its STRABAG shares. The transaction took the form of a private placement with institutional investors by means of an accelerated bookbuilding process. The Haselsteiner family now holds a stake of around 29% in STRABAG SE, while the free float increased to around 12.6%. The holdings of the other shareholder groups remained unchanged.

   On 26 March 2024, the company received major holdings notifications pursuant to Sections 130ff of the Austrian Stock Exchange Act (BörseG) of 2018 stating that MKAO “Rasperia Trading Limited” had been transferred to Iliadis JSC. According to these notifications, MKAO “Rasperia Trading Limited”, with its 24.1% stake in STRABAG SE, was now controlled by Iliadis JSC, and Oleg Deripaska had relinquished previous (indirect) control. Between 11 December 2024 and 19 December 2024, the company received further major holdings notifications announcing the cancellation of the transaction between MKAO Valtoura Holdings Limited and Iliadis JSC that had been reported in March 2024. According to these notifications, MKAO “Rasperia Trading Limited” is now again controlled by MKAO Valtoura Holdings Limited. As to who controls MKAO Valtoura Holdings Limited, “unknown” was entered in the reporting field, although, according to the notification, the Austrian Financial Market Authority (FMA) has requested that MKAO Valtoura Holdings Limited disclose details regarding the ultimate controlling entity. MKAO Valtoura Holdings Limited has not made a corresponding notification. With regard to the STRABAG shares held by MKAO “Rasperia Trading Limited”, these remain frozen in accordance with the EU Sanctions Regulation and no rights may be exercised thereunder.

In October 2024, the Austrian parties to the 2007 syndicate agreement brought an action against MKAO “Rasperia Trading Limited” before an arbitration court in Amsterdam to determine that the right of first refusal (see item 4) continued to apply and that the transfer of shares in MKAO “Rasperia Trading Limited” from MKAO Valtoura Holdings Limited to Iliadis JSC (see above) constituted a change of control, meaning that MKAO “Rasperia Trading Limited” was obliged to offer its STRABAG shares to the Austrian parties to the 2007 syndication agreement or to transfer these accordingly. The arbitration proceedings are pending. Sanction-compliant implementation of the exercise of the right of first refusal must also be clarified with the relevant sanctioning authorities.

8. As outlined in item 6, the company held 2,779,006 own shares as at 31 December 2024, corresponding to 2.4% of the share capital. The remaining shares in the share capital of STRABAG SE, totalling around 10.9%, were in free float as at 31 December 2024. In March 2024, following the placement of 2,000,000 STRABAG shares by the Haselsteiner Group (Haselsteiner Familien-Privatstiftung), the free float increased to around 12.6% (see item 7).

9. Three shares of STRABAG SE are – as mentioned in item 1 – registered shares. Registered shares No. 1 and No. 2 allow their bearers to nominate a member each to the Supervisory Board of STRABAG SE; disposition of these registered shares, including their full or partial sale and pledging, requires the consent of the Supervisory Board. As at 31 December 2024, registered share No. 1 was held by Klemens Peter Haselsteiner (deceased 17 January 2025) and registered share No. 2 was held by MKAO “Rasperia Trading Limited”. Since – as explained in items 3 and 7 – the EU Sanctions Regulation applies to MKAO “Rasperia Trading Limited”, its right from registered share No. 2 to nominate a member of the Supervisory Board is currently suspended.

10. No employee stock option programmes exist.

11. No further regulations exist beyond the aforementioned items regarding the nomination and recall of members of the Management and Supervisory Boards or regarding changes to the Articles of Association which are not a direct result of relevant law and legislation.

12. The Management Board of STRABAG SE was authorised by resolution of the 20th Annual General Meeting on 14 June 2024 (i) to acquire own shares, in accordance with Section 65 Para 1 No 8 as well as Para 1a and 1b of the Austrian Stock Corporation Act (AktG), on the stock exchange, by public tender or in any other manner to the extent of up to 10% of the share capital, excluding any proportionate selling rights that may accompany such an acquisition (reverse exclusion of subscription rights), (ii) to reduce the share capital by withdrawing own shares acquired without a further resolution by the General Meeting, and (iii) to sell or assign own shares, in accordance with Section 65 Para 1b AktG, in a manner other than on the stock market or through a public tender.

13. The Management Board of STRABAG SE was authorized by resolution of the 20th Annual General Meeting on 14 June 2024, in accordance with Section 169 AktG, to increase the company’s share capital by up to € 59,110,991.00 through the issue of up to 59,110,991 new no-par-value shares against cash and/or non-cash contributions. The Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders’ subscription rights in whole or in part. The authorisation to increase the share capital has not yet been utilised and therefore remains in full force.

14. With the exception of the agreements over a syndicated surety loan and a syndicated cash credit line, there exist no significant agreements to which STRABAG SE is party and which would become effective, change or end due to a change of control in STRABAG SE following a takeover offer.

15. No compensation agreements exist between STRABAG SE and its Management and Supervisory Board members or employees in the event of a public takeover offer.

Related parties

Business transactions with related parties are described in item 39 of the Notes.

Events after the reporting period

The material events after the reporting period are described in item 42 of the Notes.

Villach, 4 April 2025

The Management Board

Dipl.-Ing. Stefan Kratochwill
CEO
Central Staff Divisions and
Central Divisions BMTI, CML, SID, TPA, ZT

Mag. Christian Harder
CFO
Central Division BRVZ

Dipl.-Ing. (FH) Jörg Rösler
Member of the Management Board
Segment North + West

Dipl.-Ing. Siegfried Wanker
Member of the Management Board
Segment International + Special Divisions

Dipl.-Ing. (FH) Alfred Watzl
Member of the Management Board
Segment South + East

We draw attention to the fact that the English translation of this auditor's report according to section 274 UGB (Austrian Company Code) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Auditor’s report

Report on the consolidated financial statements

Audit opinion

We have audited the consolidated financial statements of STRABAG SE, Villach, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the statement of comprehensive income, the consolidated cash flow statement and the statement of changes in equity for the financial year then ended, and the notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as at 31 December 2023, and of its financial performance and cash flows for the financial year then ended in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs) and the additional regulations of section 245a Austrian Company Code.

Basis for opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter EU Regulation) and Austrian Generally Accepted Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of the auditor’s report is sufficient and appropriate to provide a basis for our opinion by this date.

Other matter

The financial statements of STRABAG SE, Villach, for the financial year ended 31 December 2023 were audited by another auditor who issued an auditor's report containing an unqualified audit opinion dated 4 April 2024 on these consolidated financial statements.

Our audit opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the financial year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have structured key audit matters as follows:

- Description
- Audit approach and key observations
- Reference to related disclosures

Revenue and earnings recognition from construction contracts and measurement of construction contracts

Description

In the financial year 2024, revenues in the amount of EUR 17.4 billion are shown in the consolidated income statement of the consolidated financial statements of STRABAG SE, Villach. Revenue mainly consists of the execution of construction contracts. Furthermore, profits and losses from construction contracts that were concluded with other partners in the form of joint ventures are shown in the item “share of profit or loss of equity-accounted investments” in the amount of EUR 111.6 million in the consolidated income statement of the financial year 2024. The accurate measurement of construction contracts and the proper recognition of the resulting revenue and earnings are crucial for the presentation of the financial position and profitability of the Group.

Revenue is recognized in accordance with IFRS 15, based on the progress of performance, which is determined over time using the output-oriented revenue recognition method. The assessment of the period during which performance obligations are fulfilled, therefore, has a significant impact on revenue recognition and the deferral of revenue and earnings. Revenue and earnings are recognised based on the stage of completion of the contract that has already been executed. This method requires significant estimates and assumptions by management, particularly regarding the fulfilment of performance obligations, project progress, and expected total revenues, including additions to projects. Such estimates are inherently subject to uncertainties and require professional judgment, especially in long-term and complex construction projects and changes during the project lifecycle. These changes can lead to deviations from the initial estimates and assumptions made by management concerning the agreed-upon revenues, the expected future revenues, and the anticipated results. Furthermore, there is a risk that receivables from construction contracts and joint ventures may not be collectible.

Against this backdrop and given the complexity of the measurement and the underlying estimates and assumptions, we considered this matter to be a key audit matter in the course of our audit.

Audit approach and key observations

Our audit approach included procedures aimed at assessing the accuracy of the recognition of revenues and earnings from construction contracts as well as evaluating the measurement of these contracts:

1. **Understanding of the systems, processes and internal controls:** We developed an understanding of the systems, internal processes, and controls related to the recognition of revenues and earnings from, as well as the measurement of, construction contracts. Our focus was on understanding the design and implementation of the relevant IT systems, processes, policies, and methods, especially regarding approval before contract acceptance, correct contract setup, allocation of material and personnel costs as well as proceeds to projects, estimation of progress, and examining how IT systems and internal controls support the requirements of IFRS 15.
2. **Test of operating effectiveness of internal controls:** We conducted an audit to assess the effectiveness of selected internal controls related to the recognition of revenues and earnings from, and the measurement of, construction contracts. In doing so, we specifically reviewed the approval processes prior to contract acceptance, the correct setup of contracts, and the accurate allocation of material and personnel costs to the respective projects.
3. **Audit of selected projects:** We selected a sample of construction projects and projects from joint ventures, both risk-based and randomly, which we subjected to individual audit procedures. In the risk-based selection, we considered projects with a high degree of complexity and significant estimates to understand how revenues and earnings were recognized and how the construction contracts were measured. Furthermore, we also reviewed the consideration of contractual terms, such as delay and penalty clauses, as well as the recognition of additions. We held discussions with project managers and management and reviewed ongoing project reports to validate the underlying assumptions. In doing so, we critically assessed the judgments and discretionary decisions made by management regarding revenue and earnings recognition and the measurement of construction contracts.
4. **Subsequent events:** To assess the appropriateness of the estimates and recognised revenues and earnings, we analysed subsequent events. This analysis helped us validate the assumptions made by management or identify adjustments that needed to be included in the consolidated financial statements.
5. **Notes:** We examined whether the disclosures required by IFRS 15 in the notes to the consolidated financial statements contain all necessary explanations related to revenues, earnings from, and the measurement of construction contracts, as well as adequately describe the significant estimation uncertainties.

The processes, estimates, and assumptions applied by management in relation to the recognition of revenues and earnings from, as well as the measurement of construction contracts, align with our expectations and are in accordance with the applicable accounting standards.

Reference to related disclosures

The disclosures regarding revenues and earnings from, as well as the measurement of construction contracts, can be found in the explanations of Accounting policies in the chapter “Revenue recognition”, as well as in the explanations of the items in the consolidated income statement in the chapters “1. Revenue” and “6. Shares of profit or loss of equity-accounted investments”.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual and Sustainability Report 2024, but does not include the consolidated financial statements, the management report for the Group and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Audit Committee for the consolidated financial statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs) and the additional regulations of section 245a Austrian Company Code, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group’s financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, on measures taken to eliminate identified threats or on applied safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Comments on the management report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations. Regarding the consolidated non-financial statement contained in the management report for the Group, it is our responsibility to examine whether it has been prepared, to read it and to consider whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian standards on auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the applicable legal regulations, comprising the details in accordance with section 243a UGB, and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional information in accordance with Article 10 of the EU Regulation

We were elected as statutory auditor at the ordinary general meeting dated 14 June 2024. We were appointed by the Supervisory Board on 23 July 2024. We have audited the company for an uninterrupted period since 31 December 2024.

We confirm that the audit opinion in the "Report on the consolidated financial statements" section is consistent with the additional report to the Audit Committee referred to in Article 11 of the EU Regulation.

We declare that no prohibited non-audit services (Article 5 para. 1 of the EU Regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible engagement partner

Responsible for the proper performance of the engagement is Gabor Krüpl, Austrian Certified Public Accountant.

Vienna

4 April 2025

PwC Wirtschaftsprüfung GmbH
qualified electronically signed:
Gabor Krüpl
Austrian Certified Public Accountant

This document has been qualified electronically signed and is only valid in this version. This report is a translation of the original report in German, which is solely valid. Publication and sharing with third parties of the consolidated financial statements together with our auditor's report is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This auditor's report is only applicable to the German and complete consolidated financial statements with the management report for the Group. For deviating versions, the provisions of section 281 para. 2 UGB apply.

Individual financial statements as at 31 December 2024

2024

Balance sheet as at 31 December 2024

	31.12.2024	31.12.2023
	€	T€
Assets		
A. Non-current assets:		
I. Tangible assests:		
1. other facilities, furniture and fixtures and office equipment	1,137,403.02	1,028
2. advance payments made	25,452.80	0
	1,162,855.82	1,028
II. Financial assests:		
1. Investments in subsidiaries	2,577,931,220.73	2,579,964
2. Investments in participation companies	24,017,953.70	24,267
3. Loans to participation companies	58,864,578.44	68,525
4. other loans	24,975.32	25
	2,660,838,728.19	2,672,780
	2,662,001,584.01	**2,673,808**
B. Current assets:		
I. Accounts receivable and other assets:		
1. Receivables from subsidiaries	616,264,256.73	597,442
thereof with a remaining term more than one year	265,513,990.40	272,114
2. Receivables from participation companies	1,825,026.16	5,273
3. other receivables and assets	18,530,496.49	21,348
thereof with a remaining term more than one year	14,156,832.01	17,719
	636,619,779.38	624,063
II. Cash assets, including bank accounts	192,510.19	214
	636,812,289.57	**624,277**
C. Accruals and deferrals	**10,327,246.00**	**10,806**
D. Deferred tax assets	**11,284,852.00**	**9,577**
Group	**3,320,425,971.58**	**3,318,468**

	31.12.2024	31.12.2023
	€	T€
Equity and liabilities		
A. Equity:		
I. called up and paid in nominal capital (share capital):		
1. subscribed nominal capital (share capital)	118,221,982.00	102,600
2. less nominal value of own shares	-2,779,006.00	-2,779
	115,442,976.00	99,821
II. Capital reserves		
1. committed	809,340,923.51	824,963
2. not committed	996,620,004.30	996,620
	1,805,960,927.81	1,821,583
III. Retained earnings:		
1. legally required reserves	72,672.83	73
2. voluntary reserves	644,186,292.26	530,458
	644,258,965.09	530,531
IV. Reserves for own shares	2,779,006.00	2,779
V. Unappropriated net profit	295,554,955.00	260,088
thereof profit brought forward	6,113,813.20	0
	2,863,996,829.90	**2,714,802**
B. Provisions:		
1. Provistions for taxes	19,530.00	28
2. other provisions	21,138,203.00	14,248
	21,157,733.00	**14,276**
C. Accounts payable		
1. Bank borrowings	13,022.54	0
thereof with a remaining term up to one year	13,022.54	0
2. Trade payables	1,987,579.39	3,089
thereof with a remaining term up to one year	1,987,579.39	3,089
3. Payables to subsidiaries	45,525,274.20	163,521
thereof with a remaining term up to one year	45,525,274.20	163,521
4. Payables to participation companies	730,734.18	586
thereof with a remaining term up to one year	730,734.18	586
5. other payables	387,014,798.37	422,193
thereof taxes	657,130.18	1,337
thereof social security liabilities	31,555.15	36
thereof to shareholder with frozen shareholder rights	386,032,513.54	340,575
thereof with a remaining term up to one year	387,014,798.37	422,193
	435,271,408.68	**589,390**
thereof with a remaining term up to one year	435,271,408.68	589,390
Group	**3,320,425,971.58**	**3,318,468**

Income statement for the 2024 financial year

	2024	2023
	€	T€
1. Revenue (Sales)	87,178,994.41	88,280
2. other operating income:		
a) Income from disposal of and reversal of impairment losses of non-current assets other than financial assets	0.00	38
b) miscellaneous	1,347.27	1,580
	1,347.27	**1,618**
3. Cost of materials and services:		
a) Materials	-15,909.49	-68
b) Services	-25,129,397.20	-24,114
	-25,145,306.69	**-24,182**
4. Employee benefits expense:		
a) Salaries	-10,170,849.79	-9,905
b) social expenditures	-1,188,416.76	-1,412
therof contributions to employee benefit plans	-127,349.28	-166
thereof social security contributions, as well as payroll-related and other mandatory contributions	-530,104.99	-841
thereof other social ependitures	-530,962.49	-406
	-11,359,266.55	**-11,317**
5. Depreciation	-40,102.20	-27
6. Other operating expenses:		
a) Taxes other than those included in item 15	-252,396.82	-195
b) miscellaneous	-34,415,929.67	-34,681
	-34,668,326.49	**-34,876**
7. Subtotal of items 1 through 6 (operating result)	**15,967,339.75**	**19,497**
8. Income from investments	370,235,869.78	290,013
thereof from subsidiaries	368,184,198.65	288,364
9. other interests and similar income	17,167,735.94	17,593
thereof from subsidiaries	10,469,625.54	11,453
10. Income from disposal and write-up of financial assets and marketable securities	25,911,576.05	216
11. Expenses related to financial assets:		
a) Depreciation from subsidiaries	-5,080,768.00	-959
b) other depreciation	-5,646,884.75	-100
c) other expenses from subsidiaries	-6,600,000.00	-344
d) other	-3,770,000.00	-410
	-21,097,652.75	**-1,813**
12. Interests and similar expenses	-5,535,324.09	-11,326
thereof from subsidiaries	-4,770,071.98	-10,566
13. Subtotal of item 8 through 12 (financial result)	**386,682,204.93**	**294,683**
14. Result before taxes (Subtotal of item 7 and item 13)	**402,649,544.68**	**314,180**
15. Taxes on income and gains	519,661.78	653
thereof income tax	-960,565.01	423
thereof tax allocation	-227,592.21	2,996
thereof deferred taxes	1,707,819.00	-2,766
16. Income after Taxes = net income for the year	**403,169,206.46**	**314,833**
17. Allocation to retained earnings (voluntary reserves)	-113,728,064.66	-54,745
18. Profit for the period	**289,441,141.80**	**260,088**
19. Profit brought forward	6,113,813.20	0
20. Unappropriated net profit	**295,554,955.00**	**260,088**

Notes to the 2024 financial statements of STRABAG SE, Villach

I. Application of Austrian Business Enterprise Code

The Management Board of the company prepared these financial statements as of 31 December 2024 in accordance with the Austrian Business Enterprise Code (UGB).

In preparing the present financial statements, the previous method of presentation was maintained.

Where an asset or liability relates to more than one item in the balance sheet, the relationship of such asset or liability to the relevant items is disclosed in the notes.

The income statement was prepared in report form using the nature of expense method.

Additional information was provided in the notes as far as was necessary to ensure a true and fair view of the financial position, financial performance and cash flows.

The company is the topmost parent company of the companies within the scope of consolidation of STRABAG SE, Villach. The consolidated financial statements are deposited with the Landes- als Handelsgericht Klagenfurt (District and Commercial Court Klagenfurt).

The company is a large corporation (Kapitalgesellschaft) as defined by Sec 221 of the Austrian Business Enterprise Code (UGB).

II. Accounting policies

General principles

The financial statements were prepared in accordance with the “principles of orderly accounting” and following the general norm of presenting a true and fair view of the financial position, financial performance and cash flows.

The financial statements were prepared in conformity with the “principle of completeness”.

Individual assets and liabilities were measured in accordance with the “principle of individual valuation”.

The financial statements were prepared in accordance with the “principle of prudence” by only reporting profit which was realized on the balance sheet date. All recognizable risks and impending losses which occurred in 2024 or an earlier financial year were taken into consideration.

Estimates are based on a conservative assessment. If statistically measurable experiences from similar circumstances are available, these were considered when making the estimates.

The previously applied accounting policies were kept.

Notes on macroeconomic developments

The market environment for the construction industry will remain challenging in 2024 due to higher construction prices and persistently high energy prices and interest rates.

Viewed by segment, the markets in which the STRABAG Group operates developed along different lines. Transportation infrastructures and civil engineering both proved to be largely stable. In Germany, large-scale energy transition projects, particularly for the construction of power transmission lines, picked up speed, effectively balancing out the further cuts that were announced in motorway construction.

The building construction sector, on the other hand, saw a significant decline in residential construction in particular, which suffered a severe downturn in both Austria and Germany. The decline was particularly pronounced in Austria due to a combination of higher mortgage rates and stricter lending guidelines in comparison to other European countries.

Apart from Hungary, where the situation remains difficult due to frozen EU funds and an overall declining construction market, the Group’s core markets in Eastern Europe developed positively overall. Poland in particular benefited from the release of EU funds and achieved strong growth rates. Business outside Europe also showed an overall stable development.

Impact of climate change

The climate crisis is one of the most pressing challenges of our time, bringing with it increasing economic impacts and risks for businesses in the future.

The STRABAG SE Group is heavily dependent on fossil fuels. These are used to operate the production plants (concrete plants, asphalt mixing plants, quarries and gravel pits) and construction machinery, as well as the vehicle fleet.

Stricter regulations and higher prices resulting from CO_2 pricing present the risk of volatile and higher energy and commodity prices that cannot be fully passed on to customers.

Stricter environmental protection regulations and additional expenses for climate-friendly business processes are expected to lead to cost increases and a further rise in construction prices.

The risk exists that fewer contracts will be awarded, particularly for the construction of new roads, due to a change in public investment habits and stricter zoning laws, which will have to be compensated for by contracts in other business areas.

Demand is set to increase for sustainable buildings that take life-cycle considerations into account as well as for reconstruction, conversion and refurbishment work on existing buildings and the circularity of the built environment. Public sector clients are starting to issue tenders that include sustainability as an evaluation criterion. This will lead to an increased demand for sustainable building materials, which, however, do not yet exist or are not yet available in sufficient quantities.

The increase in extreme weather events will lead to construction delays and increased insurance costs.

The property and facility services business will increasingly offer green services using sustainable cleaning agents and environmentally friendly equipment in the future. The higher average temperatures are expected to result in an increased need for refurbishment and modernisation at IT locations for telecommunications and at data centres.

In the field of project development services, more projects related to renewable energies will be put out to tender in the future.

In total, the risks to assets and liabilities resulting from climate change can nevertheless be classified as comparatively low. Consequently, there are no risks that could jeopardise the continuation of the company as a going concern.

On the contrary, the construction sector, as a result of the construction and technology measures required to adapt to climate change, will make a significant contribution to protecting ourselves against the expected impacts.

The increasing demand for climate-resilient construction and refurbishment as well as the development of new business models for the generation and use of renewable energy sources are seen as key opportunities in this regard.

As part of the sustainability strategy adopted in the 2021 financial year, STRABAG has set itself the goal of achieving climate neutrality along the entire value chain by the year 2040. When designing and building construction projects, the company focuses on ecologically compatible, sustainable construction methods as well as on the efficient use of resources and their recycling in order to limit any negative impact of construction on the environment as far as possible.

Non-current assets

Property, plant and equipment

Property, plant and equipment are valued at historical cost less accumulated depreciation. In line with the relevant tax legislation, the company takes a full year’s depreciation for acquisitions during the first six months of the year and a half year’s depreciation for acquisitions during the second six months of the year.

The depreciation is calculated using the straight-line method over the following useful lives:

	Years	
	from	to
Other facilities, furniture and fixtures and office equipment	4	15

Low-value assets (individual cost up to € 1,000.00 / previous year: up to € 1,000.00) are depreciated in full in the year in which they are acquired.

Extraordinary depreciation on a lower fair value measurement at the reporting date is undertaken where the impairment is considered permanent.

Financial assets

Financial assets are valued at cost or a lesser fair value if one is attributable where the impairment is considered permanent.

In a first step, the carrying amount of the investments in affiliated and participation companies, taking into account receivables from subsidiaries and receivables from partcipation companies, is compared with the proportionate share in equity at the reporting date. In case the carrying amount exceeds the proportionate share in equity, an impairment test of the investment based on discounted cashflows, which significantly depent on future revenue and margin projections and on the basis of derived discount rates, is performed. This valuation is subject to significant uncertainty.

Loans are measured at historical cost. Lower values are recognized for permanent or significant impairment losses.

Increases in non-current assets

The value of non-current assets is increased where there is no more cause for depreciation. The increase is carried out up to a maximum of the amortised cost, taking into account the regular depreciation that would have had to be carried out in the meantime.

Current assets

Accounts receivable and other assets

Trade and other receivables are reported at nominal value.

The valuation of foreign currency receivables follows the “strict lowest value principle”.

Individual value adjustments are made for recognizable risk.

Increases in current assets

Reversals of depreciation for current assets are done where there is no more cause for depreciation.

Deferred taxes

Deferred taxes are recognized in accordance with Sec 198 Para 9 and 10 UGB using the balance sheet concept without discounts using the future corporate income tax rate of 23 % (previous year: 23 %). No deferred tax assets are recognized for tax loss carryforwards.

Provisions

All recognizable risks and impending losses were taken into account in the calculation of provisions in accordance with the legal framework.

Other provisions

Under application of the “principle of prudence”, all recognizable risks at the date of balance sheet creation as well as liabilities of uncertain timing or amount were recognized in the item “Other provisions” at the value required according to reasonable entrepreneurial assessment.

Liabilities

Liabilities are valued at their settlement value.

Foreign currency liabilities are measured in accordance with the strict “highest value principle”.

III. Notes to the balance sheet

Non-current assets

The non-current assets are itemized and their changes in the year under report are recorded in the statement of changes in non-current assets (Appendix 1 to the Notes).

Information on investments can be found in the list of participations (Appendix 2 to the Notes).

Of the loans, an amount of € 5,221,599.00 (previous year: T€ 5,272) is due within the next year.

Accounts receivable and other assets

Receivables from subsidiaries involve financing, routine clearing, the calculation of intra-group and clearing of tax allocations and transfers of profits.

The item “Other receivables and assets” includes income of € 210,546.30 (previous year: T€ 286) which will be cash effective after the balance sheet date.

Prepaid expenses

Prepaid Expenses mainly relate to an accrual for sponsoring in the amount of € 9,875,000.00 (previous year: T€ 10,000).

Deferred tax assets

Deferred tax assets were recognized on the reporting date for temporary differences between the tax base and the carrying amount for the following items:

	31.12.2024	31.12.2023
	€	T€
Tangible assets	3,333.00	2
Remaining seventh from depreciation of participation	38,775,239.00	35,013
Provisions	10,286,000.00	6,516
Liabilities	0.00	108
Total	**49,064,572.00**	**41,639**
Resulting deferred taxes on 31.12. (23 % / previous year 23%)	**11,284,852.00**	**9,577**

The deferred taxes developed as follows:

	2024	2023
	€	T€
Balance on 1.1.	**9,577,033.00**	**12,343**
Change in profit or loss	1,707,819.00	-2,766
Balance on 31.12.	**11,284,852.00**	**9,577**

Equity

The fully paid-in share capital as at 31 December 2024 amounts to € 118,221,982.00 and is divided into 118,221,979 no-par bearer shares and three registered shares.

