

## **Remuneration report for the Management Board and Supervisory Board for the 2023 financial year**

The Management Board and the Supervisory Board of STRABAG SE have prepared the remuneration report for the 2023 financial year. The remuneration report provides a comprehensive overview of the remuneration awarded to the members of the Management Board and of the Supervisory Board. The remuneration report was adopted by the Management Board at its meeting on 3 April 2024 and by the Supervisory Board at its meeting on 23 April 2024 and will be submitted to the Annual General Meeting of STRABAG SE for approval in 2024.

### **1. INTRODUCTORY OVERVIEW TO THE 2023 FINANCIAL YEAR**

#### **1.1 Overview of the business performance**

Throughout 2023, the STRABAG Group successfully maintained its footing in an environment marked by a notable downturn of the construction industry in its key markets. Both output and earnings saw an uptick from last year's figures. The order backlog has stabilised at a high level, setting a strong stage for the year ahead.

#### **1.2 (No) significant events in the 2023 financial year**

No significant events impacting the remuneration of the members of the Management Board and of the Supervisory Board were recorded in the 2023 financial year.

#### **1.3 Changes to the Management Board or the Supervisory Board in the 2023 financial year**

##### **a) Changes to the Management Board**

There were no changes to the Management Board in the 2023 financial year. As already stated in the remuneration report for the 2022 financial year, Dr. Thomas Birtel stepped down as CEO at the end of 31 December 2022 after reaching the specified age limit. On 1 January 2023, Klemens Haselsteiner took over as CEO, and Jörg Rösler came aboard as a new member of the Management Board.

##### **b) Changes to the Supervisory Board**

There were no changes to the Supervisory Board in the 2023 financial year. In the Supervisory Board meeting on 19 December 2023, Dr. Alfred Gusenbauer resigned from the Supervisory Board with effect from the end of 31 December 2023. Effective 1 January 2024, Kerstin Gelbmann has been appointed as the new Chairperson of the Supervisory Board, stepping into the roles previously held by Dr. Gusenbauer on the Supervisory Board's committees. Additionally, on 25 January 2024, Dr. Valerie Hackl was designated by Klemens Haselsteiner, the holder of registered share no. 1, to serve on the Supervisory Board.

#### **1.4 (No) deviations from the remuneration policies**

In the 2023 financial year, there were no deviations from the remuneration policies for the Management Board and the Supervisory Board that were presented at the 2020 Annual General Meeting.

## 2. REMUNERATION REPORT FOR THE MANAGEMENT BOARD

### 2.1 Principles of the remuneration policy

Ensuring the continued existence of the company and meeting its obligation to create value for its shareholders and its employees are essential goals of the business policy of STRABAG SE. STRABAG SE's remuneration policy takes this strategic approach into account because it promotes sustained, long-term action and does not create incentives for short-term profit maximisation. The personal objectives of each member of the Management Board are aligned with the long-term interests of the company.

The following principles characterise the remuneration policy of STRABAG SE:

**Governance** – The remuneration package is competitive, in line with the usual market terms and within the legal and regulatory requirements defining the framework of the remuneration policy.

**Strategy of the Group** – The structure of the remuneration reflects the scope and complexity of the business and contributes to steady positive corporate development. The Management Board is encouraged not to take disproportionate risks.

**Regulatory remuneration ceiling** – The variable income component can amount to a maximum of 200% of the base salary (gross annual income).

**Sustainability** – 25% of the variable remuneration is retained annually and credited to a personal clearing account. Any balance in the personal clearing account is paid out after the end of an appointment as a member of the Management Board regardless of a possible reappointment. If the balance in the personal clearing account exceeds the base salary (gross annual income), the amount exceeding the base salary (gross annual income) will be paid out in the year after the year in which the amount of one base salary (gross annual income) was exceeded.