Various capital measures were adopted by the **Annual General Meeting of STRABAG SE held on 16 June 2023** to reduce the stake of minority shareholder MKAO "Rasperia Trading Limited" from 27.8% to below 25%. The full text of the resolutions is available on the website of STRABAG SE at www.strabag.com.

The capital measures are summarised below:

Capital increase (capital adjustment) from company funds

The share capital of the Company of € 102,600,000.00 was increased by € 1,900,000,000.00 to € 2,002,600,000.00 from company funds without the issue of new shares.

Ordinary capital reduction for the purpose of allocation to non-committed capital reserves

The share capital of the Company after the capital adjustment in the amount of € 2,002,600,000.00 was reduced by € 996,620,004.30 to € 1,005,979,995.70 for the purpose of allocation to non-committed reserves of the Company ("Capital reduction for the purpose of allocation to non-committed reserves").

Ordinary capital reduction with the option of subscribing for new shares against a non-cash contribution of the distribution entitlements

The share capital of the Company was reduced from € 1,005,979,995.70 by € 903,379,995.70 to € 102,600,000.00 for the purpose of repaying the reduction amount to the shareholders of the Company ("capital reduction for the purpose of distribution"). The distribution entitlement resulting from the capital reduction in the amount of € 9.05 per no-par share entitled to distribution ("distribution entitlement") was paid in cash or, at the option of each shareholder, in new shares of the Company issued in connection with the non-cash capital increase.

Ordinary non-cash increase of the share capital of the Company

The share capital of the Company was increased by up to € 24,955,248.00 through the issue of up to 24,955,248 new no-par bearer shares (ordinary shares), each with a pro-rata amount of the share capital of € 1.00 (hereinafter "new shares"), against non-cash contributions through the waiver of distribution entitlements.

The shareholders were granted the legal subscription rights. The subscription ratio was set at 1:4 (1 new share for 4 existing shares) ("subscription ratio") and the subscription price per new share at € 36.20 ("subscription price"). The contribution in kind to be made for the subscription of each new share therefore comprised 4 distribution entitlements in the nominal amount of € 9.05 per share entitled to distribution.

The minority shareholder MKAO "Rasperia Trading Limited" is controlled by Russian businessman Oleg Deripaska. Due to the EU sanctions against Oleg Deripaska, the shares of MKAO "Rasperia Trading Limited" in STRABAG SE and all rights associated with these shares, including voting rights and dividend entitlements, are frozen. Consequently, MKAO "Rasperia Trading Limited" was not entitled to a rights offer for new shares in respect of its 28,500,001 ordinary shares.

The subscription period for choosing the share option ended on 29 September 2023. As contractually agreed in advance, the core shareholders – the Haselsteiner family, UNIQA and Raiffeisen – chose to exercise the share-based option. Additionally, 26.4% of STRABAG SE's free float shareholders also opted to receive new shares. As a result, shareholders representing 87.6% of the eligible shares chose the share-based option. This corresponds to 60.9% of the company's share capital.

Consequently, only the capital reduction amount of € 337,864,220.15 attributable to the distribution option was represented as a decrease in equity and other liabilities in the individual financial statements as at 31 December 2023.

15,621,982 new shares were issued as part of the ordinary non-cash capital increase in March 2024, increasing the share capital by 15.2% from € 102,600,000.00 to € 118,221,982.00. The share capital increase was entered into the commercial register on 21 March 2024. With this date, the increase in share capital can be recognised in the balance sheet. The stake held by minority shareholder MKAO "Rasperia Trading Limited" was thus reduced from 27.8% to 24.1%.

Payment of the dividend from the capital reduction in the amount of € 79,939,211.10 to the free float, which had opted against the share option, was completed on 3 December 2024.

The € 257,925,009.06 attributable to minority shareholder MKAO "Rasperia Trading Limited" remains frozen due to the sanctions provisions and therefore continues to be recognised under other liabilities.

All of the capital measures adopted by the Annual General Meeting on 16 June 2023 are now legally effective. MKAO "Rasperia Trading Limited" (Rasperia) had contested the resolutions on the capital measures. Following dismissal of the appeal by the Higher Regional Court of Graz, Rasperia ultimately decided not to file a challenge with the Supreme Court of Justice. As a result, the legal proceedings have been conclusively brought to an end.

The following resolutions were passed at the **Annual General Meeting of STRABAG SE held on 14 June 2024:**

Resolution concerning the authorisation of the Management Board to increase capital pursuant to Section 169 of the Austrian Stock Corporation Act (AktG) (authorised capital) against cash contributions and/or contributions in kind, including authorisation of the Management Board to exclude subscription rights, and amendment of Article 4 (1) of the Articles of Association

For a period of five years after entry of the corresponding amendment to the Articles of Association in the Commercial Register pursuant to Section 169 of the Austrian Stock Corporation Act (AktG), the Management Board is authorised, subject to the approval of the Supervisory Board, to increase the share capital by up to € 59,110,991.00 by issuing up to 59,110,991 new bearer shares in the company against cash contributions and/or contributions in kind, including in multiple tranches, and, by agreement with the Supervisory Board, to determine the issue price, which may not be less than the proportionate amount of the share capital, the issue terms and the further details of the implementation of the capital increase and, if necessary, to offer the new shares to shareholders for subscription by way of an indirect subscription right pursuant to Section 153 (6) AktG.

The Management Board is authorised, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights in full or in part (i) if the capital increase is made against a cash contribution, (ii) if the capital increase is made against a contribution in kind, (iii) to service an over-allotment option (greenshoe), or (iv) to balance out fractional amounts. The total shares issued against cash contributions in accordance with this authorisation, excluding shareholders' subscription rights, may not arithmetically correspond to a share of the capital exceeding the total amount of € 11,822,198.00, which corresponds to around 10% (ten percent) of the company's share capital. The Supervisory Board is authorised to adopt amendments to the Articles of Association resulting from the issue of shares from authorised capital.

Resolution concerning cancellation of the existing and unused conditional capital (Section 159 (2) no. 1 AktG) for the issue of shares to creditors of financial instruments in accordance with the resolution of the Annual General Meeting of 15 June 2012 and the amendment of Article 4 (7) of the Articles of Association

The conditional increase of the share capital of the company pursuant to Section 159 (2) no. 1 of the Austrian Stock Corporation Act (AktG) by up to € 50,000,000.00 through the issue of up to 50,000,000 new shares for issue of financial instruments as approved by the Annual General Meeting from 15 June 2012 has been cancelled.

Resolution to authorise the Management Board

a) to acquire own shares, pursuant to Section 65 (1) no. 8 as well as subsections 1a and 1b AktG, on the stock exchange, by public tender or in any other manner, to the extent of up to 10% of the share capital, excluding any proportionate selling rights that may accompany such an acquisition (reverse exclusion of subscription rights),

b) to reduce the share capital by withdrawing own shares acquired without a further resolution by the General Meeting, and

c) to sell or assign own shares pursuant to Section 65 (1b) AktG in a manner other than on the stock market or through public tender

(1) The authorisation of the Management Board granted at the 18th Annual General Meeting on 24 June 2022 to acquire own shares shall be cancelled to the extent not utilised and the Management Board shall be authorised simultaneously, pursuant to Section 65 (1) no. 8 as well as subsections 1a and 1b AktG, to acquire no-par value bearer or registered shares of the company on the stock exchange, by public tender or in any other manner to the extent of up to 10% of the share capital during a period of 30 months from the date of this resolution at a minimum price of € 1.00 per share (= calculated value of one share in proportion to the share capital) and a maximum price of no more than € 43.00 per share. The purpose of the acquisition may not be to trade with own shares. This authorisation may be exercised in full or in part or in several partial amounts, and in pursuit of one or several purposes by the company, by a subsidiary (Section 189a no. 7 of the Austrian Commercial Code (UGB)) or by third parties acting on behalf of the company. The authorisation may be exercised once or several times. The authorisation shall be exercised by the Management Board in such a way that the proportion of the share capital associated with the shares acquired by the company on the basis of this authorisation or otherwise may not exceed 10% of the share capital at any time. An acquisition may be decided by the Management Board; the Supervisory Board must be subsequently informed of this decision.

(2) The Management Board shall be authorised, with regard to the acquisition of no-par value bearer or registered shares of the company in accordance with resolution item 1, to exclude the shareholders' proportionate selling rights that may accompany such an acquisition (reverse exclusion of subscription rights). An acquisition with exclusion of the proportionate selling rights (reverse exclusion of subscription rights) is subject to the prior approval of the Supervisory Board.

(3) The authorisation of the Management Board granted at the 18th Annual General Meeting on 24 June 2022 to withdraw own shares shall be cancelled to the extent not utilised and the Management Board shall be authorised to withdraw, with the approval of the Supervisory Board, all or part of the own shares acquired by the company without a further resolution by the General Meeting.

(4) The authorisation of the Management Board granted at the 18th Annual General Meeting on 24 June 2022 to sell own shares shall be cancelled to the extent not utilised and the Management Board shall be authorised, for a period of five years from this resolution, to sell or assign its own shares, with approval by the Supervisory Board, pursuant to Section 65 (1b) AktG in a manner other than on the stock market or through public tender, to the exclusion of the shareholders' buyback rights (subscription rights), and to determine the conditions of sale. This authorisation may be exercised once or several times, in full or in part or in several partial amounts, and in pursuit of one or several purposes by the company, by a subsidiary (Section 189a no. 7 of the Austrian Commercial Code (UGB)) or by third parties acting on behalf of the company.

The complete resolutions are available on the website of STRABAG SE at www.strabag.com.

Mandatory offer by core shareholders

On 18 August 2022 Haselsteiner Familien-Privatstiftung, RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung and UNIQA Österreich Versicherungen AG informed STRABAG SE of their intention, as bidders, to make a mandatory (anticipatory) public offer pursuant to Section 22 et seq of the Austrian Takeover Act (ÜbG) for the acquisition of all outstanding no-par value bearer shares of STRABAG SE (ISIN AT0000STR1) not held by the bidders or by legal entities acting in concert with the bidders, with an offer price of € 38.94 per STRABAG share.

The offer was also intended to remove the restriction on voting rights of the bidders (and the legal entities acting jointly with them) that existed at the time to a total of 26%, which arose due to a passive acquisition of control because of the European sanction restrictions on MKAO "Rasperia Trading Limited".

Agreement on the acquisition of own shares by STRABAG SE

STRABAG SE has agreed with the bidders to acquire, as own shares, up to 10,260,000 of the shares included in the offer, representing up to 10% of the share capital, at the same price as the offer price (€ 38.94). The bidders will acquire these shares in the course of the offer in trust for STRABAG SE.

This agreement is based on the resolution adopted by the General Meeting on 24 June 2022 authorising the Management Board to buy back own shares.

STRABAG SE acquired 2,779,006 shares under the share purchase agreement on 9 February 2023. The acquisition costs for the own shares therefore amounted to a total of € 108,214,493.64.

Provisions

Other provisions were made for profit sharing in the amount of € 9,186,695.00 (previous year: T€ 7,289), investment risks in the amount of € 10,286,000.00 (previous year: T€ 6,515) and claims in the amount of € 1,665,508.00 (previous year: T€ 443).

Accounts payable

Payables to subsidiaries involve liabilities from cash-clearing, routine clearing and clearing of tax allocation.

The item "Other payables" includes expenses in the amount of € 831,796.93 (previous year: T€ 1,361) which will be cash effective after the balance sheet date.

Other liabilities to shareholder with frozen shareholder rights

The minority shareholder MKAO "Rasperia Trading Limited" (Rasperia) was – at least until 22 March 2024 – controlled by Russian businessman Oleg Deripaska. As a result of the EU sanctions against Oleg Deripaska, there has been no significant influence since 8 April 2022, so that Rasperia no longer constitutes a related party. The stake held by Rasperia currently amounts to 24.1%.

On 19 December 2023, the Management Board of STRABAG SE was informed by the Russian joint stock corporation Iliadis JSC and Oleg Deripaska, by means of a major holdings notification pursuant to Sections 130ff of the Austrian Stock Exchange Act (BörseG), that Iliadis JSC on 14 December 2023 had concluded a purchase agreement for 100% of the shares in Rasperia, although this transaction had not yet been carried out.

On 26 March 2024, the company was informed by means of major holdings notifications pursuant to Sections 130ff of the Austrian Stock Exchange Act (BörseG) that the transaction in Russia that had been announced in December 2023 had been completed and that Rasperia had been transferred to Iliadis JSC. According to these notifications, Rasperia, with its 24.1% stake in STRABAG SE, is now controlled by Iliadis JSC, and Oleg Deripaska has relinquished his previous (indirect) control.

Rasperia (and Iliadis JSC) was (were) added to the U.S. sanctions list by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) in May 2024 and to the EU sanctions list by Council Implementing Regulation (EU) 2024/1842. Rasperia's 24.1% stake in STRABAG SE remains frozen.

A dividend of € 2.20 per share was approved at the Annual General Meeting of 14 June 2024. As the dividend claims from the shares held by Rasperia are frozen due to the sanctions imposed, the dividend attributable to Rasperia less capital gains tax in the amount of T€ 45,458 was, as in previous years, not paid out. As at 31 December 2024, unpaid dividend claims amounting to T€ 128,108 (31 December 2023: T€ 82,650) are therefore reported as other liabilities.

The distribution entitlement attributable to Rasperia from the capital reduction, amounting to T€ 257,925, is recognised as other liabilities and will also continue to be withheld due to the existing sanctions.

In close coordination with STRABAG SE, the Austrian core shareholders in October 2024 filed a claim against Rasperia with a court of arbitration in Amsterdam concerning the rights of first refusal laid out in the 2007 syndicate agreement. The court must now clarify the following questions, among others:

- the validity of the rights of first refusal beyond termination of the 2007 syndicate agreement
- the triggering of first refusal rights through change of control
- the possibility to transfer shares under compliance with sanctions regimes

In 2007, the Austrian core shareholders and Rasperia concluded a syndicate agreement which, among other things, provided for the nomination of Supervisory Board members and the coordination of voting results at the Annual General Meeting. In the event of a change of control affecting one shareholder, the agreement also granted rights of first refusal to the other syndicate partners. The court of arbitration in Amsterdam specified in the syndicate agreement must now clarify whether the right of first refusal remains valid following termination of the syndicate agreement on 31 December 2022. The court must also determine whether the sale of Rasperia to Iliadis JSC has resulted in a change of control and whether Rasperia would therefore be required to tender its shares in STRABAG to the core shareholders or transfer these accordingly.

According to the major holdings notification from 26 March 2024, Oleg Deripaska has relinquished his control of Rasperia – i.e. from STRABAG's point of view, and presumably also from the point of view of Rasperia and Oleg Deripaska himself, a change of control has taken place. STRABAG expects a ruling from the court of arbitration in 2026.

Several questions must still be clarified before a ruling can be enforced, however. Among other things, clarification is required with the relevant national and international authorities as to whether and how the right of first refusal can be implemented in compliance with the sanctions regimes. STRABAG, confident that it must take an active role in answering these questions, will take all necessary steps to achieve this important goal for our company and ultimately for all of our shareholders.

STRABAG SE on 16 December 2024 received and published major holdings notifications from Iliadis JSC and MKAO Valtoura Holdings Limited (Valtoura). According to these notifications, the STRABAG shareholder Rasperia was transferred back from Iliadis JSC to its former parent company Valtoura. STRABAG does not expect the renewed change of ownership to have any immediate impact on STRABAG SE, as Rasperia itself is subject to sanctions by both the EU and the US and the STRABAG shares held by Rasperia will remain frozen in any case.

Contingent liabilities

	31.12.2024	31.12.2023
	€	T€
Sureties/Guarantees	53,898,048.15	127,499
Cash-Clearing Liabilities	1,730,438,835.30	1,466,448
Total	**1,784,336,883.45**	**1,593,947**
thereof with subsidiaries	1,752,929,242.81	1,529,369

In the 2020 financial year, the company issued an irrevocable, unconditional, unrestricted and unlimited warranty statement to secure any payment obligations of the cash-clearing participants towards STRABAG BRVZ GmbH, Spittal an der Drau. The total amount of the obligations of the cash-clearing participants towards STRABAG BRVZ GmbH as of 31 December 2024 is € 556,521,088.86 (previous year: T€ 491,638).

In addition, the company issued a hard, unlimited declaration of patronage in the 2020 financial year to cover all obligations of STRABAG BRVZ GmbH, Spittal an der Drau, toward the participants from cash-clearing. The obligations of STRABAG BRVZ GmbH from the cash-clearing as of 31 December 2024 amount to € 1,173,917,746.44 (previous year: T€ 974,810).

In addition, there are letters of comfort for individual construction projects as well as performance bonds in the amount of € 1,032,597,893.90 (previous year: T€ 1,074,203).

Due to long-term rentals, letting and leasing, the use of property, plant and equipment not shown in the balance sheet results in an obligation of € 8,893,460.40 (previous year: T€ 8,754) for the 2025 financial year. The sum of all obligations for the next five years is € 44,467,302.00 (previous year: T€ 43,769).

IV. Notes to the income statement

Revenues (sales)

	2024	2023
	€	T€
Domestic revenue	39,772,613.62	41,364
Foreign revenue	47,406,380.79	46,916
Total	**87,178,994.41**	**88,280**

The revenue, which mostly involves the clearing of intra-group allocations as well as the pass-through of guarantee fees, insurance and rental costs, is generated domestically and abroad.

Employee benefits expense

The company employed on the average 5 employees during the year (previous year: 5 employees).

The salaries of the Management Board members in the 2024 financial year amounted to T€ 9,953 (previous year: T€ 9,953).

Of the benefits paid to company pension funds, T€ 127 (previous year: T€ 166) related to members of the Management Board.

Other operating expenses

Supervisory Board member salaries in the period under review amounted to € 238,027.00 (previous year: T€ 240).

The other operating expenses reported mainly include surety fees, legal and advisory costs, travel and advertising costs, insurance costs and other general administrative expenses.

Taxes on income and gains

Based on the rules developed by the OECD for the introduction of a global minimum tax, the EU on 22 December 2022 adopted a directive on a global minimum level of taxation. In Austria, implementation into national law was carried out with the Minimum Tax Act, which became applicable for the first time for the 2024 financial year. The new law requires STRABAG SE to pay additional taxes for its subsidiaries in jurisdictions in which the effective tax rate determined in accordance with Pillar II is below 15%, insofar as an additional tax is not levied in the respective jurisdiction itself.

With Hungary, Bulgaria, Montenegro, Bosnia and the United Arab Emirates, the STRABAG SE Group operates in countries with a nominal tax rate below 15%. With the exception of Montenegro and Bosnia, these countries have introduced a national top-up tax, which has resulted in only minor top-up tax amounts that have been recognised in the local financial statements. The majority of the operating business, however, is conducted in countries with higher tax rates (in particular Germany and Austria). Based on a preliminary analysis of the tax expenses and earnings of the Group companies, no provision for tax expenses under the Pillar II rules had to be recognised in the financial statements for the 2024 financial year.

V. Additional disclosures

Events after the reporting period

Klemens Haselsteiner, the CEO of STRABAG SE, passed away suddenly and unexpectedly on 17 January 2025.

On 27 January 2025, the Management Board of STRABAG SE, with the approval of the Supervisory Board, granted Dr. Hans Peter Haselsteiner general power of attorney for STRABAG SE. On behalf of the Management Board and in consultation with the syndicate partners, Dr. Hans Peter Haselsteiner will support the company in continuing the ongoing transformation process while making his experience available to Klemens Haselsteiner's designated successor. In keeping with Klemens Haselsteiner's vision, the Management Board will continue the far-reaching transformation process initiated under the title "Work On Progress".

On 19 February 2025, the Supervisory Board of STRABAG SE appointed Dipl.-Ing. Stefan Kratochwill as CEO with immediate effect.

Appropriation of net income

The Management Board proposes to pay out a dividend in the amount of € 2.50 per dividend-bearing share for the 2024 financial year.

Other information

The members of the Management and Supervisory Boards are listed separately (Appendix 3 to the Notes).

An agreement was concluded with STRABAG BRVZ GmbH, Spittal an der Drau, covering financial and management accounting, operating and cost accounting, payroll accounting, cash management, insurance management and facility management.

The company is a group parent under Sec 9 Para 8 of the Austrian Corporate Income Tax Act (KStG) of 1988. Tax adjustments (both positive and negative allocations) between the group parent and the company were arranged in the form of tax allocation agreements.

The tax allocation agreement stipulates that the group members pay tax allocations to the group parent in the event of positive annual results. If the group members have negative annual results, they receive a negative tax allocation from the group parent. The tax charges or tax reliefs resulting from the income of the group members are settled annually and when the tax results change.

For the benefit of Mineral Abbau GmbH, Spittal an der Drau, there is a commitment to cover the losses, which may be terminated by giving three months9 notice to the end of the calendar year.

For the benefit of STRABAG AG, Cologne, there is a voluntary transfer of losses as outlined in Sec 302 of the German Stock Corporation Act (dAktG) for the 2025 financial year.

STRABAG SE, acting through a joint holding company together with PORR AG, has signed an assignment agreement for parts of VAMED Group. The object of the acquisition are VAMED-KMB Krankenhausmanagement und Betriebsführungsges.m.b.H. (VKMB) and VAMED Standortentwicklung und Engineering GmbH (VSG), comprising the technical operations management and construction projects of Vienna General Hospital (AKH Wien), the Austrian project development business and VAMED's spa holdings in Austria. The transaction is subject to regulatory approval, including approval by the relevant competition authorities. As of 31 December 2024, approval had not yet been granted. The purchase price for 100% of the shares amounts to approximately € 90 million. The agreement could not be finalised by the contractually agreed date. In March 2025, the STRABAG-PORR consortium therefore entered into supplementary negotiations with the seller in relation to the purchase agreement.

The expenses for the auditor, PwC Wirtschaftsprüfung GmbH, Vienna, for the financial year amount to T€ 973 (previous year: T€ 1,025), of which T€ 199 (previous year: T€ 74) are for the audit of the financial statements, T€ 564 (previous year: T€ 789) for other audit services and T€ 210 (previous year: T€ 162) for miscellaneous services.

In addition, T€ 11 (previous year: T€ 11) were calculated for miscellaneous services to subsidiaries.

The previous year`s figures relate to the auditor KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz.

Villach, 04 April 2025

The Management Board

Dipl.-Ing. Stefan Kratochwill
CEO
Central Staff Divisions and
Central Divisions BMTI, CML, SID, TPA and
ZT

Mag. Christian Harder
CFO
Central Division BRVZ

Dipl.-Ing. (FH) Jörg Rösler
Member of the Management Board
Segment North + West

Dipl.-Ing. Siegfried Wanker
Member of the Management Board
Segment International + Special Divisions

Dipl.-Ing. (FH) Alfred Watzl
Member of the Management Board
Segment South + East

Appendix 1 to the Notes: Statement of changes in non-current assets

Appendix 2 to the Notes: List of participations

Appendix 3 to the Notes: Management and Supervisory Board

Statement of changes in non-current assets as of 31 December 2024

€	Balance as at 1.1.2024	Additions	Transfers	Disposals	**Balance as at 31.12.2024**
	Acquisition and production costs				
I. Tangible assets					
1. other facilities, furniture and fixtures and office equipment	1,323,567.39	149,948.40	0.00	119,808.20	1,353,707.59
2. advance payments made	0.00	25,452.80	0.00	0.00	25,452.80
	1,323,567.39	**175,401.20**	**0.00**	**119,808.20**	**1,379,160.39**
II. Financial assets:					
1. Investments in subsidiaries	2,785,651,810.03	4,207,298.00	0.00	1,839,095.62	2,788,020,012.41
2. Investments in participation companies	36,217,683.57	5,707,495.28	0.00	6,209,331.40	35,715,847.45
3. Loans to participation companies	68,524,884.81	5,340,111.03	0.00	12,100,417.40	61,764,578.44
4. other loans	24,975.32	0.00	0.00	0.00	24,975.32
	2,890,419,353.73	**15,254,904.31**	**0.00**	**20,148,844.42**	**2,885,525,413.62**
Group	**2,891,742,921.12**	**15,430,305.51**	**0.00**	**20,268,652.62**	**2,886,904,574.01**

	Balance as at 1.1.2024	Additions	Reversal of impairment losses	Transfers	Disposals	Balance as at 31.12.2024	**Carrying amount 31.12.2024**	**Carrying amount 31.12.2023**
	Accumulated Depreciation						**Carrying amounts**	
I.								
	296,010.57	40,102.20	0.00	0.00	119,808.20	216,304.57	1,137,403.02	1,027,556.82
	0.00	0.00	0.00	0.00	0.00	0.00	25,452.80	0.00
	296,010.57	**40,102.20**	**0.00**	**0.00**	**119,808.20**	**216,304.57**	**1,162,855.82**	**1,027,556.82**
II.								
1.	205,688,023.68	5,080,768.00	680,000.00	0.00	0.00	210,088,791.68	2,577,931,220.73	2,579,963,786.35
2.	11,951,009.00	2,746,884.75	0.00	0.00	3,000,000.00	11,697,893.75	24,017,953.70	24,266,674.57
3.	0.00	2,900,000.00	0.00	0.00	0.00	2,900,000.00	58,864,578.44	68,524,884.81
4.	0.00	0.00	0.00	0.00	0.00	0.00	24,975.32	24,975.32
	217,639,032.68	**10,727,652.75**	**680,000.00**	**0.00**	**3,000,000.00**	**224,686,685.43**	**2,660,838,728.19**	**2,672,780,321.05**
	217,935,043.25	**10,767,754.95**	**680,000.00**	**0.00**	**3,119,808.20**	**224,902,990.00**	**2,662,001,584.01**	**2,673,807,877.87**

List of investments

(20.00% interest minimum)

Name and residence of the company:	Interest %	Equity/ negative Equity[1] T€	Result of the financial year[2] T€
Investments in subsidiaries:			
“A-WAY Infrastrukturprojektentwicklungs- und -betriebs GmbH”, Spittal an der Drau	100.00	17,444	8,776
“SBS Strabag Bau Holding Service GmbH”, Spittal an der Drau	100.00	289,606	12,020
“Strabag” d.o.o. Podgorica, Podgorica	100.00	7,150	603
Asphalt & Beton GmbH, Spittal an der Drau	100.00	6,921	-1,742
Bau Holding Beteiligungs GmbH, Spittal an der Drau	65.00	1,644,733	127,495
BHG Sp. z o.o., Pruszkow	100.00	2,792	850
CML CHILE SPA, Vitacura	100.00	160[3]	152[3]
CML Construction Services AB, Stockholm	100.00	4	0
CML Construction Services, Antwerpen	100.00	74	15
CML Construction Services A/S, Trige	100.00	84	4
CML Construction Services d.o.o. Beograd, Belgrade	100.00	219	30
CML CONSTRUCTION SERVICES d.o.o., Ljubljana	100.00	-9	-16
CML CONSTRUCTION SERVICES d.o.o., Zagreb	100.00	286	70
CML Construstion Services EOOD, Sofia	100.00	2	6
CML Construction Services GmbH, Cologne	100.00	597	527
CML Construction Services GmbH, Schlieren	100.00	192	13
CML Construction Services GmbH, Vienna	100.00	330	21
CML CONSTRUCTION SERVICES LIMITED, London	100.00	-16	5
CML CONSTRUCTION SERVICES LIMITED, Missisauga	100.00	12[3]	12[3]
CML CONSTRUCTION SERVICES Sp. z o.o., Pruszkow	100.00	1,023	244
CML CONSTRUCTION SERVICE S.R.L., Bologna	100.00	83	29
CML CONSTRUCTION SERVICES s. r. o., Bratislava	100.00	238	36
CML CONSTRUCTION SERVICES s.r.o., Prague	100.00	240	50
CML Construction Services Zrt., Budapest	100.00	334	17
DC1 Immo GmbH, Vienna	100.00	6,020	711
DRP, d.o.o., Ljubljana	100.00	-8,432	-1
ERRICHTUNGSGESELLSCHAFT STRABAG SLOVENSKO s.r.o., Bratislava-Ruzinov	100.00	24,397	303
Erste Nordsee-Offshore-Holding GmbH, Vienna	51.00	109	-28
KMG - KLIPLEV MOTORWAY GROUP A/S, Aarhus	100.00	1,509	253
Mazowieckie Asfalty Sp. z o.o., Pruszkow	100.00	-44[3]	-4[3]
Mineral Abbau GmbH, Spittal an der Drau	100.00	15,827	3,944
OOO “CML”, Moscow	100.00	311	329
PRZEDSIEBIORSTWO ROBOT DROGOWYCH SPOLKA Z OGRANICZONA ODPOWI W LIKWIDACJI, Choszczno	100.00	[4]	[4]
SAT REABILITARE RECICLARE SRL, Cluj-Napoca	100.00	4,488	2,145
SAT SANIRANJE cesta d.o.o., Zagreb	100.00	737	329

Name and residence of the company:	Interest %	Equity/ negative Equity[1] T€	Result of the financial year[2] T€
Investments in subsidiaries:			
SAT SLOVENSKO s.r.o., Bratislava	100.00	1,981	96
SF Bau vier GmbH, Vienna	100.00	10,900	-5,715
STRABAG AG, Schlieren	100.00	-29,904	-6,760
STRABAG AG, Cologne	100.00	1,402,151	401,733
STRABAG Infrastruktur Development, Moscow	100.00	41	59
STRABAG Oy, Helsinki	100.00	1,038	893
STRABAG Real Estate GmbH, Cologne	28.40	173,725	13
Strabag RS d.o.o., Banja Luka	100.00	-843	-24
SAT SLOVENSKO s.r.o. (previously: BITUNOVA spol. s r.o.), Bratislava	100.00	1,615	239
TECH GATE VIENNA Wissenschafts- und Technologiepark GmbH, Vienna	94.00	6,810	2,333
TPA GmbH, Cologne	100.00	4,659	912
Zweite Nordsee-Offshore-Holding GmbH, Vienna	51.00	-7,465	49

[1] according to Para 224 Sec 3 UGB
[2] net income/loss of the year
[3] financial statements as of 31.12.2023
[4] no statement according to Para 242 Sec 2 UGB

Name and residence of the company:	Interest %	Equity/ negative Equity[1] T€	Result of the financial year[2] T€
Investments in participation companies:			
A-Lanes A15 Holding B.V., Nieuwegein	24.00	[4]	[4]
EPM PSO GmbH & Co KG, Spittal an der Drau	20.00	[4]	[4]
GDK Flight Management GmbH, Spittal an der Drau	20.00	[4]	[4]
Klinik für Psychosomatik und psychiatrische Rehabilitation GmbH, Spittal an der Drau	30.00	[4]	[4]
Prottelith Produktionsgesellschaft mbH, Liebenfels	24.00	[4]	[4]
Sappho dreiundneunzigste Holding GmbH, Vienna	40.00	[4]	[4]
SHKK-Rehabilitations GmbH, Baden	50.00	[4]	[4]
SOCIETATEA COMPANIILOR HOTELIERE GRAND SRL, Bucharest	35.31	[4]	[4]
SRK Kliniken Beteiligungs GmbH, Baden	25.00	[4]	[4]
Straktor Bau Aktien Gesellschaft, Kifisia	50.00	[4]	[4]
Syrena Immobilien Holding Aktiengesellschaft, Spittal an der Drau	50.00	[4]	[4]

[1] according to Para 224 Sec 3 UGB

[2] net income/loss of the year

[3] financial statements as of 31.12.2023

[4] no statement according to Para 242 Sec 2 UGB

Management and Supervisory Board

Management Board:

Klemens Haselsteiner, BBA, BF (CEO until 17 January 2025)

Dipl.-Ing. Stefan Kratochwill (CEO since 19 February 2025)

Mag. Christian Harder

Dipl.-Ing. (FH) Jörg Rösler

Dipl.-Ing. Siegfried Wanker

Dipl.-Ing. (FH) Alfred Watzl

Supervisory Board:

Mag. Kerstin Gelbmann (Chairman since 1 January 2024)

Mag. Erwin Hameseder (Vice Chairman)

Dr. Andreas Brandstetter

Dr. Valerie Hackl (since 25 January 2024)

Mag. Gabriele Schallegger

Dipl.-Ing. Andreas Batke (works council)

Magdolna P. Gyulalné (works council)

Georg Hinterschuster (works council)

Wolfgang Kreis (works council) (until 31 July 2024)

Karl Gerdes (works council) (since 1 August 2024)

Group Management Report

2024

Events and environment

2024

Important events

STRABAG's CDP score raised to "B"

February 2024 | STRABAG SE

The international non-profit organisation CDP awarded STRABAG SE its first "B" score for its sustainability initiatives in the category of Climate Change. A score of "B" corresponds to Management level on CDP's rating scale. The cross-sector assessment underscores the improvement in the company's sustainability performance in the category of Environment. STRABAG has set itself the ambitious goal in the energy- and resource-intensive construction industry of becoming climate neutral along the entire value chain by 2040. Sustainability is firmly anchored in the corporate strategy until 2030.

STRABAG wins contract for rapid transit line in Toronto

February 2024 | Segment International + Special Divisions

Tunnelling expertise on the Canadian market
© STRABAG

The Canadian subsidiary of STRABAG was commissioned to design and build the eastern underground segment of the Eglinton Crosstown West Extension in Toronto, which will add 9.2 kilometres and seven new stations to the Light Rail Transit (LRT) line. The project will create a continuous rapid transit line that will run from Toronto's east end, through the heart of the city, and west to the neighbouring community of Mississauga. The approximately € 175 million contract is being executed under a design-build-finance model.

ZÜBLIN building new lock at Kriegenbrunn in Bavaria

March 2024 | Segment North + West

New lock construction during ongoing shipping operations
© ARGE Schleuse Kriegenbrunn

STRABAG subsidiary ZÜBLIN was awarded a contract worth around € 450 million by the Waterway Construction Office Aschaffenburg to replace a lock at Kriegenbrunn in the German state of Bavaria. The new shipping lock will be built during ongoing operations in the immediate vicinity of the old lock. In addition to the extensive ground and civil engineering services, the overall contract also includes the steel hydraulics works and the operating technology. Work by the consortium, consisting of Ed. Züblin AG, Züblin Spezialtiefbau GmbH and Bauer Spezialtiefbau GmbH, is scheduled to last until spring 2032.

STRABAG focuses on sustainable building materials

April 2024 | STRABAG SE

A construction material for the future: climate-friendly insulation
© Synthesa Group

With the acquisition of Naporo Klima Dämmstoff GmbH from Synthesa Group, STRABAG is expanding its product portfolio to include insulation boards made of sustainable materials such as hemp, flax and PET fibres. Together with Naporo, STRABAG aims to exploit the potential that is currently developing in the field of sustainable building materials while taking another important step towards becoming climate neutral in 2040.

STRABAG pools its expertise in M&E and facility management

February–May 2024 | STRABAG SE

Expanded expertise in M&E
© STRABAG

The STRABAG Group is pooling its expertise in mechanical and electrical building engineering (M&E) within STRABAG Property and Facility Services (PFS). The move serves to position STRABAG as a full-service provider for the decarbonisation of existing properties and for climate-neutral new builds – from consulting, design and construction to operation over the entire building life cycle. These services cover key areas of a building such as heating, ventilation and air conditioning (HVAC), plumbing, electrical engineering, instrumentation and control engineering, and energy management.

To strengthen its strategic position in this field and to continue to drive forward growth, STRABAG is seeking to expand the services it provides in these areas. The acquisition of the Triburuzek Group in Austria and Climtech in Germany represent important milestones along this path, while the purchase of multi-technology provider ELCO marks the Group's successful entry into the market in Luxembourg. These acquisitions added a total of around 620 employees to the STRABAG Group. In May, STRABAG and PORR also signed a purchase agreement for parts of VAMED Group with a total purchase price of € 90 million. The main focus of the transaction is on the technical facility management of Vienna General Hospital (AKH Wien). The agreement could not be finalised by the contractually agreed date. In March 2025, the STRABAG-PORR consortium therefore entered into supplementary negotiations with the seller in relation to the purchase agreement.

STRABAG awarded contract to expand F.D. Roosevelt University Hospital in Banská Bystrica, Slovakia

June 2024 | Segment South + East

Energy-efficient architecture for university hospital
© F.D. Roosevelt University Hospital

Through its Slovakian subsidiary, STRABAG is acting as general contractor for the reconstruction and extension of the F.D. Roosevelt University Hospital in Banská Bystrica, Slovakia. The EU-funded project is one of the most significant investments in Slovakia's healthcare infrastructure in recent decades. The works, with a contract value of around € 297 million, comprise the demolition of aging buildings and the subsequent restructuring of the site with modern new buildings as well as outdoor facilities and green spaces. The project leaders are aiming for BREEAM certification for the building complex. Overall completion is expected in late 2029.

STRABAG building new headquarters for Czech subsidiary of Erste Group in Prague

June 2024 | Segment South + East

Construction technology combined with sustainability and ecology
© Česká spořitelna

STRABAG is leading the consortium building the new headquarters of Česká spořitelna, the largest commercial bank in the Czech Republic. The contract includes the construction of four buildings with a total usable area of 75,000 m^2 as well as a passageway with shops, cafés and a multifunctional auditorium. Upon completion, the four buildings are to receive the highest certification in BREEAM Outstanding and WELL Platinum. The project also meets the EU Taxonomy requirements. The operation of the building complex will be energy-neutral thanks to heat pumps and photovoltaics. The use of concrete with a reduced carbon footprint during construction represents a savings of at least 25% in CO_2 emissions compared to standard concrete.

Progress becomes reality: STRABAG drives forward innovation projects

September–November 2024 | STRABAG SE

TU Wien and STRABAG are joining forces in research and development
© STRABAG

In September 2024, STRABAG and TU Wien, Austria's largest research and educational institution for technology and natural sciences, signed a new five-year partnership agreement. The aim of the science–industry innovation ecosystem is to develop innovative solutions in joint, interdisciplinary R&D projects in support of a sustainable and digital future in construction. The project is also dedicated to the systematic promotion of talent and early-career professionals.

At its Innovation Day in Cologne, under the banner of "Progress Becomes Reality", STRABAG presented 50 of its roughly 250 innovation projects – from construction site training using virtual reality (VR) to MOLENO® WOHNEN, a modular construction system for sustainable and efficient residential construction that combines generative design with serial construction processes, to the use of low-emission powertrains and fuel cells in wheel loaders. The winners of the adASTRA intrapreneurship programme were also honoured.

STRABAG paves the way to the future

September–October 2024 | STRABAG SE

STRABAG is testing fully autonomous asphalt paving and the use of smart traffic cones
© STRABAG

STRABAG's TPA competence centre and its partners successfully tested several novel automation techniques in Austria. The EU-wide InfraROB project involved an autonomous paver system laying down asphalt while smart robots cordoned off and marked the area, with sensors placed in the asphalt to measure road loads for maintenance purposes. The innovative solutions are designed to improve the safety, efficiency and cost-effectiveness of road construction and maintenance in the long term.

STRABAG and Liebherr also tested a hydrogen-powered wheel loader in the presence of the then Austrian Minister for Climate Action, Leonore Gewessler. The pilot project is expected to reduce carbon emissions by up to 100 tonnes annually. Other projects include the replacement of diesel-powered mobile machines with electric conveyor belts that generate their own electricity through the weight of the transported stones as well as the use of self-driving, battery-operated electric tippers.

S&P raises corporate credit rating to BBB+, outlook stable

September 2024 | STRABAG SE

STRABAG had maintained a solid S&P rating of BBB since 2015. Now this rating has been raised one notch to BBB+ with a stable outlook. The new rating places STRABAG among the top tier of Europe's construction companies. S&P based its decision on the company's sustained strong performance, high order backlog, strong market positions in its core markets, diversified and vertically integrated business model, and consistent risk management. Given this robust foundation, STRABAG continues to expect to maintain a solid net cash position.

Contract worth over € 250 million to build new residential development in Abu Dhabi awarded to STRABAG

October 2024 | Segment International + Special Divisions

STRABAG is building the Sea la Vie development on Yas Island
© Nine Yards

STRABAG, through its subsidiary Züblin Construction LLC, has been chosen to build the Sea La Vie residential project on Yas Island on behalf of client Nine Yards Real Estate Development. The project, with an investment volume of more than € 250 million, includes four residential towers with 16 to 18 floors, 30 townhouses and a three-storey underground car park with over 1,000 parking spaces. The project stands out for its modern design and innovative architecture, complemented by a spacious lagoon, suitable for swimming, as a central element of the complex. Completion is scheduled for the second quarter of 2027.

STRABAG commits to science-based climate targets

October 2024 | STRABAG SE

PV park built by STRABAG in Ratten/Austria
© STRABAG

STRABAG has signed up to the Science Based Targets initiative (SBTi). The global initiative is a collaboration of several NGOs that has been joined by more than 1,000 companies to set science-based climate targets. By joining the initiative, STRABAG commits to reducing its CO_2e emissions to limit global warming to 1.5 °C in line with the goal of the Paris Agreement. STRABAG has 24 months to submit for validation a near-term target that must be realised by 2030.

STRABAG expands to Australia

November 2024 | STRABAG SE

Georgiou's recent contracts include the new Fitzroy River Bridge in Western Australia
© Georgiou Group

In line with its Strategy 2030, STRABAG is continuing its expansion plans in the English-speaking world with the acquisition of 100% of Australian-based Georgiou Group Pty Ltd. The company, a specialist in road and infrastructure construction with 875 employees, generates an annual revenue of around A$ 1.3 billion, the equivalent of € 787 million. This makes the Georgiou Group an excellent fit for the STRABAG Group. Georgiou's experienced management team, with extensive expertise and in-depth market knowledge in Australia, will remain with the company after the acquisition. The move serves to further diversify STRABAG's geographic portfolio and will nearly double its non-European business. The final purchase agreement was signed on 30 December 2024. Approval from Australia's Foreign Investment Review Board (FIRB) followed on 18 December 2024. The closing of the transaction took place on 21 March 2025.

STRABAG significantly expands its water infrastructure portfolio with acquisition of WTE Group

December 2024 | STRABAG SE

Virovitica wastewater treatment plant
© STRABAG

With the planned acquisition of WTE Group, a leading provider of municipal and industrial water management services, STRABAG is set to become a full-service provider for water infrastructure. The WTE Group plans, finances, builds and operates projects in the fields of wastewater management, water supply, sewage sludge treatment, and energy recovery in Europe and the Middle East. The WTE business to be acquired by STRABAG is expected to generate an annual output of around € 300 million.

Population growth and climate change require well-functioning water supply and wastewater disposal solutions. These challenges can be met by combining WTE's innovative solutions with STRABAG's construction and project expertise along with its existing water technology business. In line with its Strategy 2030, the acquisition will further increase the depth of value creation across the Group in the energy and water sectors. At the time this report was being prepared, the negotiations over the acquisition had not yet been concluded, and the acquisition schedule was revised. The transaction is pending a final agreement with the current owner, EVN, along with official approval or consent from relevant third parties.

STRABAG supports grid expansion for energy transition in Germany

December 2024 | Segment North + West

Civil engineering services for SuedOstLink transmission corridor in Thuringia
© STRABAG AG

STRABAG AG has been awarded another major contract in the three-digit-million-euro range to build a 34.5 km section of the SuedLink power transmission line from Gerstungen to Breitungen in Thuringia. This brings the total value of contracts acquired by STRABAG AG for SuedLink and SuedOstLink in 2024 to over € 1.1 billion. The two electricity corridors represent key infrastructure projects for the energy transition in Germany and will transport wind power from north and east of the country to the south.

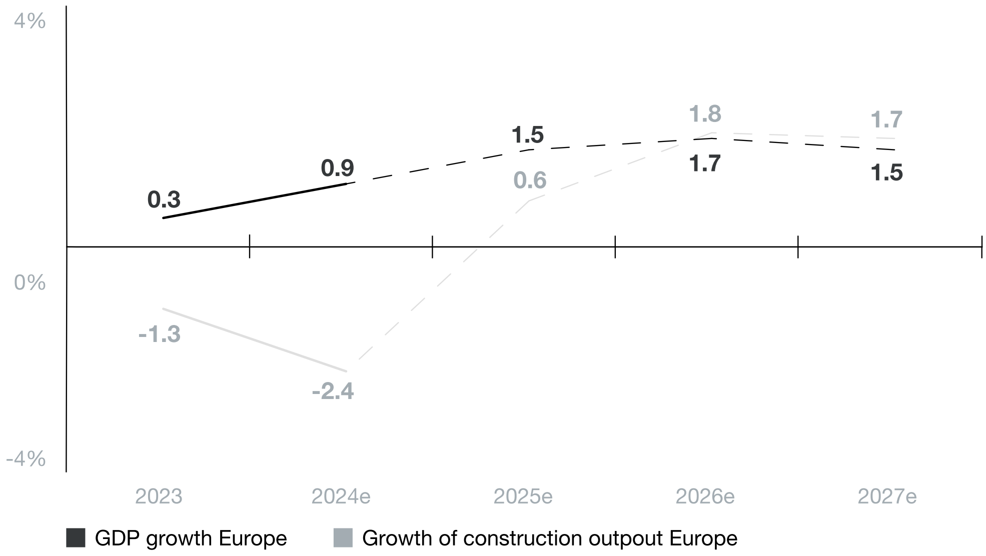
STRABAG is realising a total of around 205 km for SuedLink and about 120 km for SuedOstLink. The works include extensive cut-and-cover and earthworks as well as the use of trenchless techniques to cross obstacles. The projects support Germany's transition to renewable energies and underscore STRABAG's commitment, in line with its Strategy 2030, to increase its activities in the energy sector and to make an active contribution to the energy transition.

Country report

STRABAG sees itself as a European technology group for construction services with a strong focus on Central and Eastern Europe. To diversify the country risk even further, however, and to profit from market opportunities, STRABAG operates on other continents as well. On the one hand, it is a tradition for the company to follow its clients into new markets; on the other hand, the existing country network and established organisational structures make it easier to export and use the technology in new regions with little expense.

Global economy

Growth comparison construction vs. GDP Europe



Reduced recession risk

Despite a tight and synchronised monetary policy, the global economy has proven to be resilient and has avoided a recession. Inflation rates declined as a result of waning pandemic-related supply chain issues and an effective monetary policy, which helped to stabilise inflation expectations. The return of inflation to target levels now creates opportunities for monetary easing as a way to stimulate economic growth. Still, inflation remains high, particularly in the service sector, and external shocks such as the war against Ukraine or the conflict in the Middle East endanger price stability. Significant risks also exist due to high real interest rates and insufficient fiscal adjustments in major economies such as the US and China. Moreover, far-reaching reforms are needed to meet the challenges of demographic change, climate change and social inequality. There is broad consensus that measures to promote the energy transition, with a shift towards renewable energies and away from fossil fuels, are indispensable and that the corresponding investments are urgently needed.

The World Bank expects the global economy to have grown by 3.2% in 2024, with growth of 3.3% forecast for 2025. Global measures against inflation have been largely successful, although price pressure persists in some countries. After peaking at 9.4% in the third quarter of 2022, inflation in 2024 is expected to have fallen to 3.5% in 2024.

For the EU, the OECD calculated economic growth of 0.7% in 2024, whereas GDP stagnated in Germany and fell slightly in Austria. The gross domestic product of the 19 Euroconstruct countries (EC-19) grew by 0.9% in 2024. The national rates differ only slightly, ranging between -0.6% and +2.8%. GDP growth of 1.5% is expected for the EC-19 area in 2025, with 1.7% in 2026 and 1.5% in 2027.

All growth forecasts and construction volumes at the individual national level were taken from the winter 2024 reports of Euroconstruct and EECFA (Eastern European Construction Forecasting Association). The market share data given are based on the data from 2024 and on the Euroconstruct and EECFA estimates for 2024.

The construction industry

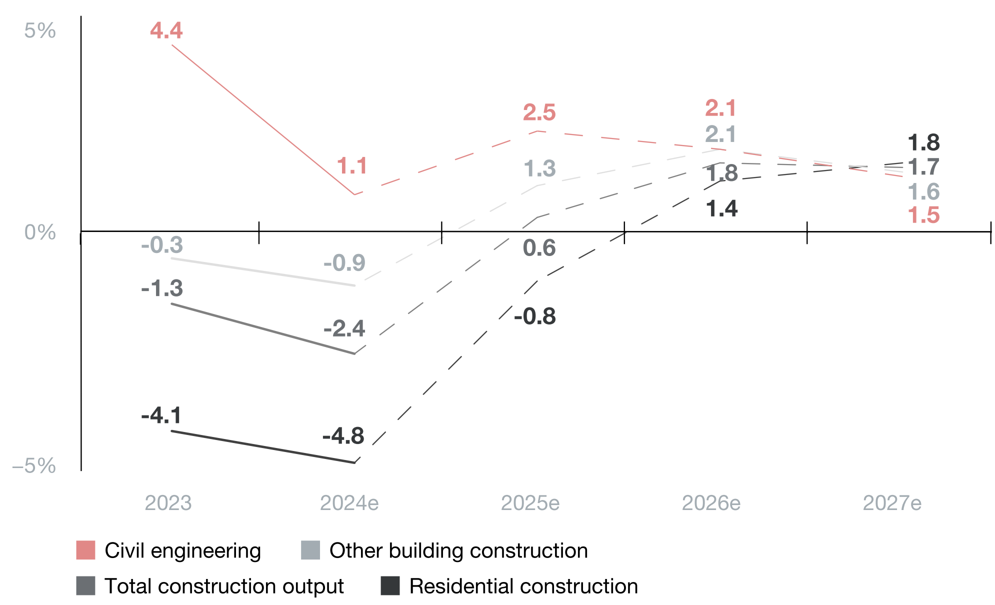
Diverging trends in the construction sector

The construction industry in the EC-19 countries recorded a decline of 2.4% in 2024 (2023: -1.3%). This significant downturn is the result of the cumulative negative effects of the Covid-19 pandemic and Russia's war against Ukraine, primarily in the form of inflation and higher key interest rates. Additional challenges included labour shortages, tighter regulatory requirements and unresolved budget issues at the national level. However, a recovery is expected as key interest rates are gradually reduced, price pressures subside and real wages increase. In addition, public funding measures, particularly for the climate-related renovation and refurbishment of existing buildings, should provide positive stimuli as well.

Broken down by sector, civil engineering proved resilient in 2024, posting the best performance of all with a plus of 1.1%. Other building construction fell slightly by 0.9%, while residential construction, given the negative market environment, suffered significant losses of -4.8%. The Spanish construction industry saw the strongest growth, with an increase of 2.0%, followed by Portugal with +1.5% and Ireland with +1.4%. Slovakia brought up the rear with a decline of -6.5%, followed by Finland (-5.4%) and Sweden (-5.3%). Construction growth in the 19 Euroconstruct countries is expected to turn positive again in 2025 with +0.6%, to be followed by 1.8% in 2026 and 1.7% in 2027. In STRABAG SE's core markets in Central and Eastern Europe, the construction industry fell by 2.6% in 2024, with growth of 1.4% and 2.3% forecast for 2025 and 2026.

Construction sectors

Growth comparison of construction sectors in Europe



Civil engineering resilient, residential construction in sharp decline

Residential construction, which still accounts for nearly half of Europe's total construction output, declined by 4.8% to € 1,059.9 billion in 2024. In absolute figures, Germany achieved the highest residential construction volume, followed by France, Italy and the United Kingdom. Poland, Spain and Portugal recorded positive growth as well. The sharpest declines in residential construction were seen in Finland and Italy, followed by Sweden and Norway. Euroconstruct is forecasting a slight decline in construction output of 0.8% in 2025. In 2026, the trend will turn positive again at 1.4%, with a further increase of 1.8% forecast for 2027.

Other building construction, which accounts for 30% of the European construction volume, recorded a slight decline of 0.9% in 2024. Germany is the largest market in this segment, followed by France, the United Kingdom and Italy. The highest growth rates were recorded in Italy and Ireland, followed by Portugal and Switzerland, while the weakest growth was seen in Sweden, Poland, Hungary and Denmark. Euroconstruct forecasts a recovery for the segment in 2025, with an increase of 1.3%. For 2026 and 2027, growth of 2.1% and 1.6%, respectively, is expected.

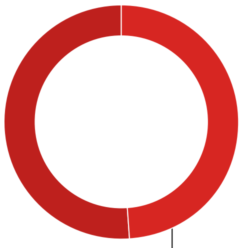
Civil engineering, which accounts for around 20% of European construction output, was the most resilient segment in 2024, with growth of 1.1%. Developments in the individual countries varied greatly. In absolute figures, Germany was ahead of Italy, the United Kingdom and France. The strongest growth rates, meanwhile, were seen in Italy, Belgium, Denmark and Spain, while the most pronounced declines were in Slovakia, Poland, Finland and Hungary. Growth in Europe's civil engineering segment is expected to reach +2.5% in 2025, +2.1% in 2026 and 1.5% in 2027.

STRABAG delivers the majority of its output in the infrastructure sector, primarily in transportation infrastructures. More than 60% of our customers are in the public sector. Public-sector demand for infrastructure has a particularly stabilising effect. Residential construction accounts for less than 10% of the Group's total output.