**Shareholder interests** – The variable remuneration components are determined in accordance with clearly defined key figures that are decisive for the business strategy and long-term development of the company. This takes into account the interests of the shareholders in the positive financial development of the company.

### 2.2 Structure of the remuneration system

#### a) Fixed remuneration components

The base salary (gross annual income) is the annual compensation for the function as a member of the Management Board. The amount depends on the tasks and responsibilities as well as on the size and financial situation of the company. The competitiveness of the remuneration on the market is taken into account. Non-cash benefits and insurance benefits can also be granted at usual market terms.

#### b) Variable remuneration components

The calculation of the annual bonus for the members of the Management Board is based on the cost-accounted net income of the financial year. The cost-accounted net income is essentially determined in accordance with the International Financial Reporting Standards (IFRS). Differences between IFRS and the cost-accounted net income are explained in detail in the remuneration policy.

For STRABAG SE, the net income represents the key value driver, reflects the expansion of business and market share, and shows disproportionate improvements in profitability through high operational commitment and the efficient use of capital. This figure is therefore essential for the business strategy and long-term development pursued by STRABAG SE. This performance-based remuneration also ensures that Management Board members do not base their decisions solely on financial indicators but also take sustainability aspects and efficiency criteria into account.

The annual bonus granted to the members of the Management Board takes into account the achieved financial objectives of the Group overall and the achieved financial indicators within the area of responsibility of the individual Management Board members. The basis for the annual bonus is in principle the amount of the respective cost-accounted net income less a minimum earnings figure to be determined (basis). The basis determined in this way is multiplied by certain percentages. Different percentages are used for individual earnings levels. The level of the percentages is staggered for the individual members of the Management Board according to the function performed (Chairperson, other members of the Management Board).

If the amount calculated according to the basis and the percentages specified remains below the amount of one base salary (gross annual income), this corresponds to the annual bonus of the respective Management Board member. If the calculated amount exceeds one base salary (gross annual income), the bonus is calculated as follows: From the calculated amount, the Management Board member is initially entitled to an amount equal to the base salary (gross annual income). From the remaining amount in excess of one base salary (gross annual income), a further amount up to the amount of one base salary (gross annual income) is reduced to 50% and each further amount up to the amount of one base salary (gross annual income) is then reduced to half the percentage of the previous level (incremental arrangement). Based on this calculation, a maximum annual bonus of two base salaries (gross annual incomes) can be attained.

Example of the calculation method:

If the base salary (gross annual income) for a Management Board member is 200 and the amount calculated before the percentage-based reduction is 700, this leads to the following bonus:

200.0 (= 100.0% of 200)
100.0 (= 50.0% of 200)
50.0 (= 25.0% of 200)
<u>12.5 (= 12.5% of 100)</u>
362.5 bonus

c) Minimum bonus when certain operating margins are achieved

If certain operating margins of the cost-accounted net income are reached, members of the Management Board have a right to a minimum bonus, regardless of the absolute amount of the figure and the general principles outlined above. Depending on the amount of the operating margin, a minimum bonus up to a maximum of twice the base salary (gross annual income) can be achieved.

## 2.3 Total remuneration including shares of variable remuneration

Name *	FY	Fixed remuneration (in €)		Variable remuneration ** (in €)	Total *** (in €)	Ratio of fixed to variable remuneration (in %)
		Base salary (gross annual income)	Additional remuneration ****)			
<b>Klemens Haselsteiner, BBA, BF</b>	2023	900,000	7,290	1,800,000	2,707,290	34:66
	2022	500,000	7,290	1,000,000	1,507,290	34:66
<b>Mag. Christian Harder</b>	2023	600,000	11,520	1,200,000	1,811,520	34:66
	2022	500,000	11,520	1,000,000	1,511,520	34:66
<b>Dipl.-Ing. (FH) Jörg Rösler</b>	2023	600,000	11,520	1,200,000	1,811,520	34:66
		-	-	-	-	-
<b>Dipl.-Ing. Siegfried Wanker</b>	2023	600,000	11,520	1,200,000	1,811,520	34:66
	2022	500,000	11,520	1,000,000	1,511,520	34:66
<b>Dipl.-Ing. (FH) Alfred Watzl</b>	2023	600,000	11,520	1,200,000	1,811,520	34:66
	2022	500,000	11,520	1,000,000	1,511,520	34:66
<b>Total (all Management Board members)</b>	2023	3,300,000	53,370	6,600,000	9,953,370	34:66
	2022	2,000,000	41,850	4,000,000	6,041,850	34:66