Developments in the core markets of STRABAG SE

Below we present the development of the national economies and of the respective construction industries in STRABAG SE's eight core markets during the past year. These countries accounted for 86% of Group output in 2024 and their development is therefore of particular importance to STRABAG.

Germany



49%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Germany	49	479.8	0.0	0.5	-2.8	-1.0

The German economy stagnated in 2024, weighed down by external crises such as the Ukraine conflict, technological change and competition from China. At the same time, high energy costs and tight regulations are having a negative impact. From 2025 onwards, falling interest rates and gains in purchasing power should help to bring some momentum back to the economy. Euroconstruct is forecasting growth of +0.5% for 2025, with an increase of 1.5% expected for 2026 and 1.0% for 2027.

The German construction industry recorded a decline in construction output of 2.8% in 2024, with residential construction particularly affected. Construction investments remained below expectations due to the more than 40% increase in construction prices over the last four years. To some extent, this also affected civil engineering, where projects were slowed down by tight public finances despite the high demand for infrastructure works. At the same time, however, opportunities arose in relation to the energy transition. The call for new elections in Germany following the collapse of the coalition government could further delay investment decisions. Euroconstruct is forecasting a further 4% decline in construction volume for 2024–2026, with stabilisation expected starting in 2027.

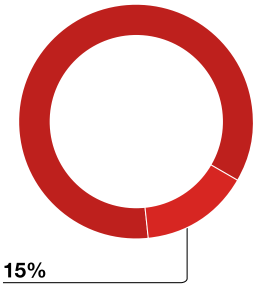
In **residential construction**, the construction volume fell by 4.6% in 2024. Despite the ongoing high demand for housing, both private clients as well as residential construction companies were discouraged from pursing new construction projects by high interest rates, limited public funding and increased construction costs. The decline in residential construction was cushioned somewhat by a more stable market for renovation work, which shrank by only 1% thanks to thermal modernisation works and other energy-efficient investments. Euroconstruct predicts that the -4.6% in 2024 will mark the low point in the residential construction sector. A more moderate downward trend is expected for 2025 and 2026, with declines of 1.9% and 1.0%, respectively.

Other building construction, which shrank by 1.7% in 2024, was affected by economic uncertainty and the reluctance among some companies and the public sector, particularly at the municipal level, to make investments. Euroconstruct expects the sector to contract minimally by 0.1% in 2025, with the trend turning positive again (+0.7%) in 2026.

The **civil engineering** sector recorded growth of 1.0% in 2024. Long-term state investment programmes in rail, water and road infrastructure continue to have a positive impact. Investments in energy transition projects also indicate further market growth in the energy sector in the medium and long term. By contrast, municipal authorities remained hesitant to invest in road and water engineering projects. Slight growth of 0.2% and 0.3% p.a. is expected in 2025 and 2026, respectively.

The STRABAG Group is the leading construction company in Germany, with a market share of 2.0% of the total construction market. With € 9,361.43 million, around 49% of STRABAG's total Group output volume was generated in Germany in 2024 (2023: 47%). Most of the output is allocated to the North + West segment, while the building soltutions business (previously property and facility services) provided in Germany are allocated to International + Special Divisions.

Austria



15%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Austria	15	49.9	-0.6	1.0	-4.4	0.4

The mild recession of 2023 continued into 2024, with the country's GDP falling by 0.6%. Declining inflation, rising real wages and lower European Central Bank (ECB) interest rates, combined with government stimulus packages, can be expected to have a positive effect on GDP in subsequent years, albeit with a slight delay. On the other hand, Austria faces economic uncertainty, lower corporate investments, a rising unemployment rate and a growing national budget deficit. Nevertheless, Euroconstruct is forecasting that growth will reach 1.0% in 2025 before increasing to 1.5% in 2026 and remaining stable at this level in 2027.

The Austrian construction industry recorded a decline of 4.4% in 2024, particularly in building construction. The dampening effects that were already noticeable in 2023 – persistently high interest rates, strict lending guidelines and increased construction costs – continued into 2024. A trend reversal began to emerge, however. Euroconstruct expects slight growth of 0.4% in 2025 with increases of 1.6% and 0.9% in 2026 and 2027, respectively.

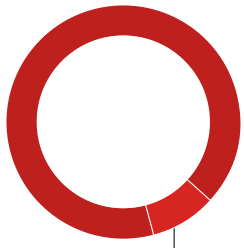
As expected, **residential construction** saw the sharpest decline, falling by 6.3% in 2024. This was due to a combination of higher inflation and mortgage rates, as well as strict lending guidelines, resulting in a sharper decline in Austria compared to the European average. However, the corresponding regulation will expire in mid-2025. The market for renovations, which grew by 3.8% thanks to high demand for energy efficiency and thermal modernisation projects, had a stabilising effect. Overall, the decline will slow to 0.5% in 2025 before the trend turns positive again in 2026 with growth of 1.5%.

The volume of **other building construction** work in 2024 was negatively impacted by the combination of a weak economy, higher construction costs and persistently high interest rates, falling by 4.1% as a result. In the commercial sector in particular, numerous investments in new builds and renovation projects were postponed for the time being, although a recovery in this segment is foreseeable. According to Euroconstruct, the other building construction segment will see growth of 0.8% in 2025 and a moderate increase of 2.6% in 2026.

Civil engineering recorded growth of 1.7% in 2024 due to continued strong government investments in infrastructure programmes. The expansion of the road and, in particular, the rail network was firmly anchored in the Austrian budget. Investments in the energy sector for the expansion of renewable energy sources and in the telecommunications sector for a nationwide broadband network are gaining in importance. Significant growth of 2.6% is expected for 2025. Based on current investment planning, however, the civil engineering segment is expected to decline by 0.3% in 2026.

The STRABAG Group generated 15% of the total Group output volume in its home market of Austria in 2024 (2023: 16%). Austria thus continues to be one of the Group's top three markets along with Germany and Poland. The output reached a volume of € 2,855.94 million in 2023. This gives STRABAG a 5.7% share of the construction volume in the overall market in Austria.

Poland



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Poland	9	71.7	2.7	3.4	-2.5	4.9

After stagnating in 2023, Poland's economy grew strongly in 2024, with GDP rising by 2.7%. The main drivers of this growth were a recovery of domestic demand, higher private consumption, lower inflation and rising real wages. Delays in EU funding and in the National Recovery Plan prevented higher investments. These could provide more momentum from 2025 onwards. Euroconstruct expects GDP growth of 3.4% in 2025, to be followed by +2.8% and +3.1% in 2026 and 2027, respectively.

The Polish construction industry shrank by 2.5% in 2024 due to high construction and energy costs, a shortage of skilled workers and the policy realignment by the new government. This was exacerbated by the transition between EU funding periods and the more cautious municipal investment spending in an election year. Positive momentum, however, was provided by rising real wages, stable prices and more relaxed lending policies. From 2025 onwards, new EU funding from the National Recovery Plan and the high level of investments needed at the national level should invigorate the construction industry, with growth rates forecast at +4.9% in 2025, +6.1% in 2026 and +4.0% in 2027.

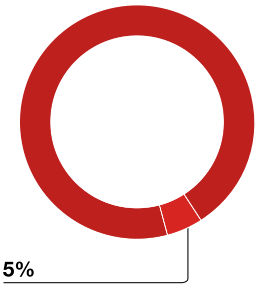
Bucking the European trend, Poland's **residential construction** sector saw significant growth of +4.6% in 2024. High returns on residential construction projects and solid demand encouraged property developers to launch new projects, which led to an increase in building permits. This development was supported by more stable prices, relaxed lending guidelines, falling interest rates, lower inflation and government subsidy programmes for residential construction financing. The renovation sector also benefited from the high modernisation demand for existing buildings in accordance with EU requirements. This positive trend is expected to continue, with projected growth of 3.8% in 2025 and 5.3% in 2026.

Other building construction recorded a decline of 5.9% in 2024, largely due to a lack of public investments and delayed EU funding. Rising costs for wages, fuel and electricity also fuelled uncertainty among investors. Starting in 2025, government investments under the National Recovery Plan, particularly in public buildings, military facilities and energy efficiency and thermal modernisation projects for existing buildings, are expected to provide new momentum. Euroconstruct predicts growth in the other building construction segment to reach 2.7% in 2025 and 4.5% in 2026.

Following an exceptionally strong performance in 2023, Poland's **civil engineering** segment recorded a decline of 4.7% in 2024. The previously high demand, driven by the accelerated implementation of national and local programmes in the road, energy and water infrastructure sectors, fell significantly as a result of a slowdown in public investment. With the release of EU funding for the National Recovery Plan and for urgently needed repairs following flooding in the country's southwest, Euroconstruct expects strong growth of 8.2% in 2025 and a further increase of 8.4% in 2026.

As the number two in the construction sector in Poland, STRABAG realised a construction volume of € 1,696.65 million here in 2024, representing 9% of the Group's total output volume (2023: 7%). Poland thus represents the third-largest market of the STRABAG Group. Its market share in the entire Polish construction market was 2.4%.

Czech Republic



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Czech Republic	5	39.6	1.1	2.7	-1.0	1.3

The Czech economy achieved moderate GDP growth of 1.1% in 2024. High government spending and extensive investments by the Czech government and the EU contributed significantly to the positive development. Additional momentum came from a decline in inflation, falling interest rates and a comparatively low unemployment rate. In 2025 stable GDP growth of 2.7% is expected, followed by 2.5% in 2026 and 2.7% in 2027.

The Czech construction industry recorded a moderate decline of 1.0% in 2024. The sector was burdened by a persistent shortage of skilled workers and rising prices for construction materials and energy but benefited from funding under various EU programmes, which generated a significant amount of momentum. Euroconstruct forecasts growth of 1.3% for 2025. Further acceleration is expected in subsequent years, with growth of 2.7% in 2026 and 3.6% in 2027.

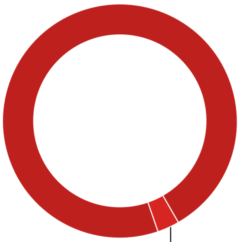
Residential construction recorded a decline of 1.4% in 2024, particularly in the new builds sector, due to continued high lending rates and the inflation of previous years. At the same time, the rising demand for rental housing is likely to lead to increased investment by property developers and the government in the future. The renovation market proved robust, growing by 2.7% in 2024. Euroconstruct is forecasting a recovery in residential construction from 2025 onwards, with growth of 3.1% in 2025 and 4.1% in 2026.

Other building construction in the Czech Republic showed moderate growth of 0.8% in 2024. Investments were concentrated primarily on healthcare and educational facilities, while the construction of industrial and logistics buildings declined in importance. The boom in e-commerce triggered by the Covid-19 pandemic, which had strongly driven the construction of logistics buildings, is now showing a downward trend. The other building construction segment is expected to grow by 1.6% in 2025, with an increase to 3.0% in 2026.

The Czech **civil engineering** segment recorded a decline of 1.6% in 2024, with the renovation market (-4.8%) weakening in particular. By contrast, new projects are emerging as a growth area, supported by funding from the government, local authorities and EU programmes. The focus is on large projects such as the expansion of transport infrastructure, high-speed rail lines and planned nuclear power plants. A further decline of 2.0% is expected for 2025, followed by stagnation in the segment at 0.0% in 2026.

STRABAG is the number three on the market in the Czech Republic. With an output volume of € 1,016.84 million in 2024, around 5% of the Group's total output (2023: 5%) was generated in the country. The market share in the entire construction market is 2.6%.

Hungary



3%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Hungary	3	22	1.4	3.2	-4.3	2.8

The Hungarian economy recorded GDP growth of 1.4% in 2024. Real wage increases, stable employment figures and a normalisation of inflation helped to overcome the stagnation of the previous year. At the same time, however, higher interest rates and reduced investment spending as a result of tighter budget discipline continued to have the opposite effect. The GDP is forecast to grow by 3.2% in 2025, followed by 4.0% in 2026 and 3.0% in 2027.

The Hungarian construction industry recorded a decline of 4.3% in 2024. The government's investment freeze is being lifted only gradually, and the positive effects of released EU funds and other financing will not be felt until the coming years. Euroconstruct therefore expects the Hungarian construction industry to grow by 2.8% in 2025, followed by 4.3% in 2026 and 4.6% in 2027.

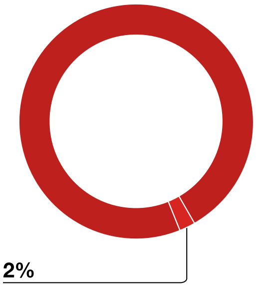
Following the significant contraction of 14.2% in 2023, **residential construction** shrank by a further 4.0% in 2024. In particular, the new builds sector continued to be weighed down by the government's investment freeze as well as by high construction costs, increased interest rates and low selling prices. A recovery is expected from 2025 onwards, however, supported by government measures such as financing from pension funds, renovation grants for rural houses, interest rate caps, lower down payments and a reduced VAT rate for certain regions and for the purchase of new homes. This is expected to lead to strong growth of 9.9% in 2025 and a further 6.2% in 2026.

Other building construction in Hungary fell by 5.3% in the reporting year. The segment suffered from the hesitant relaxation of the government's investment freeze and the completion of many large projects, including in the field of electric mobility and public administration buildings. Positive momentum could come from the partial release of EU funds and growing government activity in the run-up to the 2026 parliamentary elections. Euroconstruct is forecasting a further decline of 2.1% in 2025, before the sector returns to growth in 2026 with an increase of 1.5%.

The Hungarian **civil engineering** segment recorded a decline of 3.2% in 2024, with the weak renovation sector in particular, which shrank by 9.2%, weighing heavily on the overall result. Positive impulses could come from loans of € 1 billion each from the European Investment Bank (EIB) and from China, which will partially compensate for the lack of EU funds for the time being. Large road construction projects are due to start thanks to an exemption from the investment freeze. The construction of a large nuclear power plant and an extensive maintenance programme for the rail network are also likely to get underway. According to Euroconstruct, this will lead to noticeable growth of 4.1% in 2025 and 6.3% in 2026.

The STRABAG Group generated € 619.52 million, or 3% of its output, in Hungary in 2024 (2023: 4%). This puts STRABAG in third place in the Hungarian construction market. Its share of the total market reached 2.8%.

Romania



2%
Contribution to the Group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Romania	2	36.8	2.8	3.5	-3.9	-1.0

The Romanian economy grew by 2.8% in 2024 but remained slightly below expectations. Consumer prices fell more slowly than assumed, and interest rates persisted at a high level. Nevertheless, high employment figures and faster increases in real wages gave rise to confidence that both consumption and investment will pick up in the coming years. For 2025 and 2026, EECFA expects a noticeable increase in GDP of 3.5% and 3.7%, respectively.

In contrast to the development of the overall economy, the output of the Romanian construction industry fell by 3.9% in the year under report. Persistently high construction costs and interest rates affected all segments. Another factor was the significant increase in minimum wage, which pushed up construction costs further. EECFA expects interest rates to fall in 2025, which should lead to higher investments. Construction output in Romania will fall by another 1.0% in 2025 before recovering slightly by +1.1% in 2026.

Residential construction, as expected, recorded the largest decline with a minus of 11.6%, due mainly to the new builds sector. High construction costs and persistently high interest rates had a negative impact on growth. At the same time, developers and buyers are increasingly hoping for a recovery in the property market, based on expectations of falling interest rates, better financing conditions and rising real wages. EECFA believes the low point was reached in 2024 and expects a slight decline of 0.7% in 2025 before the market turns positive again in 2026 with a growth rate of 0.7%.

Other building construction in Romania recorded a decline of 3.9% in 2024. The renovation market, which grew by 8.9%, had a stabilising effect here. The main reason for the decline was the weak new office construction market, which was unable to recover from the effects of the Covid-19 pandemic and the increased shift towards remote working. In the coming years, EU co-financing is expected to boost investments in educational and healthcare facilities. In addition, growth in the commercial building sector is forecast as rising real wages should boost consumption and retailers push ahead with their expansion plans. For 2025 and 2026, EECFA forecasts moderate growth of 1.2% and 1.3%, respectively.

With growth of 4.9%, **civil engineering** proved to be the strongest segment of the Romanian construction industry in 2024, to which the renovation market contributed in particular with an increase of 15.5%. Support came in the form of investments in road and rail construction, funds from the National Recovery and Resilience Plan (NRRP), and EU funding. The switch to the new EU programme, which requires higher own resources, and possible cuts to the NRRP budget could have a negative impact in the future. EECFA is forecasting a short-term decline of -2.7% in 2025, due to the election of a new government, but expects a recovery of 1.4% in 2026.

With an output of € 467.13 million in 2024, the STRABAG Group holds a 1.3% share in the entire Romanian construction market, securing 4th place in the market.

Slovakia

2%
Contribution to the group output volume

	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Slovakia	2	10.2	2.3	2.2	-6.5	2.7

The Slovak economy grew by 2.3% in 2024. Rising real wages and falling inflation bolstered private consumption, which offset the decline in EU funding. The labour shortage had a slightly dampening effect, but the hurdles for work permits for third-country nationals were gradually lowered. Investments from the Recovery and Resilience Plan (RRP) and increased military imports should keep the GDP firmly in positive territory in the years to come. Euroconstruct expects growth of 2.2% in 2025, 2.4% in 2026 and 1.0% in 2027.

Slovakia's construction industry recorded a significant decline of 6.5% across all segments in 2024, as the change of government in 2023 led to delays in various construction projects. The resulting austerity measures also had an adverse effect, as did the aftereffects of increased costs for materials, energy and construction services. In the coming years, investments from the RRP, EU funds and increased private and foreign investments could revive the construction industry. Euroconstruct expects growth of 2.7% in 2025 and 2.8% in 2026, followed by stagnant growth of +0.1% in 2027.

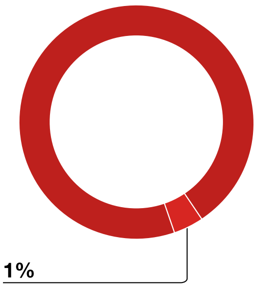
Residential construction recorded a decline of 6.8% in 2024, mainly attributable to the new builds sector. While the segment is suffering from persistently high construction costs and lending rates, positive impulses are expected from increased real wages and investments in energy-efficient residential buildings. According to Euroconstruct, residential construction should grow by 1.7% in 2025, with stronger growth of 5.6% forecast for 2026.

With a decline of 1.2%, **other building construction** was down slightly in 2024. The new government's austerity policy led to lower investments, while continued high costs slowed growth. Impulses are expected primarily from funding for projects in the health and education sectors, while the automotive industry is still considered the most important private investor. Euroconstruct forecasts growth of 3.0% in 2025 and a further increase of 2.2% in 2026.

Following the unusually strong growth of 11.2% in 2023, the civil engineering segment fell sharply by 13.4% in 2024. This was due to increased material costs, long procurement procedures and delays in the completion of large projects. Investments in key infrastructure projects, such as road and rail lines, were postponed due to limited state and EU funds. With the growing demand for modern infrastructure, particularly in the electrification and modernisation of railway lines and the expansion of road and energy networks, a recovery is expected in 2025. Euroconstruct forecasts growth of 4.0% in 2025 and a decline of 1.3% in 2026.

With a market share of 3.0% and an output volume of € 305.43 million in 2024, STRABAG is the leader in Slovakia. In 2024, Slovakia contributed 2% to the Group's total output volume (2023: 2%).

Croatia



	Contribution to the Group output volume (%)	Overall construction volume (€ bn)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
Croatia	1	8.2	3.6	3.3	4.3	0.8

The Croatian economy grew by 3.6% in 2024, continuing to reap the benefits of joining the Schengen Area and the Eurozone the previous year. The tourism sector again delivered strong results. Real wages increased significantly, and both the unemployment rate and inflation gradually declined. In view of these positive developments, EECFA forecasts stable GDP growth of 3.3% in 2025 and 2.9% in 2026.

The country's construction industry achieved growth of 4.3% in 2024, supported primarily by a strong residential construction market and continued high investments in major civil engineering projects. The first signs of a decline in the building construction segment in the short to medium term are emerging, but these are likely to be offset by a strong civil engineering market. For 2024 and 2025, EECFA is forecasting a slight increase in construction output of 0.8% and 0.4%, respectively.

The Croatian **residential construction** segment grew by 7.5% in 2024, mainly due to sustained high demand. However, noticeable price increases and new government measures aimed at utilising vacant apartments could lead to a weakening of demand in the years to come. Positive stimuli are provided by falling home loan costs, rising real wages and the continued high demand from foreign buyers. In addition, the National Housing Plan is designed to promote affordable and sustainable housing and to facilitate energy-efficient renovations. For 2025 and 2026, EECFA expects declines of 0.6% and 2.7%, respectively.

Following an exceptionally strong performance in 2023, the **other building construction** segment recorded only a slight increase of 0.4% in 2024. The markets for offices and for educational and healthcare buildings, which were supported by EU funding, developed positively. By contrast, the market for industrial and logistics buildings declined as the order backlog was largely worked off. The retail and wholesale trade and the hotel market also developed rather cautiously in view of the inflation. In the long term, however, strong tourism and Croatia's growing importance as a place of industry could ensure a recovery in these segments. EECFA expects declines of 2.0% and 2.3% for 2025 and 2026, respectively.

The Croatian **civil engineering** segment grew by 3.8% in the reporting year, thanks in particular to investments in communication and electricity networks and the major TEN-T project, which involves the extension of two core network corridors into Croatia. Rail and road construction grew more slowly than expected but should catch up in the next few years. The speed at which the existing order backlog involving complex large construction sites is being worked off will slow things down in the short term, but further large projects are planned from 2026 onwards. Additional momentum is likely to come from investments in the power grid and the expansion of renewable energies. The EECFA forecasts are correspondingly optimistic: growth of 5.3% in 2025 and of 6.7% in 2026.

With an output of € 222.72 million in 2024, the STRABAG Group holds a 2.7% share in the entire Croatian construction market, securing 2nd place.

Further countries and regions

	Contribution to the Group output volume (%)	Overall construction volume (€ billion)	GDP growth (%)		Construction growth (%)	
	2024	2024	2024e	2025e	2024e	2025e
United Kingdom	4	279.7	0.9	1.7	-0.8	2.9
Switzerland	1	73.1	1.5	1.2	0.9	2.6
Sweden	< 1	51.7	0.7	1.8	-5.3	5.3
Italy	< 1	288.1	0.5	0.9	-3.3	-4.8
Serbia	< 1	7.3	3.8	4.0	7.5	-2.1
Slovenia	< 1	5.1	1.5	2.4	-8.4	0.7
Bulgaria	< 1	14.0	2.4	2.9	3.3	3.1
Denmark	< 1	44.9	2.1	2.3	-2.3	2.4

STRABAG is also active in the Americas, the Middle East, Africa and Asia as well as in Benelux and other European countries. These regions account for 7% of Group revenue (2023: 7%).

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 subtopics 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

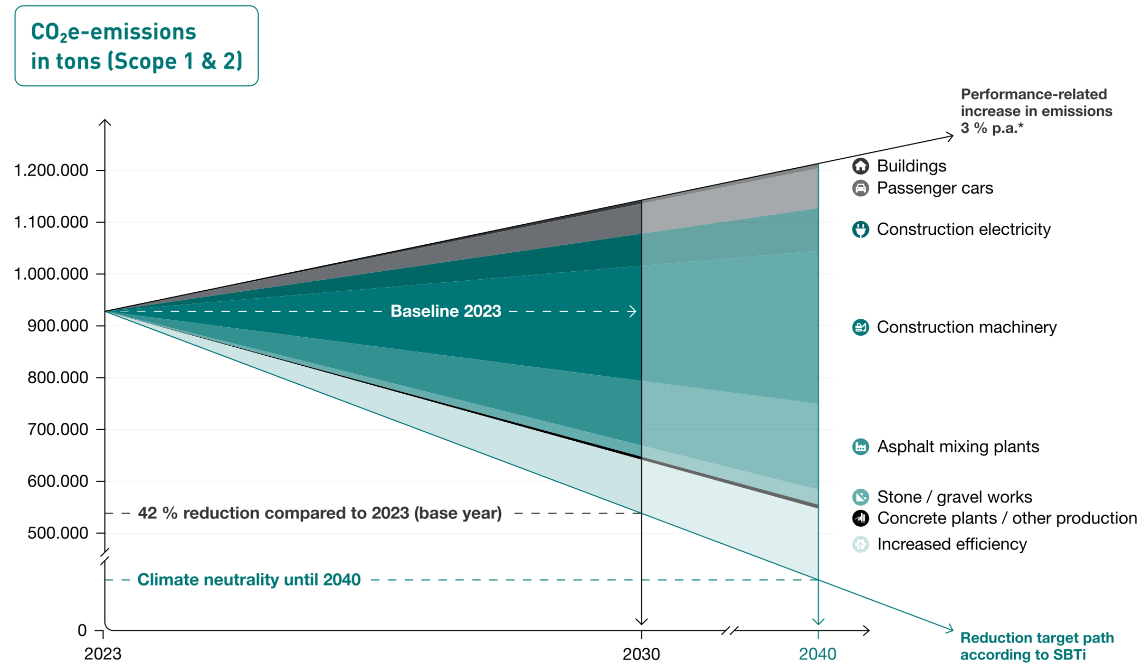
In 2024, the Management Board of STRABAG SE approved a climate transition plan centred on a greenhouse gas reduction pathway with science-based targets and corresponding monitoring tools. As the transition plan influences the strategic direction of the Group, the Supervisory Board was also informed of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

	Base year	2023[1]	2024	% 2024 / 2023	2025	2030	2050	Annual target compared to base year
	Retrospective				Milestones and target years			
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

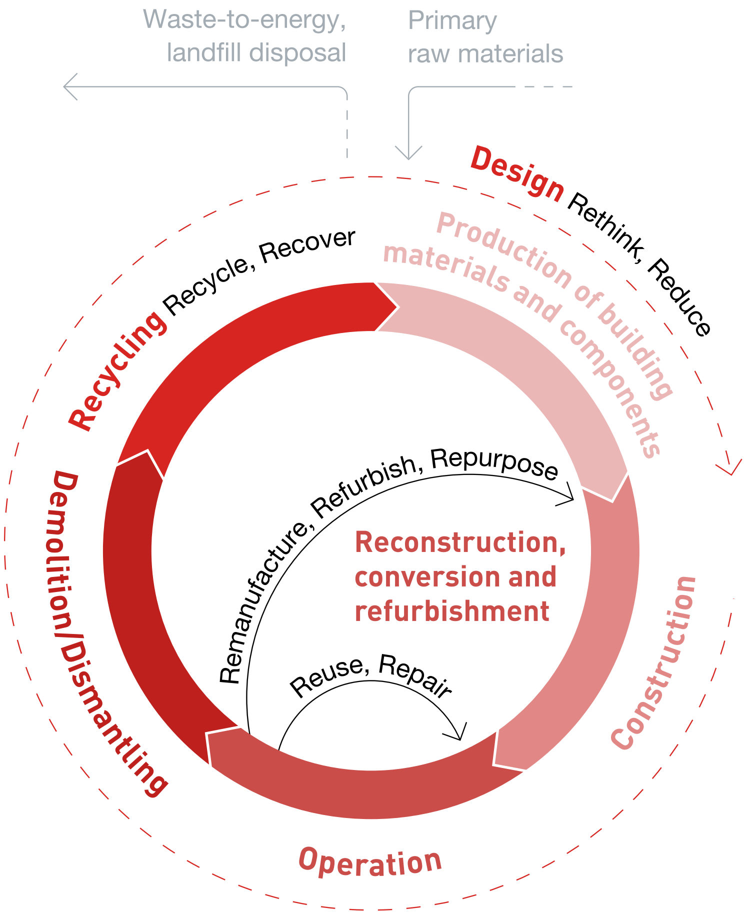
The high demand for raw materials in construction and the large amounts of waste generated through demolition make the building industry one of the most **resource-intensive sectors of the economy**. Due to the finite availability of resources, the linear economic system – consisting of raw material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

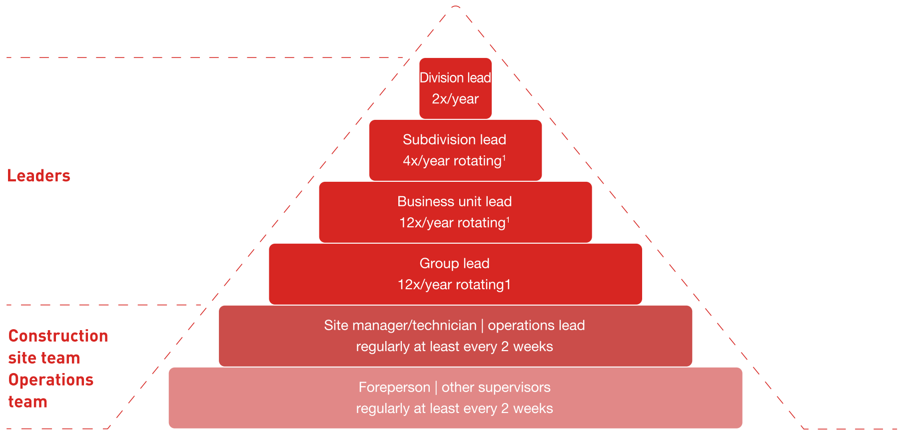
To better reflect the STRABAG Group's broad positioning, an accident frequency rate (number of work-related accidents per million hours worked) below 35 has been defined as an absolute limit for all subdivisions and corporate entities. This benchmark was introduced across all countries with the HSW country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

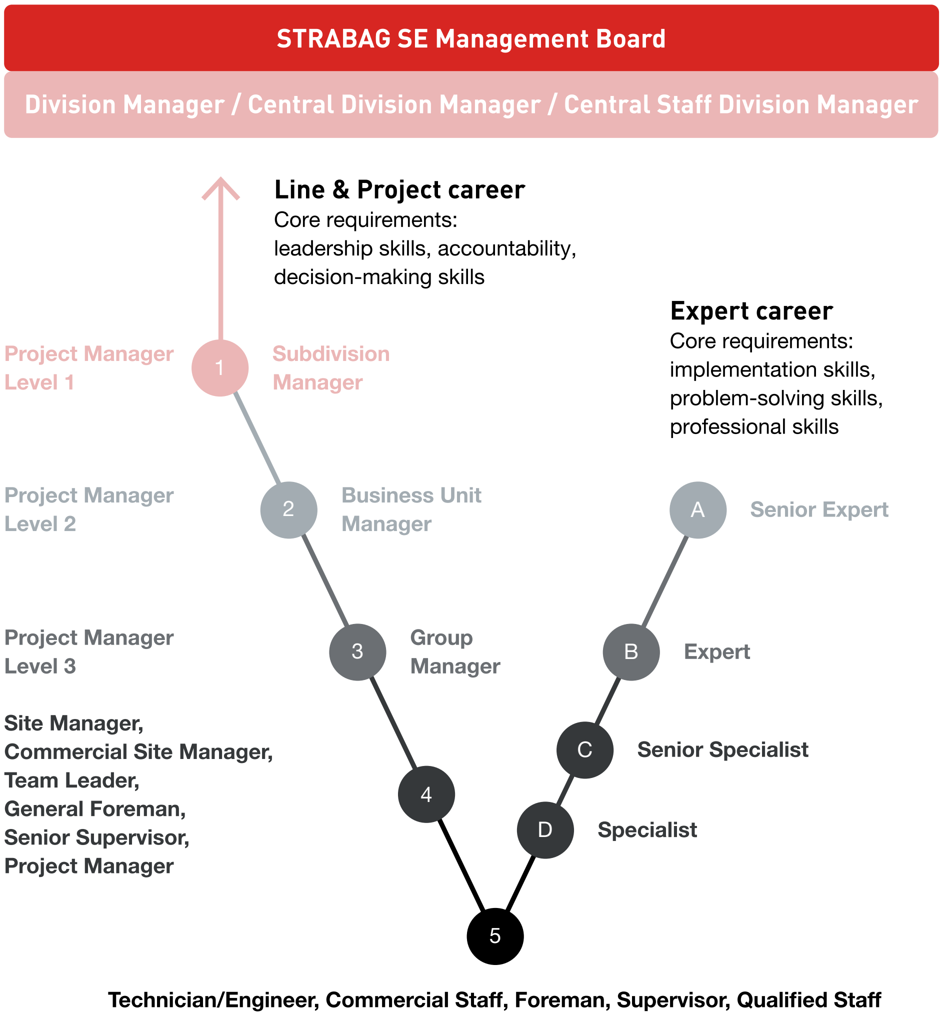
Strategic human resource development

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 and documents for download

Find out more

Policies

ESRS S3-1

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.

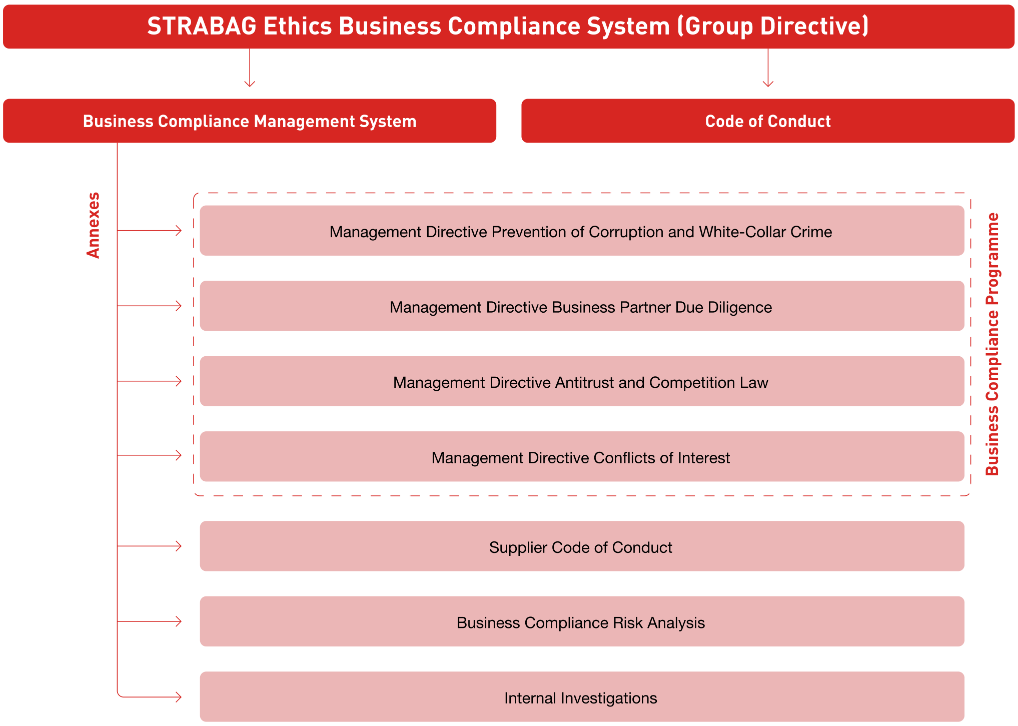
Policies

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
Attn. chairman of the Management Board
Triglavstraße 9
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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual and Sustainability Report, but does not include the “Sustainability Report“, “Environment”, “Social”, “Governance” and “Appendix B” and our independent assurance report.

Our conclusion on the consolidated sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our limited assurance engagement of the consolidated sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” or our knowledge obtained in the limited assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management

Management is responsible for the preparation of the sustainability statement including developing and performing the Materiality Assessment Process pursuant to the applicable requirements and standards. This responsibility includes

- identifying actual and potential impacts as well as risks and opportunities related to sustainability aspects and assessing the materiality of these impacts, risks and opportunities
- preparing the sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” complying with the requirements of Article 29a of the Directive 2013/34/EU, including compliance with the ESRS,
- including disclosures in the sustainability statement in accordance with the EU Taxonomy Regulation as well as
- designing, implementing and maintaining such internal controls as management determines is relevant to enable the preparation of sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” that is free from material misstatements, whether due to fraud or error, and performing the Materiality Assessment Process pursuant to the requirements of the ESRS.

Furthermore, this responsibility includes the selection and application of appropriate methods regarding sustainability reporting as well as making assumptions and estimates on the individual sustainability disclosures appropriate under the given circumstances.

Inherent Limitations for the Preparation of the Sustainability Reporting

When reporting on future-oriented information, the Company is required to prepare this future-oriented information based on disclosed assumptions about events that may occur in the future as well as possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

When determining disclosures pursuant to the EU Taxonomy Regulation, management faces the challenge of interpreting undefined legal terms, in particular in connection with the fulfilment of the DNSH criteria and the execution of the climate risk and vulnerability assessment according to Appendix A of the Delegated Regulation (EU) 2021/2139. The interpretation of these requirements can vary, especially since the European Commission has not provided a clear stipulation regarding necessity of implementing a robust climate risk assessment in its communications. These uncertainties can lead to different interpretations regarding the legal compliance of the decisions made and therefore present inherent limitations in the preparation of the sustainability report.

Auditor's Responsibilities for the Assurance Engagement of the Consolidated Sustainability Reporting

Our responsibility is to plan and perform a limited assurance engagement to obtain limited assurance about whether the consolidated sustainability reporting included in the sections "Sustainability Report", "Environment", "Social", "Governance" and "Appendix B" including the comprised Materiality Assessment Process and the reporting pursuant to the EU Taxonomy Regulation is free from material misstatement, whether due to fraud or error, and to issue an independent assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the sustainability statement.

We exercise professional judgment and maintain professional skepticism throughout the limited assurance engagement.

Our responsibilities include:

- performing risk-based procedures comprising obtaining an understanding of internal controls relevant to this engagement in order to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of expressing a conclusion on the effectiveness of the Group's internal controls, and
- developing and performing procedures regarding disclosures in the sustainability reporting, where material misstatements are likely to arise.

The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of Performed Work

A limited assurance engagement requires performing procedures to gain evidence on the sustainability reporting included in the sections "Sustainability Report", "Environment", "Social", "Governance" and "Appendix B". The nature, timing and scope of the selected procedures depend on professional judgement including identifying disclosures in the sustainability reporting where material misstatements are likely to arise, whether due to fraud or error.

In our limited assurance engagement regarding the sustainability reporting in the sections "Sustainability Report", "Environment", "Social", "Governance" and "Appendix B" we proceed as follows

- We obtain an understanding on the Materiality Assessment Process, especially through 1) interviews, to understand the information sources used by management; and 2) reviewing the internal process documentation; and
- We evaluate whether the Materiality Assessment Process complies with the ESRS requirements and the process presentation in disclosure "Double Materiality Assessment", based on the evidence obtained from our procedures performed.
- We evaluate whether all relevant information identified in the Materiality Assessment Process were included in the sustainability statement.
- We obtain an understanding of the Company's procedures relevant for the preparation of the sustainability statement.
- We evaluate whether the structure and presentation of the consolidated sustainability reporting included in the sustainability statement comply with the ESRS.
- Regarding the linkage with other parts of the corporate reporting and connected information, we compare selected disclosures in the sustainability statement with the corresponding disclosures in the management report for the Group and the other sections of the management report for the Group.

- We interview relevant employees and perform analytical audit procedures regarding selected disclosures in the sustainability statement.
- We perform sample-based, result-oriented procedures regarding selected disclosures in the sustainability statement.
- We obtain evidence on the presented methods regarding the development of estimates and future-oriented information.
- We obtain an understanding of the procedure to identify taxonomy-eligible and taxonomy-aligned economic activities and of the preparation of the corresponding disclosures in the sustainability statement.

Limited Liability

The limited assurance engagement of the sustainability statement is voluntary. According to the agreement, in the event of liability, any contributory negligence on the part of the company subject to a limited assurance engagement, its legal representatives and vicarious agents must be taken into account. Because our report is prepared solely for and on behalf of the client, it does not constitute a basis for any reliance on its contents by third parties. Therefore, no claims of third parties can be derived from it.

Our independent assurance report is issued based on the engagement letter agreed with the Company and is governed by the General Conditions of Contract for the Public Accounting Professions (AAB 2018) enclosed to this report, which also apply towards third parties.

Deviating from item 7 para. 2 AAB 2018, our liability for gross negligence to the Company is limited to half of the liability limit, thus to EUR 6 million, pursuant to section 275 para. 2 UGB corresponding to the Company's size criteria based on the size criteria pursuant to section 221 UGB.

Responsible Engagement Partner

Responsible for the proper performance of the limited assurance engagement of the sustainability reporting is Mr. Gabor Krüpl, Austrian Certified Public Accountant.

Vienna
4 April 2025

PwC Wirtschaftsprüfung GmbH
Gabor Krüpl
Austrian Certified Public Accountant

signed

This report is a translation of the original report in German, which is solely valid. Publication and sharing with third parties of the sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” together with our independent assurance report is only allowed if the sustainability reporting included in the sections “Sustainability Report”, “Environment”, “Social”, “Governance” and “Appendix B” is identical with the German audited version. This independent assurance report is only applicable to the German and complete sustainability statement. For deviating versions, the provisions of section 281 para. 2 UGB apply.

Performance and outlook

2024

Output volume

Output volume by country

€ mn	**2024**	**% of total output volume 2024**	2023	% of total output volume 2023	Δ %	Δ absolute
Germany	9,361	49	9,045	47	3	316
Austria	2,856	15	3,070	16	-7	-214
Poland	1,697	9	1,329	7	28	368
Czech Republic	1,017	5	999	5	2	18
United Kingdom	698	4	672	4	4	26
Hungary	620	3	808	4	-23	-188
Americas	517	3	564	3	-8	-47
Romania	467	2	519	3	-10	-52
Slovakia	305	2	410	2	-26	-105
Middle East	257	1	219	1	17	38
Switzerland	229	1	226	1	1	3
Croatia	223	1	242	1	-8	-19
Benelux	216	1	190	1	14	26
Rest of Europe	151	1	155	1	-3	-4
Sweden	120	1	106	1	13	14
Italy	111	1	62	0	79	49
Asia	104	1	150	1	-31	-46
Serbia	94	0	139	1	-32	-45
Slovenia	92	0	118	1	-22	-26
Bulgaria	55	0	65	0	-15	-10
Africa	29	0	31	0	-6	-2
Denmark	20	0	20	0	0	0
Total	**19,239**	**100**	**19,139**	**100**	**1**	**100**

€ 19.2 billion

Output volume

The STRABAG SE Group generated an **output volume** of € 19,238.80 million in the 2024 financial year, representing a slight increase of 1% or € 100 million. Strong growth was recorded in Poland and in the infrastructure and building solutions business in Germany. Significant output gains were also achieved in Italy and the Middle East. In Austria and Hungary, output volume declined as expected.

Order backlog

Order backlog by country and segment as at 31 December 2024

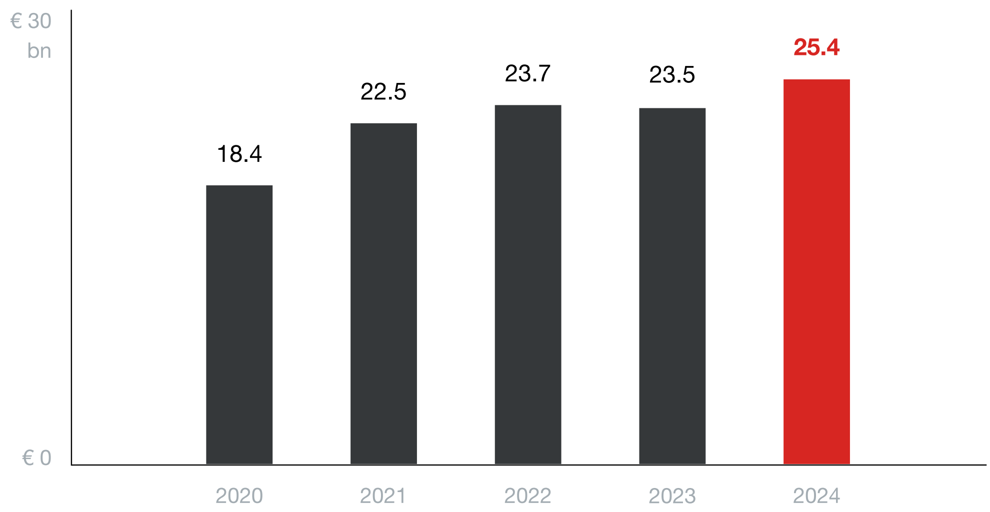
€ mn	Total 2024	North + West	South + East	International + Special Divisions	Other	Total 2023	Δ Total %	Δ Total absolute
Germany	13,653	11,596	384	1,649	24	12,544	9	1,109
Austria	2,565	38	2,036	488	3	2,360	9	205
Poland	2,235	1	1,902	332	0	1,944	15	291
United Kingdom	1,259	4	3	1,252	0	1,794	-30	-535
Czech Republic	1,030	2	1,014	10	4	939	10	91
Americas	695	0	0	695	0	614	13	81
Romania	653	21	599	33	0	496	32	157
Middle East	479	0	24	455	0	462	4	17
Croatia	450	0	440	10	0	323	39	127
Slovakia	425	0	418	7	0	232	83	193
Hungary	417	0	416	1	0	348	20	69
Italy	411	0	11	400	0	459	-10	-48
Benelux	213	180	1	32	0	158	35	55
Slovenia	204	0	199	5	0	59	> 100	145
Rest of Europe	133	0	125	8	0	192	-31	-59
Switzerland	130	124	4	2	0	111	17	19
Sweden	129	98	31	0	0	108	19	21
Asia	125	0	3	122	0	175	-29	-50
Serbia	66	0	66	0	0	49	35	17
Bulgaria	39	0	39	0	0	17	> 100	22
Africa	27	0	23	4	0	53	-49	-26
Denmark	24	24	0	0	0	29	-17	-5
Total	**25,362**	**12,088**	**7,738**	**5,505**	**31**	**23,466**	**8**	**1,896**

€ 25.4 billion

Order backlog

After exceeding the € 25 billion mark for the first time in the first half of the year, the **order backlog** was increased further to € 25,362.47 million by the end of 2024, which corresponds to an increase of € 1.9 billion or 8% compared to the previous year. The order backlog in Germany rose particularly sharply, especially in infrastructure and civil engineering. Significant increases were also recorded in Poland, Austria, Slovakia and Romania. Encouragingly, the first signs of a turnaround in residential construction in Austria were confirmed in the fourth quarter of 2024. In the United Kingdom, the order backlog has been on the decline as major projects are being worked off.

Development of order backlog



The most significant **additions to the order backlog** in Germany include network expansion projects for the energy transition worth more than € 1.1 billion, the general overhaul of the Hamburg–Berlin railway line and the replacement of the Kriegenbrunn shipping lock in Bavaria. In Slovakia, STRABAG was awarded the contract for the conversion and expansion of the F.D. Roosevelt Clinic, and in the Czech Republic for the construction of the new headquarters of the local subsidiary of Erste Group, which will be realised to the highest sustainability standards. Internationally, contracts were acquired for a rapid transit line in Toronto and for the construction of a residential district in Abu Dhabi, among other things.

Construction sites included in the order backlog as at 31 December 2024

Category	Number of construction sites	Number of construction sites as % of total	Order backlog € mn	Order backlog as % of total
Very small orders (€ 0–1 mn)	10,786	79	2,267	9
Small orders (€ 1–15 mn)	2,215	16	3,838	15
Medium-sized orders (€ 15–70 mn)	373	3	6,116	24
Large orders (€ 70–150 mn)	64	1	3,225	13
Very large orders (>€ 150 mn)	57	1	9,916	39
Total	**13,495**	**100**	**25,362**	**100**

The total order backlog is comprised of **13,495 individual projects**. Approximately 13,000 of these, or 95%, involve very small or small orders with a volume of up to € 15 million each; the remaining proportion of 5% covers medium-sized to very large orders with contract volumes of € 15 million and up. A total of merely 57 projects have a volume above € 150 million. The high number of individual contracts guarantees that the risk involved with one project does not, as far as possible, threaten the Group success as a whole. The ten largest projects in the order backlog as at 31 December 2024 added up to 17% of the order backlog.

Selected large projects in the order backlog as at 31 December 2024

Country	Project	Order backlog € mn	As % of total Group order backlog
United Kingdom	HS2 high-speed rail line	961	3.8
Germany	Bayerische Versorgungskammer	543	2.1
Germany	U5 East, Hamburg	521	2.1
Germany	US hospital, Weilerbach	520	2.1
Germany	Lock Kriegenbrunn	356	1.4
Germany	Central Business Tower	351	1.4
United Arab Emirates	Residential towers, Sea La Vie	292	1.2
United Kingdom	Woodsmith Project	282	1.1
Germany	Replacement building, Ruhr University Bochum	271	1.1
Canada	Scarborough Subway Extension Line 2	251	1.0
Total		**4,348**	**17.3**

Financial performance

The consolidated **Group revenue** for the 2024 financial year amounted to € 17,422.22 million. As an increasing number of large-scale projects acquired in the past reporting periods are being carried out under joint venture agreements, the output increased by 1% and revenue fell slightly by 1% in a year-on-year comparison. This effect is also reflected in the slight decline of the ratio of revenue to output from 92% to 91%. The operating segments North + West contributed 41%, South + East 41% and International + Special Divisions 18% to the revenue.

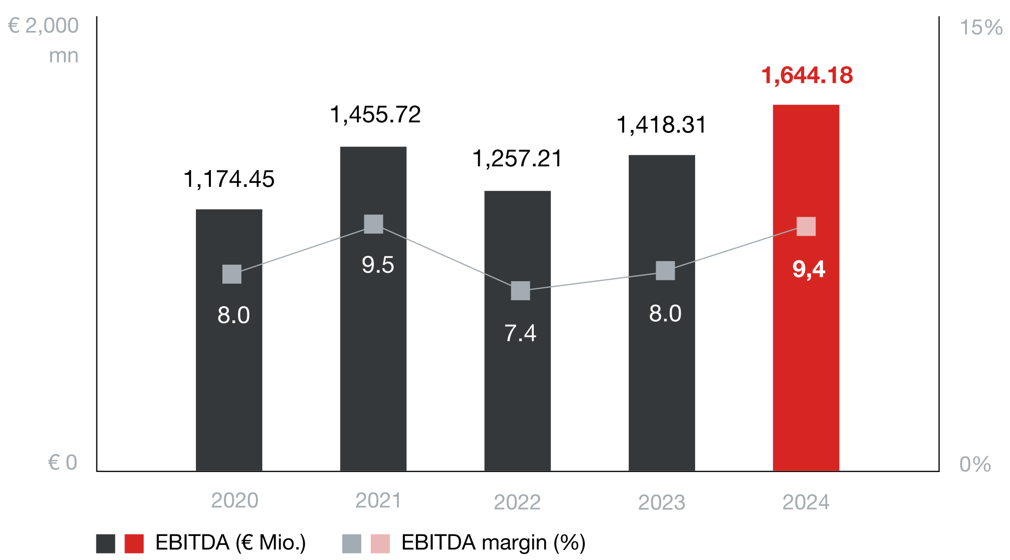
The **changes in inventories** mainly involve real estate project developments. New project developments more than compensated for successful sales in the reporting period. The **own work capitalised** relates to the construction of Group locations and remained nearly unchanged year-on-year. The total of **expenses for construction materials, consumables and services used** and **employee benefits expense**, expressed in relation to revenue, fell from 90% to 88%.

Expenses

€ mn	**2024**	2023	Δ %
Construction materials, consumables and services used	10,463.01	11,275.08	-7
Employee benefits expense	4,905.50	4,540.90	8
Other operating expenses	1,115.28	1,086.60	3
Depreciation	582.29	538.12	8

The **earnings from equity-accounted investments** rose moderately to € 148.72 million in the reporting period due to higher earnings from joint ventures. The **net income from investments**, which comprises the dividends and expenses of many smaller companies and financial investments, increased compared to the previous year. This is partly due to positive earnings from the sale of investments.

Development of EBITDA and EBITDA margin



In total, the **earnings before interest, taxes, depreciation and amortisation (EBITDA)** increased by 16% to € 1,644.18 million. In a year-on-year comparison, this corresponds to a noticeable increase in the **EBITDA margin** from 8.0% to 9.4%. In line with the higher investments as part of the Strategy 2030, depreciation and amortisation expense increased as expected by 8% to € 582.29 million.

The **earnings before interest and taxes (EBIT)** exceeded the € 1.0 billion mark for the first time in 2024, amounting to € 1,061.89 million. This resulted in a significant increase in the **EBIT margin** from 5.0% to 6.1%. The EBIT margin in the 2024 financial year was considerably higher than originally projected, mainly due to positive earnings effects in the North + West segment and – compared to the previous year – lower negative effects on earnings in the volatile international project business.

The **net interest income** again rose sharply year-on-year, increasing from € 44.13 million to € 75.42 million. This growth was primarily due to the higher interest income, caused by the continued high interest rates in 2024 and STRABAG SE's high net cash position. The exchange rate result included in this figure tended towards zero in 2024 at € -0.4 million (2023: € -15.90 million).