\*) This overview shows the total remuneration of those members of the Management Board who will receive remuneration in 2023. Members who left the Management Board in 2022 are not listed and are therefore no longer included in the presentation of the remuneration for 2022.

\*\*) Each of the amounts stated corresponds to the total variable remuneration determined on the basis of the performance criterion "operating margin". Of the variable remuneration, 75% is paid to each Management Board member; the remaining 25% is allocated to the personal clearing account of each individual Management Board member and is paid out following expiration of the Management Board contract. If the balance in the personal clearing account exceeds the amount of one base salary (gross annual salary), the excess amount is paid out in the year in which the amount is exceeded. With the settlement of the variable remuneration for the 2022 financial year, the entire balance in the personal clearing account for each individual Management Board member was paid out to that member. This amounts to € 511,710 for Klemens Haselsteiner, Christian Harder, Siegfried Wanker and Alfred Watzl.

\*\*\*) As the remuneration policy for the Management Board does not provide for any other special remuneration or bonus payments, no member of the Management Board received such payments in the 2023 financial year. Likewise, no severance payments are made. Therefore, these columns are not shown separately in the table.

\*\*\*\*) The additional remuneration of the members of the Management Board refers exclusively to their right to a company car, which is assessed at the taxable benefit-in-kind value. Insurance cover is also provided: A liability policy covers the legal liability of the members of the Management Board with regard to third-party personal injury, property damage or financial losses. Accident insurance provides coverage in the event of death or disability. The Board members are also covered by a legal expense insurance in the event of claims resulting from administrative or criminal violations. A directors and officers (D&O) insurance covers damage claims resulting from financial losses for third parties or the company as the result of neglect of duty on the part of the Management Board members during their service as officers of the company.

Any remuneration for supervisory board mandates and similar positions at companies in which STRABAG SE has a direct or indirect investment, as well as for activities in associations or similar institutions of which STRABAG SE is a member by virtue of its business activities, are offset against the remuneration due under the Management Board contract.

The total remuneration for the members of the Management Board corresponds to the remuneration policy for the Management Board presented for approval at the Annual General Meeting on 19 June 2020. There was no deviation from this remuneration policy.

## 2.4 Overview of the performance of the Management Board members in the 2023 financial year

Name*	Performance criterion **)	Weight	Performance target		Performance and actual remuneration
			a) Minimum b) Corresponding remuneration	a) Maximum/target b) Corresponding remuneration	
<b>Klemens Haselsteiner, BBA, BF</b>	Cost-accounted net income	100%	a) € 200,000,000 b) € 0.0	a) N/A ***) b) € 1,800,000	a) N/A b) N/A
	Operating margin	100%	a) 3.0% b) € 1,516,000	a) 4.0% b) € 1,800,000	a) 4.4% b) € 2,700,000
<b>Mag. Christian Harder</b>	Cost-accounted net income	100%	a) € 200,000,000 b) € 0.0	a) N/A ***) b) € 1,200,000	a) N/A b) N/A
	Operating margin	100%	a) 3.0% b) € 936,000	a) 4.0% b) € 1,200,000	a) 4.4% b) € 1,800,000
<b>Dipl.-Ing. (FH) Jörg Rösler</b>	Cost-accounted net income	100%	a) € 200,000,000 b) € 0.0	a) N/A ***) b) € 1,200,000	a) N/A b) N/A
	Operating margin	100%	a) 3.0% b) € 936,000	a) 4.0% b) € 1,200,000	a) 4.4% b) € 1,800,000
<b>Dipl.-Ing. Siegfried Wanker</b>	Cost-accounted net income	100%	a) € 200,000,000 b) € 0.0	a) N/A ***) b) € 1,200,000	a) N/A b) N/A
	Operating margin	100%	a) 3.0% b) € 936,000	a) 4.0% b) € 1,200,000	a) 4.4% b) € 1,800,000
<b>Dipl.-Ing. (FH) Alfred Watzl</b>	Cost-accounted net income	100%	a) € 200,000,000 b) € 0.0	a) N/A ***) b) € 1,200,000	a) N/A b) N/A
	Operating margin	100%	a) 3.0% b) € 936,000	a) 4.0% b) € 1,200,000	a) 4.4% b) € 1,800,000