27.2%

Effective tax rate

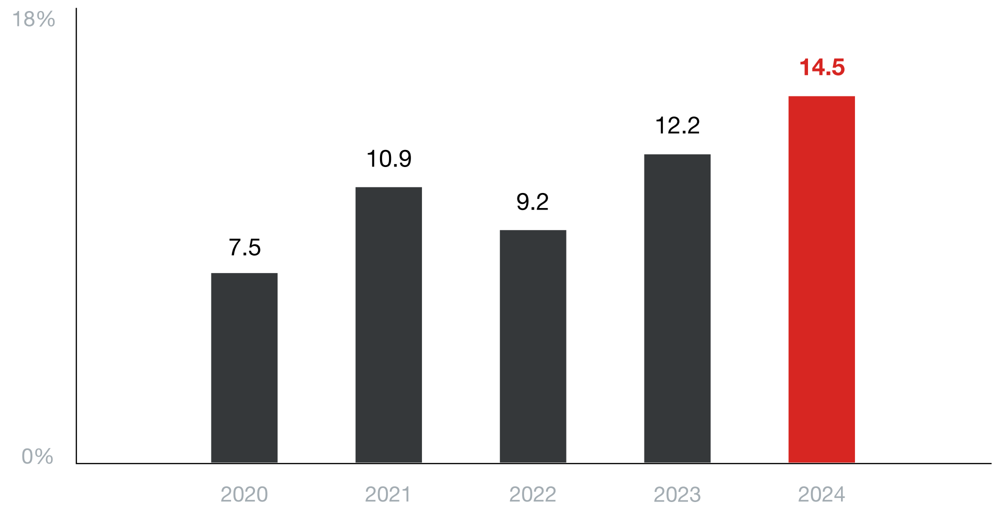
On balance, the **earnings before taxes** amounted to € 1,137.31 million. The **income tax rate** was 27.2%, considerably lower than in the previous year. This was due to a lower shortfall in tax relief on large-scale projects. The **net income** totalled € 828.33 million, up 31% from the previous year's level.

€ 7.35

Earnings per share

The earnings owed to minority shareholders totalled € 5.33 million, compared to € 2.89 million in the previous year. The **net income after minorities** increased by 31% to € 823.00 million, the highest figure since the company's inception. The earnings per share amounted to € 7.35 (2023: € 6.30).

Development of ROCE



The **return on capital employed (ROCE)** saw another significant increase, growing from 12.2% in the previous year to 14.5%. This is the highest value in the history of STRABAG SE.

Financial position and cash flows

Balance sheet

€ mn	**31.12.2024**	**% of balance sheet total**	31.12.2023	% of balance sheet total
Non-current assets	5,822	40	5,477	40
Current assets	8,853	60	8,229	60
Equity	5,000	34	4,409	32
Non-current liabilities	2,288	16	2,228	16
Current liabilities	7,387	50	7,069	52
Total	**14,675**	**100**	**13,706**	**100**

The **total of assets and liabilities** grew by 7% year on year to € 14,674.58 million. On the assets side, the increase was mainly due to higher inventories and cash and cash equivalents. Growth was also seen in the Group's investment property, attributable to the establishment of the STRABAG Hold Estate portfolio for the purpose of managing long-term, strategic real estate holdings.

34.1%

Equity ratio

The **equity** at the end of 2024 amounted to € 5,000.37 million, marking the first time that this figure has reached the € 5.0 billion mark. The final step of the capital measures to reduce the stake held by MKAO "Rasperia Trading Limited" was carried out in March 2024 with entry of the ordinary non-cash capital increase in the commercial register. As a result, the share capital of STRABAG SE increased from € 102.6 million to € 118.2 million, while the capital reserves decreased by the same amount. The **equity ratio** rose to 34.1% (31 December 2023: 32.2%) due to the exceptionally high earnings in the reporting year and so remains comfortably above the Group's minimum target of 25%.

Key balance sheet figures

	31.12.2020	31.12.2021	31.12.2022	31.12.2023	**31.12.2024**
Equity ratio (%)	33.9	33.3	31.7	32.2	34.1
Net debt (€ mn)	-1,747.23	-1,937.18	-1,927.70	-2,643.24	-2,905.25
Gearing ratio (%)	-42.5	-47.6	-47.9	-59.9	-58.1
Capital employed (€ mn)	5,815.14	5,750.63	5,407.37	5,726.41	6,331.38

€ 2.9 billion

Net cash position

STRABAG SE reported another **net cash position** as at 31 December 2024, with a noticeable increase to € 2,905.25 million due to higher cash and cash equivalents.

Calculation of net debt[1]

€ mn	31.12.2020	31.12.2021	31.12.2022	31.12.2023	**31.12.2024**
Financial liabilities	1,156.01	1,193.62	957.20	898.93	927.27
Severance provisions	122.55	108.36	91.38	98.27	99.34
Pension provisions	428.36	376.83	333.55	319.85	304.40
Non-recourse debt	-597.20	-652.74	-607.97	-509.67	-512.57
Cash and cash equivalents	-2,856.95	-2,963.25	-2,701.85	-3,450.62	-3,723.70
Total	**-1,747.23**	**-1,937.18**	**-1,927.70**	**-2,643.24**	**-2,905.25**

[1] The non-recourse liabilities that were considered are related to three major projects. Non-recourse liabilities from other PPP projects had, based on their amount, only an immaterial impact and are therefore not subtracted in the calculation of net debt.

The **cash flow from operating activities** decreased to € 1,387.21 million in the year under review (2023: € 1,816.51 million); this figure is still at the upper end of the multi-year average, however. While cash flow from earnings increased year-on-year, working capital remained largely unchanged following the unexpected reduction in the previous year. A reduction in advance payments has not yet materialised.

The **cash flow from investing activities** was, as expected, more negative due to higher investments in line with the Group Strategy 2030 and amounted to € -749.54 million (2023: € -654.87 million). An increase in investment property was recorded due to the establishment of the STRABAG Hold Estate portfolio and in property, plant and equipment.

The **cash flow from financing activities** was less negative at € -353.69 million (2023: € -430.58 million). The previous year's figure included the cash outflow from the acquisition of own shares tendered as part of an anticipatory mandatory takeover offer by the Austrian core shareholders. The absence of this effect more than offset the higher dividend distribution in the past financial year

Report on own shares

As at 31 December 2024, the company held 2,779,006 own shares (2.4% of the share capital), which it acquired under a share purchase agreement concluded with Haselsteiner Familien-Privatstiftung, RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H. and UNIQA Österreich Versicherungen AG on the occasion of their mandatory takeover bid on the basis of the authorisation granted by the Annual General Meeting on 24 June 2022 pursuant to Section 65 Para 1 No 8 AktG. The rights arising from these 2,779,006 no-par value shares are therefore now suspended in accordance with Section 65 Para 5 AktG.

Further details can be found in the management report under Disclosures under Sec 243a Para 1 UGB.

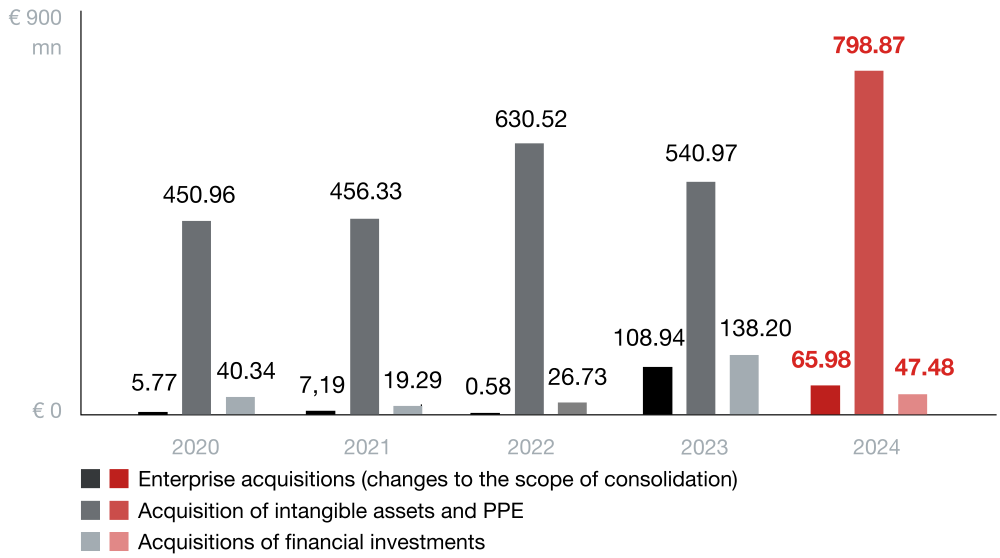
Capital expenditures

€ 750 million

Net investments

STRABAG had forecast **net investments** (cash flow from investing activities) of up to € 800 million for the 2024 financial year. In the end, they amounted to € 749.54 million.

Composition of CapEx



The **gross investments (CapEx)** before subtraction of proceeds from asset disposals amounted to € 912.33 million. This figure includes investments in intangible assets, in property, plant and equipment and in investment property, excluding the non-cash additions to right-of-use assets in the amount of € 798.87 million, the purchase of financial assets in the amount of € 47.48 million and € 65.98 million from changes in the scope of consolidation.

Particularly significant **investments** include maintenance expenditures at our permanent operations in Germany, Austria, Switzerland, the Czech Republic and Poland. Additional investments were made in the building materials network in various countries, with a continued focus on the decarbonisation of asphalt and concrete mixing plants. Investments were also made in tunnelling as part of several large-scale projects currently underway in the Americas.

Investments in intangible assets and in property, plant and equipment were offset by depreciation and amortisation amounting to € 582.29 million in the reporting year. No goodwill impairment (2023: € 7.45 million) or write-ups of investment property (2023: € 18.5 million) were recognised during the year under review.

Financing and treasury

Key figures treasury

	2020	2021	2022	2023	**2024**
Interest and other income (€ mn)	27.89	26.96	50.74	119.19	144.85
Interest and other expense (€ mn)	-48.49	-39.53	-40.07	-75.07	-69.43
EBIT/net interest income (x)	-30.6	-71.3	66.2	19.9	14.1
Net debt/EBITDA (x)	-1.5	-1.3	-1.5	-1.9	-1.8

The number one objective for the treasury management of STRABAG SE is assuring the continued existence of the company through the maintenance of constant solvency. This objective is to be reached through the provision of sufficient short-term, medium-term and long-term liquidity. Liquidity for STRABAG SE means not only solvency in the strict sense but also the availability of guarantees. The activity of building requires the constant availability of bid, contract fulfilment, advance payment and warranty guarantees and/or sureties. The financial scope of action is thus defined by sufficient cash and cash credit lines, on the one hand, and by sufficient surety credit lines on the other.

The management of **liquidity risks** has become a central element of the corporate management at STRABAG. In practice, liquidity risks come in various forms:

- In the short term, all daily payment obligations must be covered in time and/or in their entirety.
- In the medium term, liquidity levels must be sufficient so that no transactions or projects become impossible due to a lack of sufficient financial means or guarantees or that they cannot be executed at the desired pace.
- In the long term, there should be sufficient financial means available to be able to pursue the strategic development targets.

In the past, STRABAG has always oriented its financing decisions according to the risk aspects outlined above and has organised the maturity structure of the financial liabilities in such a way as to avoid a refinancing risk. In this way, the company has been able to maintain a great scope for action, which is of particular importance in a difficult market environment. The respective liquidity needed is determined by targeted liquidity planning. Based on this, liquidity assurance measures are made, and a liquidity reserve is defined for the entire Group. The liquidity situation is continuously monitored by treasury management, managed via a corporate-wide cash pooling system and supported at project level by strict working capital management.

€ 3.7 billion

Cash and cash equivalents

The existing **liquidity** of € 3.7 billion sufficiently covers the Group’s liquidity needs. STRABAG SE has access to a total of € 8.8 billion in cash and surety credit facilities. This includes a syndicated surety credit line of € 2.0 billion and a revolving syndicated cash credit line of € 0.4 billion, both maturing in 2026. Bilateral credit lines with banks also exist. The high level of diversification of its cash and surety facilities gives STRABAG a balanced risk spread regarding the provision of credit and secures the Group’s comfortable liquidity position.

BBB+, stable

S&P corporate credit rating

In September 2024, the investment grade rating was raised one notch by Standard & Poor's (S&P) to BBB+, outlook stable. The decision was based on STRABAG's sustained strong performance, supported by a high order backlog. The company's diversified, vertically integrated business model, combined with consistent risk management and strong market positions in the core markets, were identified as key drivers. Given this robust foundation, the company continues to expect a solid net cash position.

Payment obligations

€ mn	**Book value 31.12.2024**	Book value 31.12.2023
Bank borrowings	536.39	534.71
Lease liabilities	390.88	364.22
Total	**927.27**	**898.93**

Report on the financial performance, financial position and cash flows of STRABAG SE

Financial performance

The company's revenue decreased slightly by € 1.1 million from € 88.28 million to € 87.18 million compared to the previous year.

	2024	2023
Revenue in T€ (sales)	87,179	88,280
Earnings before interest and taxes in T€ (EBIT)	391,017	307,913
Return on sales in % (ROS)[1]	>100,0	>100,0
Return on equity in % (ROE)[2]	14.4	11.0
Return on investment in % (ROI)[3]	11.8	9.4

1 ROS = EBIT / revenue
2 ROE = EBT / avg. equity
3 ROI = EBIT / avg. total capital

The earnings before interest and taxes (EBIT) were characterised by a strong increase in investment income and, with a plus of € 83.11 million, increased significantly compared to the previous year from € 307.91 million to € 391.02 million in the year under review.

The operating earnings for the 2024 financial year amounted to € 16.0 million, a € 3.5 million decline on the year (€ 19.5 million). The previous year's figure had been boosted by a substantial one-off compensation payment.

The significant increase in financial earnings, which grew by € 92.00 million from € 294.68 million to € 386.68 million, was achieved through substantially higher profit transfers from subsidiaries. Another positive impact on earnings resulted from the sharp increase in income from the disposal of financial investments. By contrast, the year-on-year increase in write-downs on investments had a negative impact on earnings.

Net interest income totalled € 11.63 million (2023: € 6.27 million). This figure is calculated from the interest income earned on financing provided to subsidiaries and from the financing costs for interest-bearing borrowings.

Overall, the company generated a net profit of € 403.17 million for the 2024 financial year (2023: € 314.83 million).

The improved earnings are also positively reflected in the profitability indicators.

Financial position and cash flows

The total assets of STRABAG SE remained unchanged at € 3.3 billion in 2024 (2023: € 3.3 billion). Significant changes were recorded in only a few balance sheet items.

The significant reduction in payables to subsidiaries results from the payables from cash clearing. Despite the dividend withheld from MKAO "Rasperia Trading Limited" for the 2023 financial year due to the sanctions regime, a decline was recorded in other liabilities as a result of the dividend liability payable from the capital reduction to the free float.

The result was a decreased net debt of € 423.19 million as at 31 December 2024 compared to € 557.00 million in the previous year. The gearing ratio improved from 20.5% in the previous year to 14.8% in the year under report.

	2024	2023
Net debt in T€[1]	423,188	556,996
Working capital in T€[2]	334,227	298,581
Equity ratio in %	86.3	81.8
Gearing ratio in %[3]	14.8	20.5

1 Net debt = interest-bearing liabilities + non current provisions - cash and cash equivalents

2 Working capital = current assets - cash and cash equivalents - current non-interest-bearing liabilities

3 Gearing = net debt / equity

The working capital increased by € 35.65 million in the 2024 financial year, growing from € 298.58 million in the 2023 financial year to € 334.23 million, due to the increase in receivables from profit transfers and the reduction in current, non-interest-bearing liabilities.

The equity ratio of 86.3% is above the previous year's figure (81.8%), due to the significant increase in equity, and remains at a very high level.

	2024	2023
Cash flow from operating activities	360,160	260,394
Cash flow from investing activities	27,623	-34,194
Cash flow from financing activities	-387,804	-226,481

The cash flow from operating activities of € 360.16 million is largely attributable to cash flow from earnings. The increase of the working capital had a negative impact.

The cash flow from investing activities saw an inflow of € 37.71 million in cash and cash equivalents in the reporting year, of which € 30.28 million resulted from the disposal of financial assets and € 7.43 million from the repayment of financing receivables. This is contrasted by the use of cash for additions to financial assets in the amount of € 10.09 million. In total, the cash flow from investing activities amounts to € 27.62 million.

The reduction of receivables from cash clearing resulted in a cash outflow of € 99.34 million in the cash flow from financing activities. After deducting the dividend payments for the 2023 financial year in the amount of € 208.52 million (the dividend attributable to the shares held by MKAO "Rasperia Trading Limited" was withheld due to the sanctions imposed on Oleg Deripaska) and the dividend liability from the capital reduction for the free float in the amount of € 79.94 million, the total cash outflow from financing activities in 2024 amounted to € 319.28 million.

Report on own shares

As at 31 December 2024, STRABAG SE held 2,779,006 no-par value bearer shares representing 2.4% of the share capital. The corresponding value of the share capital thus amounts to € 2,779,006.00. The buyback took place on 9 February 2023 at a purchase price of € 38.94 per share to any purpose allowed under Section 65 Para 1 No 8 of the Austrian Stock Corporation Act (AktG), including but not limited to the purpose of using own shares as acquisition currency.

Segment report

Overview of the four segments within the group

The business of STRABAG SE was divided into four segments in 2024, of which there are three operating segments, North + West, South + East and International + Special Divisions, and the segment Other, which encompasses the Group's central divisions and central staff divisions. Klemens Haselsteiner passed away on 17 January 2025. The remaining board members temporarily took over his responsibilities until Stefan Kratochwill was appointed CEO of STRABAG SE on 19 February 2025, with immediate effect. The segments were comprised as follows in 2024 and in the current year of 2025:

North + West

Management Board responsibility: Jörg Rösler
Germany, Switzerland, Scandinavia, Benelux (as of 17 January 2025), Ground Engineering

Management Board responsibility: Klemens Haselsteiner
Benelux (until 17 January 2025)

South + East

Management Board responsibility: Alfred Watzl
Austria, Poland, Czech Republic, Slovakia, Hungary, Romania, South-East Europe, Environmental Technology, Construction Materials

International + Special Divisions

Management Board responsibility: Siegfried Wanker
Tunnelling, International, United Kingdom, Infrastructure Development, Real Estate Development, Building Solutions (previously property and facility services), Energy Infrastructure, Hold Estate

Other

Management Board responsibility: Klemens Haselsteiner (until 17 January 2025), Stefan Kratochwill (as of 19 February 2025) and Christian Harder
Central Divisions, Central Staff Divisions

Construction projects are assigned to one of the segments (see chart below). Of course, projects may also be assigned to more than one segment. This is the case, for example, with PPP projects in which the construction part is assigned to its respective geographic segment, but the concession part is assigned to the concessions unit of International + Special Divisions. In projects which span more than one segment, the commercial and technical responsibility is generally assigned to that segment which has the higher share of the overall project value.

Segments are primarily categorised according to geographical aspects. Specialities in particular – e.g. tunnelling – are naturally in demand worldwide. Such business fields are shown in the International + Special Divisions segment. At the same time, the North + West and South + East segments sometimes include international business fields such as environmental technology. These are predominantly organised from a country within the respective geographic segment.

Certain services may be performed in more than one segment. The activities below have been assigned to those segments in which the most significant portion of the services was provided. Details are available in the table.

With only a few exceptions, STRABAG offers its services in all areas of the construction industry in the individual European markets in which it operates and covers the entire construction value chain.

Range of services offered

	North + West	South + East	International + Special Divisions
Residential Construction	√	√	√
Commercial and Industrial Facilities	√	√	√
Public Buildings	√	√	√
Engineering Ground Works	√	√	√
Bridge Construction	√	√	√
Power Plants	√	√	√
Roads, Earthworks	√	√	√
Protective Structures	√	√	√
Sewerage Systems	√	√	√
Production of Construction Materials	√	√	
Railway Construction	√	√	
Waterway Construction, Embankments	√	√	√
Landscape Architecture and Development, Paving, Large-Area Works	√	√	
Sports and Recreation Facilities	√	√	
Ground Engineering	√		
Environmental Technology	√	√	√
Production of Prefabricated Elements	√	√	
Tunnelling			√
Real Estate Development			√
Infrastructure Development			√
Renewable Energy Development			√
Operation/Maintenance/Marketing of PPP and Renewable Energy Projects			√
Property and Facility Services			√

Segment North + West

The North + West segment delivers construction services of nearly any kind and size with a focus on Germany, Switzerland, the Benelux countries and Scandinavia. Ground engineering can also be found in this segment.

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	8,239.86	8,216.66	0	23
Revenue	7,221.27	7,280.19	-1	-59
Order backlog	12,088.14	11,207.13	8	881
EBIT	692.67	644.82	7	48
EBIT margin (% of revenue)	9.6	8.9		
Employees (FTE)	22,392	22,136	1	256

Output volume – North + West segment

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Germany	7,655	7,614	1	41
Switzerland	223	216	3	7
Benelux	139	172	-19	-33
Sweden	117	95	23	22
Austria	35	36	-3	-1
Romania	31	26	19	5
Denmark	19	20	-5	-1
United Kingdom	13	29	-55	-16
Poland	5	1	> 100	4
Czech Republic	2	0	n.a.	2
Rest of Europe	1	6	-83	-5
Hungary	0	1	-100	-1
Middle East	0	1	-100	-1
Total	**8,240**	**8,217**	**0**	**23**

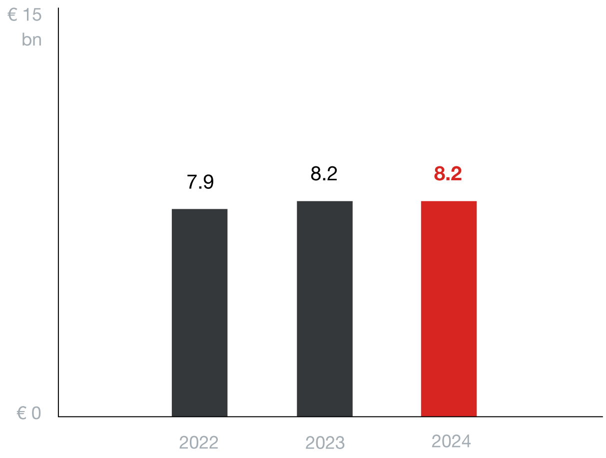
Output, revenue and EBIT

North + West with stable output

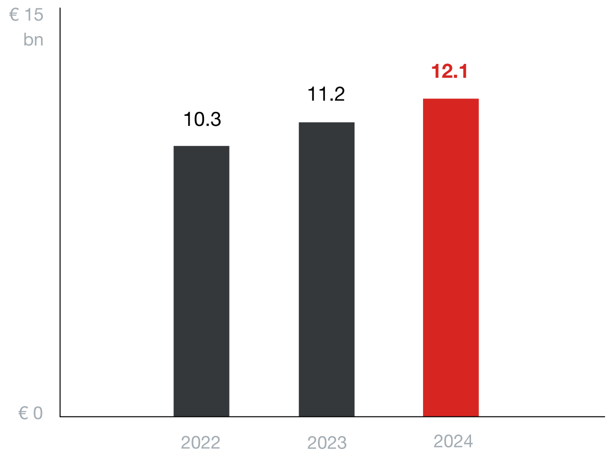
The **output volume** of the North + West segment remained virtually unchanged in the 2024 financial year, matching the high level of the previous year with a total of € 8,239.86 million. In the home market of Germany, growth was recorded in transportation infrastructures and civil engineering, while building construction continued to be affected by the ongoing sluggishness in residential construction. With the exception of the expected decline in the Benelux countries, attributable to a more selective approach to the market, output volume remained largely stable in the segment's other markets.

Revenue fell by just under 1% and so remained at a high level of € 7,221.27 million. The **EBIT** grew by 7% to € 692.67 million, resulting in a year-on-year increase in the EBIT margin from 8.9% to a very high 9.6%. In the year under review, performance exceeded expectations in Germany in particular. This was due in part to the milder weather conditions, which led to higher capacity utilisation in December, but is also a result of agreements reached towards the end of the year on supplementary claims from major projects.

Output volume



Order backlog



Order backlog

Order backlog expanded at high level

The **order backlog** as at 31 December 2024 was further increased by 8% to € 12,088.14 million. This positive development is being driven primarily by transportation infrastructures and civil engineering in the home market of Germany. Notable additions to the order backlog are the construction of the Kriegenbrunn shipping lock in Bavaria, the replacement of the Uttrichshausen viaduct on the A7 motorway in Hesse, and civil engineering works as part of the SuedLink and SuedOstLink power line projects.

Employees

The **number of employees** grew slightly by 1% to 22,392 FTEs, with increases in Germany and Switzerland. There were no significant changes in the segment's other markets.

Outlook

Solid output growth expected

Based on the continued high order backlog, STRABAG expects solid growth of its output volume in the North + West segment in 2025 despite the challenging conditions.

In **Germany**, material prices have returned to normal and remain stable, while energy prices persist at a relatively high level. The declining demand for residential and office construction to date has so far been offset by projects in infrastructure and industrial construction. A slight shift is evident from private to public clients here, with a moderate easing expected in residential construction towards the end of 2025.

In the German transportation infrastructures business, the volume of orders on hand provides a very solid basis for 2025. Increased demand and a growing number of projects are being observed relating to the energy transition. Especially at the municipal level, infrastructure expansion remains a challenge due to the ongoing price competition. Civil engineering is benefiting from Deutsche Bahn's ongoing investment offensive and from cable construction projects for new power transmission lines. The relevant budgets are to be developed and adopted after the federal election, so that 2025 can be expected to be a transitional year.

Predatory pricing remains a serious concern in the **Benelux** countries. Here the Group will continue to pursue its chosen path of consolidation and stabilisation, in line with a highly selective bidding strategy. In the Netherlands and Belgium, the company is seizing initial opportunities in industrial construction, particularly in projects relating to the energy transition. A slight increase in demand is also expected in residential construction.

The consolidation and stabilisation that was initiated in **Scandinavia** will be continued here as well. The focus is on medium-sized projects, primarily in commercial and industrial construction. An increasing demand for larger projects is being observed in the infrastructure construction segment.

The demand for construction services in **Switzerland** remains stable. Following a period of successful initial consolidation, we are now continuing on our growth path. The necessary investments have already been made and are currently in the process of being implemented.

Selected projects – North + West segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
Germany	Bayerische Versorgungskammer	528	2.1
Germany	US hospital, Weilerbach	520	2.1
Germany	U5 East, Hamburg	365	1.4
Germany	Lock Kriegenbrunn	356	1.4
Germany	Central Business Tower	350	1.4

Segment South + East

The geographic focus of the South + East segment is on Austria, Poland, the Czech Republic, Slovakia, Hungary, Romania and South-East Europe. The environmental technology and construction materials activities are also handled within this segment.

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	7,502.30	7,741.90	-3	-240
Revenue	7,123.76	7,344.06	-3	-220
Order backlog	7,738.49	7,074.25	9	664
EBIT	387.99	392.57	-1	-5
EBIT margin (% of revenue)	5.4	5.3		
Employees (FTE)	26,852	27,057	-1	-205

Output volume – South + East segment

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Austria	2,479	2,722	-9	-243
Poland	1,571	1,262	24	309
Czech Republic	995	981	1	14
Hungary	577	784	-26	-207
Germany	540	423	28	117
Romania	428	486	-12	-58
Slovakia	292	398	-27	-106
Croatia	222	241	-8	-19
Rest of Europe	131	93	41	38
Serbia	92	137	-33	-45
Slovenia	89	117	-24	-28
Bulgaria	48	59	-19	-11
Africa	21	16	31	5
Middle East	5	6	-17	-1
Italy	4	9	-56	-5
United Kingdom	2	7	-71	-5
Switzerland	2	3	-33	-1
Sweden	2	0	n.a.	2
Benelux	1	0	n.a.	1
Asia	1	-2	n.a.	3
Total	**7,502**	**7,742**	**-3**	**-240**

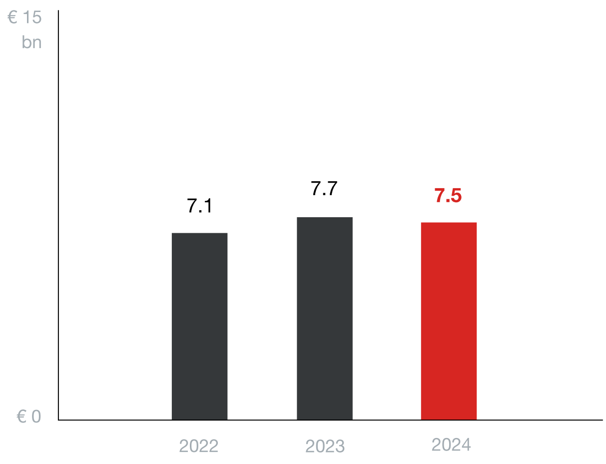
Output, revenue and EBIT

Declining figures in Austria and Hungary

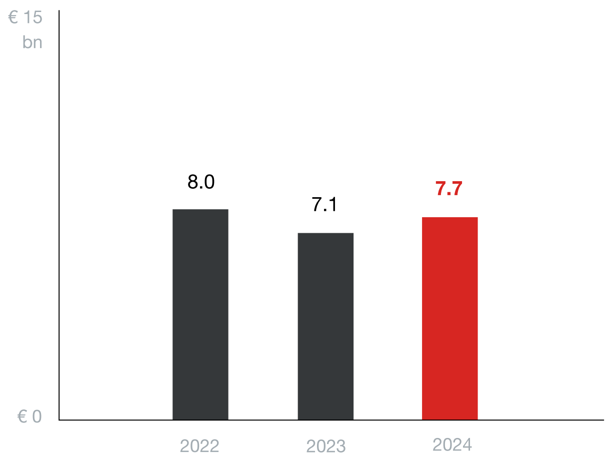
The South + East segment recorded a 3% lower **output volume** of € 7,502.30 million in the 2024 financial year. This development is mainly attributable to the expected declines in Austria and Hungary. In Austria, this is due to the weak residential construction market, while the decline in Hungary was caused by the government-imposed investment stop and the withholding of EU funds. By contrast, strong output growth was recorded in transportation infrastructures in Poland.

Revenue, in line with output, decreased by 3% to € 7,123.76 million. The **EBIT** fell slightly by 1% to € 387.99 million in the reporting year, while the EBIT margin remained stable at a high level of 5.4% (2023: 5.3%). Further earnings improvements were achieved in the markets of South-East Europe; the high earnings of the previous year in Austria could not be repeated, however.

Output volume



Order backlog



Order backlog

Positive developments in core markets

The **order backlog** increased significantly year on year, gaining 9% to reach € 7,738.49 million. Substantial increases were recorded in almost all of the segment's core markets. In absolute terms, the largest increases were seen in Slovakia, followed by Slovenia, Romania and Croatia. Austria and Poland recorded stable development. Noteworthy new orders include the expansion of the F.D. Roosevelt Clinic in Banská Bystrica (Slovakia), several building construction projects in Slovenia, and the construction of the new headquarters of the Czech subsidiary of Erste Group in Prague.

Employees

The **number of employees** in 2024 fell by 1% to 26,852 FTEs. Declining trends were observed in Austria and Slovakia, among other places. In contrast, employee numbers in Poland increased in line with the higher output.

Outlook

Output growth on high order backlog

On the basis of a high order backlog, a noticeable increase in output volume is expected in the South + East segment for 2025.

In **Austria**, the weak residential construction market of the past few years continues to put pressure on the building construction segment. A lasting recovery could set in during the second half of 2025, supported by a more stable inflation rate, further interest rate cuts and more relaxed lending guidelines. Despite a stable tendering situation, growing price pressure is being observed in the transportation infrastructures segment, with additional burdens on public tenders expected due to the savings required to address the national budget deficit. The order situation in the future-oriented sector of construction in existing buildings, on the other hand, including reconstruction, conversion and refurbishment, is developing positively.

The order backlog in **Poland** has been developing positively, and a revival of public-sector investment is expected with the release of EU financing from the Covid-19 Recovery Fund. In the coming years, significant major projects in the areas of infrastructure, mobility and the energy transition will also shape market developments. Momentum in building construction is expected from the end of 2025 at the latest, driven by public- and private-sector investment.

The situation in **Hungary** continues to be viewed as challenging. The withholding of EU funds and the lack of public investment are reflected in a significant decline in the construction volume. On a positive note, however, orders from the automotive manufacturing industry and its suppliers are on the rise. A planned state economic stimulus package should also help to boost private consumption and strengthen the economy.

Increasing tender volumes are being seen in the **Czech transportation infrastructures** sector, especially in railway construction, although predatory pricing remains a factor in some larger projects. Significant orders were secured in railway station construction, road construction and building construction in 2024, leading to an increase in the order backlog. With interest rates falling, investments by private investors are expected to pick up once again as well. Additional projects involve the optimisation of structures in tunnelling, ground engineering and hydraulic engineering.

In **Slovakia**, the volume of tendered projects in transportation infrastructures is on the rise following the appointment of a new government and several major railway construction projects are expected to be awarded this year. A recovery and an increased level of tenders are also anticipated in the building construction sector in 2025. In May, for example, STRABAG was awarded the contract for the expansion of the F.D. Roosevelt Clinic in Banská Bystrica.

Demand in the markets of **South-East Europe** is developing positively. In Croatia, the focus is currently on transportation infrastructures and industrial construction, supported by EU investments. In Slovenia, the order volume has recently increased noticeably as a result of several project acquisitions. Romania is considered a promising market with a high demand for infrastructure, partly due to EU-funded investments.

The **building materials and environmental technology** activities that are bundled in the South + East segment are showing a satisfactory trend overall. These activities are of key importance for the action areas of circularity and expertise in the energy sector in our Strategy 2030.

Selected projects – South + East segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
Slovakia	F.D. Roosevelt Hospital	272	1.1
Romania	Mihail Kogălniceanu Airport	138	0.5
Austria	Medical rehabilitation centre, Vienna	119	0.5
Czech Republic	Modernisation of Masaryk Railway Station, Prague	114	0.5
Czech Republic	Pankrác–Olbrachtova underground line	103	0.4

Segment International + Special Divisions

The International + Special Divisions segment comprises the majority of STRABAG SE's non-European business in addition to its global tunnelling activities. The segment also encompasses infrastructure development, real estate development and building solutions (previously property and facility services), irrespective of where these are performed. The segment also includes the group divisions United Kingdom, Energy Infrastructure, and STRABAG Hold Estate (real estate portfolio management).

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	3,268.68	2,957.27	11	311
Revenue	3,059.27	2,984.48	3	75
Order backlog	5,505.02	5,159.42	7	346
EBIT	-2.28	-132.10	n.a.	130
EBIT margin (% of revenue)	-0.1	-4.4		
Employees (FTE)	21,255	20,360	4	895

Output volume – International + Special Divisions segment

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Germany	1,094	953	15	141
United Kingdom	681	635	7	46
Americas	514	562	-9	-48
Austria	280	262	7	18
Middle East	252	211	19	41
Italy	107	53	> 100	54
Poland	106	51	> 100	55
Asia	103	152	-32	-49
Benelux	76	17	> 100	59
Rest of Europe	13	11	18	2
Slovakia	10	11	-9	-1
Africa	8	15	-47	-7
Hungary	8	0	n.a.	8
Czech Republic	6	6	0	0
Romania	5	4	25	1
Switzerland	3	3	0	0
Slovenia	3	1	> 100	2
Sweden	0	10	-100	-10
Total	**3,269**	**2,957**	**11**	**312**

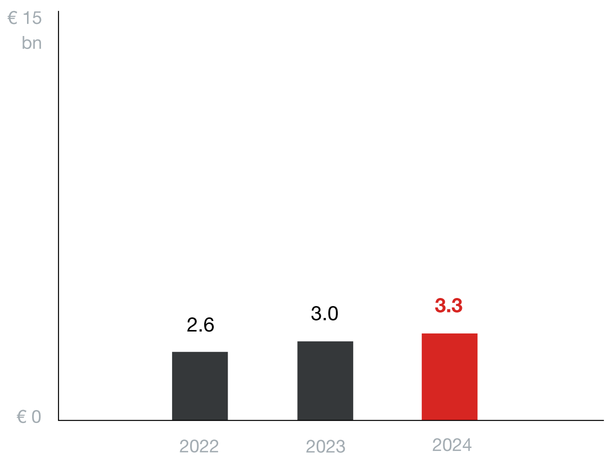
Output, revenue and EBIT

Significant output growth

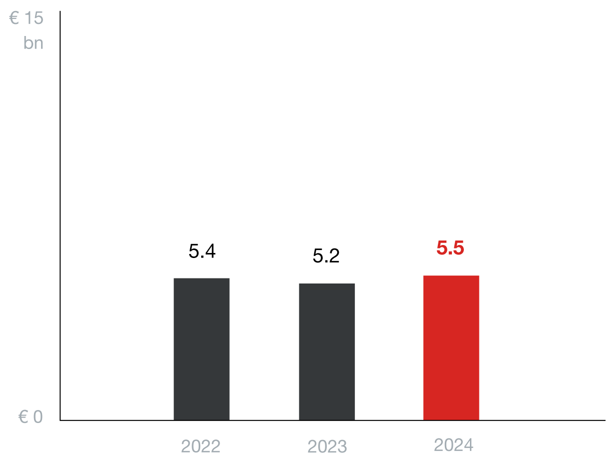
The International + Special Divisions segment generated a significant increase in output volume of 11% to € 3,268.68 million in 2024. The strongest growth was recorded in Germany, attributable to the building solutions business (previously property and facility services) and tunnelling projects there. In the Benelux region, output volume increased primarily as the result of an acquisition in building solutions, while the higher output in Poland was due to the infrastructure project development business.

Revenue grew less strongly than output, gaining 3% to € 3,059.27 million. The ratio of revenue to output volume changed accordingly, slipping from 101% to 94%. The segment is subject to regular fluctuations due to its many large and mega projects. In the 2024 financial year, the volatile international project business recorded lower negative impacts on earnings than in the previous year, with the result that **EBIT** improved to € -2.28 million, compared to € -132.10 million in the year before.

Output volume



Order backlog



Order backlog

Significantly higher order backlog

The **order backlog** at the end of 2024 was up to € 5,505.02 million, a plus of 7% compared to the previous year, with the largest growth observed in Germany, Poland and Austria. Orders for tunnelling and tunnel fit-out works contributed to the higher order backlog in Austria, while the growth in Poland is mainly due to real estate development projects. In Germany, an acquisition in building solutions – to expand the depth of added value in M&E and energy management – had a positive effect on the order backlog. A downward trend was observed in the United Kingdom as a result of the gradual completion of large and mega projects.

Employees

The **number of employees** in the International + Special Divisions segment grew by 4% to 21,255 FTEs. In line with the development of output and due to acquisitions, the workforce grew most significantly in Germany and the Benelux region. Staff numbers were also ramped up in the Middle East to help execute large-scale projects acquired in the region.

Outlook

Significant output growth expected

For the full year 2025, the International + Special Divisions segment is expected to achieve a significantly higher output than in the previous year, supported primarily by the existing order backlog.

Due to the size of the projects, the **tunnelling** business is subject to constant volatility. Several large-scale projects are currently being executed in Canada and the United Kingdom, where significant new orders and order extensions have been secured. Smaller orders in the German-speaking region, in Italy and in the Czech Republic, along with the larger contracts, form a stable foundation here, while the mining business in Chile should continue to show stable development.

The **international business**, with its focus on established markets in the Middle East, India and South America, is showing significant output growth. Decarbonisation and the energy transition are helping to open up new opportunities here as well.

The **building solutions** business (previously property and facility services) expects to see stable development in 2025. In addition to the integration of companies acquired in 2024, the focus remains on inorganic growth through acquisitions in Austria, Germany and Central and Eastern Europe. By further developing its M&E and energy management expertise, the business is evolving into a full-service provider for the decarbonisation of existing buildings.

On 1 January 2025, in line with the Strategy 2030, an **energy infrastructure** segment was established within the Group. The business comprises the design, construction, operation and maintenance of network infrastructures and industrial facilities in the areas of electrical infrastructure, water and wastewater, security technology, smart cities and pipeline construction. The new business field, which was created by combining existing expertise, will be further strengthened through acquisitions. The aim is to offer end-to-end energy infrastructure solutions for grid operators, municipal utilities, municipalities and industrial clients.

In **infrastructure development**, the company is currently developing concession projects in Eastern Europe and South America. One focus is on the Haweswater Aqueduct Resilience Programme (HARP), for which STRABAG was selected as preferred bidder. Renewable energy projects are also being developed in the European core markets and in South America as part of the Group’s Strategy 2030.

The **real estate development** sector is being particularly affected by the bleak economic environment and political uncertainties. A significant recovery in commercial and private demand in the real estate markets is not expected until 2026 with a more favourable economic environment. At the same time, there are signs of a growing supply gap, especially for sustainable properties, along with a consolidation among developers. The strong development and implementation competence with regard to sophisticated sustainability and new work concepts could give STRABAG a competitive edge in the future.

STRABAG Hold Estate expands the STRABAG Group’s range of services to include the long-term, strategic management of real estate assets. The focus is on investments in the asset classes office, residential, hotel and mixed-use district properties. To date, five properties have been acquired; the focus is now on consolidating these investments by expanding both technical and commercial asset management.

Selected projects – International + Special Divisions segment

Country	Project	Order backlog in € mn	As % of total Group order backlog
United Kingdom	HS2 high-speed rail line	961	3.8
United Arab Emirates	Residential towers, Sea La Vie	292	1.2
United Kingdom	Woodsmith Project	280	1.1
Canada	Scarborough Subway Extension Line 2	251	1.0
Germany	U5 East, Hamburg	156	0.6

Segment Other

Service companies and central staff divisions

This segment encompasses the Group's internal central divisions and central staff divisions.

€ mn	**2024**	2023	Δ 2023-2024 %	Δ 2023-2024 absolute
Output volume	227.96	223.31	2	5
Revenue	17.92	57.81	-69	-40
Order backlog	30.82	25.33	22	5
EBIT	0.74	3.30	-78	-3
EBIT margin (% of revenue)	4.1	5.7		
Employees (FTE)	7,675	7,583	1	92

Risk management

The STRABAG Group encounters many different risks and opportunities in the course of its business activities. These risks are systematically identified and assessed using a proactive risk management system and managed in a consistent and goal-oriented manner through an appropriate risk management policy. This risk management policy is an integral part of the management system and describes a set of fixed principles and responsibilities for risk management and how to deal with the material risk categories.

Risk management as a core management task

Risk management is a **core task of the management**. Risk identification and risk assessment are the responsibility of the respective management level. Our risk management process involves our integrated management system, supporting central divisions and central staff divisions with technical, legal and administrative service and consulting activities and the internal audit department as a neutral and independent auditing entity.

Responsibility for implementation of the **project risk management system** in the divisions has been assigned to the commercial division managers. The central division Project Risk Management System/System Development/International BRVZ Coordination handles the continuous improvement and development of the risk management system for the procurement and execution of construction projects.

All STRABAG leadership employees, within the scope of their duties and responsibilities, and in accordance with the Rules of Procedure and relevant **company regulations**, are obliged to

- work with the employees to set risk identification measures,
- monitor the risks,
- introduce countermeasures, and
- pass on relevant information about risks to other units or levels within the company. This requirement especially applies to all employees of the STRABAG Group.

The STRABAG SE Management Board prohibits engaging in business transactions whose realisation could endanger the company’s existence.

Risk categories

The Group’s internal risk reporting defines the following central risk categories:

Risk management using defined risk groups

- External risks
- Operating and technical risks
- Financial risks
- Ethical risks
- Human resource risks
- IT risks
- Investment risks
- Legal risks
- Political risks

Additional risks exist with regard to work safety, environmental protection, quality, business continuity and supply chain.

Following ISO 31000 and the Committee of Sponsoring Organisations of the Treadway Commission (COSO), our risk management system forms part of our integrated management system. We deal with the risks identified by us as follows:

External risks

External risks countered through diversification

The entire construction industry is subject to **cyclical fluctuations** and reacts to varying degrees depending on region and sector. Overall economic growth, development of the construction markets, the competitive situation, the conditions on the capital markets and technological changes in construction can all result in risks. These risks are continually observed and monitored by the central departments and operating units. Changes in external risks lead to adjustments in STRABAG's organisation, its market presence and its range of services and to the adaptation of its strategic and operational planning. STRABAG further counters market risk through geographic and product- related diversification in order to minimise the influence of an individual market or the demand for certain services on the success of the company.

Operating and technical risks

Operating and technical risks reduced through binding minimum standards

These risks primarily include the complex risks associated with project selection and execution along with the technical risks that need to be assessed for each project, such as subsoil, geology, construction methods, technology, building materials, equipment, design, work planning, etc. An integral part of the project risk management system are minimum standards with corporate-wide validity for the procurement and execution of construction projects (common project standards). These comprise clearly defined criteria for the evaluation of new projects, a standardised process for the preparation and submission of bids, and integrated internal control systems serving as a filter to avoid loss-making projects. Business transactions requiring approval are reviewed and approved in accordance with the internal rules of procedure.

Depending on the risk profile, bids must be analysed by **internal commissions** and reviewed for their technical and economic feasibility. The construction and project teams can contact the experts at the central divisions BMTI, TPA, ZT and SID for assistance in assessing the technical risks and working out innovative solutions to technical problems. Project execution, monitored by **monthly target/performance comparisons**, is managed by the construction or project team on-site using documented procedures. At the same time, our central controlling department provides constant back-office support for the project, ensuring that risks of individual projects do not jeopardise the continued existence of the company.

Financial risks

Active liquidity and receivables management

Under financial risks, STRABAG understands risks in financial matters and in accounting, including instances of manipulation. Special attention is paid to the **liquidity and receivables management**, which is secured through continuous financial planning and daily status reports. Compliance with internal commercial guidelines is ensured by the central accounting and controlling departments, which are also responsible for internal reporting and the periodic planning process.

Risks from possible instances of manipulation (acceptance of advantages, fraud, deception or other infringements of the law) are monitored by the central divisions in general and the **internal audit department** in particular.

STRABAG is subject to interest, currency, credit and liquidity risks with regard to its assets, liabilities and planned transactions. The goal of financial risk management is to minimise these risks through ongoing financial activities. The basic principles of the financial policy are determined by the Management Board and monitored by the Supervisory Board. The implementation of the financial policy and responsibility for the ongoing risk management are the domain of the Group's treasury department. Detailed information can be found in the Notes under Item 36 Financial Instruments.

Ethical risks

Ethical risks countered with an ethics and business compliance system

Given the risk of corruption and anti-competitive behaviour in the construction industry, STRABAG has implemented a set of tools that have proven effective in combating these problems. The rules for proper business behaviour are conveyed by the **STRABAG Ethics and Business Compliance System**. These have corporate-wide validity. The STRABAG business compliance model is based on the Business Compliance Management System (BCMS) along with supplementary management directives and the Code of Conduct. Implementation is carried out by the Chief Compliance Officer, the Business Compliance Officers, the internal ombudspersons and the STRABAG whistleblower platform.

Human resource risks

Countermeasures with strategic human resource planning, needs-oriented human resource development and central human resource management

Material human resource risks, such as recruiting bottlenecks, skilled labour shortages, fluctuation and labour law risks, are countered with **strategic human resource planning**, **sustainable and needs-oriented human resource development** and **central human resource management**. Human resource risks are to be reduced to a large extent through targeted recruiting of qualified specialists and leaders, extensive training activities, performance-based remuneration under compliance with labour law, and early succession planning. Additionally, systematic potential management is in place to ensure the development and career planning of company employees. Complementary initiatives to promote employee health, improve employment conditions and raise employee satisfaction further contribute to the company's appeal and prestige. Details on the human resource risks are available in the sustainability report pursuant to Section 267a UGB.

IT risks

IT usage guidelines and continuous review of security concepts to counter cybercrime

With the increasing threat of IT risks, different measures are being implemented in the form of multistep security and anti-virus concepts, user access rights, password-controlled access, expedient data backups and independent power supply. The Group is also working together with professional **specialty service providers** to ensure an effective defence against cybercrime and is constantly reviewing its security concepts.

By issuing IT usage guidelines and repeatedly informing on the necessity of risk awareness when working with information and communication technologies, we aim to ensure the security, availability, performance and compliance of the IT systems. Project ideas to improve and develop IT-related processes and control systems are evaluated and prepared through cooperation between the central divisions SID and BRVZ Information Technology.

Investment risks

Strategic minority holdings

The shares in mixing companies typically involve **sector-typical minority interests**. With these companies, economies of scope are at the fore.

As part of the Group Strategy 2030, STRABAG intends to build more in the energy sector, among other things. The focus is on renewable energy and heat generation and storage. Against this backdrop, STRABAG has held a minority stake in the battery storage manufacturer CMBlu Energy AG since 2023.

Legal risks

Legal risks avoided through extensive risk analysis

The central division CML Construction Services supports the risk management of the operating entities in matters of construction management and construction operation in all project phases (**Contract Management**) and provides, organises and coordinates legal advice (**Legal Services**) in this regard. Its most important tasks include comprehensive reviews and consultation in project acquisition – e.g., analysis and clarification of tender conditions, performance specifications, pre-contract agreements, tender documents, draft contracts and framework conditions – as well as support in project management.

Political risks

Interruptions and expropriations conceivable

The Group also operates in countries experiencing political instability. Interruptions of construction activity, restrictions on ownership by foreign investors, and even expropriations are among the possible consequences of political changes which could have an impact on the Group's financial structure. These risks are analysed during the tendering phase and assessed by **internal commissions**.

Occupational safety

Management system for occupational safety and health protection

In order to control the risks related to employee safety and health, STRABAG has implemented a work safety and health management system in accordance with **ISO 45001** and/or **Safety Certificate Contractors (SCC)**. Moreover, the company works to maintain this system and ensures a suitable emergency organisation. Specially appointed officers and representatives ensure that the corporate-wide work safety standards are followed. These topics were recently centralised. All safety officers are now part of a separate central staff division, Health Safety Wellbeing, which reports directly to the CEO. The aspects of work safety and health also form part of the evaluation of subcontractors and suppliers. Details on the risks related to employee safety and health are available in the sustainability report pursuant to Section 267a UGB.

Environmental protection

Certified environmental and energy management system desired

STRABAG undertakes to avoid negative environmental impacts as far as possible within its own sphere of influence – insofar as this is technically feasible and economically justifiable. It also does its part to reduce negative impacts along the supply chain. STRABAG operates an effective environmental and energy management system based on **ISO 14001** or **Eco-Management and Audit Scheme (EMAS), ISO 50001** or equivalent and seeks – wherever possible – to minimise the use of natural resources, avoid waste and promote recycling. Details on the environmental risks are available in the sustainability report pursuant to Section 267a UGB. Risks from the effects of climate change are presented in the Notes.

Quality

Quality management as a component of the integrated management system

In accordance with its vision and values, it is the Group's aim to **realise construction projects on schedule, of the best quality and at the best price**. This quality of the company's processes, services and products must therefore be ensured at all times. To achieve this goal, quality management forms an integral component of an integrated management system. This system is documented in the Management Manual, in Group Directives and in subordinated provisions.

Business continuity

Rigorous inclusion of central divisions

The failure of equipment and production facilities, subcontractors and suppliers, human resources, the IT system or office buildings and accommodation must not be allowed to jeopardise the continued existence of the company. For this reason, precautions are taken under a business continuity management system to ensure that incidents or **disasters only temporarily interrupt business activity** – if at all. This includes the consistent involvement of the Group's own specialised central divisions, which can, for example, procure equipment, accommodation, IT systems or staff on short notice, build up long-term strategic partnerships with selected subcontractors and suppliers, and arrange for the audit of emergency scenarios in IT.

Supply chain

More on the supply chain in our sustainability report

Find out more

In the interest of quality and efficiency, STRABAG not only taps its own skills and resources to work off its orders but also relies on the support of proven subcontractors and suppliers. The company focuses on long-term partnerships, a clear, transparent and complete description of the services and products to be procured, and an agreement on acceptance criteria for the products and services. Our supplier management also involves the analysis and management of human rights risks at our suppliers. STRABAG also systematically **evaluates subcontractors, service providers and suppliers** as part of its **decision-making foundation** for **future orders**.

Evaluation of partner companies to reduce risks in the supply chain

A review of the current risk situation reveals that there were no risks which jeopardised the company's existence, nor were there any visible future risks.

Report on key features of the internal control and risk management system in relation to the financial reporting process

Introduction

The control structure as defined by COSO (Committee of Sponsoring Organisations of the Treadway Commission) provides the basis for describing the key features of the internal control and risk management systems with regard to the financial reporting process in the management report. The COSO framework consists of five interrelated components: control environment, risk assessment, information and communication, control activities and monitoring activities. On this basis, the STRABAG Group has set up a corporate-wide risk management system in accordance with generally accepted principles. The aim of the internal control system is to support the management in such a way that it is able to ensure internal controls with regard to financial reporting which are effective and which are improved on an ongoing basis. The system is geared to the compliance with rules and regulations and to creating conditions which are conducive to performing specific controls in key accounting processes.

Control environment

Internal audit report

Find out more

The corporate culture determines the control environment in which management and employees operate. STRABAG is constantly working to improve its communication and to convey its corporate values as defined in its Code of Conduct and its Business Compliance Management System (BCMS) in order to ensure moral standards, ethics and integrity within the company and in its dealings with others. The implementation of the internal control system with regard to the financial reporting process is based on internal rules and regulations. Responsibilities for internal control have been adapted to fit the corporate organisation. The internal audit department carries out periodic reviews – announced as well as unannounced – of all relevant business units as part of its responsibility for monitoring compliance with the law and corporate guidelines in the technical and commercial areas. The internal audit department also monitors the effectiveness of business compliance. During these reviews, the internal audit department analyses the legality and correctness of individual actions. The department also conducts regular, independent reviews of compliance with internal guidelines in the area of accounting. The head of the internal audit department reports directly to the CEO. The effectiveness of the work of the internal audit department is reviewed periodically by the financial auditor. The last review was carried out at the end of the 2023 financial year.