\*) This overview shows the total remuneration of those members of the Management Board who will receive remuneration in 2023. Members who left the Management Board in 2022 are not listed and are therefore no longer included in the presentation of the remuneration for 2022.

\*\*) The remuneration policy for the Management Board provides for two alternative performance criteria: cost-accounted net income and operating margin. These two performance criteria are to be applied alternatively for the variable remuneration. The applicable performance criterion for the variable remuneration is the one that leads to an entitlement for the higher variable remuneration. In the 2023 financial year, this was the operating margin. The performance and the actual remuneration are therefore (only) stated for the relevant performance criterion: the operating margin.

\*\*\*) For the performance criterion "cost-accounted net income", an incremental arrangement applies in accordance with the formula explained under item 2.2 b). In accordance with the incremental arrangement, the maximum achievable variable remuneration is reached approximately at a cost-accounted net income of € 1 billion.

## 2.5 Information on stock-based remuneration

STRABAG SE has decided against a stock option programme or comparable programmes for Management Board members.

## 2.6 Clawback/malus – clawback of variable remuneration components

In the event of a negative cost-accounted net income, the percentages set for the members of the Management Board are applied to a loss-sharing arrangement that is offset against an existing credit balance on the personal clearing account. Any loss sharing in excess of this amount is deducted from the next following variable remuneration. The ceiling of twice the base salary (gross annual income) also applies to loss sharing under consideration of the incremental arrangement. No further clawback rules exist. Loss sharing is an instrument to dissuade the Management Board from engaging in risks that are to the detriment of the Group and to promote solid growth. There was no loss sharing in the 2022 financial year.

### 3. REMUNERATION REPORT FOR THE SUPERVISORY BOARD

#### 3.1 Principles of the remuneration policy

The remuneration policy for the Supervisory Board aims at a balanced and qualified composition of the Supervisory Board and so promotes the business strategy and long-term development of STRABAG SE. The remuneration policy provides the members of the Supervisory Board with remuneration for their work that is commensurate with their duties and responsibilities and with the size and economic situation of the company and, in particular, ensures the objectivity and independence of the Supervisory Board.

The remuneration of the members of the Supervisory Board is designed to attract and retain suitably qualified persons as members of the Supervisory Board of an internationally active listed company, allowing a balanced composition of professional and personal qualifications with respect to the company's structure and business; aspects of diversity in terms of gender, age and nationality are also adequately taken into account. The remuneration is regularly reviewed to ensure it is in line with the usual market terms.

Individual aspects of Supervisory Board remuneration are regulated in the company's Articles of Association. In accordance with Article 14 of the Articles of Association, the remuneration of the members of the Supervisory Board is determined by the General Meeting.

#### 3.2 Structure of the remuneration system

The members of the Supervisory Board elected by the General Meeting and designated by shareholders receive an annual remuneration for the time invested and for the assumption of the responsibilities as a member of the Supervisory Board. Attendance fees are not provided. The General Meeting's decision on remuneration is binding. The employee representatives on the Supervisory Board do not receive any remuneration. Per agreement in accordance with Section 230 of the Austrian Labour Constitution Act (ArbVG) of 30 September 2009, they perform their function on a voluntary basis.

The amount of the remuneration is staggered according to the function performed – i.e. Chairperson, Vice Chairperson and other members of the Supervisory Board. The members of the Supervisory Board are reimbursed for cash expenses incurred in the course of their work.

The company also bears the costs for directors and officers insurance (D&O insurance). This is specified in the remuneration policy for the Supervisory Board as well as in Article 14 (2) of the Articles of Association of the company.

Variable remuneration of the members of the Supervisory Board dependent on the success of the business is not provided in order to avoid conflicts of interest among the Supervisory Board in its control and monitoring function of the operating business. Activities of the members of the Supervisory Board in Supervisory Board committees – apart from the reimbursement of cash expenses – are not remunerated separately and are compensated with the annual remuneration.

#### 3.3 Total remuneration

Name *)	Fixed remuneration (in €)		Total (in € **)		Ratio of fixed to variable remuneration	
	Annual remuneration					
	2023	2022	2023	2022	2023	2022
<b>Dr. Alfred Gusenbauer</b>	100,000	100,000	100,000	100,000	100:0	100:0
<b>Mag. Erwin Hameseder</b>	50,000	50,000	50,000	50,000	100:0	100:0
<b>Dr. Andreas Brandstetter</b>	30,000	30,000	30,000	30,000	100:0	100:0
<b>Mag. Kerstin Gelbmann</b>	30,000	30,000	30,000	30,000	100:0	100:0

<b>Mag. Gabriele Schalleger</b>	30,000	15,616	30,000	15,616	100:0	100:0
<b>Total</b>	240,000	225,616	240,000	225,616		

\*) This overview shows the total remuneration of those members of the Supervisory Board who will receive remuneration in 2023. Members who left the Supervisory Board in 2022 are not listed and are therefore no longer included in the presentation of the remuneration for 2022.

\*\*) As the remuneration policy for the Supervisory Board does not provide for variable remuneration, a simplified presentation of the total remuneration is given. Supervisory Board members also do not receive any special remuneration or other bonus payments. Therefore, these columns and the column "variable remuneration" are not shown separately in the table.

The remuneration for 2023 is based on the resolution of the Annual General Meeting of 18 June 2021, following which the annual remuneration until a new resolution is passed amounts to € 30,000 for members of the Supervisory Board, € 50,000 for the Vice Chairperson and € 100,000 for the Chairperson.

The total remuneration for the members of the Supervisory Board corresponds to the remuneration policy for the Supervisory Board presented for approval at the Annual General Meeting on 19 June 2020. There was no deviation from this remuneration policy.

#### 4. OTHER INFORMATION AND EXPLANATIONS

##### 4.1 Annual changes (business performance, total remuneration, remuneration of employees)

Annual changes (in €)*	2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022	Absolute values 2023 (in €)
<b>Management Board remuneration *)</b>						
<b>Klemens Haselsteiner, BBA, BF</b>	-	-	- 2,361	- 2,576	+ 1200,000	2,707,290
<b>Mag. Christian Harder</b>	+ 193,301	0	0	0	+ 300,000	1,811,520
<b>Dipl.-Ing. (FH) Jörg Rösler</b>	-	-	-	-	-	1,811,520
<b>Dipl.-Ing. Siegfried Wanker</b>	+ 193,301	0	0	0	+ 300,000	1,811,520
<b>Dipl.-Ing. (FH) Alfred Watzl</b>	-	+ 1,048	0	0	+ 300,000	1,811,520
<b>Supervisory Board remuneration *)</b>						
<b>Dr. Alfred Gusenbauer</b>	0	+ 40,000	0	0	0	100,000
<b>Mag. Erwin Hameseder</b>	0	+ 20,000	0	0	0	50,000
<b>Dr. Andreas Brandstetter</b>	0	+ 12,000	0	0	0	30,000
<b>Mag. Kerstin Gelbmann</b>	0	+ 12,000	0	0	0	30,000
<b>Mag. Gabrielle Schalleger</b>	-	-	-	-	0	30,000
<b>Performance of the company</b>						
Cost-accounted net income	+ 62,688,000	- 3,003,000	+ 115,008,000	+ 6,923,000	+ 130,048,000	846,782,000
<b>Average remuneration on a full-time basis of the company's employees</b>						
Employees of the STRABAG Group in Austria **)	+ 1,704	+ 1,220	+ 804	+ 1,938	+ 5,693	61,902