Risk assessment

The management identifies and monitors risks relating to the financial reporting process, with a focus on those risks that are typically considered to be material.

The preparation of the financial statements requires regular forecasts, with the inherent risk that the actual future development will deviate from the expectation. This especially affects the following matters/items of the Consolidated Financial Statements: assessment of unfinished construction projects, recognition and measurement of provisions (including social capital), the outcome of legal disputes, the collectability of receivables as well as the recoverability of investments and goodwill. In individual cases, external experts are called in or publicly available sources are considered in order to minimise the risk of a false assessment.

Control activities

All control activities are applied in the ongoing business process to ensure that errors or deviations in financial reporting are avoided or detected and subsequently corrected. The control activities range from a review of the period results to the specific monitoring of accounts and cost centres to the analysis of ongoing accounting processes. It is the responsibility of the Management Board to design the levels of hierarchy in such a way that an activity and the control of that activity are not performed by the same person (**four-eyes principle**). This separation of functions encompasses a separation between decision-making, implementation, review and reporting. The organisational units of the BRZV central division support the Management Board in this task.

Processes which are relevant to financial reporting are increasingly automated. IT security control activities therefore represent a cornerstone of the internal control system. The separation of sensitive activities, for example, is supported by a restrictive allocation of IT authorisations. For its accounting and financial reporting, the company mainly uses self-developed software which reflects the unique features of the construction sector. The effectiveness of the financial reporting system is further assured through automated IT controls included in the system.

Information and communication

The management regularly updates the rules and regulations for financial reporting and communicates them to all employees concerned. In addition, regular discussions regarding the financial reporting and the rules and regulations in this context take place in various committees. These committees are composed of the corporate **management** as well as the **department head** and **senior staff from the accounting department**. The committees' work aims, among other things, to ensure compliance with accounting rules and regulations and to identify and communicate weak points and potential areas for improvement in the financial reporting process. Furthermore, accounting employees receive regular training with regard to innovations in national and international financial reporting in order to identify risks of unintended misreporting at an early stage.

Monitoring

The Management and Supervisory Boards bear responsibility for the ongoing company-wide monitoring. Additionally, the remaining management levels are responsible for the monitoring of their respective areas of responsibility. Controls and plausibility checks are carried out at regular intervals. The internal audit department is also involved in the monitoring process. The top management receives monthly summarised financial reports on the development of the output volume and earnings of the respective segments and countries and of the liquidity. Financial statements to be published are reviewed internally by several instances within management, receiving a final appraisal by the senior accounting staff and the Chief Financial Officer before being passed on to the Audit Committee of the Supervisory Board.

Research and development

Technology leadership is is a central component of STRABAG SE's Strategy 2030. Besides using new technologies, the Group initiates forward-looking projects, brings its inhouse innovations to market maturity and pursues research partnerships, thereby consolidating its expertise across the entire Group. In the 2024 financial year, STRABAG implemented some 74 development projects and spent a total of around € 19 million on research, development and innovation activities (2023: approx. € 17 million).

Innovation and digitalisation concentrated in SID

Digitalisation and sustainability are the overriding themes these days in all segments of the construction industry. On the way to becoming a data-driven organisation, STRABAG is therefore focusing on cloud-based data storage, breaking down data silos and training its employees in topics related to data and Artificial Intelligence (AI). The Group is committed to the ongoing advancement of the BIM 5D® digital working method, construction-specific project platforms, the Internet of Things (IoT) and AI. It is also helping to drive the advance of automation through robotic applications and semi-autonomous machines. At the same time, STRABAG is putting enormous effort into strategic innovation projects in the area of environmental sustainability. Central topics here are the circular economy and sustainable thinking with regard to energy, engineering and materials development.

Since 2020, **STRABAG Innovation & Digitalisation (SID)** – with around 470 employees at 22 locations – has taken the lead in initiating developments and providing expert support while maintaining a full overview of corporate-wide innovation activities and their measurable results. Numerous research and development projects are realised in close collaboration between the various operating divisions and the central divisions BMTI, TPA and Zentrale Technik. A large portion of the development work is triggered by the construction projects themselves. Certain issues also require medium-term collaboration with research institutions and partner companies.

Projects in Transportation Infrastructures

EFKON, STRABAG's specialist for traffic telematics systems, in 2024 focused on the development of a new generation of components for dedicated short-range communications (DSRC). DSRC technology is used in electronic toll collection systems to ensure the efficient exchange of relevant toll data between the toll box installed in the vehicle and the roadside communications infrastructure. The new DSRC components developed by EFKON offer enhanced communications performance and allow the precise positioning of the toll box within the communications zone.

The first major milestone in **Project EMili**, designed to test inductive charging technologies in road construction, was reached in 2024. Initial practical tests demonstrated charging capacities of up to 20 kW at 85% efficiency. Follow-up projects are planned for 2025 to further explore the technology.

Projects in Building Construction & Civil Engineering

The **RTTS research project for the development of a resource-efficient tunnel support system**, funded by the German Federal Ministry for Economic Affairs and Climate Action, was launched in 2024 with partners from science and industry to develop a tunnel support system made of environmentally friendly concrete with a reduced cement clinker content. Using new AI-based control engineering, a large proportion of the excavated tunnel material is to be recycled for the production of tunnel segments and annular gap filling.

The **CaPreFloor project**, also funded by the Federal Ministry for Economic Affairs and Climate Action, aims to replace solid reinforced concrete floors in building construction with light, rigid, carbon-stressed floor systems. These carbon-concrete floors should reduce the usual 30-centimetre-thick concrete floors to a maximum of **10 centimetres**, which would make a significant contribution to lowering carbon emissions.

After three years of development, the publicly funded **R&D project BIMpact**, sponsored by the Federal Ministry for Economic Affairs and Climate Action, was successfully completed at the end of 2024. The project involved the development of an AI-controlled, cloud- and BIM-based building automation process in collaboration with partners from the IT industry and the University of Stuttgart. The functionality of the process was initially demonstrated on a portable mock-up that represented a fully functional supply air system with ventilated rooms on a small scale. The entire system was then installed and successfully tested on one floor of the Group's Z3 building in Stuttgart.

Projects in Artificial Intelligence (AI)

STRABAG also made further progress in the **field of AI** in 2024. Besides the use of machine learning and language models and the data-driven risk analysis of construction projects, additional AI solutions were piloted for their applicability and benefit for the Group.

Generative design (GD), tested and integrated into the Group's operations in previous years, was expanded in 2024 to include the process of serial construction. This involved combining the strengths of **MOLENO® Wohnen and generative design** to develop an AI-based planning tool. The resulting MOLENO® Wohnen configurator will enable the flexible and individual creation of data-based building designs, which will automate the planning processes and significantly reduce costly and time-consuming decision-making.

Innovation Day and adASTRA Innovation Programme

Over 50 innovation projects were presented to an audience of around 1,300 STRABAG Group employees at our **2024 Innovation Day** in Cologne. A new funding model and the expanded **adASTRA innovation programme** will provide even more robust support for in-house development work in the future. The funding model ensures that research and development projects with internal and external partners receive the best possible financing through both corporate resources and public funding. At the same time, the new adASTRA innovation programmes are optimising our existing innovation management to further strengthen the entire innovation process and to promote the implementation of promising projects in a targeted manner.

Outlook

The Management Board expects a significant increase in **output volume** to approximately € 21 billion in the 2025 financial year. This forecast is based on the high order backlog and on the expected contributions from recent acquisitions. An increase in output volume is forecast for all operating segments in 2025.

While several positive earnings effects coincided in 2024, the **EBIT margin** is expected to normalise again in 2025. In light of the first tangible effects of the Group Strategy, the Management Board is raising the EBIT margin target for 2025 to ≥ 4.5%.

Net investments (cash flow from investing activities) are not expected to exceed € 1,100 million in 2025. The increase compared to the previous year is mainly due to planned acquisitions as part of STRABAG's Strategy 2030.

Other disclosures

2024

Website Corporate Governance Report

The consolidated corporate governance report is available on the STRABAG SE website.

Consolidated Corporate Governance Report

Find out more

Disclosures under Section 243a Para 1 UGB

One Share – One Vote

1. The share capital of STRABAG SE as at 31 December 2023 amounted to € 118,221,982 and consisted of 118,221,982 fully paid-in, no-par value shares with a pro rata value of € 1 per share of the share capital. 118,221,979 shares were bearer shares and were traded in the Prime Market segment of the Vienna Stock Exchange. Three shares were and are registered shares. Each bearer share and each registered share accounts for one vote (one share – one vote). The nomination rights associated with registered shares No. 1 and No. 2 are described in more detail under item 9.

2. The following resolutions on capital measures were passed at the company's Annual General Meeting on 16 June 2023:

   a. resolution concerning the increase of the share capital of the company from company funds through conversion of a portion of the committed reserves in the amount of € 1,900,000,000.00 shown in the annual financial statements as at 31 December 2022 into share capital without the issue of new shares (capital adjustment pursuant to Section 1 et seq. of the Austrian Capital Adjustment Act (Kapitalberichtigungsgesetz, or "KapBG");
   b. resolution concerning the ordinary reduction of the share capital of the company by € 996,620,004.30 pursuant to Section 175 et seq. of the Austrian Stock Corporation Act (Aktiengesetz, or "AktG") for the purpose of allocation to noncommitted reserves with reduction of the pro rata amount of the share capital attributable to each no-par value share (without consolidation of shares);
   c. resolution concerning the reduction of the share capital of the company by € 903,379,995.70 in accordance with the provisions on ordinary capital reductions pursuant to Section 175 et seq. AktG for the purpose of repayment of part of the share capital with reduction of the pro rata amount of the share capital attributable to each no-par value share (without consolidation of shares);
   d. resolution concerning the ordinary increase of the share capital of the company pursuant to Section 150 et seq. AktG by up to € 24,995,248.00 through the issue of up to 24,995,248 new no-par value bearer shares with contributions in kind to be raised by way of shareholder waiver of distribution claims from the capital reduction (item c).

   The aforementioned resolutions were subject to certain conditions. To begin with, the resolutions on items a, b and c and the resolution on the ordinary non-cash capital increase under item d were entered in the commercial register. The shareholders entitled to dividends were therefore granted the right to choose whether they wish to receive the dividend entitlement under item c in cash or in the form of new shares as part of a subscription offer. Shareholders of 62,487,931 shares, corresponding to 60.90% of the share capital, opted for the distribution in the form of new shares.

   The implementation of the ordinary non-cash capital increase was entered in the commercial register on 21 March 2024. As a consequence, 15,621,982 new shares were issued. The share capital of STRABAG SE was thus increased from € 102,600,000.00 by € 15,621,982.00 to € 118,221,982.00.

3. Oleg Deripaska was added to the EU sanctions list on 8 April 2022 and is subject to Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (EU Sanctions Regulation). As a consequence, all funds and economic resources belonging to, owned, held or controlled by Oleg Deripaska or by natural or legal persons associated with him are to be frozen ("asset freeze"). This asset freeze must also be ensured with regard to the STRABAG SE shares held by MKAO "Rasperia Trading Limited", which was controlled by Oleg Deripaska at this time. MKAO "Rasperia Trading Limited" has therefore since 8 April 2022 been excluded from exercising control (voting rights, right to information, right to participate, right to propose resolutions) and asset rights (e.g. dividend distribution) in connection with the shares of

STRABAG SE until the sanctions cease to apply. MKAO "Rasperia Trading Limited" was placed on the U.S. sanctions list by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") on 15 April 2024. On 28 June 2024, the Council of the European Union included MKAO "Rasperia Trading Limited" on the EU sanctions list (no. 477) by means of Council Implementing Regulation (EU) 2024/1842.

4. The syndicate agreement concluded in 2007 between Haselsteiner Group (Haselsteiner Familien-Privatstiftung, Dr. Hans Peter Haselsteiner, Klemens Peter Haselsteiner (deceased 17 January 2025)), the Raiffeisen Group (RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN reg. Gen.m.b.H., BLR-Baubeteiligungs GmbH), the UNIQA Group (UNIQA Insurance Group AG, UNIQA Beteiligungs-Holding GmbH, UNIQA Österreich Versicherungen AG, UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H.) and MKAO "Rasperia Trading Limited" was terminated with effect from 31 December 2022. Despite termination of the syndicate established in 2007, the right of first refusal of the Haselsteiner Group, the Raiffeisen Group, the UNIQA Group and MKAO "Rasperia Trading Limited" remains valid as long as each holds at least 8.5% of the share capital of STRABAG SE. Since – as explained – the EU Sanctions Regulation applies to MKAO "Rasperia Trading Limited", the restrictions of the EU Sanctions Regulation apply to the right of first refusal as well.

5. Haselsteiner Familien-Privatstiftung, Dr. Hans Peter Haselsteiner and Klemens Peter Haselsteiner (deceased 17 January 2025), RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung and Group company, and UNIQA Insurance Group AG and Group companies on 18 August 2022 concluded a new syndicate agreement that requires them to exercise their voting rights from syndicated shares unanimously at the Annual General Meeting of STRABAG SE. This syndicate agreement governs rights of first refusal and recourse, a minimum shareholding obligation, and nomination rights regarding the Supervisory Board. According to the agreement, the Haselsteiner Group has the right to nominate two members of the Supervisory Board, while the Raiffeisen Group and UNIQA Group each have the right to nominate one member of the Supervisory Board. With the new syndicate agreement, the parties continue their controlling interest in STRABAG SE.

6. As at 31 December 2024, the company held 2,779,006 own shares (2.4% of the share capital), which it acquired as part of a share purchase agreement concluded with Haselsteiner Familien Privatstiftung, RAIFFEISEN-HOLDING NIEDERÖSTERREICHWIEN reg. Gen.m.b.H. and UNIQA Österreich Versicherungen AG on the occasion of their mandatory takeover bid on the basis of the authorisation granted by the Annual General Meeting on 24 June 2022 pursuant to Section 65 Para 1 No 8 AktG (see item 12). The rights from these 2,779,006 no-par value shares are therefore now suspended in accordance with Section 65 Para 5 AktG.

7. To the knowledge of STRABAG SE, the following shareholders held a direct or indirect interest of at least 10.0% of the share capital of STRABAG SE on 31 December 2024:
   - Haselsteiner Group: 30.7%
   - Raiffeisen Group: 15.4%
   - UNIQA Group: 16.6%
   - MKAO "Rasperia Trading Limited": 24.1%

   On 24 March 2025, a major holdings notification was submitted pursuant to Section 130 of the Austrian Stock Exchange Act (BörseG) stating that the Haselsteiner Group (Haselsteiner Familien-Privatstiftung) had sold 2,000,000 of its STRABAG shares. The transaction took the form of a private placement with institutional investors by means of an accelerated bookbuilding process. The Haselsteiner family now holds a stake of around 29% in STRABAG SE, while the free float increased to around 12.6%. The holdings of the other shareholder groups remained unchanged.

   On 26 March 2024, the company received major holdings notifications pursuant to Sections 130ff of the Austrian Stock Exchange Act (BörseG) of 2018 stating that MKAO "Rasperia Trading Limited" had been transferred to Iliadis JSC. According to these notifications, MKAO "Rasperia Trading Limited", with its 24.1% stake in STRABAG SE, was now controlled by Iliadis JSC, and Oleg Deripaska had relinquished previous (indirect) control. Between 11 December 2024 and 19 December 2024, the company received further major holdings notifications announcing the cancellation of the transaction between MKAO Valtoura Holdings Limited and Iliadis JSC that had been reported in March 2024. According to these notifications, MKAO "Rasperia Trading Limited" is now again controlled by MKAO Valtoura Holdings Limited. As to who controls MKAO Valtoura Holdings Limited, “unknown” was entered in the reporting field, although, according to the notification, the Austrian Financial Market Authority (FMA) has requested that MKAO Valtoura Holdings Limited disclose details regarding the ultimate controlling entity. MKAO Valtoura Holdings Limited has not made a corresponding notification. With regard to the STRABAG shares held by MKAO “Rasperia Trading Limited”, these remain frozen in accordance with the EU Sanctions Regulation and no rights may be exercised thereunder.

In October 2024, the Austrian parties to the 2007 syndicate agreement brought an action against MKAO “Rasperia Trading Limited” before an arbitration court in Amsterdam to determine that the right of first refusal (see item 4) continued to apply and that the transfer of shares in MKAO “Rasperia Trading Limited” from MKAO Valtoura Holdings Limited to Iliadis JSC (see above) constituted a change of control, meaning that MKAO “Rasperia Trading Limited” was obliged to offer its STRABAG shares to the Austrian parties to the 2007 syndication agreement or to transfer these accordingly. The arbitration proceedings are pending. Sanction-compliant implementation of the exercise of the right of first refusal must also be clarified with the relevant sanctioning authorities.

8. As outlined in item 6, the company held 2,779,006 own shares as at 31 December 2025, corresponding to 2.4% of the share capital. The remaining shares in the share capital of STRABAG SE, totalling around 10.9%, were in free float as at 31 December 2024. In March 2024, following the placement of 2,000,000 STRABAG shares by the Haselsteiner Group (Haselsteiner Familien-Privatstiftung), the free float increased to around 12.6% (see item 7).

9. Three shares of STRABAG SE are – as mentioned in item 1 – registered shares. Registered shares No. 1 and No. 2 allow their bearers to nominate a member each to the Supervisory Board of STRABAG SE; disposition of these registered shares, including their full or partial sale and pledging, requires the consent of the Supervisory Board. As at 31 December 2024, registered share No. 1 was held by Klemens Peter Haselsteiner (deceased 17 January 2025) and registered share No. 2 was held by MKAO “Rasperia Trading Limited”. Since – as explained in items 3 and 7 – the EU Sanctions Regulation applies to MKAO “Rasperia Trading Limited”, its right from registered share No. 2 to nominate a member of the Supervisory Board is currently suspended.

10. No employee stock option programmes exist.

11. No further regulations exist beyond the aforementioned items regarding the nomination and recall of members of the Management and Supervisory Boards or regarding changes to the Articles of Association which are not a direct result of relevant law and legislation.

12. The Management Board of STRABAG SE was authorised by resolution of the 20th Annual General Meeting on 14 June 2024 (i) to acquire own shares, in accordance with Section 65 Para 1 No 8 as well as Para 1a and 1b of the Austrian Stock Corporation Act (AktG), on the stock exchange, by public tender or in any other manner to the extent of up to 10% of the share capital, excluding any proportionate selling rights that may accompany such an acquisition (reverse exclusion of subscription rights), (ii) to reduce the share capital by withdrawing own shares acquired without a further resolution by the General Meeting, and (iii) to sell or assign own shares, in accordance with Section 65 Para 1b AktG, in a manner other than on the stock market or through a public tender.

13. The Management Board of STRABAG SE was authorized by resolution of the 20th Annual General Meeting on 14 June 2024, in accordance with Section 169 AktG, to increase the company’s share capital by up to € 59,110,991.00 through the issue of up to 59,110,991 new no-par-value shares against cash and/or non-cash contributions. The Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders’ subscription rights in whole or in part. The authorisation to increase the share capital has not yet been utilised and therefore remains in full force.

14. With the exception of the agreements over a syndicated surety loan and a syndicated cash credit line, there exist no significant agreements to which STRABAG SE is party and which would become effective, change or end due to a change of control in STRABAG SE following a takeover offer.

15. No compensation agreements exist between STRABAG SE and its Management and Supervisory Board members or employees in the event of a public takeover offer.

Related parties

Business transactions with related parties are described in item 39 of the Notes.

Events after the reporting period

The material events after the reporting period are described in item V of the Notes.

Villach, 4 April 2025

The Management Board

Dipl.-Ing. Stefan Kratochwill
CEO
Central Staff Divisions and
Central Divisions BMTI, CML, SID, TPA, ZT

Mag. Christian Harder
CFO
Central Division BRVZ

Dipl.-Ing. (FH) Jörg Rösler
Member of the Management Board
Segment North + West

Dipl.-Ing. Siegfried Wanker
Member of the Management Board
Segment International + Special Divisions

Dipl.-Ing. (FH) Alfred Watzl
Member of the Management Board
Segment South + East

We draw attention to the fact that the English translation of this auditor's report according to section 274 UGB (Austrian Company Code) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Auditor's report

Report on the financial statements

Audit opinion

We have audited the financial statements of STRABAG SE, Villach, which comprise the balance sheet as at 31 December 2024, the income statement for the financial year then ended and the notes.

In our opinion, the accompanying financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance for the financial year then ended in accordance with Austrian Generally Accepted Accounting Principles.

Basis for opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter EU Regulation) and Austrian Generally Accepted Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of the auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Other matter

The financial statements of STRABAG SE, Villach, for the financial year ended 31 December 2023 were audited by another auditor who issued an auditor's report containing an unqualified audit opinion dated 4 April 2024 on these financial statements.

Our audit opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have structured key audit matters as follows:

• Description

• Audit approach and key observations

• Reference to related disclosures

Recoverability of investments in subsidiaries and of receivables from subsidiaries

Description

In the financial statements of the Company, EUR 2,577 million (78% of the balance sheet total) of investments in subsidiaries are shown under the item "financial assets" and EUR 616 million of receivables from subsidiaries under the item "receivables and other assets".

The valuation of investments in subsidiaries according to company law is based on acquisition cost and the lower current value. Insofar as there are indications of a significant decline in the current value of significant investments in subsidiaries, these are assessed within the framework of evaluating the need for mandatory write-downs due to an expected permanent diminution in value. This is done using a discounted cash flow model as the present value of the expected future cash flows derived from the budget planning prepared by management. Outstanding receivables from the respective subsidiary are also taken into account in this process. In the first step, management conducts a static over- or under-coverage analysis by comparing the book values of the investments in subsidiaries with the proportional equity as of the reporting date. Insofar as this results in an under-coverage, the present value of the expected future cash flows for each subsidiary is determined using a discounted cash flow model.

The valuation of investments in subsidiaries and receivables from subsidiaries requires significant judgments and assumptions by management, particularly concerning future cash flows, growth rates and discount rates. Due to the inherent uncertainties and the potentially significant impact on the financial statements, these judgments and assumptions are crucial for representing the Company's financial position and have thus been defined as a key audit matter.

Audit approach and key observations

Our audit approach included procedures aimed at assessing the reasonableness of the recoverability judgement of investments in and receivables from subsidiaries:

- **Understanding the valuation methods:** We obtained a comprehensive understanding of the valuation methods applied by management, specifically of the discounted cash flow (DCF) analysis. This included recalculating the models used and analysing the underlying assumptions.
- **Reviewing the key assumptions:** The key assumptions made by management were reviewed involving internal valuation specialists:
  - **Cash flow forecasts:** We analysed the assumptions for net sales and margin development, as well as capital expenditures and projections of current assets, and compared them with historical data and current market trends to evaluate their plausibility.
  - **Growth rates:** The reasonableness of the assumed growth rates in net sales and the result was critically reviewed.
  - **Discount rates:** The discount rates used were validated by comparing them with market interest rates and specific company risk factors.
- **Comparative analysis:** A comparative analysis of the plan data with the actual historical data was conducted to assess the reliability of the forecasts. This included verifying whether previous forecasts were realistic.
- **Benchmarking and external data:** The assumptions and results were compared with external benchmarks and industry-standard data to ensure that the valuations are market-appropriate and realistic.
- **Discussion with management:** Discussions were held with management to clarify open questions and understand the decisions made.
- **Discussions with local auditors:** Furthermore, discussions were held with local auditors of selected subsidiaries to receive and acknowledge their perception of the assumptions made by management of STRABAG SE, Villach.
- **Execution of sensitivity analysis:** We analysed sensitivities for value-driving factors such as the long-term EBIT margin, cost of capital, and long-term growth rate.

From our point of view, considering the information available, the valuation parameters and the underlying key assumptions used by management are, overall, appropriate to adequately perform a valuation of investments in and receivables from subsidiaries. Based on the values identified and further documentation, a need for write-downs in the amount of EUR 11.7 million and a need for write-ups in the amount of EUR 0.7 million arose in the financial year.

Reference to related disclosures

The disclosures regarding the valuation of investments in subsidiaries and receivables from subsidiaries are found in the notes to the financial statements, specifically in the explanations regarding accounting policies in the chapters “Financial assets” and “Accounts receivable and other assets”, as well as in the statement of changes in non-current assets as at 31 December 2024.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the management report and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Audit Committee for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with Austrian Generally Accepted Accounting Principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, on measures taken to eliminate identified threats or on applied safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal requirements

Comments on the management report of the company

Pursuant to Austrian Generally Accepted Accounting Principles, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the management report was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the management report in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian standards on auditing for the audit of the management report.

Opinion

In our opinion, the management report for the Company was prepared in accordance with the applicable legal regulations, comprising the details in accordance with section 243a UGB, and is consistent with the financial statements.

Statement

Based on the findings during the audit of the financial statements and due to the obtained understanding concerning the Company and its circumstances no material misstatements in the management report came to our attention.

Additional information in accordance with Article 10 of the EU Regulation

We were elected as statutory auditor at the ordinary general meeting dated 14 June 2024. We were appointed by the Supervisory Board on 23 July 2024. We have audited the company for an uninterrupted period since 31 December 2024.

We confirm that the audit opinion in the "Report on the financial statements" section is consistent with the additional report to the Audit Committee referred to in Article 11 of the EU Regulation.

We declare that no prohibited non-audit services (Article 5 para. 1 of the EU Regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible engagement partner

Responsible for the proper performance of the engagement is Gabor Krüpl, Austrian Certified Public Accountant.

Vienna

4 April 2025

PwC Wirtschaftsprüfung GmbH
qualified electronically signed:
Gabor Krüpl
Austrian Certified Public Accountant

Publication and sharing with third parties of the financial statements together with our auditor's report is only allowed if the financial statements and the management report are identical with the German audited version. This auditor's report is only applicable to the German and complete financial statements with the management report. For deviating versions, the provisions of section 281 para. 2 UGB apply.

Statement of all legal representatives

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.

We confirm to the best of our knowledge that the individual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Villach, 4 April 2025

The Management Board

Dipl.-Ing. Stefan Kratochwill
CEO
Central Staff Divisions and
Central Divisions BMTI, CML, SID, TPA, ZT

Mag. Christian Harder
CFO
Central Division BRVZ

Dipl.-Ing. (FH) Jörg Rösler
Member of the Management Board
Segment North + West

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Member of the Management Board
Segment International + Special Divisions

Dipl.-Ing. (FH) Alfred Watzl
Member of the Management Board
Segment South + East

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