\*) The remuneration and the annual changes in the remuneration of the members of the Management Board and of the Supervisory Board who were appointed to or left their position during the year are annualised for better comparability. The commencement of the entitlement to remuneration upon appointment and the termination of the entitlement to remuneration upon departure from the Supervisory Board are not considered annual changes within the meaning of this table.

\*\*) STRABAG SE itself has no employees other than the members of the Management Board. Due to the country-specific differences in salary levels and trends, the average remuneration of the employees of the globally active STRABAG SE Group is not informative for comparison purposes. In order to achieve a better degree of comparability of the development of the average remuneration of employees, the remuneration of the employees of the STRABAG Group in Austria is used.

Annual changes (in %)*	2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022
<b>Management Board remuneration *)</b>					
<b>Klemens Haselsteiner, BBA, BF</b>	-	-	+ 0.2	- 0.2	+ 79.6
<b>Mag. Christian Harder</b>	+ 14.7	0	0	0	+ 19.8
<b>Dipl.-Ing. (FH) Jörg Rösler</b>	-	-	-	-	-
<b>Dipl.-Ing. Siegfried Wanker</b>	+ 14.7	0	0	0	+ 19.8
<b>Dipl.-Ing. (FH) Alfred Watzl</b>	-	+ 0.1	0	0	+ 19.8
<b>Supervisory Board remuneration *)</b>					
<b>Dr. Alfred Gusenbauer</b>	0	+ 67	0	0	0
<b>Mag. Erwin Hameseder</b>	0	+ 67	0	0	0
<b>Dr. Andreas Brandstetter</b>	0	+ 67	0	0	0
<b>Mag. Kerstin Gelbmann</b>	0	+ 67	0	0	0
<b>Mag. Gabrielle Schallegger</b>	-	-	-	-	0
<b>Performance of the company</b>					
Cost-accounted net income	+ 11.7	- 0.5	+ 19.3	+ 1.0	+ 18.1
<b>Average remuneration on a full-time basis of the company's employees</b>					
Employees of the STRABAG Group in Austria **)	+ 3.4	+ 2.3	+ 1.5	+ 3.5	+ 10.1

\*) The presentation of the annual changes is always based on the remuneration for a full financial year, even if a member of the Board was appointed to or left the position during the year. The commencement of the entitlement to remuneration upon appointment and the termination of the entitlement to remuneration upon departure from the Supervisory Board are not considered annual changes within the meaning of this table.

\*\*) STRABAG SE itself has no employees other than the members of the Management Board. Due to the country-specific differences in salary levels and trends, the average remuneration of the employees of the globally active STRABAG SE Group is not informative for comparison purposes. In order to achieve a better degree of comparability of the development of the average remuneration of employees, the remuneration of the employees of the STRABAG Group in Austria is used.

## 4.2 Consideration of the voting outcome of the Annual General Meeting

At the Annual General Meeting of 16 June 2023, the remuneration report for the Management Board and Supervisory Board of STRABAG SE for the 2022 financial year was presented for voting. The remuneration report for the Management Board and Supervisory Board for the 2022 financial year was approved by the Annual General Meeting with the required majority.

Vienna, April 2024